

**China Life Franklin Global Fund -  
Short Term Bond Fund**  
(A fund of an open-ended unit trust established  
under the laws of Hong Kong)

Financial statements  
for the year ended 31 December 2024

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## Administration and management

### **Manager**

China Life Franklin Asset Management Co., Limited  
27/F, One Exchange Square,  
8 Connaught Place Central,  
Hong Kong

### **Directors of the Manager**

Yu Yong  
Gregory Eugene McGowan  
Chen Yingshun  
Wang Yijiang  
Molina George H  
Wei Xiaopeng  
Liu Hui  
Shan Gang  
Yan Ligang

### **Legal adviser to the Manager**

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

### **Trustee, transfer agent and registrar**

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

### **Auditor**

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

### **Custodian**

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

# Report of the Manager to the unitholders

## MARKET REVIEW & OUTLOOK

Interest rate fluctuated widely in 2024 as US economic strength continued to be scrutinized during the year, which ultimately stood the test. Macro volatility has taken a back seat as the Fed has been assured of the progress on inflation and started to ease interest rate, while risk assets performed well -- spread tightened to post-covid low as market optimism rose with AI boom and continued US economic resilience, despite temporary shocks from external markets.

Trump's second term has been a more decisive factor in the financial market in 2025 than expected. The reciprocal tariff announced in early April 2025 is no doubt to change global trade and supply chains. We see great uncertainty in Trump's trade policy and possible retaliatory actions from main trading partners, any possible outcomes would leave huge and lasting marks on financial markets. Macro volatility is doomed to rise, though it won't be easy to go into micro as well.

We will maintain our prudent style, with the awareness of the unprecedented change in the global economy and financial market.

China Life Franklin Asset Management Co., Limited

## Report of the Trustee to the unitholders

We hereby confirm that, in our opinion, the Manager, China Life Franklin Asset Management Co., Limited, has, in all material respects, managed China Life Franklin Global Fund-Short Term Bond Fund for the year ended 31 December 2024, in accordance with the provisions of the Trust Deed dated 5 October 2020, the First Supplemental Deed dated 9 November 2020 and the Second Supplemental Deed dated 22 June 2021.

On behalf of

BOCI-Prudential Trustee Limited, the Trustee



# Independent Auditor's Report to the Unitholders of China Life Franklin Global Fund - Short Term Bond Fund

*(a sub-fund of China Life Franklin Global Fund, an open-ended unit trust established under the laws of Hong Kong)*

## Report on the Audit of Financial Statements

### Opinion

We have audited the financial statements of Short Term Bond Fund (a sub-fund of China Life Franklin Global Fund (the "Trust") and referred to as the "Sub-Fund") set out on pages 8 to 38, which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flow for the year ended 31 December 2024 and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial disposition of the Sub-Fund as at 31 December 2024 and of its financial transactions and cash flows for the year ended 31 December 2024 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 ("HKSA") 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 HKICPA's *Code of Ethics for Professional Accountants* ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Manager and the Trustee of the Sub-Fund are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## Independent Auditor's Report to the Unitholders of China Life Franklin Global Fund - Short Term Bond Fund (continued)

*(a sub-fund of China Life Franklin Global Fund, an open-ended unit trust established under the laws of Hong Kong)*

### **Information Other than the Financial Statements and Auditor's Report Thereon (continued)**

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Manager and the Trustee of the Sub-Fund 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 of the Sub-Fund 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 of the Sub-Fund 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 provisions of the Trust Deed dated 5 October 2020, as amended ("the Trust Deed"), and the relevant disclosure provisions of Appendix E to the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Independent Auditor's Report to the Unitholders of China Life Franklin Global Fund - Short Term Bond Fund (continued)

*(a sub-fund of China Life Franklin Global Fund, an open-ended unit trust established under the laws of Hong Kong)*

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

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





## Independent Auditor's Report to the Unitholders of China Life Franklin Global Fund - Short Term Bond Fund (continued)

*(a sub-fund of China Life Franklin Global Fund, an open-ended unit trust established under the laws of Hong Kong)*

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee of the Sub-Fund regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Certified Public Accountants

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

## Statement of comprehensive income for the year ended 31 December 2024 (Expressed in USD)

	Note	2024 USD	2023 USD
<b>Income</b>			
Interest income on financial assets at FVTPL		3,289,349	3,315,139
Other interest revenue	14	16,619	300,362
Other income		126	696
		<u>3,306,094</u>	<u>3,616,197</u>
<b>Expenses</b>			
Management fees	4,14	(18,658)	(14,219)
Transaction costs	4,14	(22,420)	(21,053)
Trustee fees	4,14	(60,323)	(59,839)
Custodian fees	4,14	(34,480)	(33,635)
Legal and professional fees		-	(8,792)
Audit fees		(18,644)	(14,013)
Other operating expenses		(29,839)	(13,052)
		<u>(184,364)</u>	<u>(164,603)</u>
Net gain before investments and exchange differences		<u>3,121,730</u>	<u>3,451,594</u>
<b>Investment and exchange differences</b>			
Net gain on financial assets at fair value through profit or loss	5	2,362,522	1,888,797
Net foreign exchange differences		1,941	(40)
		<u>2,364,463</u>	<u>1,888,757</u>
Profit and total comprehensive income for the year		<u><u>5,486,193</u></u>	<u><u>5,340,351</u></u>

The notes on pages 15 to 38 form part of these financial statements.

## Statement of financial position at 31 December 2024

(Expressed in USD)

	Note	31 December 2024 USD	31 December 2023 USD
<b>Assets</b>			
Financial assets at fair value through profit or loss	5, 14	88,350,232	102,633,443
Subscription receivable		26,528	-
Amounts due from brokers	8	169,191	157,022
Interest receivable		943,838	757,869
Prepaid expenses and other receivables		-	5
Cash and cash equivalents	9, 14	931,011	519,944
<b>Total assets</b>		<u>90,420,800</u>	<u>104,068,283</u>
<b>Liabilities</b>			
Redemption payable		53,058	-
Management fee payable	4, 14	14,968	3,613
Trustee fee payable	4, 14	5,167	4,677
Other accounts payable and accruals		69,699	62,045
<b>Total liabilities</b>		<u>142,892</u>	<u>70,335</u>
<b>Net assets attributable to shareholders</b>			
Financial liabilities	11	<u>90,277,908</u>	<u>103,997,948</u>
<b>Number of units in issue, Class A (HKD)</b>		34,394	32,349
<b>Number of units in issue, Class A (USD)</b>		2,262	472
<b>Number of units in issue, Class A2 (HKD)</b>		257,919	9,854
<b>Number of units in issue, Class A2 (USD)</b>		40,880	10
<b>Number of units in issue, Class B (USD)</b>		5,806,690	7,647,599
<b>Number of units in issue, Class I (USD)</b>		1,978,584	1,978,584

**Statement of financial position at 31 December 2024**  
**(continued)**  
*(Expressed in USD)*

	<i>Note</i>	<i>31 December 2024 USD</i>	<i>31 December 2023 USD</i>
<b>Net asset value per unit, Class A (HKD)</b>		11.2728	10.7011
<b>Net asset value per unit, Class A (USD)</b>		11.3391	10.6842
<b>Net asset value per unit, Class A2 (HKD)</b>		10.7906	10.2841
<b>Net asset value per unit, Class A2 (USD)</b>		10.8569	10.2851
<b>Net asset value per unit, Class B (USD)</b>		11.4934	10.8034
<b>Net asset value per unit, Class I (USD)</b>		11.4532	10.7729

Approved by the Manager and the Trustee on

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China Life Franklin Asset Management  
Co., Limited

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BOCI-Prudential Trustee Limited

The notes on pages 15 to 38 form part of these financial statements.

## Statement of changes in equity for the year ended 31 December 2024 (Expressed in USD)

	<u>2024</u>	
	<i>Number of units</i>	<i>USD</i>
At 1 January 2024	9,668,868	103,997,948
<b>Transaction with unitholders, recognised directly in equity</b>		
Subscription of units		
- Class A (HKD)	8,977	12,858
- Class A (USD)	1,927	21,790
- Class A2 (USD)	134,502	1,446,010
- Class A2 (HKD)	1,110,421	1,523,889
- Class B (USD)	-	-
- Class I (USD)	-	-
	<u>1,255,827</u>	<u>3,004,547</u>
Redemption of units		
- Class A (HKD)	(6,932)	(9,523)
- Class A (USD)	(138)	(1,499)
- Class A2 (USD)	(93,632)	(1,011,124)
- Class A2 (HKD)	(862,356)	(1,188,634)
- Class B (USD)	(1,840,909)	(20,000,000)
- Class I (USD)	-	-
	<u>(2,803,967)</u>	<u>(22,210,780)</u>
	<u>8,120,728</u>	
<b>Profit and total comprehensive income for the year</b>		<u>5,486,193</u>
<b>Balance at the end of the year</b>		<u>90,277,908</u>

The notes on pages 15 to 38 form part of these financial statements.

# Statement of changes in equity for the year ended 31 December 2024 (continued) (Expressed in USD)

	<u>2023</u>	
	<i>Number of units</i>	<i>USD</i>
At 1 January 2023	9,662,029	98,648,761
<b>Transaction with unitholders, recognised directly in equity</b>		
Subscription of units		
- Class A (HKD)	10	1,000
- Class A (USD)	98	13
- Class A2 (USD)	20	200
- Class A2 (HKD)	11,838	15,513
- Class B (USD)	-	-
- Class I (USD)	-	-
	<hr/>	<hr/>
	11,966	16,726
Redemption of units		
- Class A (HKD)	(3,008)	(3,925)
- Class A (USD)	(125)	(1,281)
- Class A2 (USD)	(10)	(101)
- Class A2 (HKD)	(1,984)	(2,583)
- Class B (USD)	-	-
- Class I (USD)	-	-
	<hr/>	<hr/>
	(5,127)	(7,890)
	<hr/>	<hr/>
	9,668,868	
	<hr/>	
<b>Profit and total comprehensive income for the year</b>		<hr/> 5,340,351
<b>Balance at the end of the year</b>		<hr/> 103,997,948

The notes on pages 15 to 38 form part of these financial statements.

## Statement of cash flow for the year ended 31 December 2024 (Expressed in USD)

	Note	2024 USD	2023 USD
<b>Cash flows from operating activities</b>			
Profit and total comprehensive income for the year		5,486,193	5,340,351
Adjustments for:			
Interest income		(3,305,968)	(3,615,501)
Net change in unrealised loss/(gain) on financial assets at fair value through profit or loss	5	213,835	(1,312,034)
Net realised gain on financial assets at fair value through profit or loss	5	(2,576,357)	(576,763)
Purchase of financial assets at fair value through profit or loss		(451,208,846)	(559,251,266)
Proceeds from sale of financial assets at fair value through profit or loss		467,854,579	524,768,348
Decrease in other receivables	5	5	1,795
(Increase)/decrease in amount due from brokers		(12,169)	340,721
Increase in management fee payable		11,355	2,464
Increase/(decrease) in trustee fee payable		490	(161)
Increase/(decrease) in other accounts payable and accruals		7,654	(2,591)
		<u>16,470,771</u>	<u>(34,304,637)</u>
Interest received		<u>3,119,999</u>	<u>3,526,585</u>
<b>Net cash generated from/(used in) operating activities</b>		<u><u>19,590,770</u></u>	<u><u>(30,778,052)</u></u>

The notes on pages 15 to 38 form part of these financial statements.

**Statement of cash flow**  
**for the year ended 31 December 2024 (continued)**  
(Expressed in USD)

	Note	2024 USD	2023 USD
<b>Cash flows from financing activities</b>			
Proceeds from issue of units		2,978,019	16,726
Payment on redemptions of units		(22,157,722)	(7,890)
<b>Net cash flows (used in)/generated from financing activities</b>		<u>(19,179,703)</u>	<u>8,836</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		411,067	(30,769,216)
<b>Cash and cash equivalents at the beginning of the year</b>		<u>519,944</u>	<u>31,289,160</u>
<b>Cash and cash equivalents at the end of year</b>		<u><u>931,011</u></u>	<u><u>519,944</u></u>

The notes on pages 15 to 38 form part of these financial statements.



# Notes to the financial statements

*(Expressed in USD)*

## 1 The Sub-fund

China Life Franklin Global Fund (the “Trust”) was constituted as an open-ended unit trust established under the laws of Hong Kong pursuant to a trust deed dated 5 October 2020, as amended (the “Trust Deed”).

The Trust is an open-ended unit trust and is authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the “SFC Code”). Authorisation by the SFC does not imply official approval or recommendation.

China Life Franklin Global Fund-Short Term Bond Fund (the “Sub-fund”) commenced its operation on 29 December 2020. As at 31 December 2024, there were two other sub-funds established by the Trust, namely Select High Yield Bond Fund and Global Growth Fund. Each of the sub-funds is constituted as a separate sub-fund of the Trust. The Sub-Fund is authorized by the Hong Kong Securities and Futures Commission under Section 104(1) of the Securities and Futures Ordinance and are required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC.

The Manager of the Trust and the Sub-Fund is China Life Franklin Asset Management Co., Limited (the “Manager”) and the Trustee is BOCI-Prudential Trustee Limited (the “Trustee”). The Custodian is Bank of China (Hong Kong) Limited (the “Custodian”).

The investment objective of the Sub-Fund is to achieve a return in excess of U.S. money markets by investing primarily in USD-denominated short-term debt securities.

## 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, 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 that have been measured at fair value. These financial statements are presented in United States dollars (USD) and all values are rounded to the nearest dollar except where otherwise indicated.

## 2.2 Changes in accounting policies and disclosures

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Sub-Fund. None of these developments have had a material effect on how the Sub-Fund's result and financial position for the current or prior periods have been prepared or presented.

The Sub-Fund has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 2.3).

## 2.3 Issued but not yet effective Hong Kong financial reporting standards

The Sub-Fund has not early applied any of the new and revised HKFRSs that have been issued but are not yet effective for the year ended 31 December 2024 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Sub-Fund.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates – Lack of exchangeability</i>	1 January 2025
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027

The Sub-Fund is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

## 2.4 Material accounting policies

### (a) 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 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 Sub-Fund's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

#### Financial assets measured at amortised cost

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

#### Financial assets measured at fair value through profit or loss ("FVPL")

A financial asset is measured at FVPL 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

## 2.4 Material accounting policies (continued)

- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Sub-Fund includes in this category debt instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

### Financial liabilities measured at FVPL

A financial liability is measured at FVPL if it meets the definition of held for trading. The Sub-Fund has no financial liabilities measured at FVPL as at 31 December 2024.

### Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at FVPL. The Sub-Fund includes in this category management fee payable, trustee fee payable, other accounts payable and accruals.

#### (ii) Recognition

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

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the 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 FVPL are initially 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 at FVPL at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net gain or loss on financial assets at FVPL in the statement of comprehensive income. Interests earned or paid on these instruments are recorded separately in 'interest income' in the statement of comprehensive income.

## 2.4 Material accounting policies (continued)

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

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

The effective interest method 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 Sub-Fund 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.

- the Sub-Fund has transferred substantially all the risks and rewards of the asset, or
- 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.

## 2.4 Material accounting policies (continued)

### (vi) Determination of fair value

The Sub-Fund measures its investments classified as financial assets at fair value through profit or loss at fair value at each reporting date.

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

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

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

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted prices or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

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

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

- Level 1 - based on quoted prices (unadjusted) 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 observable, either directly or indirectly
- 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 re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

## 2.4 Material accounting policies (continued)

### (vii) Impairment of financial assets

The Sub-Fund recognises an allowance for expected credit losses (“ECLs”) for all financial assets 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.

#### General approach

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 ECLs). 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 ECLs).

At each reporting date, the Sub-Fund assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Sub-Fund compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Sub-Fund considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Sub-Fund may also consider a financial asset to be in default when internal or external information indicates that the Sub-Fund is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Sub-Fund. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable and contract assets which apply the simplified approach.

Stage 1 - Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 - Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 - Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

## 2.4 Material accounting policies (continued)

### (viii) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (b) *Functional and presentation currency*

The Sub-Fund's functional currency is USD, 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 USD. Therefore, the USD 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 USD.

### (c) *Foreign currency transactions*

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

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

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 gains or losses on financial assets at fair value through profit or loss'. Exchange differences on other financial instruments are included in profit or loss as 'net foreign exchange differences'.

### (d) *Redeemable units*

Redeemable units are classified as an equity instrument when:

- a) The redeemable units entitle the holder to a pro rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation.
- b) The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
- c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- d) The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Sub-Fund's net assets.
- e) The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.



## 2.4 Material accounting policies (continued)

In addition to the redeemable units having all of the above features, the Sub-Fund has no other financial instrument or contract that has:

- a) Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund
- b) The effect of substantially restricting or fixing the residual return to the redeemable shareholders

The Sub-Fund has six classes of redeemable units in issue - "Class A (HKD)", "Class A (USD)", "Class B (USD)", "Class I (USD)", "Class A2 (HKD)" and "Class A2 (USD)". These are the most subordinate classes of financial instruments in the Sub-Fund and rank *pari passu* in all material respects and have different terms and conditions. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholders' unit in the Sub-Fund's net assets at each redeemable date, and also in the event of the Sub-Fund's liquidation. The redeemable units classified as financial liabilities and are measured at the present value of the redemption amount as at 31 December 2024 and 2023.

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

### (e) **Distributions to unitholders**

Distributions are at the discretion of the Sub-Fund. A dividend distribution to the Sub-Fund's unitholders is accounted for as a deduction from retained earnings.

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

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

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

### (g) **Interest income**

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

## 2.4 Material accounting policies (continued)

### (h) **Net gains or 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 income.

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

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

### (i) **Fees and commissions**

Fees and commissions are recognised on an accrual basis.

### (j) **Related parties**

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

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Sub-Fund;
  - (ii) has significant influence over the Sub-Fund; or
  - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund; or
- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Sub-Fund are members of the same Sub-Fund;
  - (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); and
  - (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

## 2.4 Material accounting policies (continued)

- (viii) the entity, or any member of a Sub-Fund of which it is a part, provides key management personnel services to the Sub-Fund or to the parent of the Sub-Fund.

### (k) Taxes

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

### (l) Segment reporting

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

## 3 Significant accounting judgments and estimates

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

## 4 Fees

### Management fee

The Manager is entitled to a management fee from the Sub-Fund, at a rate of 0.4% which can be increased to 1.2% maximum per annum with respect to the net asset value of Class A units, at a rate of 0.068% which can be increased to 0.6% maximum per annum with respect to the net asset value of Class I units and at a rate of 0.8% which can be increased to 1.2% maximum per annum with respect to the net asset value of Class A2. No management fee is charged for Class B units. Management fees were calculated and accrued on a daily basis.

The management fee for the year ended 31 December 2024 was USD18,658 (for the year ended 31 December 2023 was USD14,219) and USD14,968 (2023: USD3,613) was payable to the Manager as at 31 December 2024.

#### 4 Fees (continued)

##### Trustee fee

The Trustee is entitled to receive a trustee fee from the Sub-Fund, at a rate up to 0.5% per annum with respect to the net asset value of the Sub-Fund, subject to a monthly minimum fee of USD5,000. The fee was calculated and accrued on a daily basis.

The trustee fee for the year ended 31 December 2024 was USD60,323 (the year ended 31 December 2023 was USD59,839) and USD5,167 (2023: USD4,677) was payable to the Trustee as at 31 December 2024.

##### Custodian fee

The Custodian is entitled to receive custodian fee from the Sub-Fund, at a rate of 0.05% per annum with respect to the net asset value of the Sub-Fund which was calculated on a monthly basis. The Custodian is also entitled to reimbursement for any out-of-pocket expenses or third-party charges incurred in the course of its duties.

There custodian fee for the year ended 31 December 2024 was USD34,480 (for the year ended 31 December 2023 was USD33,635) and USD nil (2023: USD nil) was payable to the Custodian as at 31 December 2024.

##### Transaction costs

	2024 USD	2023 USD
Brokerage commission	1,060	7,113
Other transaction handling fees	21,360	13,940
	<u>22,420</u>	<u>21,053</u>

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

	2024 USD	2023 USD
Financial assets		
- listed debt securities	67,048,963	84,780,541
- unlisted quoted bonds	21,300,332	17,852,902
- futures	937	-
	<u>88,350,232</u>	<u>102,633,443</u>
Total financial assets at fair value through profit or loss		

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

Net gain on fair value of financial assets at fair value through profit or loss

	2024 USD	2023 USD
Held for trading		
- realised (losses)/gains	(213,835)	576,763
- change in unrealised gains	2,576,357	1,312,034
	<hr/>	<hr/>
Total net gains on financial assets at fair value through profit or loss	2,362,522	1,888,797
	<hr/>	<hr/>

## 6 Derivative contracts

The Sub-Fund uses derivative financial instruments to economically hedge its risks associated primarily with interest rate and foreign currency fluctuations. Derivative financial instruments may also be used for trading purposes where the Manager believes this would be more effective than investing directly in the underlying financial instruments. The derivative contract that the Sub-Fund holds includes future contracts.

### Futures contracts

Future contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Futures contracts are transacted in standardized amounts on regulated exchanges and are subject to daily cash margin requirements. The credit risk related to future contracts is considered minimal because the exchange ensures that these contracts are always honoured.

At 31 December 2024, the Sub-Fund's holdings in futures contracts were as specified below:

Type of contract	Expiration	Underlying	No. of contracts	Position	Fair value USD
Futures contracts	Mar 2025	10-Year US Treasury Note	20	Short	(937)

## 7 Income tax

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

Certain interest income received by the Sub-Fund may be subject to withholding tax at the place of origination.

## 8 Amounts due from brokers

	2024 USD	2023 USD
Amounts due from brokers		
- Cash held by brokers	169,191	157,022

As at 31 December 2024 and 2023, the balances were expected to be recoverable on demand.

## 9 Cash and cash equivalents

As at 31 December 2024 and 2023, the balances include cash held with Shanghai Pudong Development Bank and Bank of China (Hong Kong). The bank balances and short-term deposits are interest-bearing.

	2024 USD	2023 USD
Cash	931,011	519,944

## 10 Unit in issue

As at 31 December 2024, the Sub-Fund has offered six (2023: six) classes of unit in issue. The units can be issued and redeemed on each valuation day, i.e. every business day of the calendar year. The holders of unit may redeem the units on any valuation day by no later than the dealing deadline, i.e. no later than the 4:00 p.m. (Hong Kong time) of a business day of the calendar year. Redemption requests received after such time will be deemed to have been received on the next business day.

The calculation of net asset value per unit is based on the total net assets attributable to holders of redeemable units of each class and the number of redeemable units in issue of each class at the end of the reporting year.

The number of units in issue and the net asset value per unit as at the end of the year are stated in the statement of financial position.

### 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. The Trust and the Sub-Fund do not have any externally imposed capital requirements.

## 11 Reconciliation of net asset value

The following schedule shows the reconciliation between the NAV determined in accordance with the Private Placement Memorandum and supplement of the Sub-Fund and the NAV determined in accordance with HKFRS.

The Private Placement Memorandum and the Supplement of the Sub-Fund state that the preliminary expenses should be amortised in 5 years, while the HKFRS requires that preliminary expenses should be expensed immediately. As at 31 December 2024, the remaining amortisation year amount is within 1 year and the amounts unamortised was USD 9,279 (2023: 2 years and the amounts unamortised was USD18,603).

	2024 USD	2023 USD
Net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions	90,287,187	104,016,551
Adjustment to preliminary expenses	(9,279)	(18,603)
Net assets attributable to unitholders (per financial statements)	<u>90,277,908</u>	<u>103,997,948</u>

## 12 Financial risk and management objective and policies

Investment in the Sub-Fund is subject to market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The performance of the Sub-Fund will be affected by a number of risk factors, including the following:

### **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 indirectly observable variables such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investors' expectation, etc., which may have significant impact on the value of the investments. Market movement may therefore result in substantial fluctuation in the net asset value of redeemable units of the Sub-Fund.

The maximum risk resulting from financial instruments equals their fair value.

The Sub-Fund assumes market risk in trading activities. The Sub-Fund distinguishes market risk as interest rate risk, and foreign exchange risk.

## 12 Financial risk and management objective and policies (continued)

### Interest rate risk

As the Sub-Fund has invested in debt securities whose values are driven significantly by changes in interest rates, the Sub-Fund is subject to interest rate risk. When interest rates rise, the value of previously acquired debt securities will normally fall because new debt securities acquired will pay a higher rate of interest. In contrast, if interest rates fall, then the value of the previously acquired debt securities will normally rise. The Manager regularly assesses the economic condition and monitor changes in interest rates outlook to control the impact of interest rate risk.

The majority of interest rate exposure arises on investments in debt securities. Most of the Sub-Fund's investments in debt securities carry fixed interest rates and mature within an average of 1 to 5 years.

The following table demonstrates the sensitivity of the Sub-Fund's profit or loss for the year to a reasonably possible change in interest rates, with all other variables held constant.

	<i>Change in basis points</i>	<i>Sensitivity of change in fair value of investments and net assets USD</i>
As at 31 December 2024		
- Debt securities	+/- 100bpss	-/+ 2,004,931
As at 31 December 2023		
- Debt securities	+/- 100bpss	-/+ 2,191,969

The Sub-Fund also has interest-bearing bank deposits which the interest rates movement will not have significant cash flow impact on the net asset value and therefore no sensitivity analysis on bank deposit is presented.

### 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 holds assets and liabilities mainly denominated in HKD and United States dollars ("USD") while HKD is the functional currency of the Sub-Fund. USD is linked with HKD and hence, the Manager considers the Sub-Fund is not exposed to significant currency risk and therefore no sensitivity analysis is presented.



## 12 Financial risk and management objective and policies (continued)

### Liquidity risk

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

The Sub-Fund is exposed to liquidity risk through its investments, including bonds and derivatives. The Sub-Fund restricts its concentration risk by its investment restriction policy as per its Explanatory Memorandum.

The price at which the fixed income securities are traded may be higher or lower than the initial subscription price due to many factors including the prevailing interest rates. Further, the bid and offer spreads of the price of fixed income securities in which the Sub-Fund invests may be large, and hence, the Sub-Fund may incur significant trading and realisation costs and losses may be suffered.

All of the financial liabilities of the Sub-Fund are due within 1 year.

### ***Credit and counterparty risk***

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

All transactions 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 invests in a diversified portfolio of debt securities issued by issuers with wide range of credit ratings. If the issuer of any of the debt securities in which the Sub-Fund invested defaults, the performance of the Sub-Fund will be adversely affected. The credit ratings are reviewed regularly by the Manager.

The Sub-Fund is exposed to credit risk on debt securities. These classes of financial assets are not subject to HKFRS 9's impairment requirements as they are measured at FVPL. The carrying value of these assets represents the Sub-Fund's maximum exposure to credit risk on financial instruments not subject to the HKFRS 9 impairment requirements on the respective reporting dates. The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank balances and investments held with the Custodian. The exposures and credit rating from Standard & Poor's ("S&P") are summarised below while certain numbers of the investments are not rated by S&P:

## 12 Financial risk and management objective and policies (continued)

As at 31 December 2024

Custodian and brokers	Credit rating
Bank of China (Hong Kong)	A+
JP Morgan	A-
Morgan Stanley	A-
Shanghai Pudong Development Bank Co Ltd	BBB
<u>Debt securities at FVPL</u>	
AAA	-
AA+	-
AA-	-
A+	5,163,198
A	18,517,716
A-	24,239,894
BBB+	22,040,499
BBB	8,930,694
BBB-	3,475,304
No rating	5,981,990
Total financial assets at FVPL	<u>88,349,295</u>

As at 31 December 2023

Custodian and brokers	Credit rating
Bank of China (Hong Kong)	A+
JP Morgan	A-
Morgan Stanley	A-
Shanghai Pudong Development Bank Co Ltd	BBB
China Minsheng Banking Corp Ltd Hong Kong Branch	BBB-
Industrial Bank Co Ltd	BBB
<u>Debt securities at FVPL</u>	
AAA	4,497,047
AA+	699,395
AA-	-
A+	15,358,523
A	11,867,711
A-	24,678,056
BBB+	23,085,442
BBB	9,266,193
BBB-	4,212,060
No rating	8,969,016
Total financial assets at FVPL	<u>102,633,443</u>

### 13 Fair value information

The Sub-Fund's financial instruments are measured at fair value on the date of the statement of financial position. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. Usually, fair values can be reliably determined within a reasonable range of estimates.

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

The Sub-Fund's accounting policy on fair value measurements is detailed in accounting policy in note 2.4(a)(vi).

The Sub-Fund measures fair values using the three levels of fair value hierarchy defined in HKFRS 13, *Fair value measurement*, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

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

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and whose unobservable inputs have a significant effect on the instrument's valuation.

Fair values of futures contract that are traded in active market are based on quoted prices.

For debt securities, the Fund measures instruments quoted in the market at last closing price, because this price provides a reasonable approximate of the exit price. In other cases, the fair value is estimated using the market comparison/discounted cash flow techniques. This considers (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.

The fair value measurement of all of the financial assets at fair value through profit or loss held by the Sub-Fund as at 31 December 2024 and 2023 are as follow:

31 December 2024

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets:				
Debt securities	5,957,262	82,392,033	-	88,349,295
Futures	937	-	-	937
	<u>5,958,199</u>	<u>82,392,033</u>	<u>-</u>	<u>88,350,232</u>

### 13 Fair value information (continued)

31 December 2023

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets:				
Debt securities	-	102,633,443	-	102,633,443
	-	102,633,443	-	102,633,443

There was no transfer between different levels of the fair value hierarchy during the year ended 31 December 2024.

For all other financial assets and liabilities, the carrying value is an approximation of fair value.

### 14 Transactions with the Trustee and 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 and the Manager and its 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 what is disclosed in Note 4 to the financial statements and below.

#### Manager

Details of management fees charged by the Manager during the year and outstanding at the reporting date are disclosed in note 4.

#### Trustee fee and Transaction cost

Details of trustee fees charged by the Trustee during the year and outstanding at the reporting date are disclosed in note 4.

The Trustee receives a transaction fee up to USD25 per subscription, redemption and transfer transaction and a securities transaction fee up to USD25 per transaction. Total transaction fee charged by the Trustee for subscription, redemption and transfer transaction during the year was USD10,025 (2023: USD400) and total transaction fee charged by the Trustee for securities transaction during the year was USD11,335 (2023: USD13,540).

## 14 Transactions with the Trustee and Manager and their connected persons (continued)

### Transactions with the Custodian

Some of the bank balance and all of the investments of the Sub-Fund were held by custodian, Bank of China (Hong Kong) Limited ("BOCHK").

At 31 December 2024, bank balance with BOCHK was USD914,019 (2023: USD502,955), the interest revenue on the bank balance was USD6,959 (2023: USD6,690) and the bank charge was USD407 (2023: USD692).

Details of custodian fee charged by the BOCHK during the year and outstanding at the reporting date are disclosed in note 4.

### Investments in securities issued by a connected person of the Trustee

The Sub-Fund invested in quoted debt securities issued by connected persons of the Trustee. The holding and the amount invested by the Sub-Fund as at 31 December 2024 were as follows:

31 December 2024

	<i>Holding as at 31 December 2024</i>	<i>Market value as at 31 December 2024 USD</i>	<i>% of NAV as at 31 December 2024</i>	<i>Purchase USD</i>	<i>Sales USD</i>	<i>Net gain/(loss) for the year USD</i>
BOC AVIATION LTD 3.5% S/A 10OCT2024 REGS	-	-	-	991,058	1,200,000	13,460
BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS	-	-	-	-	3,287,252	16,797
BOC AVIATION USA CORP 4.875% S/A 03MAY2033 REGS	-	-	-	987,702	1,503,359	8,150
BOC AVIATION USA CORP 5.75% S/A 09NOV2028	500,000	513,175	0.57%	509,582	1,019,078	(6,420)
BANK OF CHINA LTD 5% S/A 13NOV2024 REGS	-	-	-	-	2,045,989	11,160
BOC AVIATION LTD 2.625% S/A 17JAN2025	700,000	699,300	0.77%	702,790	-	(2,380)
BK OF CHINA/HK 4.5% A 08AUG2025 FXCD	1,000,000	997,880	1.11%	994,231	-	3,649

## 14 Transactions with the Trustee and Manager and their connected persons (continued)

31 December 2023

	Holding as at 31 December 2023	Market value as at 31 December 2023 USD	% of NAV as at 31 December 2023	Purchase USD	Sales USD	Net gain/(loss) for the year USD
BANK OF CHINA LTD/MACAU 5.38% A 23FEB2023 FXCD	-	-	-	-	5,046,252	1,864
BOC AVIATION LTD 3.5% S/A 31JAN2023	-	-	-	-	3,270,000	2,354
BOC AVIATION LTD 3.5% S/A 10OCT2024 REGS	200,000	196,940	0.19%	196,651	-	2,700
BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS	3,300,000	3,258,981	3.13%	6,748,578	3,570,914	110,057
BOC AVIATION USA CORP 4.875% S/A 03MAY2033 REGS	500,000	489,700	0.47%	3,431,448	2,983,179	42,379
BOC AVIATION USA CORP 5.75% S/A 09NOV2028	1,000,000	1,029,330	0.99%	3,020,787	1,990,780	6,830
BOC AVIATION LTD 4.5% S/A 23MAY2028	-	-	-	1,988,780	1,936,245	(78,285)
BOC AVIATION LTD 2.75% S/A 02DEC2023	-	-	-	1,508,276	1,517,750	5,120
BANK OF CHINA LTD/LODON SOFR+0.83% Q 7JUN2023	-	-	-	3,711,468	3,738,289	(2,734)
BANK OF CHINA LTD 5% S/A 13NOV2024 REGS	2,000,000	1,988,440	1.93%	1,996,033	-	3,740

### Holding in the Sub-Fund

As of 31 December 2024, China Life Insurance (Overseas) Company Limited, a fellow subsidiary of the Manager, holds 5,806,690.30 Class B (USD) units and 1,978,583.99 Class I (USD) units of the Sub-Fund.

## 14 Transactions with the Trustee and Manager and their connected persons (continued)

The following table summarises the movement of the relevant holding during the year of 2024 and 2023:

2024

	<i>Units outstanding at 1 January 2024</i>	<i>Units subscribed during the year</i>	<i>Units redeemed during the year</i>	<i>Units outstanding at 31 December 2024</i>
Class B (USD)				
China Life Insurance (Overseas) Company Limited	7,647,598.98	-	(1,840,908.67)	5,806,690.31
Class I (USD)				
China Life Insurance (Overseas) Company Limited	1,978,583.99	-	-	1,978,583.99

2023

	<i>Units outstanding at 1 January 2023</i>	<i>Units subscribed during the year</i>	<i>Units redeemed during the year</i>	<i>Units outstanding at 31 December 2023</i>
Class B (USD)				
China Life Insurance (Overseas) Company Limited	7,647,598.98	-	-	7,647,598.98
Class I (USD)				
China Life Insurance (Overseas) Company Limited	1,978,583.99	-	-	1,978,583.99

## 15 Soft commission arrangements

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

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

Neither the Manager nor any of its connected persons has entered into any soft commission arrangements with brokers or dealers in respect of the transactions for the account of the Sub-Fund during the year.

## 16 Distribution to unitholders

There was no declared distribution for the year ended 31 December 2024 and 31 December 2023.

The Manager has discretion as to whether or not to make any distribution, the frequency of distribution and the amount of distribution. The Manager currently intends not to make any distribution for the Sub-Fund. It is the current intention of the Manager that income earned by the Sub-Fund will be reinvested in the Sub-Fund and reflected in the increased value of units.

## 17 Segment information

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

The Manager's asset allocation decisions are based on one single and integrated investment strategy, and the Fund's performance is evaluated on an overall basis. Accordingly, the Manager considers that the Fund has one single operating segment which is investing in a portfolio of financial instruments to generate investment returns in accordance with the investment objective stipulated in the prospectus of the Sub-Fund. There were no changes in the operating segment during the year.

The segment information provided to the Manager is the same as that disclosed in the statement of comprehensive income and statement of financial position.

## 18 Subsequent events

The Manager has evaluated the effect of all subsequent events occurring till the date the financial statements were available to be issued and has determined that there were no subsequent events requiring adjustment to or disclosure in the financial statements other than those disclosed below.

Subsequent to the reporting date and up to the date of this report, there were subscriptions and redemptions of units of the Sub-Fund as follows:

	<i>Unit</i>	<i>Amount</i>
<b>Redemption</b>		
Class A (HKD)	11,878.36	17,242
Class A (USD)	9.95	113
Class A2 (USD)	73,575.36	805,788
Class A2 (HKD)	297,808.97	444,878
<b>Subscription</b>		
Class A2 (USD)	134,033.22	1,405,756
Class A2 (HKD)	679,575.46	920,017



# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
Listed Debt Securities				
BRITISH VIRGIN ISLANDS				
CHINA CINDA 2020 I MANAGEMENT LTD 5.75% S/A 28MAY2029	-	3,500,000	3,500,000	-
CHINA HUADIAN OVERSEAS DEVELOPMENT 2018 LTD 3.375% S/A PERP	-	4,250,000	-	4,250,000
CHINA HUADIAN OVERSEAS DEVELOPMENT MANAGEMENT CO LTD 4% S/A PERP (CALLED)	3,300,000	-	3,300,000	-
CHINA HUANENG GROUP HONG KONG TREASURY MANAGEMENT HLDG LTD 5.3% S/A PERP	-	2,000,000	-	2,000,000
CHINA HUANENG GROUP HONG KONG TREASURY MANAGEMENT HLDGS LTD 3.08% S/A PERP	2,320,000	1,330,000	-	3,650,000
CICC HONG KONG FINANCE 2016 MTN LTD 2% S/A 26JAN2026	-	444,000	-	444,000
CICC HONG KONG FINANCE 2016 MTN LTD 5.42% S/A 22NOV2025	-	800,000	-	800,000
CMHI FINANCE BVI CO LTD 3.875% S/A PERP	1,000,000	-	-	1,000,000
COASTAL EMERALD LTD 6.5% S/A PERP	-	500,000	500,000	-
DIANJIAN HAIYU LTD 3.45% S/A PERP	1,000,000	-	-	1,000,000
EASTERN CREATION II INVESTMENT HLDGS LTD 1.35% S/A 20OCT2024	600,000	-	600,000	-
GUANGZHOU METRO INVESTMENT FINANCE BVI LTD 1.507% S/A 17SEP2025	500,000	-	-	500,000
GUANGZHOU METRO INVESTMENT FINANCE BVI LTD 2.609% S/A 14NOV2024	1,450,000	-	1,450,000	-
JIC ZHIXIN LTD 2.125% S/A 27AUG2030	1,000,000	-	1,000,000	-
LEVC FINANCE LTD 1.375% S/A 25MAR2024	2,000,000	-	2,000,000	-
MINMETALS BOUNTEOUS FINANCE BVI LTD 3.375% S/A PERP (CALLED)	4,400,000	-	4,400,000	-
POWERCHINA ROADBRIDGE GROUP BRITISH VIRGIN ISLANDS LTD 3.08% S/A PERP	2,762,000	1,000,000	-	3,762,000
SEPCO VIRGIN LTD 3.55% S/A PERP	1,000,000	-	1,000,000	-
SINOCHEM OFFSHORE CAPITAL CO LTD 1% S/A 23SEP2024	3,500,000	-	3,500,000	-
SINOCHEM OFFSHORE CAPITAL CO LTD 1.5% S/A 23SEP2026	-	2,000,000	-	2,000,000
SINOCHEM OFFSHORE CAPITAL CO LTD 1.5% S/A 24NOV2024	1,520,000	1,500,000	3,020,000	-
SINOCHEM OFFSHORE CAPITAL CO LTD 1.625% S/A 29OCT2025	-	700,000	-	700,000

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			At 31 December 2024
	At 1 January 2024	Additions	Disposals	
SINOCHEM OFFSHORE CAPITAL CO LTD 2.25% S/A 24NOV2026	-	3,200,000	1,000,000	2,200,000
SUNNY EXPRESS ENTERPRISES CORP 2.625% S/A 23APR2025	-	400,000	-	400,000
XINGSHENG BVI CO LTD 1.375% S/A 25AUG2024	4,200,000	-	4,200,000	-
CANADA				
FEDERATION DES CAISSES DESJARDINS DU QUEBEC 5.25% S/A 26APR2029	-	2,000,000	2,000,000	-
CAYMAN ISLAND				
ALIBABA GROUP HLDG LTD 3.6% S/A 28NOV2024	2,000,000	1,000,000	3,000,000	-
ALIBABA GROUP HLDG LTD 4.875% S/A 26MAY2030	-	2,000,000	2,000,000	-
ALIBABA GROUP HLDG LTD 5.25% S/A 26MAY2035	-	2,000,000	2,000,000	-
BAIDU INC 3.075% S/A 07APR2025	-	2,964,000	-	2,964,000
BAIDU INC 4.125% S/A 30JUN2025	-	293,000	-	293,000
CHINA OVERSEAS FINANCE CAYMAN VI LTD 5.95% S/A 08MAY2024	4,253,000	-	4,253,000	-
CHINA OVERSEAS FINANCE CAYMAN VIII LTD 2.375% S/A 02MAR2025	-	500,000	-	500,000
CHINA RESOURCES LAND LTD 3.75% S/A 26AUG2024	600,000	-	600,000	-
CHINA RESOURCES LAND LTD 3.75% S/A PERP (CALLED)	1,000,000	1,000,000	2,000,000	-
CHINA RESOURCES LAND LTD 6% S/A 27FEB2024	3,300,000	-	3,300,000	-
CHINA STATE CONSTRUCTION FINANCE CAYMAN I LTD 3.4% S/A PERP	3,000,000	1,000,000	2,000,000	2,000,000
CHINA STATE CONSTRUCTION FINANCE CAYMAN III LTD 4% S/A PERP (CALLED)	1,000,000	1,200,000	2,200,000	-
CK HUTCHISON INTERNATIONAL 24 LTD 5.5% S/A 26APR2034 REGS	-	2,000,000	2,000,000	-
CK HUTCHISON INTL 24 LTD 5.375% S/A 26APR2029 REGS	-	500,000	500,000	-
MEITUAN 4.5% S/A 2APR2028 REGS	-	3,000,000	2,000,000	1,000,000
MEITUAN DIANPING 2.125% S/A 28OCT2025 REGS	-	2,000,000	-	2,000,000
MEITUAN DIANPING 4.625% S/A 02OCT2029 REGS	-	2,000,000	2,000,000	-
SOAR WISE LTD 1.65% S/A 08OCT2024	-	1,000,000	1,000,000	-
SOAR WISE LTD 4.05% S/A 08OCT2024	-	1,000,000	-	1,000,000
SOAR WISE LTD 4.625% S/A 27AUG2027	-	300,000	-	300,000
SOAR WISE LTD 6.125% S/A PERP	400,000	-	-	400,000

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	<i>Movement</i>			<i>At 31 December 2024</i>
	<i>At 1 January 2024</i>	<i>Additions</i>	<i>Disposals</i>	
TENCENT HLDGS LTD 1.81% S/A 26JAN2026 REGS	500,000	-	-	500,000
TENCENT HLDGS LTD 3.28% S/A 11APR2024 REGS	392,000	-	392,000	-
TENCENT HLDGS LTD 3.595% S/A 19JAN2028 REGS	500,000	-	500,000	-
TENCENT HLDGS LTD 3.8% S/A 11FEB2025 REGS	1,000,000	2,000,000	-	3,000,000
<i>CHINA</i>				
AGRICULTURAL BANK OF CHINA LTD/NEW YORK 1.5% S/A 18JAN2025	-	200,000	-	200,000
BANK OF CHINA LTD 5% S/A 13NOV2024 REGS	2,000,000	-	2,000,000	-
BANK OF COMMUNICATIONS CO LTD/HONG KONG 2.375% S/A 21MAR2025	-	200,000	-	200,000
CHINA EVERBRIGHT BANK CO LTD/HONG KONG 1.27% S/A 01DEC2024	-	200,000	200,000	-
CHINA GOVERNMENT INTL BOND 4.125% S/A 20NOV2027	-	2,000,000	2,000,000	-
CHINA GOVERNMENT INTL BOND 4.25% S/A 20NOV2029	-	1,000,000	1,000,000	-
CICC HONG KONG FINANCE 2016 MTN LTD S+0.95% Q 18JAN2027	-	3,400,000	3,400,000	-
EXPORT-IMPORT BANK OF CHINA 3.625% S/A 31JUL2024	500,000	-	500,000	-
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD HK 0.875% S/A 13JUL2024	-	600,000	600,000	-
STATE ELITE GLOBAL LTD S+1.03161% Q 24OCT2024	-	2,000,000	2,000,000	-
WUHAN METRO GROUP CO LTD 1.58% S/A 03NOV2024	1,000,000	-	1,000,000	-
<i>FRANCE</i>				
BNP PARIBAS SA 3.375% S/A 09JAN2025 REGS	-	560,000	-	560,000
<i>GERMANY</i>				
DEUTSCHE BANK AG/NEW YORK 5.414% S/A 10MAY2029	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
HONG KONG				
AIA GROUP LTD 5.375% S/A 15APR2034 REGS	-	1,000,000	1,000,000	
BANK OF EAST ASIA LTD 6.625% S/A 13MAR2027	-	2,000,000	2,000,000	-
BANK OF EAST ASIA LTD 6.75% S/A 15MAR2027	-	1,000,000	1,000,000	-
BANK OF EAST ASIA LTD 6.75% S/A 27JUN2034	-	1,000,000	1,000,000	-
BLOSSOM JOY LTD 3.1% S/A PERP	3,300,000	1,557,000	1,000,000	3,857,000
CHINA CITIC BANK INTL LTD 6% S/A 05DEC2023	1,000,000	-	1,000,000	-
CHINA PING AN INSURANCE OVERSEAS HLDGS LTD 6.125% S/A 16MAY2034	-	1,000,000	1,000,000	-
CITIC LTD 2.45% S/A 25FEB2025	-	300,000	-	300,000
CMB INTL LEASING MANAGEMENT LTD 1.875% S/A 12AUG2025	-	1,000,000	-	1,000,000
CNAC HK FINBRIDGE CO LTD 2% S/A 22SEP2025	700,000	2,500,000	-	3,200,000
CNAC HK FINBRIDGE CO LTD 4.875% S/A 14MAR2025	-	1,000,000	-	1,000,000
HONG KONG GOVERNMENT INTL BOND 4.25% S/A 24JUL2027	-	3,000,000	3,000,000	-
HYD INTERNATIONAL HOLDING LTD 3.1% S/A 28APR2026	1,400,000	1,000,000	-	2,400,000
ICBCIL FINANCE CO LTD 1.25% S/A 02AUG2024	1,000,000	-	1,000,000	-
ICBCIL FINANCE CO LTD 1.75% S/A 25AUG2025	200,000	220,000	-	420,000
ICBCIL FINANCE CO LTD 2.125% S/A 27JAN2025	1,540,000	2,000,000	-	3,540,000
ICBCIL FINANCE CO LTD 3.75% S/A 05MAR2024	1,834,000	-	1,834,000	-
KING POWER CAPITAL LTD 5.625% S/A 03NOV2024	3,550,000	-	3,550,000	-
NANYANG COMMERCIAL BANK LTD 6% S/A 6AUG2034	-	500,000	500,000	-
WESTWOOD GROUP HLDGS LTD 3.8% S/A 20JAN2031	500,000	-	500,000	-
INDIA				
STATE BANK OF INDIA/LONDON 5% S/A 18JAN2024 REGS	-	1,000,000	1,000,000	

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
INDONESIA				
KRAKATAU POSCO PT 6.375% S/A 11JUN2027	-	2,000,000	2,000,000	-
KRAKATAU POSCO PT 6.375% S/A 11JUN2029	-	2,000,000	2,000,000	-
IRELAND				
ZURICH FINANCE IRELAND II DAC 5.5% A 23APR2055	-	1,300,000	1,000,000	300,000
JAPAN				
JERA CO INC 4.614% S/A 4SEP2029	-	3,000,000	3,000,000	-
MARUBENI CORP 4.458% S/A 19SEP2029	-	2,000,000	2,000,000	-
MEIJI YASUDA LIFE INSURANCE CO 5.2% S/A 20OCT2045 REGS	-	1,000,000	-	1,000,000
MEIJI YASUDA LIFE INSURANCE CO 5.8% S/A 11SEP2054 REGS	-	3,000,000	2,000,000	1,000,000
MITSUBISHI UFJ FINANCIAL GROUP INC 4.788% S/A 18JUL2025 (CALLED)	1,000,000	-	1,000,000	-
MITSUBISHI UFJ FINANCIAL GROUP INC 5.541% S/A 17APR2026	2,000,000	-	-	2,000,000
MIZUHO FINANCIAL GROUP INC 5.376% S/A 26MAY2030	-	500,000	500,000	-
MIZUHO FINANCIAL GROUP INC 5.579% S/A 26MAY2035	-	500,000	500,000	-
NIPPON LIFE INSURANCE CO 5.95% S/A 16APR2054 REGS	-	2,000,000	1,000,000	1,000,000
NIPPON LIFE INSURANCE CO 6.25% S/A 13SEP2053 REGS	1,000,000	-	1,000,000	-
NTT FINANCE CORP 5.104% S/A 02JUL2027 REGS	-	1,000,000	1,000,000	-
NTT FINANCE CORP 5.136% S/A 02JUL2031 REGS	-	1,000,000	1,000,000	-
PANASONIC HOLDINGS CORP 5.302% S/A 16JUL2032 REGS	-	2,000,000	2,000,000	-
SEKISUI HOUSE LTD 4.7% S/A 23FEB2030	-	2,000,000	2,000,000	-
SUMITOMO LIFE INSURANCE CO 5.875% S/A PERP REGS	-	4,500,000	4,500,000	-
SUMITOMO MITSUI FINANCE & LEASING CO LTD 5.109% S/A 23JAN2029	-	2,500,000	2,500,000	-
SUMITOMO MITSUI FINANCIAL GROUP INC 5.88% S/A 13JUL2026	500,000	-	500,000	-
SUMITOMO MITSUI FINANCIAL GROUP INC S+1.17% Q 09JUL2029	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			At 31 December 2024
	At 1 January 2024	Additions	Disposals	
SUMITOMO MITSUI TRUST BANK LTD 4.5% S/A 10SEP2029 REGS	-	2,000,000	2,000,000	-
SUMITOMO MITSUI TRUST BANK LTD 5.35% S/A 7MAR2034	-	3,000,000	3,000,000	-
SUNTORY HLDGS LTD 5.124% S/A 11JUN2029	-	1,000,000	1,000,000	-
SOUTH KOREA				
HYUNDAI CAPITAL SERVICES INC 5.125% S/A 05FEB2029 REGS	-	2,000,000	2,000,000	-
HYUNDAI CARD CO LTD 5.75% S/A 24APR2029	-	2,000,000	2,000,000	-
KOREA EAST-WEST POWER CO 4.875% S/A 31JAN2027 REGS	-	3,000,000	3,000,000	-
KOREA GAS CORP 5% S/A 08UL2029 REGS	-	2,000,000	2,000,000	-
KOREA NATIONAL OIL CORP 3M S+0.9% Q 30SEP2027	-	2,000,000	2,000,000	-
KOREA NATIONAL OIL CORP 4.25% S/A 30SEP2029 REGS	-	1,000,000	1,000,000	-
KOREA NATIONAL OIL CORP 4.875% S/A 03APR2027 REGS	-	2,000,000	2,000,000	-
KOREA NATIONAL OIL CORP 4.875% S/A 03APR2029 REGS	-	2,000,000	2,000,000	-
KT CORP 4.125% S/A 02FEB2028	-	3,000,000	3,000,000	-
LG ELECTRONICS INC 5.625% S/A 24APR2029 REGS	-	1,000,000	1,000,000	-
LG ENERGY SOLUTION 5.375% S/A 02JUL2029 REGS	-	2,000,000	2,000,000	-
LG ENERGY SOLUTION 5.5% S/A 02JUL2034 REGS	-	2,000,000	2,000,000	-
MIRAE ASSET SECURITIES CO LTD 5.5% S/A 31UL2027	-	3,000,000	3,000,000	-
MIRAE ASSET SECURITIES CO LTD 5.875% S/A 26JAN2027	-	3,000,000	3,000,000	-
POSCO 4.875% S/A 23JAN2027 REGS	-	1,500,000	1,500,000	-
SK HYNIX INC 5.5% S/A 16JAN2027 REGS	-	2,000,000	2,000,000	-
SK HYNIX INC 5.5% S/A 16JAN2029 REGS	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
LUXEMBOURG				
GREENSAIF TREE PIPELINES SETTINGS BIDCO SARI 5.8528% S/A 23FEB2036 REGS	-	1,000,000	1,000,000	-
MEXICO				
BUFFALO ENERGY MX HLDGS 7.875% S/A 15FEB2039	-	400,000	400,000	-
NETHERLANDS				
ABN AMRO BANK NV S+1% S/A 03DEC2028	-	3,000,000	3,000,000	-
ING GROEP NV 1.4% S/A 01JUL2026	-	200,000	-	200,000
ING GROEP NV 3.869% S/A 28MAR2026	-	433,000	-	433,000
PHILIPPINES				
METROPOLITAN BANK & TRUST CO 5.375% S/A 6MAR2029	-	1,500,000	1,500,000	-
RIZAL COMMERCIAL BANKING CORP 5.5% S/A 18JAN2029	-	1,000,000	1,000,000	-
SINGAPORE				
BOC AVIATION LTD 2.625% S/A 17JAN2025	-	700,000	-	700,000
BOC AVIATION LTD 3.5% S/A 10OCT2024 REGS	200,000	1,000,000	1,200,000	-
CATHAYLIFE SINGAPORE PTE LTD 5.3% S/A 05SEP2039	-	3,000,000	3,000,000	-
NANSHAN LIFE PTE LTD 5.45% S/A 11SEP2034	-	3,000,000	3,000,000	-
OVERSEA-CHINESE BANKING CORP LTD 5.52% S/A 21MAY2034	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
SPAIN				
BANCO SANTANDER SA S+1.12% Q 15JUL2028	-	3,000,000	3,000,000	
SWITZERLAND				
UBS GROUP AG 2.1936% S/A 05JUN2026 REGS	400,000	-	-	400,000
UBS GROUP AG 4.488% S/A 12MAY2026 REGS	-	250,000	-	250,000
UBS GROUP AG 4.751% S/A 12MAY2028 REGS	500,000	-	500,000	-
UBS GROUP AG 5.699% S/A 08FEB2035 REGS	-	3,000,000	3,000,000	-
UBS GROUP AG 2.1936% S/A 05JUN2026 REGS	400,000	-	-	400,000
UNITED KINGDOM				
BP CAPITAL MARKETS PLC 4.375% S/A PERP	-	1,160,000	-	1,160,000
BP CAPITAL MARKETS PLC 4.875% S/A PERP	-	245,000	-	245,000
BP CAPITAL MARKETS PLC 6.125% S/A PERP	-	1,000,000	-	1,000,000
CSL FINANCE PLC 5.106% S/A 03APR2034	-	2,000,000	2,000,000	-
HSBC HLDGS PLC 0.976% S/A 24MAY2025 (CALLED)	500,000	2,000,000	2,500,000	-
HSBC HLDGS PLC 3M S+1.04% Q 19NOV2028	-	2,000,000	2,000,000	-
NATWEST GROUP PLC 5.583% S/A 01MAR2028	-	1,000,000	1,000,000	-
NATWEST MARKETS PLC 3.479% S/A 22MAR2025	-	200,000	-	200,000
STANDARD CHARTERED PLC 2.819% S/A 30JAN2026 REGS (CALLED)	-	2,000,000	-	2,000,000
STANDARD CHARTERED PLC 5.005% S/A 15OCT2030 REGS	-	3,000,000	3,000,000	-
STANDARD CHARTERED PLC 6.097% S/A 11JAN2035 REGS	-	2,000,000	2,000,000	-
STATE GRID EUROPE DEVELOPMENT 2014 PLC 3.125% S/A 07APR2025	-	200,000	-	200,000
SWISS RE FINANCE LUXEMBOURG SA 5.698% S/A 05APR2035 REGS	-	2,000,000	2,000,000	



# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
United States				
BANK OF AMERICA CORP 3.384% S/A 02APR2026	-	998,000	-	998,000
BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS	3,300,000	-	3,300,000	-
BOC AVIATION USA CORP 4.625% S/A 04SEP2031 REGS	-	1,000,000	1,000,000	-
BOC AVIATION USA CORP 4.875% S/A 03MAY2033 REGS	500,000	1,000,000	1,500,000	-
BOC AVIATION USA CORP 5.75% S/A 09NOV2028	1,000,000	500,000	1,000,000	500,000
CITIZENS FINANCIAL GROUP INC 5.718% S/A 23JUL2032	-	2,000,000	2,000,000	-
GENERAL MOTORS FINANCIAL CO INC 5.8% S/A 07JAN2029	2,000,000	-	2,000,000	-
GOLDMAN SACHS GROUP INC 1.757% S/A 24JAN2025 (CALLED)	500,000	-	500,000	-
JPMORGAN CHASE & CO 6.07% S/A 22OCT2027	2,000,000	-	2,000,000	-
MORGAN STANLEY 2.63% S/A 18FEB2026	-	1,000,000	-	1,000,000
MORGAN STANLEY BANK NA S+0.685% Q 15OCT2027	-	4,000,000	4,000,000	-
MORGAN STANLEY S+0.865% Q 26MAY2028	-	3,000,000	3,000,000	-
REPUBLIC SERVICES INC 5% S/A 15DEC2033	500,000	-	500,000	-
SEMPRA ENERGY 6.4% S/A 01OCT2054	-	1,000,000	1,000,000	-
SK BATTERY AMERICA INC 4.875% S/A 23JAN2027	-	3,000,000	3,000,000	-
UNITED STATES OF AMERICA TREASURY BILL 0% A 07MAY2024	-	1,000,000	1,000,000	-
UNITED STATES OF AMERICA TREASURY BILL 0% A 21MAY2024	-	1,000,000	1,000,000	-
US TREASURY N/B 3.625% S/A 31AUG2029	-	2,000,000	2,000,000	-
US TREASURY N/B 3.75% S/A 15AUG2031	-	1,000,000	1,000,000	-
US TREASURY N/B 4% S/A 31JAN2029	-	1,000,000	1,000,000	-
US TREASURY N/B 4.125% S/A 31JUL2031	-	1,000,000	1,000,000	-
US TREASURY N/B 4.5% S/A 15NOV2033	3,000,000	3,000,000	6,000,000	-
US TREASURY N/B 4.75% S/A 15NOV2043	300,000	-	300,000	-
US TREASURY N/B 4.75% S/A 15NOV2053	-	500,000	500,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
Unlisted/Quoted Debt Securities				
AUSTRALIA				
MACQUARIE GROUP LTD 5.108% S/A 09AUG2026 REGS	-	510,000	-	510,000
MACQUARIE GROUP LTD6.255% S/A 07DEC2034 REGS	1,000,000	-	1,000,000	-
NATIONAL AUSTRALIA BANK LTD S+0.6% Q 26OCT2027	-	3,000,000	3,000,000	-
NATIONAL AUSTRALIA BANK LTD S+0.62% Q 11JUN2027 REGS	-	2,000,000	2,000,000	-
WESTPAC BANKING CORP 3M S+0.42% Q 16APR2026	-	1,000,000	1,000,000	-
WESTPAC BANKING CORP 3M S+0.81% Q 16APR2029	-	1,000,000	1,000,000	-
BRITISH VIRGIN ISLANDS				
CICC FINANCIAL PRODUCTS LTD 5.012% S/A 18JAN2027	-	2,800,000	2,800,000	-
BELGIUM				
KBC GROUP NV 4.932% S/A 16OCT2030	-	1,000,000	1,000,000	-
CANADA				
BANK OF NOVA SCOTIA S+0.78% Q 4JUN2027	-	2,000,000	2,000,000	-
BANK OF NOVA SCOTIA S+1.08% Q 1AUG2029	-	1,000,000	1,000,000	-
BK OF MONTREAL S+0.76% Q 04JUN2027	-	2,000,000	2,000,000	-
ROYAL BANK OF CANADA S+0.79% Q 23JUL2027	-	2,000,000	2,000,000	-
ROYAL BANK OF CANADA S+0.86% Q 18OCT2028	-	3,000,000	3,000,000	-
CAYMAN ISLANDS				
SAUDI ELECTRICITY SUKUK PROGRAMME CO 5.194% S/A 13FEB2034	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
CHINA				
AGRICULTURAL BANK OF CHINA LTD/SEOUL 0% A 25APR2024 CD	-	2,000,000	2,000,000	-
AGRICULTURAL BANK OF CHINA LTD/SINGAPORE 0% A 09FEB2024 FXCD	2,000,000	-	2,000,000	-
BANK OF CHINA LTD/HONG KONG 5% S/A 31DEC2024 FXCD	-	100,000	100,000	-
BANK OF COMMUNICATIONS CO LTD/TOKYO 0% 19NOV2024 CD	1,100,000	-	1,100,000	-
BK OF CHINA/HK 4.5% A 08AUG2025 FXCD	-	1,000,000	-	1,000,000
BK OF CHINA/MACAU CD 0% A 18APR2024	2,000,000	-	2,000,000	-
CHINA CONSTRUCTION BANK CORP/HONG KONG 5% A 17JAN2025 FXCD	-	2,000,000	-	2,000,000
CHINA CONSTRUCTION BANK CORP/SYDNEY 5.58% S/A 20MAY2025	-	1,000,000	-	1,000,000
ICBC/LU 0% 07MAY2024 CD	-	1,000,000	-	1,000,000
ICBC/LU 0% 11MAR2024 CD	100,000	-	100,000	-
ICBC/LU 0% 12NOV2024 CD	600,000	-	600,000	-
ICBC/LU 0% 20NOV2024 CD	1,000,000	-	1,000,000	-
ICBC/TOKYO 0% 13NOV2024 CD	1,000,000	-	1,000,000	-
ICBC/TOKYO 0% 14NOV2024 CD	400,000	-	400,000	-
INDUSTRIAL & COMMERCIAL BANK OF CHINA MACAU LTD 5.6% A 01NOV2024 FXCD	1,000,000	-	1,000,000	-
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD/HONG KONG 0% 21JAN2025	-	1,000,000	-	1,000,000
FRANCE				
BANQUE FEDERATIVE DU CREDIT MUTUEL S+1.07% Q 16FEB2028 REGS	-	3,000,000	3,000,000	-
BANQUE FEDERATIVE DU CREDIT MUTUEL SA 5.088% S/A 23JAN2025 REGS	-	250,000	250,000	-
CREDIT AGRICOLE SA 5.134% S/A 11MAR2027 REGS	-	3,000,000	3,000,000	-
CREDIT AGRICOLE SA 5.335% S/A 10JAN2030	-	1,500,000	1,500,000	-
CREDIT AGRICOLE SA 6.251% S/A 10JAN2035	-	1,000,000	1,000,000	-
CREDIT AGRICOLE SA S+1.21% Q 11SEP2028 REGS	-	3,000,000	3,000,000	-

## Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	<i>Movement</i>			<i>At 31 December 2024</i>
	<i>At 1 January 2024</i>	<i>Additions</i>	<i>Disposals</i>	
ELECTRICITE DE FRANCE SA 5.65% S/A 22APR2029 REGS	-	2,000,000	2,000,000	-
SOCIETE GENERALE SA 5.634% S/A 19JAN2030 REGS	-	959,000	959,000	-
SOCIETE GENERALE SA 7.132% S/A 19JAN2055 REGS	-	500,000	500,000	-
TOTALENERGIES CAPITAL INTL SA 4.724% S/A 10SEP2034	-	2,000,000	2,000,000	-
<i>GERMANY</i>				
ALLIANZ SE 5.6% S/A 3SEP2054 REGS	-	1,000,000	1,000,000	-
DEUTSCHE BANK AG/NEW YORK 5.706% S/A 08FEB2029	-	2,000,000	2,000,000	-
<i>HONG KONG</i>				
CMB INTL LEASING MANAGEMENT LTD S+0.76% Q 04JUN2027	-	1,000,000	1,000,000	-
<i>NETHERLANDS</i>				
COOPERATIEVE RABOBANK UA 5.447% S/A 05MAR2030	-	3,000,000	3,000,000	-
COOPERATIEVE RABOBANK UA OF NEW YORK 4.494% S/A 17OCT2029	-	2,000,000	2,000,000	-
COOPERATIEVE RABOBANK UA OF NEW YORK S+0.89% Q 17OCT2029	-	2,000,000	2,000,000	-
ING GROEP NV 5.335% S/A 19MAR2030	-	3,000,000	3,000,000	-
TOYOTA MOTOR CREDIT CORP 4.8% A 05JAN2034	-	3,000,000	3,000,000	-
<i>NEW ZEALAND</i>				
BANK OF NEW ZEALAND 5.076% S/A 30JAN2029 REGS	-	2,000,000	2,000,000	-
WESTPAC NEW ZEALAND LTD 5.195% S/A 28FEB2029 REGS	-	2,000,000	2,000,000	-
WESTPAC NEW ZEALAND LTD 5.132% S/A 26FEB2027 REGS	-	2,000,000	2,000,000	-
<i>NORWAY</i>				
DNB BANK ASA 4.853% S/A 05NOV2030 REGS	-	2,000,000	2,000,000	-
DNB BANK ASA S+1.06% Q 05NOV2030 REGS	-	4,000,000	4,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			
	At 1 January 2024	Additions	Disposals	At 31 December 2024
POLAND				
REPUBLIC OF POLAND GOVERNMENT INTL BOND 5.125% S/A 18SEP2034	-	2,000,000	2,000,000	-
SPAIN				
BANCO SANTANDER SA 5.538% S/A 14MAR2030	-	1,000,000	1,000,000	-
BANCO SANTANDER SA 6.35% S/A 14MAR2034	-	2,000,000	-	2,000,000
BBVA BANCOMER SA/TEXAS 6.033% S/A 13MAR2035 REGS	-	2,000,000	2,000,000	-
UNITED KINGDOM				
BP CAPITAL MARKETS PLC 6.45% S/A PERP	-	2,502,000	-	2,502,000
HSBC HLDGS PLC 3M S+1.29% Q 19NOV2030	-	2,000,000	2,000,000	-
LLOYDS BANKING GROUP PLC S+1.06% Q 26NOV2028	-	1,500,000	1,500,000	-
NATWEST GROUP PLC 4.964% S/A 15AUG2030	-	2,000,000	2,000,000	-
NATWEST GROUP PLC 6.475% S/A 01JUN2034	-	3,000,000	3,000,000	-
NATWEST MARKETS PLC 3M S+0.9% Q 17MAY2027	-	2,000,000	2,000,000	-
NATWEST MARKETS PLC 3M S+1.14% Q 17MAY2026	-	2,000,000	2,000,000	-
STANDARD CHARTERED PLC 3.971% S/A 30MAR2026 REGS	-	600,000	-	600,000
STANDARD CHARTERED PLC 6.187% S/A 6JUL2027 REGS	2,500,000	-	-	2,500,000
UNITED STATES				
6297782 LLC 5.026% S/A 01OCT2029 REGS	-	1,000,000	1,000,000	-
ABBVIE INC 4.95% S/A 15MAR2031	-	1,000,000	1,000,000	-
AMERICAN EXPRESS CO 5.284% S/A 26JUL2035	-	1,000,000	1,000,000	-
AMERICAN EXPRESS CO S+0.93% Q 26JUL2028	-	3,000,000	3,000,000	-
ANHEUSER-BUSCH INBEV WORLDWIDE INC 5% S/A 15JUN2034	-	2,000,000	2,000,000	-
ATHENE HLDG LTD 6.25% S/A 01APR2054	-	1,000,000	1,000,000	-
BMW US CAPITAL LLC 4.65% S/A 13AUG2029 REGS	-	1,000,000	1,000,000	-
BMW US CAPITAL LLC 5.15% S/A 02APR2034 REGS	-	1,000,000	1,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			At 31 December 2024
	At 1 January 2024	Additions	Disposals	
BOEING CO 6.259% S/A 01MAY2027 REGS	-	500,000	500,000	-
BP CAPITAL MARKETS AMERICA INC 4.699% S/A 10APR2029	-	1,500,000	1,500,000	-
BP CAPITAL MARKETS AMERICA INC 4.989% S/A 10APR2034	-	1,500,000	1,500,000	-
BROADCOM INC 4.35% S/A 15FEB2030	-	2,000,000	2,000,000	-
CIGNA GROUP/THE 5% S/A 15MAY2029	-	500,000	500,000	-
CISCO SYSTEMS 4.85% S/A 26FEB2029	-	2,000,000	2,000,000	-
CISCO SYSTEMS 4.95% S/A 26FEB2031	-	2,000,000	2,000,000	-
CITIBANK NA 5.488% S/A 04DEC2026	2,000,000	-	2,000,000	-
CITIBANK NA 5.864% S/A 29SEP2025	-	500,000	-	500,000
CITIGROUP INC 5.411% S/A 19SEP2039	-	2,000,000	1,000,000	1,000,000
COCA-COLA CONSOLIDATED INC 5.25% S/A 01JUN2029	-	2,000,000	2,000,000	-
CONOCOPHILLIPS CO 4.7% S/A 15JAN2030	-	3,000,000	3,000,000	-
CVS HEALTH CORP 5.4% S/A 01JUN2029	-	2,000,000	2,000,000	-
CVS HEALTH CORP 5.55% S/A 01JUN2031	-	1,000,000	1,000,000	-
DAIMLER FINANCE NORTH AMERICA LLC 5.375% S/A 18JAN2034	-	2,000,000	2,000,000	-
DELL INTL LLC/EMC CORP 5.4% S/A 15APR3034 REGS	-	2,000,000	2,000,000	-
DOMINION ENERGY INC 6.625% S/A 15MAY2055	-	2,000,000	2,000,000	-
DOW CHEMICAL CO/THE 5.15% S/A 15FEB2034	-	2,000,000	2,000,000	-
DUKE ENERGY CORP 6.45% S/A 01SEP2054	-	480,000	-	480,000
ELI LILLY & CO 4.2% S/A 14AUG2029	-	1,000,000	1,000,000	-
ELI LILLY & CO 4.6% S/A 14AUG2034	-	1,000,000	1,000,000	-
ENERGY TRANSFER LP 5.75% S/A 15MAY2034	-	2,000,000	2,000,000	-
GLENCORE FUNDING LLC 5.371% S/A 04APR2029 REGS	-	500,000	500,000	-
GLENCORE FUNDING LLC S+1.06% Q 04APR2027 REGS	-	1,000,000	1,000,000	-
HYUNDAI CAPITAL AMERICA 5.3% S/A 19MAR2027 REGS	-	2,000,000	2,000,000	-
HYUNDAI CAPITAL AMERICA 5.3% S/A24JUN2029 REGS	-	2,000,000	2,000,000	-
HYUNDAI CAPITAL AMERICA 5.45% S/A 24JUN2026 REGS	-	2,000,000	2,000,000	-
HYUNDAI CAPITAL AMERICA 5.5% S/A 30MAR2026	-	1,000,000	-	1,000,000
JPMORGAN CHASE & CO 4.603% S/A 22OCT2030	-	2,000,000	2,000,000	-
JPMORGAN CHASE & CO 5.534% S/A 29NOV2045	-	1,000,000	1,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	Movement			At 31 December 2024
	At 1 January 2024	Additions	Disposals	
JPMORGAN CHASE & CO 5.571% S/A 22APR2028	-	2,000,000	2,000,000	-
JPMORGAN CHASE & CO S+0.86% Q 22OCT2028	-	2,000,000	2,000,000	-
JPMORGAN CHASE & CO S+0.92% Q 22APR2028	-	2,000,000	2,000,000	-
JPMORGAN CHASE & CO S+0.93% Q 22JUL2028	-	2,000,000	2,000,000	-
KINDER MORGAN INC 5.1% S/A 01AUG2029	-	2,000,000	2,000,000	-
KRATON CORP 5% S/A 15JUL2027 REGS	-	3,000,000	3,000,000	-
KROGER CO 4.9% S/A 15SEP2031	-	2,000,000	2,000,000	-
LSEGA FINANCING PLC 5.297% S/A 28MAR2034 REGS	-	500,000	500,000	-
MCKESSON CORP 4.25% S/A 15SEP2029	-	3,000,000	3,000,000	-
MERCEDES-BENZ FINANCE NORTH AMERICA LLC 4.85% S/A 11JAN2029	-	1,000,000	1,000,000	-
MERCEDES-BENZ FINANCE NORTH AMERICA LLC 5% S/A 11JAN2034	-	2,000,000	2,000,000	-
MIDAMERICAN ENERGY CO 5.3% S/A 01FEB2055	-	1,000,000	1,000,000	-
MORGAN STANLEY 5.449% S/A 20JUL2029	1,000,000	-	1,000,000	-
MORGAN STANLEY BANK NA S+0.94% Q 14JUL2028	-	3,000,000	3,000,000	-
NEVADA POWER CO 5.625% S/A 01FEB2054	-	1,000,000	1,000,000	-
NEXTERA ENERGY CAPITAL HLDGS INC 6.7% S/A 01SEP2054	-	2,000,000	-	2,000,000
ONEOK INC 4.75% S/A 15OCT2031	-	1,000,000	1,000,000	-
PHILIP MORRIS INTL INC 4.75% S/A 01NOV2031	-	1,000,000	1,000,000	-
PRUDENTIAL FINANCIAL INC 6.5% S/A 15MAR2054	-	1,000,000	-	1,000,000
ROCHE HLDGS INC 4.985% S/A 08MAR2034 REGS	-	2,000,000	2,000,000	-
SOUTHERN CO GAS CAPITAL 4.95% S/A 15SEP2034	-	1,000,000	1,000,000	-
STATE STREET CORP 4.33% S/A 22OCT2027	-	1,000,000	1,000,000	-
STATE STREET CORP S+0.64% Q 22OCT2027	-	1,000,000	1,000,000	-
TOYOTA MOTOR CREDIT CORP 5.1% S/A 21MAR2031	-	500,000	500,000	-
TOYOTA MOTOR CREDIT CORP S+0.45% Q 15MAY2026	-	3,000,000	3,000,000	-
TOYOTA MOTOR CREDIT CORP S+0.65% Q 19MAR2027	-	2,000,000	2,000,000	-

# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	<i>Movement</i>			<i>At 31 December 2024</i>
	<i>At 1 January 2024</i>	<i>Additions</i>	<i>Disposals</i>	
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 04JAN2024	700,000	-	700,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 05NOV2024	-	2,000,000	2,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 05SEP2024	-	1,000,000	1,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 10DEC2024	-	1,000,000	1,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 17DEC2024	-	1,500,000	1,500,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 20AUG2024	-	1,000,000	1,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 20FEB2024	-	800,000	800,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 22OCT2024	-	4,000,000	4,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 23APR2024	-	1,500,000	1,500,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 23JAN2024	-	2,000,000	2,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 2APR2024	-	3,000,000	3,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 31OCT2024	-	2,000,000	2,000,000	-
UNITED STATES OF AMERICA				
TREASURY BILL 0% A 9JAN2025	-	1,000,000	1,000,000	-
US TREASURY N/B 3.875% S/A				
15AUG2034	-	1,900,000	1,900,000	-
US TREASURY N/B 4% S/A 15FEB2034	-	1,300,000	1,300,000	-
US TREASURY N/B 4% S/A 31JUL2029	-	2,000,000	2,000,000	-
US TREASURY N/B 4.375% S/A				
30NOV2028	1,000,000	-	1,000,000	-
US TREASURY N/B 4.5% S/A 15FEB2044	-	1,300,000	1,300,000	-
VIRGINIA ELECTRIC AND POWER CO				
5% S/A 15JAN2034	-	1,000,000	1,000,000	-
VIRGINIA ELECTRIC AND POWER CO				
6.875% S/A 01FEB2054	-	1,000,000	-	1,000,000
WELLS FARGO & CO 5.574% S/A				
25JUL2029	500,000	-	500,000	-



# Statement of movements in portfolio holdings for the year ended 31 December 2024 (Unaudited) (continued)

(Expressed in USD)

	<i>Movement</i>			<i>At 31 December 2024</i>
	<i>At 1 January 2024</i>	<i>Additions</i>	<i>Disposals</i>	
<b>Future</b>				
<i>UNITED STATES</i>				
10-YEAR US TREASURY NOTE FUTURE (CBT) JUN2024	-	(38)	38	-
10-YEAR US TREASURY NOTE FUTURE (CBT) MAR2025	-	(20)	-	(20)
2-YEAR US TREASURY NOTE FUTURE (CBT) SEP2024	-	(6)	6	-
5-YEAR US TREASURY NOTE FUTURE (CBT) JUN2024	-	(50)	50	-
5-YEAR US TREASURY NOTE FUTURE (CBT) SEP2024	-	(10)	10	-
US TREASURY LONG BOND FUTURE (CBT) MAR2024	-	(8)	8	-

## Investment portfolio as at 31 December 2024 (Unaudited)

(Expressed in USD)

Securities name	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>Listed Debt Securities</b>			
<b>Cayman Islands</b>			
BAIDU INC 3.075% S/A 07APR2025	2,964,000	2,947,846	3.27%
BAIDU INC 4.125% S/A 30JUN2025	293,000	291,608	0.32%
CHINA OVERSEAS FINANCE CAYMAN VIII LTD 2.375% S/A 02MAR2025	500,000	497,465	0.55%
CHINA STATE CONSTRUCTION FINANCE CAYMAN I LTD 3.4% S/A PERP	2,000,000	1,948,400	2.16%
MEITUAN 4.5% S/A 2APR2028 REGS	1,000,000	974,460	1.08%
MEITUAN DIANPING 2.125% S/A 28OCT2025 REGS	2,000,000	1,951,800	2.15%
SOAR WISE LTD 4.05% S/A 08OCT2024	1,000,000	995,410	1.10%
SOAR WISE LTD 4.625% S/A 27AUG2027	300,000	297,426	0.33%
SOAR WISE LTD 6.125% S/A PERP	400,000	406,996	0.45%
TENCENT HLDGS LTD 1.81% S/A 26JAN2026 REGS	500,000	484,525	0.54%
TENCENT HLDGS LTD 3.8% S/A 11FEB2025 REGS	3,000,000	2,995,380	3.32%
		<u>13,791,316</u>	<u>15.27%</u>
<b>China</b>			
AGRICULTURAL BANK OF CHINA LTD/NEW YORK 1.5% S/A 18JAN2025	200,000	199,704	0.22%
BANK OF COMMUNICATIONS CO LTD/HONG KONG 2.375% S/A 21MAR2025	200,000	198,882	0.22%
		<u>398,586</u>	<u>0.44%</u>

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>FRANCE</b>			
BNP PARIBAS SA 3.375% S/A 09JAN2025 REGS	560,000	559,866	0.62%
		<u>559,866</u>	<u>0.62%</u>
<b>Hong Kong</b>			
BLOSSOM JOY LTD 3.1% S/A PERP	3,857,000	3,800,186	4.21%
CITIC LTD 2.45% S/A 25FEB2025	300,000	298,788	0.33%
CMB INTL LEASING MANAGEMENT LTD 1.875% S/A 12AUG2025	1,000,000	980,420	1.08%
CNAC HK FINBRIDGE CO LTD 2% S/A 22SEP2025	3,200,000	3,129,792	3.47%
CNAC HK FINBRIDGE CO LTD 4.875% S/A 14MAR2025	1,000,000	999,410	1.11%
HYD INTERNATIONAL HOLDING LTD 3.1% S/A 28APR2026	2,400,000	2,330,160	2.58%
ICBCIL FINANCE CO LTD 1.75% S/A 25AUG2025	420,000	411,201	0.46%
ICBCIL FINANCE CO LTD 2.125% S/A 27JAN2025	3,540,000	3,531,716	3.91%
		<u>15,481,674</u>	<u>17.15%</u>
<b>Ireland</b>			
ZURICH FINANCE IRELAND II DAC 5.5% A 23APR2055	300,000	293,493	0.33%
		<u>293,493</u>	<u>0.33%</u>

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>Japan</b>			
MEIJI YASUDA LIFE INSURANCE CO 5.2% S/A 20OCT2045 REGS	1,000,000	998,880	1.11%
MEIJI YASUDA LIFE INSURANCE CO 5.8% S/A 11SEP2054 REGS	1,000,000	1,003,620	1.11%
MITSUBISHI UFJ FINANCIAL GROUP INC 5.541% S/A 17APR2026	2,000,000	2,003,020	2.22%
NIPPON LIFE INSURANCE CO 5.95% S/A 16APR2054 REGS	1,000,000	1,013,770	1.12%
		<u>5,019,290</u>	<u>5.56%</u>
<b>Netherlands</b>			
ING GROEP NV 1.4% S/A 01JUL2026	200,000	196,546	0.22%
ING GROEP NV 3.869% S/A 28MAR2026	433,000	431,801	0.48%
		<u>628,347</u>	<u>0.70%</u>
<b>Singapore</b>			
BOC AVIATION LTD 2.625% S/A 17JAN2025	700,000	699,300	0.77%
		<u>699,300</u>	<u>0.77%</u>
<b>Switzerland</b>			
UBS GROUP AG 2.1936% S/A 05JUN2026 REGS	400,000	395,248	0.44%
UBS GROUP AG 4.488% S/A 12MAY2026 REGS	250,000	249,503	0.28%
		<u>644,751</u>	<u>0.72%</u>

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>United Kingdom</b>			
BP CAPITAL MARKETS PLC 4.375% S/A PERP	1,160,000	1,151,706	1.28%
BP CAPITAL MARKETS PLC 4.875% S/A PERP	245,000	234,661	0.26%
BP CAPITAL MARKETS PLC 6.125% S/A PERP	1,000,000	985,930	1.09%
NATWEST MARKETS PLC 3.479% S/A 22MAR2025	200,000	199,386	0.22%
STANDARD CHARTERED PLC 2.819% S/A 30JAN2026 REGS (CALLED)	2,000,000	1,996,120	2.21%
STATE GRID EUROPE DEVELOPMENT 2014 PLC 3.125% S/A 07APR2025	200,000	198,976	0.22%
		<u>4,766,779</u>	<u>5.28%</u>
<b>United States</b>			
BANK OF AMERICA CORP 3.384% S/A 02APR2026	998,000	994,198	1.10%
BOC AVIATION USA CORP 5.75% S/A 09NOV2028	500,000	513,175	0.57%
MORGAN STANLEY 2.63% S/A 18FEB2026	1,000,000	997,060	1.10%
		<u>2,504,433</u>	<u>2.77%</u>

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>Virgin Island</b>			
CHINA HUADIAN OVERSEAS DEVELOPMENT 2018 LTD 3.375% S/A PERP	4,250,000	4,218,678	4.67%
CHINA HUANENG GROUP HONG KONG TREASURY MANAGEMENT HLDG LTD 5.3% S/A PERP	2,000,000	2,023,900	2.24%
CHINA HUANENG GROUP HONG KONG TREASURY MANAGEMENT HLDGS LTD 3.08% S/A PERP	3,650,000	3,588,607	3.98%
CICC HONG KONG FINANCE 2016 MTN LTD 2% S/A 26JAN2026	444,000	430,760	0.48%
CICC HONG KONG FINANCE 2016 MTN LTD 5.42% S/A 22NOV2025	800,000	801,936	0.88%
CMHI FINANCE BVI CO LTD 3.875% S/A PERP	1,000,000	990,950	1.10%
DIANJIAN HAIYU LTD 3.45% S/A PERP	1,000,000	987,420	1.09%
GUANGZHOU METRO INVESTMENT FINANCE BVI LTD 1.507% S/A 17SEP2025	500,000	486,730	0.54%
POWERCHINA ROADBRIDGE GROUP BRITISH VIRGIN ISLANDS LTD 3.08% S/A PERP	3,762,000	3,680,064	4.08%
SINOCHEM OFFSHORE CAPITAL CO LTD 1.5% S/A 23SEP2026	2,000,000	1,884,360	2.09%
SINOCHEM OFFSHORE CAPITAL CO LTD 1.625% S/A 29OCT2025	700,000	680,309	0.75%
SINOCHEM OFFSHORE CAPITAL CO LTD 2.25% S/A 24NOV2026	2,200,000	2,090,484	2.32%
SUNNY EXPRESS ENTERPRISES CORP 2.625% S/A 23APR2025	400,000	396,932	0.44%
		<hr/> 22,261,129	<hr/> 24.66%
<b>Total Listed Debt Securities</b>		<hr/> 67,048,963	<hr/> 74.27%

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>Unlisted/Quoted Debt Securities</b>			
<b>Australia</b>			
MACQUARIE GROUP LTD 5.108% S/A 09AUG2026 REGS	510,000	510,255	0.57%
		<u>510,255</u>	<u>0.57%</u>
<b>China</b>			
BK OF CHINA/HK 4.5% A 08AUG2025 FXCD	1,000,000	997,880	1.11%
CHINA CONSTRUCTION BANK CORP/HONG KONG 5% A 17JAN2025 FXCD	2,000,000	2,000,120	2.22%
CHINA CONSTRUCTION BANK CORP/SYDNEY 5.58% S/A 20MAY2025	1,000,000	1,002,600	1.11%
ICBC/LU 0% 07MAY2024 CD	1,000,000	983,920	1.08%
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD/HONG KONG 0% 21JAN2025	1,000,000	997,470	1.10%
		<u>5,981,990</u>	<u>6.62%</u>
<b>Spain</b>			
BANCO SANTANDER SA 6.35% S/A 14MAR2034	2,000,000	2,031,840	2.25%
		<u>2,031,840</u>	<u>2.25%</u>

Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>United Kingdom</b>			
BP CAPITAL MARKETS PLC 6.45% S/A PERP	2,502,000	2,579,037	2.86%
STANDARD CHARTERED PLC 3.971% S/A 30MAR2026 REGS	600,000	597,846	0.66%
STANDARD CHARTERED PLC 6.187% S/A 6JUL2027 REGS	2,500,000	2,542,850	2.82%
		<u>5,719,733</u>	<u>6.34%</u>
<b>United States</b>			
CITIBANK NA 5.864% S/A 29SEP2025	500,000	504,390	0.56%
CITIGROUP INC 5.411% S/A 19SEP2039	1,000,000	953,330	1.06%
DUKE ENERGY CORP 6.45% S/A 01SEP2054	480,000	487,574	0.54%
HYUNDAI CAPITAL AMERICA 5.5% S/A 30MAR2026	1,000,000	1,006,270	1.11%
NEXTERA ENERGY CAPITAL HLDGS INC 6.7% S/A 01SEP2054	2,000,000	2,035,080	2.25%
PRUDENTIAL FINANCIAL INC 6.5% S/A 15MAR2054	1,000,000	1,030,540	1.14%
VIRGINIA ELECTRIC AND POWER CO 6.875% S/A 01FEB2054	1,000,000	1,039,330	1.15%
CITIBANK NA 5.864% S/A 29SEP2025	500,000	504,390	0.56%
		<u>7,056,514</u>	<u>7.81%</u>
<b>Total Unlisted/Quoted Debt Securities</b>		<u>21,300,332</u>	<u>23.59%</u>



Investment portfolio as at 31 December 2024 (Unaudited)  
(continued)  
(Expressed in USD)

	Number of shares/ Nominals	Fair Value as of 31 December 2024 USD	% of Net Asset Value
<b>Futures</b>			
<b>UNITED STATES</b>			
10-YEAR US TREASURY NOTE FUTURE (CBT) MAR2025	(20)	937	0.00%
		<u>937</u>	<u>0.00%</u>
<b>Total investments</b>		88,350,232	97.86%
<b>Other net assets</b>		<u>1,927,676</u>	<u>2.14%</u>
<b>Total net assets</b>		<u><u>90,277,908</u></u>	<u><u>100.00%</u></u>

The details of future contracts held by the Sub-Fund as at 31 December 2024 are as follows:

Underlying	Number of contracts	Position	Contract price	Multiplier	Counterparty	Maturity	Fair value USD
10-YEAR US TREASURY NOTE FUTURE (CBT) MAR2025	20	Short	108.75	1,000	JP Morgan	March 2025	(937)

## Financial derivative Instrument for the year ended 31 December 2024 (Unaudited)

The lowest, highest and average exposure arising from the net and gross of financial derivative instruments during the year ended 31 December 2024.

### Gross derivative exposure

	2024	2023
Lowest	0%	0%
Highest	2.53%	17.66%
Average	0.04%	1.58%

### Net derivative exposure

	2024	2023
Lowest	0%	0%
Highest	2.53%	17.66%
Average	0.04%	1.58%

## Performance record (Unaudited)

### Net asset value attributable to unitholders (dealing net asset value)

		<i>Net asset value per unit</i>	<i>Total net asset value USD</i>
As at 31 December 2024			
- Class A (HKD)	HKD	11.2728	49,923
- Class A (USD)	USD	11.3391	25,644
- Class A2 (HKD)	HKD	10.7906	358,352
- Class A2 (USD)	USD	10.8569	443,835
- Class I (USD)	USD	11.4532	22,661,164
- Class B (USD)	USD	11.4934	66,738,990
As at 31 December 2023			
- Class A (HKD)	HKD	10.7031	44,325
- Class A (USD)	USD	10.6861	5,045
- Class A2 (HKD)	HKD	10.2859	12,976
- Class A2 (USD)	USD	10.2870	103
- Class I (USD)	USD	10.7748	21,319,026
- Class B (USD)	USD	10.8053	82,635,076
As at 31 December 2022			
- Class A (HKD)	HKD	10.1721	46,118
- Class A (USD)	USD	10.1542	5,068
- Class I (USD)	USD	10.2281	20,237,114
- Class B (USD)	USD	10.2500	78,388,255
For the period from 29 December 2020 (commencement date) to 31 December 2021			
- Class A (HKD)	HKD	10.0723	146,525
- Class A (USD)	USD	10.0602	15,033
- Class I (USD)	USD	10.0994	247,403,767
- Class B (USD)	USD	10.1122	167,047,125

## Performance record (Unaudited) (continued)

Highest issue price and lowest redemption price per unit

	<i>Highest issue price per unit</i>		<i>Lowest redemption price per unit</i>	
For the year ended 31 December 2024				
- Class A (HKD)	HKD	11.2930	HKD	10.6907
- Class A (USD)	USD	11.3440	USD	10.6751
- Class A2 (HKD)	HKD	10.8130	HKD	10.2733
- Class A2 (USD)	USD	10.8642	USD	10.2770
- Class I (USD)	USD	11.4563	USD	10.7642
- Class B (USD)	USD	11.4961	USD	10.7948
For the year ended 31 December 2023				
- Class A (HKD)	HKD	10.7060	HKD	10.1990
- Class A (USD)	USD	10.6861	USD	10.1607
- Class A2 (HKD)	HKD	10.2889	HKD	10.0000
- Class A2 (USD)	USD	10.2870	USD	9.9940
- Class I (USD)	USD	10.7748	USD	10.2351
- Class B (USD)	USD	10.8053	USD	10.2571
For the year ended 31 December 2022				
- Class A (HKD)	HKD	10.1755	HKD	10.0104
- Class A (USD)	USD	10.1541	USD	9.9516
- Class I (USD)	USD	10.2280	USD	10.0067
- Class B (USD)	USD	10.2500	USD	10.0228
For the period from 29 December 2020 (commencement date) to 31 December 2021				
- Class A (HKD)	HKD	10.0723	HKD	9.9598
- Class A (USD)	USD	10.0602	USD	9.9753
- Class I (USD)	USD	10.0994	USD	9.9875
- Class B (USD)	USD	10.1122	USD	9.9888