

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)**

INTERIM REPORT (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)**

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**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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MANAGEMENT AND ADMINISTRATION

Manager

Shenwan Hongyuan Asset Management (Asia) Limited
6/F, Three Pacific Place
1 Queen's Road East
Wan Chai, Hong Kong

Directors of the Manager

Xia Mingrui
Liang Jun

Trustee and Registrar

Bank of Communications Trustee Limited
1/F, Far East Consortium Building
121 Des Voeux Road Central
Hong Kong

Auditor

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

Legal Adviser

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

RQFII Custodian

Bank of Communications Co., Ltd.
188 Yin Cheng Zhong Road
Shanghai 200120
The People's Republic of China

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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REPORT OF THE MANAGER**

Market Review

In the first half of 2025, China's economy delivered a resilient performance amidst the complex environment of "external pressure and internal stability." The Gross Domestic Product (GDP) reached 66.05 trillion yuan, achieving a year-on-year growth of 5.3% at constant prices, an increase of 0.3 percentage points compared to the previous year. Specifically, the economy grew by 5.4% in the first quarter and 5.2% in the second quarter, maintaining growth above 5% for two consecutive quarters, indicating overall stable expansion momentum.

On the demand side, the "three driving forces" worked in coordination: the contributions of final consumption expenditure, gross capital formation, and net exports of goods and services to GDP were 52.0%, 16.8%, and 31.2%, respectively. Consumption continued to serve as the main engine of growth. In the first half of the year, total retail sales of consumer goods reached 24.55 trillion yuan, a year-on-year increase of 5%, with the growth rate accelerating by 0.4 percentage points compared to the first quarter. Service retail sales grew by 5.3%, while commodity retail sales increased by 5.1%. Holiday-driven consumption, green consumption, and inbound tourism continued to gain traction. The investment structure was further optimized, with nationwide fixed asset investment (excluding rural households) reaching 24.87 trillion yuan, up 2.8% year-on-year. Excluding real estate development investment, growth reached 6.6%, with manufacturing investment rising by 7.5% and high-tech manufacturing investment increasing by 9.5%. Foreign trade weathered external shocks effectively, with total imports and exports of goods reaching 21.79 trillion yuan, a year-on-year increase of 2.9%. Exports grew by 7.2%, the share of mechanical and electrical products rose to 60%, and the contribution of private enterprises continued to improve.

Prices remained in a low and moderate range. In June, the Consumer Price Index (CPI) turned positive, rising to 0.1%, while core CPI rebounded to 0.7%. The Producer Price Index (PPI) saw a narrower decline, with marginal improvement in corporate profit expectations. The M2 money supply grew by 8.3.7% year-on-year, maintaining adequate liquidity. However, the pace of monetary expansion was slower than in previous years, indicating that overall social demand still requires further stimulation.

The bond market experienced volatility, with short-term yields rising and long-term yields remaining stable, resulting in a bear-flat curve. Yields for 1-year, 3-year, 5-year, 7-year, and 10-year government bonds stood at 1.34%, 1.40%, 1.52%, 1.62%, and 1.66%, respectively, representing increases of 27 basis points, 21 basis points, 10 basis points, 3 basis points, and a decrease of 1.5 basis points compared to the end of 2024. The equity market also showed a volatile trend: the Shanghai Composite Index rose slightly by 1.09% in the first half of the year, while the Shenzhen Component Index fell by about 5.79%. Overall, dividend stocks outperformed growth stocks.

Portfolio Review

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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For the 6-month period, the Fund's total return (including dividend pay-out) was 0.07% for A (Retail) class and 0.42% for I (institutional) class. The China bond Composite Full Price Index (CBCFPI) was decreased by 0.14%.

Market Outlook

In the second half of 2025, the momentum for economic recovery is expected to weaken marginally, with GDP growth projected to decline to around 4.8% in the third quarter. Under the impact of tariff policy disruptions, export growth will face pressure, compounded by the downward phase of the inventory cycle, which may further slow the growth of manufacturing investment. Policy countermeasures are expected to intensify: to achieve the annual economic growth target of 5%, fiscal policy will accelerate its implementation. The issuance of new special-purpose bonds in the second half of the year is anticipated to reach 7.5 trillion yuan, and the issuance of special sovereign bonds may be brought forward to the fourth quarter. Monetary policy will remain accommodative, with the 7-day reverse repo rate likely to be cut by 10 basis points to 1.3%. However, the extent of rate cuts may fall short of market expectations.

In the bond market, the central level of interest rates is expected to trend downward amid fluctuations. The yield on 10-year government bonds is projected to remain within the range of 1.4%-1.7%. If the Federal Reserve's rate cuts exceed expectations, yields may dip to 1.4%. The flattening of the yield curve observed in the first half of the year is likely to continue, with short-term rates declining under the guidance of policy rates, while long-term rates exhibit minor fluctuations due to expectations of economic recovery. The net financing scale for government bonds is estimated to reach 6.88 trillion yuan. The expansion of new bond varieties, such as sci-tech innovation bonds, may cause periodic disruptions to the market. However, against the backdrop of an "asset shortage," institutional demand for allocation is expected to remain robust.

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2025**

	30 Jun 2025 RMB	31 Dec 2024 RMB
Assets		
Cash and cash equivalent	1,233,320	1,120,901
Financial asset at fair value through profit or loss	30,878,971	30,911,777
Interest receivable	431,892	453,386
Deposit	22,324	22,955
Prepayments	-	-
Amount due from investment manager	-	93,000
Amount due from a broker		86,513
	<hr/>	<hr/>
Total assets	32,566,507	32,688,532
	<hr/>	<hr/>
Liabilities		
Amount due to brokers	349	283
Management fee payable	29,817	15,712
Trustee fee payable	66,181	53,227
Sub-custodian fee payable	1,318	2,718
Tax payable	232,847	232,847
Other payables and accruals	101,776	204,600
	<hr/>	<hr/>
Total liabilities	432,288	509,387
	<hr/>	<hr/>
Net assets attributable to unitholders	32,134,219	32,179,145
	<hr/> <hr/>	<hr/> <hr/>
Net asset value (calculated in accordance with the Sub-Fund's explanatory memorandum)		
Class A	2,621,505	2,761,543
Class I	29,512,714	29,417,602
Number of units in issue		
Class A	30,589.344	32,210.331
Class I	320,192.555	320,192.555
Net asset value per unit (calculated in accordance with the Sub-Fund's explanatory memorandum)		
Class A	85.699	85.734
Class I	92.171	91.874

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)**

**STATEMENT OF FINANCIAL POSITION (UNAUDITED) – CONTINUED
AS AT 30 JUNE 2025**

Dividend Paid

The interim dividend distribution for the calendar quarter ending 31 March 2025 was paid and the amount of dividend paid was RMB35,112.50.

Share Class	Currency	Dividend per Unit
Class A	RMB	RMB0.10
Class I	RMB	RMB0.10

Record date : 17 March 2025
Ex-dividend date : 18 March 2025
Payment date : 20 March 2025

The interim dividend distribution for the calendar quarter ending 30 June 2025 was paid and the amount of dividend paid was RMB35,075.79.

Share Class	Currency	Dividend per Unit
Class A	RMB	RMB0.10
Class I	RMB	RMB0.10

Record date : 16 June 2025
Ex-dividend date : 17 June 2025
Payment date : 19 June 2025

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Note	For the six months ended 30 Jun 2025 RMB	For the six months ended 30 Jun 2024 RMB
Income			
Interest on bank deposit		293	1,444
Interest from financial assets at fair value through profit or loss		404,064	465,578
Dividend		8,800	-
Net gains on financial assets at fair value through profit or loss		157,533	296,158
Net exchange gains / (losses)		1,047	(12,400)
Total net income		<u>571,737</u>	<u>750,780</u>
Expenses			
Management fee		88,592	94,385
Trustee fee		196,372	302,728
Sub-custodian fee		10,593	16,493
Auditor's remuneration		103,761	150,214
Commission and brokerage fee	2	2,531	3,673
Legal and professional fees		-	-
Other expenses		6,316	8,210
Total operating expenses		<u>408,165</u>	<u>575,703</u>
Finance Cost			
Distribution to unitholders		<u>(70,188)</u>	<u>(507,004)</u>
Gain / (Loss) before tax		93,384	(331,927)
Taxation		<u>196</u>	<u>1,334</u>
Total comprehensive gain / (loss)		<u>93,188</u>	<u>(333,261)</u>

SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Class A			Class I			Total
	Number of units	Net assets attributable to unitholders RMB	Net asset value per unit RMB	Number of units	Net assets attributable to unitholders RMB	Net asset value per unit RMB	Net assets attributable to unitholders RMB
As at 1 January 2024	44,267.896	3,790,333	85.622	320,192.555	29,134,553	90.990	32,924,886
Issuance of units	469.313	39,872		-	-		39,872
Redemption of units	(4,869.699)	(415,777)		-	-		(415,777)
Total comprehensive loss		(49,290)			(283,971)		(333,261)
As at 30 June 2024	39,867.510	3,365,138	84.408	320,192.555	28,850,582	90.103	32,215,720
As at 1 January 2025	32,210.331	2,761,543	85.734	320,192.555	29,417,602	91.874	32,179,445
Issuance of units	48.085	4,102		-	-		2,050
Redemption of units	(1,669.072)	(142,216)		-	-		(142,216)
Total comprehensive gain / (loss)		(1,924)			95,112		93,188
As at 30 June 2025	30,589.344	2,621,505	85.699	320,192.555	29,512,714	92.171	32,134,219

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
(A SUB-FUND OF SWS STRATEGIC INVESTMENT FUNDS)**

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2025**

Investments	Holdings	Fair value RMB	% of net asset value
Debt securities China			
BANK OF CHONGQING CO LTD	1,238,000	1,553,569	4.83
BANK OF SHANGHAI	1,850,000	2,334,487	7.26
CHINA GOVERNMENT BOND	3,000,000	3,003,150	9.35
CHINA GOVERNMENT BOND	2,500,000	2,505,125	7.80
GUANGDONG ROAD BRIDGE	2,000,000	2,035,382	6.33
GUANGZHOU DIGITAL TECH	1,000,000	1,009,710	3.14
GZ FINANCE GRP	2,000,000	2,059,580	6.41
HESTEEL CO LTD	2,000,000	2,036,488	6.34
HUATAI SECURITIES CO LTD	2,000,000	2,034,900	6.33
JIANGXI EXPRESSWAY INVST	1,000,000	1,004,240	3.13
JINAN WEST CITY INVT	551,000	581,834	1.81
OMNIVISION INTEGRATED	150,000	182,536	0.57
SHAANXI INV GR	1,000,000	1,013,330	3.15
SHANGHAI NANFANG GROUP	2,000,000	2,005,720	6.24
SHANGHAI PUDONG DEV BANK	2,700,000	2,971,434	9.25
SHENZHEN INTL HLDG	1,000,000	1,015,166	3.16
SHENZHEN INVESTMENT HLDG	1,000,000	1,031,800	3.21
SICHUAN ENERGY INV GRP	1,000,000	1,004,170	3.12
TONGWEI CO LTD	150,000	168,429	0.52
TONGXIANG ZHENDONG INV	212,000	84,821	0.26
		<hr/> 29,635,871	<hr/> 92.23

	Holdings	Fair value	% of net
Listed investment fund			
ChinaAMC CNI Semi-conductor Chip ETF	200,000	246,000	0.77
ChinaAMC CSI 1000 ETF	100,000	260,800	0.81
Guotai CSI National Defense ETF	100,000	114,700	0.36
Huatai-Pinebridge CSI 300 ETF	100,000	398,200	1.24
Huatai-PineBridge CSI Rare Earth ETF	100,000	114,800	0.36
Hwabao WP CSI All Share Invest ETF	100,000	108,600	0.34
		<hr/> 1,243,100	<hr/> 3.87

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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Total investment portfolio, at fair value	30,878,971	96.10
Other net assets	1,255,248	3.90
	<hr/>	<hr/>
Net asset value as at 30 June 2025 (calculated in accordance with the Sub-Fund's explanatory memorandum)	32,134,219	100
	<hr/> <hr/>	<hr/> <hr/>
Total investments, at cost	30,077,900	
	<hr/> <hr/>	

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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**STATEMENT OF MOVEMENT IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	% holdings of net assets as at 30 June 2025	% holdings of net assets as at 30 June 2024
People's Republic of China		
Listed equity securities	-	-
Listed investment fund	3.87	1.91
RMB-denominated debt securities	92.23	93.81
Money market fund	-	-
	<hr/>	<hr/>
Total investment portfolio	96.10	95.70
Other net assets	3.90	4.30
	<hr/>	<hr/>
Net assets	100	100
	<hr/> <hr/>	<hr/> <hr/>

**SHENYIN WANGUO RMB MAINLAND INVESTMENT FUND
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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

1. Basis of preparation

The accounting policies adopted in preparing the unaudited interim reports for the six months ended 30 June 2025 are consistent with those adopted in the financial statements of the Sub-Fund for the year ended 31 December 2024.

In preparing the interim financial statements, the Management of the Sub-Fund assesses 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 Management either intends to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

2. Investment transactions cost paid to connected persons of the Manager

	Total commission paid RMB
For the six months ended 30 Jun 2025	
Shenwan Hongyuan Securities Co., Ltd.	2,531
For the six months ended 30 Jun 2024	
Shenwan Hongyuan Securities Co., Ltd.	3,673