



**Shenyin Wanguo RQFII A Share
Strategy Fund**
(A sub-fund of SWS Strategic Investment Funds, an
open-ended trust established as an umbrella fund
under the laws of Hong Kong)

31 December 2025

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Administration and management

DIRECTORS OF MANAGER

Xia Mingrui
Liang Jun

MANAGER

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

TRUSTEE AND REGISTRAR

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

RQFII CUSTODIAN

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

LEGAL ADVISER

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

AUDITOR

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

Report of the manager

Market Review

The A-share market in 2025 exhibited an overall trend of volatile appreciation, characterized by a steady start followed by a late-year surge. The Shanghai Composite Index reached a significant milestone in August by breaking a ten-year high, eventually hitting a peak of 4034.1 during the year. The market demonstrated remarkable resilience, with major indices delivering robust positive returns that placed China among one of the world's top-performing equity markets for the year. Growth-focused segments were more preferred by the market, with technology-heavy indices like ChiNext and STAR 50 surging dramatically amid strong investor enthusiasm for innovation-driven themes.

At the macro level, the core drivers of this rally and the subsequent re-rating of Chinese assets were the dual forces of a restructuring international order and a domestic surge in industrial innovation. Market liquidity remained high as retail investors actively entered the fray, marking a notable shift of household savings into the equity market. Simultaneously, institutional participation was bolstered by policy incentives designed to guide medium-to-long-term capital into the A-share market.

In terms of market style, small-cap stocks generally outperformed large-caps, and growth outperformed value for much of the year, though the market drifted toward a more balanced equilibrium as the year drew to a close. From a sector perspective, Non-ferrous Metals, Telecommunications, and Electronics led the gains, while the Food & Beverage and Coal sectors showed relative weakness.

The economy expanded 5.0 % in 2025, in line with the official target of around 5% and better than the market feared. The Consumer Price Index (CPI) increased by 0% and Producer Price Index (PPI) decreased by 2.6 % year-on-year, reflecting continuous price pressure.

Portfolio Review

The fund's NAV per unit increased by 9.96% in 2025.

Report of the manager (continued)

Market Outlook and Portfolio Strategy

The Chinese economy is likely to continue its weak recovery in 2025, showing a similar pattern to previous years. During the annual “Two Sessions”, the government set its GDP growth target for the first time as an interval of 4.5%–5%, while pledging to adopt a more proactive fiscal policy. Monetary policy will remain appropriately accommodative, with flexible and effective use of various tools including RRR cuts and interest rate reductions, alongside a moderate expansion in the scale of structural monetary policy instruments. Authorities have also explicitly stated that there remains room for further cuts to reserve requirement ratios and interest rates. It will still take time for stimulus policies to take full effect and translate into improved corporate profitability.

The A-share may continue the uptrend. From fundamental perspective: Chinese enterprises have endured intense price competition over the past two years. However, capital expenditure has declined since 2024, and depreciation pressure is set to peak in 2025, creating room for profit expansion. Meanwhile, the anti-involution trend has taken hold in a wide range of industries, from silicon materials to express delivery. Stabilizing pricing will help push corporate profit margins back toward their historical averages. From liquidity perspective: the “savings migration” of retail investors from deposits into equities already took place in 2025. With the gradual formation of a prolonged slow bull market and interest rates staying at relatively low levels, the trend of household deposits moving into the stock market will persist.

However, we can't ignore the uncertainties around US-China trade policies and geopolitical risks globally. The fund strategy will keep prudent all the time and continue to invest in high-quality companies with stable profitability and improving fundamentals.

Concerns on Climate-related Risk for the Fund

Funds pay close attention to investment targets that align with environmental, social, and governance (ESG) principles throughout the investment process. This approach not only aims to achieve financial returns but also strives to drive social progress, protect natural resources, and promote sound corporate governance, thereby delivering long-term, stable, and responsible investment returns. By actively investing in assets with strong ESG performance, funds seek to preserve and enhance asset value while contributing to a more harmonious, prosperous, and sustainable future.

Sincerely yours,



Shenwan Hongyuan Asset Management (Asia) Limited


30 APR 2026

Investments are subject to investment risks, fund value may go up as well as down and past performance is not indicative of future performance. Please refer to the Explanatory Memorandum for details including the risk factors. Shenwan Hongyuan Asset Management (Asia) Limited is the issuer of this report. This document has not been reviewed by the Securities and Futures Commission.

Report of the trustee to the unitholders

We hereby confirm that, in our opinion, the Manager has, in all material respects, managed the SWS Strategic Investment Funds – Shenyin Wanguo RQFII A Share Strategy Fund in accordance with the provisions of the Trust Deed dated 6 January 2012 and all its supplemental deeds for the year ended 31 December 2025.

For and on behalf of

Danguo x


Bank of Communications Trustee Limited

30 APR 2026



Independent auditor's report to the unitholders of Shenyin Wanguo RQFII A Share Strategy Fund

*(a sub-fund of SWS Strategic Investment Funds, an open-ended unit trust
established as an umbrella fund under the laws of Hong Kong)*

Report on the audit of financial statements

Opinion

We have audited the financial statements of Shenyin Wanguo RQFII A Share Strategy Fund (a sub-fund of SWS Strategic Investment Funds and referred to as the "Sub-Fund") set out on pages 9 to 30, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended 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 position of the Sub-Fund as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Boards ("IASB").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by the International Auditing and Assurance Standards Board ("IAASB"). 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 *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (the "IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the IESBA 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 the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

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

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



Independent auditor's report to the unitholders of Shenyin Wanguo RQFII A Share Strategy Fund (continued)

*(a sub-fund of SWS Strategic Investment Funds, an open-ended unit trust
established as an umbrella fund under the laws of Hong Kong)*

Report on the audit of financial statements (continued)

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

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

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 6 January 2012 (the "Trust Deed") and supplemental deeds, as amended (the "Supplemental Deed") and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds (the "SFC Code") issued by the 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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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 aspects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E to the SFC Code.



Independent auditor's report to the unitholders of Shenyin Wanguo RQFII A Share Strategy Fund (continued)

(a sub-fund of SWS Strategic Investment Funds, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the audit of financial statements (continued)

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

As part of an audit in accordance with ISAs, 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.
- 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.



**Independent auditor's report to the unitholders of
Shenyin Wanguo RQFII A Share Strategy Fund (continued)**
*(a sub-fund of SWS Strategic Investment Funds, an open-ended unit trust
established as an umbrella fund under the laws of Hong Kong)*

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

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

Certified Public Accountants


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

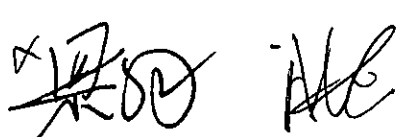
30 APR 2026

Statement of financial position
as at 31 December 2025
(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB
Assets			
Current assets			
Cash and cash equivalents	6(f)	17,614	107,235
Bank deposits	6(f)	500	4,831
Financial assets at fair value through profit or loss		89,770	3,544,778
Amount due from broker	6(e)	8	-
Interest receivable	6(f)	-	5
Total assets		<u>107,892</u>	<u>3,656,849</u>
Liabilities			
Current liabilities			
Commission payable	6(e)	3	5,710
Management fee payable	6(a)	9,058	4,904
Sub-custodian fee payable	6(c)	11	285
Total liabilities		<u>9,072</u>	<u>10,899</u>
Equity			
Net assets attributable to unitholders		<u>98,820</u>	<u>3,645,950</u>

Approved and authorised for issue by the Trustee and the Manager on 30 APR 2026

Wang

.....
For and on behalf of
Bank of Communications Trustee Limited
As the Trustee


.....
For and on behalf of
Shenwan Hongyuan Asset Management (Asia)
Limited
As the Manager

The notes on pages 13 to 30 form part of these financial statements.

Statement of comprehensive income for the year ended 31 December 2025

(Expressed in Renminbi)

	<i>Notes</i>	2025 RMB	2024 RMB
Income			
Dividend income		48,340	92,099
Interest income on bank deposits	6(f)	202	627
Net gains on financial assets at fair value through profit or loss	4	406,191	127,920
Net exchange losses		(22,401)	(956)
Other income	6(g)	330,133	335,399
		<hr/>	<hr/>
Total net income		762,465	555,089
		<hr/>	<hr/>
Expenses			
Management fee	6(a)	(43,464)	(46,916)
Trustee fee	6(b), 6(g)	(167,999)	(167,999)
Sub-custodian fee	6(c)	(1,706)	(2,764)
Auditor's remuneration	6(g)	(161,424)	(167,400)
Commission and brokerage fee	6(e)	(33,986)	(46,199)
Other expenses		(20,724)	(17,451)
		<hr/>	<hr/>
Total operating expenses		(429,303)	(448,729)
		<hr/>	<hr/>
Profit before taxation		333,162	106,360
Taxation	5	(4,848)	(9,245)
		<hr/>	<hr/>
Profit and total comprehensive income for the year		328,314	97,115
		<hr/>	<hr/>

The notes on pages 13 to 30 form part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2025
(Expressed in Renminbi)

	Class A HKD units		
	<i>Number of units</i>	<i>Net assets attributable to unitholders RMB</i>	<i>Net asset value per unit RMB</i>
As at 1 January 2024	71,587.347	3,265,877	45.621
Issuance of units	7,045.660	346,279	
Redemption of units	(1,230.000)	(63,321)	
Profit and total comprehensive income for the year	-	97,115	
As at 31 December 2024 and 1 January 2025	77,403.007	3,645,950	47.103
Issuance of units	1,709.911	78,445	
Redemption of units	(77,102.484)	(3,953,889)	
Profit and total comprehensive income for the year	-	328,314	
As at 31 December 2025	2,010.434	98,820	49.154

The notes on pages 13 to 30 form part of these financial statements.

Statement of cash flows

for the year ended 31 December 2025

(Expressed in Renminbi)

	2025 RMB	2024 RMB
Operating activities		
Profit and total comprehensive income for the year	328,314	97,115
Adjustments for:		
- Dividend income	(48,340)	(92,099)
- Interest income on bank deposits	(202)	(627)
- Withholding tax	4,848	9,245
	284,620	13,634
Operating profit before working capital changes		
Net decrease/(increase) in financial assets at fair value through profit or loss	3,455,008	(400,174)
Decrease/(increase) in bank deposits	4,331	(30)
(Increase)/decrease in amount due from broker	(8)	325,052
Decrease in prepayments	-	5,251
(Decrease)/increase in commission payable	(5,707)	3,379
Net increase/(decrease) in management fee payable, sub-custodian fee payable, amount due to broker	3,880	(333,866)
	3,742,124	(386,754)
Cash generated from/(used in) operations		
Dividend received	48,340	92,099
Interest received	207	630
Withholding tax paid	(4,848)	(9,245)
	3,785,823	(303,270)
Net cash generated from/(used in) operating activities		
Financing activities		
Proceeds from issuance of units	78,445	346,279
Payments on redemption of units	(3,953,889)	(63,321)
	(3,875,444)	282,958
Net cash (used in)/generated from financing activities		
Net decrease in cash and cash equivalents	(89,621)	(20,312)
Cash and cash equivalents at beginning of the year	107,235	127,547
	17,614	107,235
Cash and cash equivalents at end of the year		

The notes on pages 13 to 30 form part of these financial statements.

Notes to the financial statements

1 The Sub-Fund

SWS Strategic Investment Funds (the "Trust") is constituted as an umbrella unit trust established under the laws of Hong Kong pursuant to a trust deed dated 6 January 2012 (the "Trust Deed") and supplemental deeds, as amended (the "Supplemental Deed") entered into between Shenwan Hongyuan Asset Management (Asia) Limited (the "Manager") and Bank of Communications Trustee Limited (the "Trustee"). The Trust is an open-ended unit trust and is authorised by Securities and Futures Commission of Hong Kong 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 Securities and Futures Commission of Hong Kong (the "SFC Code").

Shenyin Wanguo RQFII A Share Strategy Fund (the "Sub-Fund") constituted as a separate sub-fund of the Trust on 19 June 2015.

A separate sub-fund can be created and established to which assets and liabilities attributable to the relevant sub-fund applied. A separate class of units relating exclusively to each sub-fund will be issued. As at 31 December 2025, there is another sub-fund under the Trust – Shenyin Wanguo RMB Mainland Investment Fund. The assets and liabilities of each sub-fund of the Trust are separate and distinct from the assets and liabilities of the sub-fund of the Trust.

The investment objectives of the Sub-Fund is to achieve long-term capital appreciation by investing in stocks issued by companies established and operating in the PRC and listed on stock exchanges in Shanghai and Shenzhen through the RQFII quota of the RQFII Holder which is the holding company of the Manager.

2.1 Statement of compliance and basis of preparation of the financial statements

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective includes all applicable individual International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs") and Interpretations issued by the International Accounting Standard Board ("IASB"), the relevant disclosure provisions of the Trust Deed and its supplemental deeds, and the relevant disclosure provisions specified in Appendix E of the SFC Code.

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting year of the Sub-Fund. Note 2.3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Sub-Fund for the current and prior accounting years reflected in these financial statements.

The financial statements have been prepared under the historical cost basis, except for financial assets at fair value through profit or loss that have been measured at fair value as explained in the accounting policies set out below. The financial statements are presented in RMB and all values are rounded to the nearest RMB except where otherwise indicated.

2.1 Statement of compliance and basis of preparation of the financial statements (continued)

Based on the notice to unitholders on 7 November 2025, the Manager shall review and amend as appropriate the Sub-Fund's investment objective and investment strategy by 6 May 2026.

As of the date of these financial statements, the Manager is of the view that the Sub-Fund will continue as a going concern and has no intention to liquidate the Sub-Fund or to cease operations and the Manager is not required to liquidate the Sub-Fund.

2.2 Material accounting policies

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

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

Classification

The Sub-Fund classifies its investments based on both the Sub-Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Recognition/derecognition

Regular purchases and sales of investments are accounted for on the trade date basis. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

Measurement

Investments are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all investments are measured at fair value. Realised and unrealised gains and losses on investments are recognised in the statement of comprehensive income within "Net gain/(losses) on financial assets at fair value through profit or loss" in the period in which they arise.

2.2 Material accounting policies (continued)

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

Fair value estimation

The Sub-Fund adopted IFRS 13 "Fair value measurement" for fair value estimation of financial assets at fair value through profit or loss. The fair value of investments that are listed or traded on an exchange is based on quoted market prices at close of trading on the reporting date.

Transfer between levels of the fair value hierarchy

Transfers between levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

(b) *Offsetting financial instruments*

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

(c) *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, demand deposits, other short-term highly liquid investments with original maturities of three months or less.

(d) *Income*

Dividend income on equity securities is recorded on the ex-dividend date. Dividend income on equity securities where no ex-dividend date is quoted is accounted for when the Sub-Fund's right to receive payment is established.

Interest income is recognised on a time proportionate basis using the effective interest method. Interest income includes interest from bank deposits and cash and cash equivalents.

Realised gains and losses on disposal of investments classified as at fair value through profit or loss area calculated using the weighted average cost basis. They represent the difference between an investment's initial carrying amount and disposal amount.

(e) *Expenses*

Expenses are accounted for on an accrual basis and recognised in the period they incurred.

2.2 Material accounting policies (continued)

(f) *Amount due from/to brokers*

Amounts due from brokers include receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date.

Amounts due to brokers includes payables for securities purchased (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(g) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the "functional currency"). The performance of the Sub-Fund is measured and reported to the unitholders in Renminbi (the "RMB"). The Manager considers the RMB as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in RMB, which is the Sub-Fund's functional and presentation currency.

(h) *Foreign currencies transactions*

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

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

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "Net exchange gains/(losses)". Foreign exchange gains and losses relating to the financial assets and financial liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within "Net gains/(losses) on financial assets at fair value through profit or loss".

2.2 Material accounting policies (continued)

(i) Redeemable units

Net assets attributable to unitholders

The Sub-Fund issues redeemable units which are redeemable at the holder's option represents puttable financial instruments of the Sub-Fund. The Sub-Fund classifies its puttable financial instruments as equity in accordance with IAS 32 (Amendment), "Financial instruments: Presentation" as those puttable financial instruments meet all the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net asset value;
- the puttable financial instruments are the most subordinated units in issue and unit features are identical;
- apart from the contractual obligation for the Sub-Fund to repurchase or redeem the instrument for cash or another financial asset, there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable financial instrument over its life are based substantially on the profit or loss of the Sub-Fund.

The holder of redeemable units can redeem the units on dealing days which are generally each Hong Kong and PRC business days or such other day or days determined by the Manager and Trustee may agree from time to time for cash equal to a proportionate share of the Sub-Fund's net assets attributable to unitholders of the relevant class. Class A HKD Units are subject to management fee at 1.5% of the net asset value per annum

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

Redemption of units are processed on each business day (Dealing Date) and redemption proceeds are usually settled within 5 business days from the Dealing Date.

The Manager maintains the right to limit redemption up to 10% of total number of units in issue on dealing day prorated by investors' redemptions on the same dealing day. Any units not redeemed which would have otherwise been redeemed will be carried forward for redemption, subject to the same limitation on the next succeeding dealing day(s) until initial redemption request has been satisfied in full.

Distributions to unitholders

The Manager does not intend to make distribution in respect of the Sub-Fund and any income earned by the Sub-Fund will be reinvested in that Sub-Fund and reflected in the value of units of the relevant classes of that Sub-Fund.

Proceeds and payments on issue and redemption of units

The net asset value of the Sub-Fund is computed daily. Prices for issues and redemption are based on the latest available valuation of the Sub-Fund. Proceeds and payment for units issued and redeemed are shown as movements in the statement of changes in equity.

2.2 Material accounting policies (continued)

(j) Taxation

The Sub-Fund currently incurs withholding taxes imposed by PRC on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included as "Taxation" in the statement of comprehensive income.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(k) Related parties

- (a) A person or a close member of that person's family, is related to the Sub-Fund if 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;
- (b) An entity is related to the Sub-Fund if any of the following conditions applies:
- (i) the entity and the Sub-Fund are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities 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;

2.2 Material accounting policies (continued)

(k) Related parties (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of an entity related to the Sub-Fund;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Sub-Fund or to the Sub-Fund's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2.3 Changes in accounting policies

The Sub-Fund has applied amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*, issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Sub-Fund has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

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

3 Financial risk management

(a) Strategy in using financial instruments

The Sub-Fund's objective in managing risk is the creation and protection of unitholder value. Risk is inherent in the Sub-Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to relevant controls. The process of risk management is critical to the Sub-Fund's continuing profitability.

The investments in the Sub-Fund are subject to normal market fluctuations and other risks inherent in trading in securities and derivatives. There can be no assurance that any appreciation in value will occur. The value of investments may fluctuate and therefore the value of the units can fall as well as rise.

(b) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

All securities investments present a risk of loss of capital. The Sub-Fund's market price risk is managed through diversification of the investment portfolio. The Sub-Fund's overall market positions are monitored on a regular basis by the Manager.

3 Financial risk management (continued)

(b) Market price risk (continued)

As at 31 December 2025 and 2024, the Sub-Fund invested only in listed equities. The net exposures to industry sectors at 31 December 2025 and 2024 was as follows:

	2025		2024	
	RMB	% of net asset value	RMB	% of net asset value
Consumer Discretionary	8,030	8.13	413,380	11.34
Consumer Staples	15,123	15.30	168,060	4.61
Communication Services	7,080	7.16	463,000	12.70
Financials	15,974	16.16	352,400	9.67
Health Care	7,686	7.78	-	-
Industrials	-	-	568,275	15.59
Technology	7,146	7.23	1,579,663	43.32
Energy	11,118	11.25	-	-
Materials	17,613	17.82	-	-
	<u>89,770</u>	<u>90.83</u>	<u>3,544,778</u>	<u>97.23</u>

The Sub-Fund's net assets attributable to unitholders is impacted by the increases/decreases of the underlying securities to which the Sub-Fund is exposed. As at 31 December 2025, if the underlying securities had increased/decreased by 10% (2024: 10%), the Sub-Fund's pre-tax profits for the year would have resulted in an increase/decrease of RMB10,326 (2024: RMB386,174).

The Manager has used their view of what would be a "reasonable possible shift" in each key market to estimate the change for use in the market sensitivity analysis. The analysis is performed on same basis for 2024.

(c) Interest rate risk

Interest rate risk arise from the possibility that changes in interest rates will affect future cash flows on the fair values of financial instrument.

The majority of the Sub-Fund's financial assets are non-interest bearing. As a result, the Sub-Fund is not subject to significant impact of interest rate risk due to fluctuations in the prevailing levels of market interest rates.

As at 31 December 2025, the Sub-Fund only had bank balances of RMB17,614 (2024: RMB107,235) that are interest-bearing and is therefore exposed to minimal interest rate risk on these bank balances.

(d) 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 mainly invests in securities and other investments that are denominated in RMB, which is the functional currency of the Sub-Fund. Accordingly, the Manager considers that the Sub-Fund is not exposed to significant currency risk and therefore no sensitivity analysis is presented.

3 Financial risk management (continued)

(e) Credit risk

Credit is the risk that an issuer or counterparty to a financial instrument will cause a financial loss for the Sub-Fund by failing to discharge an obligation.

The Sub-Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of investments and cash and cash equivalent. The Sub-Fund limits its exposure to credit risk by transacting the majority of its investments and contractual commitment activities with brokers, banks and regulated exchanges with high credit ratings and that the Sub-Fund considers to be well established.

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

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2025 and 2024, interest receivables and cash and cash equivalent are held with counterparties with a credit rating at or above investment grade and are due to be settled within 1 month. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

As at 31 December 2025 and 2024, the credit ratings of the Sub-Fund's RQFII custodian and the counterparties are at or above investment grade with the reference to the rating agencies.

It is the Sub-Fund's policy to enter into financial instruments with reputable counterparties. The Manager closely monitors the creditworthiness of the Sub-Fund's counterparties (e.g. brokers, custodians, and banks) by reviewing their credit rating and financial statements on a regular basis.

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

The Sub-Fund's financial assets which are potentially subject to concentration of credit risk consist principally of banks balances and financial assets held with the custodian.

As at 31 December 2025, the Sub-Fund place cash and cash equivalents and financial assets with Bank of Communications Co., Ltd, the RQFII custodian of the Sub-Fund. The Sub-Fund also place cash and cash equivalents with Bank of Communications Co., Ltd., Hong Kong Branch ("the bank"). As at 31 December 2025 and 2024, the credit rating of the RQFII custodian and the bank are at above investment grade with reference to the rating agencies.

3 Financial risk management (continued)

(e) Credit risk (continued)

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of financial position.

None of the assets is impaired nor past due but not impaired.

(f) Liquidity risk

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

The Manager monitors the Sub-Fund's liquidity position on a daily basis. The Manager may limit the aggregate number of units relating to the Sub-Fund redeemed on any dealing day to 10% of the total value of the units in issue of the Sub-Fund. In this event, the limitation will apply pro rata so that all unitholders wishing to redeem units on that dealing day will redeem the same proportion by value of those units, and units not redeemed are carried forward for redemption, subject to the same limitation, on the next dealing day.

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

	<i>Less than 1 month RMB</i>	<i>Over 1 month and less than 1 year RMB</i>	<i>Total RMB</i>
As at 31 December 2025			
Commission payable	3	-	3
Management fee payable	9,058	-	9,058
Sub-custodian fee payable	11	-	11
	<u>9,072</u>	<u>-</u>	<u>9,072</u>
As at 31 December 2024			
Commission payable	5,710	-	5,710
Management fee payable	4,904	-	4,904
Sub-custodian fee payable	285	-	285
	<u>10,899</u>	<u>-</u>	<u>10,899</u>

3 Financial risk management (continued)

(f) Liquidity risk (continued)

Units are redeemed on demand at the unitholder's option, however, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as the unitholders typically retain their units for the medium to long term. With a view to protecting the interest of unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of units of the Sub-Fund redeemed on any dealing day to 10% of the total number of units in issue. As at 31 December 2025, there was 1 (2024: 1) unitholder holding more than 10% of the Sub-Fund's units.

The following table illustrates the expected liquidity of assets held:

	<i>Less than 1 month RMB</i>	<i>Over 1 month and less than 1 year RMB</i>	<i>Total RMB</i>
As at 31 December 2025			
Total assets	<u>107,892</u>	<u>-</u>	<u>107,892</u>
As at 31 December 2024			
Total assets	<u>3,656,849</u>	<u>-</u>	<u>3,656,849</u>

(g) Fair value

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the year end date. The Sub-Fund utilises the last traded market price as its fair valuation inputs for both financial assets.

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

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

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 - Observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 - Input that is significant to the fair value measurement is unobservable.

3 Financial risk management (continued)

(g) Fair value (continued)

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

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

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets measured at fair value at 31 December 2025 and 2024:

	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
As at 31 December 2025				
<u>Financial assets at fair value through profit or loss – Listed equity securities</u>	89,770	-	-	89,770
As at 31 December 2024				
<u>Financial assets at fair value through profit or loss – Listed equity securities</u>	3,544,778	-	-	3,544,778

During the years ended 31 December 2025 and 31 December 2024, there are no investments classified within Level 3 by the Sub-Fund, and there was no transfer between Level 1 and Level 2, or transfer into or out of Level 3.

Valuation techniques

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include actively listed equity securities. The Sub-Fund does not adjust the quoted price for these instruments.

Fair value for financial instrument not measured at fair value

The carrying amount of those financial instruments not measured at fair value approximated to their fair values.

3 Financial risk management (continued)

(h) Capital risk management

The Trust and the Sub-Fund do not have any externally imposed capital requirements. The Sub-Fund's objectives for managing capital are:

- (i) To invest the capital in investments for achieving its investment objectives;
- (ii) To achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in derivatives and other capital markets and by using various investment strategies and hedging techniques; and
- (iii) To maintain sufficient liquidity to meet the expenses of the Sub-Fund and redemption requests as they arise.

4 Net gains on financial assets at fair value through profit or loss

	2025 RMB	2024 RMB
Net unrealised gains/(losses)	80,013	(29,845)
Net realised gains	326,178	157,765
	406,191	127,920

5 Taxation

(a) Hong Kong

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

5 Taxation (continued)

(b) PRC

The Sub-Fund invested in A-Shares listed in the PRC and are subjected to 10% withholding tax on dividend income derived from A-Shares. Withholding tax was charged on dividend income received from A-Shares during the period.

According to Caishui [2014] No. 79, QFIIs/RQFIIs without permanent establishment in the PRC or having an establishment in the PRC but the income derived in China is not effectively connected with such establishment are temporarily exempt from PRC CIT on capital gains derived from trading PRC equity investments (including A Shares) effective from 17 November 2014. According to Caishui [2014] No. 81 and Caishui [2016] No. 127, capital gains derived by overseas investors from the trading of China A Shares via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are temporarily exempt from PRC CIT.

According to the notice Caishui [2016] No.36 ("Circular 36"), Value-Added Tax ("VAT") at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. The gains derived by QFIIs/RQFIIs or through the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect from trading of marketable securities (including A-shares and other PRC listed securities) are exempted from VAT in the PRC under Circular 36 and Caishui [2016] No. 127. Dividend income or profit distributions on equity investment derived from the PRC are not included in the taxable scope of VAT under Circular 36.

According to Stamp Duty Law, Stamp Duty is levied on security transactions at 0.1% of the transaction amount. The transferor of the security transaction is the taxpayer and the security registration and settlement institution is the withholding agent. According to Announcement [2023] No.39 of the Ministry of Finance and the State Taxation Administration, Stamp Duty on security transactions will be reduced by half from 28 August 2023.

6 Transactions with related parties or connected persons

The following is a summary of transactions entered into during the year between the Sub-Fund and its related parties including the Manager, the Investment Adviser, Trustee/RQFII Custodian and their connected persons (the "Connected Persons"). Connected Persons are those as defined in the SFC Code. All such transactions were entered into in the ordinary 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 the connected persons except for those disclosed below.

(a) Management fee

The Manager is entitled to receive a management fee at a rate of 1.5% per annum (2024: 1.5% per annum) for Class A HKD Units with respect to the units of the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears.

Management fee charged for the year was RMB43,464 (2024: RMB46,916) of which RMB9,058 (2024: RMB4,904) was payable to the Manager as at 31 December 2025.

6 Transactions with related parties or connected persons (continued)

(b) Trustee fee

The Trustee is entitled to receive a trustee fee at a rate of 0.11% per annum (2024: 0.11% per annum) for Class A HKD Units of the net asset value of the Sub-Fund and subject to a minimum monthly fee of RMB14,000 for each class of units calculated and accrued on each dealing day and are paid monthly in arrears.

Trustee fee charged for the year was RMB167,999 (2024: RMB167,999). For the year ended 31 December 2025 and 2024 the trustee fee of the Sub-Fund was borne by the Manager.

(c) Sub-Custodian fee

Bank of Communications Co., Ltd (The "RQFII Custodian"), a holding company of Bank of Communications Trustee Limited, acts as a custodian to the Sub-Fund. It is entitled to receive transaction charges at customary market rates and sub-custodian fees at different rates. Such charges and fees will be calculated monthly and payable monthly in arrears. The sub-custodian will be paid a sub-custodian fee at a rate of 0.09% per annum of the net asset value of the Sub-Fund.

With effect from 1 March 2025 and onwards, the sub-custodian will be paid a sub-custodian fee at a rate of 0.05% per annum of the net asset value of the Sub-Fund.

The sub-custodian fee for the year was RMB1,706 (2024: RMB2,764) of which RMB11 (2024: RMB285) was payable to RQFII Custodian as at 31 December 2025.

(d) Holding in the Sub-Fund

The Sub-Fund allows the Manager, its connected persons and other funds managed by the Manager to subscribe for and redeem units in the Sub-Fund. The holdings in the Sub-Fund by the Manager and its connected person as at 31 December 2025 and 2024 were as follows.

Details of Class A units held by a fellow subsidiary of the Manager, Shenwan Hongyuan Securities (H.K.) Limited, are as follows:

	2025	2024
	Units	Units
<u>Class A</u>		
<u>At 1 January</u>	5,227.592	-
<u>Subscription</u>	372.842	5,227.592
<u>Redemption</u>	(3,590.000)	-
<u>At 31 December</u>	2,010.434	5,227.592

(e) Investment transactions with connected persons of the Manager

In its purchases and sales of investments, the Sub-Fund utilises the brokerage services of connected person of the Manager. Details of transactions effected through this company are as follows:

6 Transactions with related parties or connected persons (continued)

(e) Investment transactions with connected persons of the Manager (continued)

	Aggregate value of purchase and sales of securities RMB	Total commission paid RMB	% of Sub- Fund's total transactions during the year %	Average commission rate %
2025				
Shenwan Hongyuan Securities Co., Ltd.	67,968,843	33,986	100	0.05
2024				
Shenwan Hongyuan Securities Co., Ltd.	59,935,816	46,199	100	0.08

As at 31 December 2025 and 2024, the amounts due from/(to) broker represent unsettled trades with connected person of the Manager as at year end date. The commission payable with connected person of the Manager as at year end date.

(f) Bank deposits and investments held by the Trustee's affiliate

The Sub-Fund's bank deposits and investments were held by Bank of Communications Co., Ltd and Bank of Communications Co., Ltd., Hong Kong Branch, which are under the same group of the Trustee and Bank of Communications Co., Ltd., the ultimate holding company of the Trustee. Further details of the balances held are described in Note 3(e) to the financial statements.

During the year, interest income on these bank balances was amounted to RMB202 (2024: RMB627) and bank charges on the transactions made under the bank account was RMB1,108 (2024: RMB2,021). As at 31 December 2025, included in the interest receivable amounted to Nil (2024: RMB5) interest receivable from the affiliate of the Trustee.

(g) Other income

With effect from 3 May 2021 and onwards, the Manager waives the Sub-Fund performance fee, bears all trustee fee, audit fee for every financial year, publication fee of the Sub-Fund's net asset value and Securities and Futures Commission of Hong Kong annual license fee.

In addition, with effect from 7 November 2025 and onwards, the Manager waives the Sub-Fund management fee and bears all QFI custodian fee.

7 Distributions to unitholders

During the year ended 31 December 2025 and 2024, the Sub-Fund did not make any distribution.

8 Net assets attributable to unitholders

There was no difference between the net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions to the net assets attributable to unitholders as reported in the statement of financial position as at 31 December 2025 and 2024.

9 Soft commission arrangements

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

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

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

10 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. Of these developments, the following may be relevant to the Sub-Fund's operations and financial statements:

	<i>Effective for account periods beginning on or after</i>
Amendments to IFRS 9, <i>Financial instruments</i> and IFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvement to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Sub-Fund is in the process of making an assessment of what the impact of these amendments and interpretations 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 Sub-Fund's results of operations and financial position.

10 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025 (continued)

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1, Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements, IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Sub-Fund does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

Investment portfolio (unaudited) as at 31 December 2025

Investments	Holdings	Fair value RMB	% of net asset value
Listed Equity securities			
China			
37 Interactive Entertainment Network Technology Group Co Ltd	300	7,080	7.16
Aier Eye Hospital Group Co Ltd	700	7,686	7.78
BAIC BluePark New Energy Technology Co Ltd	1,000	8,030	8.13
China Shenhua Energy Co Ltd	200	8,100	8.20
CNOOC Ltd	100	3,018	3.05
Dongxing Securities Corp Ltd	500	6,940	7.02
East Money Information Co Ltd	300	6,954	7.04
Inner Mongolia Yili Industrial Group Co Ltd	300	8,579	8.68
Shandong Gold Mining Co Ltd	50	1,936	1.96
Shandong Hualu-Hengsheng Chemical Co Ltd	200	6,286	6.36
Shanghai Bairun Investment Holding Group Co Ltd	300	6,543	6.62
Tianfeng Securities Co Ltd	500	2,080	2.10
Wanhua Chemical Group Co Ltd	100	7,668	7.76
Wuxi Nce Power Co Ltd	200	7,146	7.23
Zijin Mining Group Co Ltd	50	1,724	1.74
Total investment portfolio, at fair value		89,770	90.83
Other net assets		9,050	9.17
Net assets value as at 31 December 2025		98,820	100
Total investment at cost		89,014	

Statement of movement in portfolio holdings (unaudited) For the year ended 31 December 2025

<u>Industry Sector</u>	% holdings of net assets as at 31 December 2025	% holdings of net assets as at 31 December 2024
Consumer Discretionary	8.13	11.34
Consumer Staples	15.30	4.61
Communication services	7.16	12.70
Financials	16.16	9.67
Health Care	7.78	-
Industrials	-	15.59
Technology	7.23	43.32
Energy	11.25	-
Materials	17.82	-
Total investment portfolio	90.83	97.23
Other net assets	9.17	2.77
Net assets	100	100

Performance table (unaudited) For the year ended 31 December 2025

Net asset value

(calculated in accordance with the Sub-Fund's explanatory memorandum)

	Net asset value per unit	Total net asset value
As at 31 December 2025 CLASS A HKD UNITS	HKD 54.810	HKD 110,192
As at 31 December 2024 CLASS A HKD UNITS	HKD 49.844	HKD 3,858,148
As at 31 December 2023 CLASS A HKD UNITS	HKD 50.039	HKD 3,582,159

Highest issue price and lowest redemption price per unit

(calculated in accordance with the Sub-Fund's explanatory memorandum)

	Highest issue price per unit	Lowest redemption price per unit
Year ended 31 December 2025 CLASS A HKD UNITS	HKD 59.809	HKD 41.695
Year ended 31 December 2024 CLASS A HKD UNITS	HKD 57.563	HKD 40.910
Year ended 31 December 2023 CLASS A HKD UNITS	HKD 83.658	HKD 48.263
Year ended 31 December 2022 CLASS A HKD UNITS	HKD 100.014	HKD 62.772
Year ended 31 December 2021 CLASS A HKD UNITS	HKD 126.129	HKD 96.212
Year ended 31 December 2020 CLASS A HKD UNITS	HKD 115.218	HKD 77.262
Year ended 31 December 2019 CLASS A HKD UNITS	HKD 92.573	HKD 67.772
Year ended 31 December 2018 CLASS A HKD UNITS	HKD 112.602	HKD 69.106
Year ended 31 December 2017 CLASS A HKD UNITS	HKD 107.688	HKD 82.732
Period from 8 June 2016 (date of inception) to 31 December 2016 CLASS A HKD UNITS	HKD 101.298	HKD 82.827