

ChinaAMC Select Fund

ChinaAMC Select RMB Bond Fund

Annual Report

For the year ended
31 December 2023



华夏基金
ChinaAMC

ANNUAL REPORT

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund, an open-ended
unit trust established as an umbrella fund under the
laws of Hong Kong)

For the year ended 31 December 2023

CHINAAMC SELECT RMB BOND FUND
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IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about the fund, please refer to the explanatory memorandum of the fund which is available at our website:

<https://www.chinaamc.com.hk/product/chinaamc-select-rmb-bond-fund/>

Investors should not rely on the information contained in this report for their investment decisions.

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

ADMINISTRATION AND MANAGEMENT

MANAGER

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

DIRECTORS OF THE MANAGER

Gan Tian
Li Yimei
Li Fung Ming
Sun Liqiang
Yang Kun(appointed on 30 May 2023)

LEGAL ADVISER TO THE MANAGER

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

TRUSTEE, ADMINISTRATOR AND REGISTRAR

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

AUDITOR

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

CUSTODIAN

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

RQFII LOCAL CUSTODIAN

Bank of China Limited
1 Fuxingmen Nei Dajie
Beijing
China

CHINAAMC SELECT RMB BOND FUND
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REPORT OF THE MANAGER TO THE UNITHOLDERS

The year 2023 has witnessed some unusual phenomena in the Chinese economy. For one, domestic demand has been persistently sluggish. Despite the rosy expectation for a swift economic rebound upon the lifting of COVID restrictions, the recovery turns out to be on the surface only. Crowds may have come back, but the money has not. There is a so-called long-covid effect at play. However, at the root of the phenomenon are some profound issues, of which some are left-over from previous decades and some are relatively new. Harsh crackdowns on property developers and abrupt policy changes on internet platforms and tutoring businesses in previous years have led to skepticism about policy intentions. Low confidence among business owners pushes up overall unemployment. To be fair, there are bright spots in the Chinese economy, especially in new industries such as electric vehicles and solar energy. They are just not big enough to bolster the whole economy. To make the situation worse this time around, local government debts have piled up and prohibit further infrastructure investments to offset the economic downturn. The Chinese government appears to be reserved in taking actions to reverse the current economic slowdown. It may be prudent to do so, but it clearly lacks the punch that is needed to pump up confidence in the general public.

Bond investors had a fairly good year in 2023, particularly for those who woke up early to the economic reality of the post-COVID period. It all appeared normal until the 30-year Chinese Treasury future contracts got bought up at year-end, which led to the moves in the overall yield curve. The 30-year Treasury future also rose at a pace beyond the imagination of typical fixed-income investors. This is extremely abnormal. The 30Y Treasury is not the most liquid tenor among treasuries, so typical fixed-income investors would express their market view in the 10Y Treasury. Given the long duration of the 30Y Treasury, when it moves, it normally moves in baby steps. The peculiar characteristics of the year-end move probably tell us that some out-of-the-market investors have entered. Although information about the "new comer" is scarce, if one connects the bond market move with the relentless selloff in the equity market, it's plausible that some equity investors were buying the long-term Treasury future to hedge their equity positions when liquidity in the equity market evaporated during the selloff. If this is the case, bond investors should consider discounting the recent moves in the yield curve because they don't necessarily reflect the fundamental economy in China.

An important political event in China that is remarkably missing in the second half of 2023 is the third plenary session of the Communist Party of China (CPC) Central Committee. According to CPC tradition, the third plenary session usually focuses on major reforms and normally takes place in the fourth quarter of the year. On a few rare occasions, it took place in the first quarter of the following year. Investors will definitely watch out for news about the coming meeting.

China Asset Management (Hong Kong) Limited
25 April 2024

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager, China Asset Management (Hong Kong) Limited, has, in all material respects, managed ChinaAMC Select RMB Bond Fund (a sub-fund of ChinaAMC Select Fund) for the year ended 31 December 2023 in accordance with the provisions of the trust deed dated 12 January 2012, as amended or supplemented from time to time.

On behalf of
BOCI-Prudential Trustee Limited, the Trustee

25 April 2024

Independent auditor's report

To the unitholders of

ChinaAMC Select RMB Bond Fund

(A sub-fund of ChinaAMC Select Fund, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ChinaAMC Select RMB Bond Fund (a sub-fund of ChinaAMC Select Fund (the "Trust") and referred to as the "Sub-Fund") set out on pages 7 to 37, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (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 *Code of Ethics for Professional Accountants* (the "Code") issued by the Hong Kong Institute of Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 (continued)

To the unitholders of

ChinaAMC Select RMB Bond Fund

(A sub-fund of ChinaAMC Select Fund, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Responsibilities of the Manager and the Trustee for the financial statements

The Manager and the Trustee are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs issued by IASB, and for such internal control as the Manager and the Trustee determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed dated 12 January 2012 as amended or supplemented from time to time (the "Trust Deed") and the relevant disclosure provisions of Appendix E of the Code on *Unit Trusts and Mutual Funds* (the "SFC Code") issued by the Hong Kong Securities and Futures Commission.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with 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.

Independent auditor's report (continued)

To the unitholders of

ChinaAMC Select RMB Bond Fund

(A sub-fund of ChinaAMC Select Fund, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- Conclude on the appropriateness of the Manager and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Certified Public Accountants
Hong Kong
25 April 2024

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2023

	Notes	2023 RMB	2022 RMB
INCOME			
Interest income on financial assets at fair value through profit or loss		1,718,756	2,137,823
Interest income on bank deposits and deposit reserve	3(d)	16,869	28,677
		<u>1,735,625</u>	<u>2,166,500</u>
EXPENSES			
Management fee	3(a)	(803,798)	(1,040,797)
Trustee fee	3(b)	(480,000)	(480,000)
Custodian fee and bank charges	3(c)	(58,073)	(52,197)
Auditors' remuneration		(177,533)	(136,818)
Brokerage fee		(28,214)	(15,592)
Transaction costs	3(e)	(17,260)	(19,055)
Legal and professional fees		(35,206)	(42,361)
Other expenses		(428,131)	(89,000)
		<u>(2,028,215)</u>	<u>(1,875,820)</u>
(LOSS)/PROFIT BEFORE INVESTMENT AND EXCHANGE DIFFERENCES		(292,590)	290,680
INVESTMENT LOSS AND EXCHANGE DIFFERENCES			
Net losses on financial assets at fair value through profit or loss		(743,570)	(2,938,252)
Foreign exchange differences		(7,008)	(6,482)
NET INVESTMENT AND EXCHANGE LOSS		<u>(750,578)</u>	<u>(2,944,734)</u>
LOSS BEFORE TAX		<u>(1,043,168)</u>	<u>(2,654,054)</u>
Withholding taxes	5	(1,647)	(2,814)
LOSS AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,044,815)</u>	<u>(2,656,868)</u>

CHINAAMC SELECT RMB BOND FUND
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STATEMENT OF FINANCIAL POSITION

31 December 2023

	Notes	2023 RMB	2022 RMB
ASSETS			
Financial assets at fair value through profit or loss	7	51,918,192	69,885,294
Interest receivables		763,856	895,623
Subscription receivable		30,000	-
Cash and cash equivalents	8	<u>5,020,472</u>	<u>6,032,829</u>
TOTAL ASSETS		<u><u>57,732,520</u></u>	<u><u>76,813,746</u></u>
LIABILITIES			
Redemption payable		147,359	131,271
Management fee payable	3(a)	181,660	241,120
Trustee fee payable	3(b)	40,000	80,000
Tax payable		1,497,488	1,475,946
Distributions payable to unitholders		199,684	252,875
Other payables		<u>529,287</u>	<u>328,255</u>
TOTAL LIABILITIES		2,595,478	2,509,467
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	9	<u><u>55,137,042</u></u>	<u><u>74,304,279</u></u>
TOTAL LIABILITIES AND EQUITY		<u><u>57,732,520</u></u>	<u><u>76,813,746</u></u>

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2023

	Number of Units	RMB
At 1 January 2022	9,251,356.65	92,819,728
Subscription of units		
– Class A-DIST-RMB	25,138.25	233,540
– Class A-DIST-USD	14,402.47	794,817
	<u>39,540.72</u>	<u>1,028,357</u>
Redemption of units		
– Class A-DIST-RMB	(1,443,933.44)	(13,348,105)
– Class A-DIST-USD	(5,127.24)	(289,407)
	<u>(1,449,060.68)</u>	<u>(13,637,512)</u>
Distributions to unitholders		
– Class A-DIST-RMB	-	(3,013,654)
– Class A-DIST-USD	-	(235,772)
	<u>-</u>	<u>(3,249,426)</u>
Loss and total comprehensive income for the year	<u>-</u>	<u>(2,656,868)</u>
At 31 December 2022 and 1 January 2023	7,841,836.69	74,304,279
Subscription of units		
– Class A-DIST-RMB	18,724.72	162,607
– Class A-DIST-USD	389.22	20,375
	<u>19,113.94</u>	<u>182,982</u>
Redemption of units		
– Class A-DIST-RMB	(1,661,978.09)	(14,542,604)
– Class A-DIST-USD	(21,179.59)	(1,092,727)
	<u>(1,683,157.68)</u>	<u>(15,635,331)</u>
Distributions to unitholders		
– Class A-DIST-RMB	-	(2,447,398)
– Class A-DIST-USD	-	(222,675)
	<u>-</u>	<u>(2,670,073)</u>
Loss and total comprehensive income for the year	<u>-</u>	<u>(1,044,815)</u>
At 31 December 2023	<u><u>6,177,792.95</u></u>	<u><u>55,137,042</u></u>

CHINAAMC SELECT RMB BOND FUND
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

Year ended 31 December 2023

	2023	2022
Number of units in issue		
– Class A-DIST-RMB	6,099,386.98	7,742,640.35
– Class A-DIST-USD	78,405.97	99,196.34
Net asset value per unit		
– Class A-DIST-RMB	RMB 8.4067	RMB 8.9214
– Class A-DIST-USD	USD 6.9154	USD 7.6163

CHINAAMC SELECT RMB BOND FUND
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STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Note	2023 RMB	2022 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1,043,168)	(2,654,054)
Adjustments for:			
Interest income		(1,735,625)	(2,166,500)
		<u>(2,778,793)</u>	<u>(4,820,554)</u>
Decrease in financial assets at fair value through profit or loss		17,967,102	14,981,065
Decrease in management fee payable		(59,460)	(56,034)
(Decrease)/Increase in trustee fee payable		(40,000)	40,000
Increase in other payables		201,032	14,229
Cash generated from operations		<u>15,289,881</u>	<u>10,158,706</u>
Interest received		1,867,392	2,256,276
Tax refund		<u>19,895</u>	<u>347,659</u>
Net cash flows from operating activities		<u>17,177,168</u>	<u>12,762,641</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		152,982	1,028,357
Payments for redemption of units		(15,619,243)	(13,506,241)
Distribution to unitholders		(2,723,264)	(3,288,530)
Net cash flows used in financing activities		<u>(18,189,525)</u>	<u>(15,766,414)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the year		<u>6,032,829</u>	<u>9,036,602</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>5,020,472</u>	<u>6,032,829</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash at banks	8	<u>5,020,472</u>	<u>6,032,829</u>
Net cash flows generated from operating activities include:			
Interest income on bank deposits and deposit reserve		16,869	28,677

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. THE SUB-FUND

ChinaAMC Select Fund (the "Trust") was constituted as an open-ended unit trust established as an umbrella fund under the laws of Hong Kong pursuant to a trust deed dated 12 January 2012, as amended or supplemented from time to time (the "Trust Deed").

ChinaAMC Select RMB Bond Fund (the "Sub-Fund") was constituted as a separate sub-fund of the Trust. The Sub-Fund is an open-ended unit trust and is authorized 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. The Sub-Fund was launched on 21 February 2012. As at 31 December 2023, there are ten other sub-funds established under the Trust and the inception dates are as follow:

	Inception date
ChinaAMC Select Greater China Technology Fund	27 May 2015
ChinaAMC Select Asia Bond Fund	30 September 2016
ChinaAMC Select Fixed Income Allocation Fund	28 August 2018
ChinaAMC Select Money Market Fund	29 March 2019
ChinaAMC Select China Leap Equity Fund	25 June 2021
ChinaAMC Select RMB Investment Grade Income Fund	9 June 2022
ChinaAMC Select Stable Income Fund	11 May 2022
ChinaAMC Select USD Money Market Fund	5 September 2022
ChinaAMC Select Flexible Cycle Income Fund	28 October 2022
ChinaAMC Select Dynamic Fixed Income Fund	25 May 2023

The manager of the Trust is China Asset Management (Hong Kong) Limited (the "Manager") and the Trustee is BOCI-Prudential Trustee Limited (the "Trustee"). The Custodian is Bank of China (Hong Kong) Limited (the "Custodian") and the Renminbi Qualified Foreign Institutional Investors (the "RQFII") local custodian is Bank of China Limited (the "RQFII Local Custodian").

Pursuant to the Guidelines on Management and Operation of RQFII issued by the State of Administration of Foreign Exchange ("SAFE") on and effective from 30 May 2014, a RQFII has the flexibility to allocate its RQFII quota granted by SAFE across different public fund products under its management. Accordingly, the Sub-Fund no longer has the exclusive use of all the RQFII quota previously granted by SAFE to the Manager in respect of the Sub-Fund. The Manager, at its discretion, may re-allocate the RQFII quota in respect of the Sub-Fund to other public fund products under its management or vice versa without having to obtain prior approval from SAFE.

The investment objective of the Sub-Fund is to achieve capital appreciation and income generation by principally (i.e. up to 100% of its Net Assets Value) investing in People's Republic of China ("PRC") Renminbi ("RMB") fixed income securities.

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. ACCOUNTING POLICY

2.1 BASIS OF PREPARATION

The financial statements of the Sub-Fund have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the SFC Code.

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Sub-Fund has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IAS 1 and
IFRS Practice Statement 2
Amendments to IAS 8

Disclosure of Accounting Policies

Definition of Accounting Estimates

The nature and the impact of the revised IFRSs that are applicable to the Sub-Fund are described below:

Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in the Sub-Fund's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Sub-Fund has disclosed the material accounting policy information in note 2.4 to the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any item in the Sub-Fund's financial statements.

Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Sub-Fund's approach and policy align with the amendments, the amendments had no impact on the Sub-Fund's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

There are no new and amended standards and interpretations that have been issued, but are not yet effective, as of issuance date of the Sub-Fund's financial statements that are expected to have a material impact on the Sub-Fund's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

Financial instruments

(a) Classification

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

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

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, or
- 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
- 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 profit or loss on the basis of both:

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

Financial assets measured at amortised cost

Financial assets are 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 ("SPPI") on the principal amount outstanding. The Sub-Fund includes in this category cash and cash equivalents and short-term non-financing receivables including interest receivables and subscription receivables.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

(a) Classification (continued)

Financial assets measured at FVPL

A financial asset is measured at FVPL if:

- Its contractual terms do not give rise to cash flows on specified dates that are SPPI on the principal amount outstanding, or
- 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
- 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 equity instruments and debt instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

Financial liabilities

Financial liabilities measured at amortised cost includes all financial liabilities. The Sub-Fund includes in this category management fee payable, trustee fee payable, distributions payable to unitholders, redemption payable and other payables.

(b) Recognition

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

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commits to purchase or sell the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

(c) Initial measurement

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

Financial assets and liabilities (other than those classified as at FVPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(d) 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 and liabilities at FVPL in the statement of profit or loss and other comprehensive income. Interest and dividends earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense in the statement of profit or loss and other comprehensive income.

Other receivable is measured at amortised cost using the effective interest method ("EIR") less any allowance for impairment. Gains and losses are recognised in profit or loss when the financial assets 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 EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The EIR is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability.

When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider ECLs. 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments (continued)

(e) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Sub-Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Sub-Fund has transferred substantially all the risks and rewards of the asset, or neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset 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.

Impairment of financial assets

For financial assets measured at amortised cost, impairment allowances are recognised under the general approach where ECLs are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, the Sub-Fund is required to provide for credit losses that result from possible default events within the next 12 months. For those credit exposures where 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.

The Sub-Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Sub-Fund uses the provision matrix as a practical expedient to measure ECLs on other receivable, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only 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. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Fair value measurement

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

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Sub-Fund.

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

The Sub-Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Functional and presentation currency

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

Foreign currency transactions

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

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

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

Foreign currency transaction gains and losses on financial instruments classified as at FVPL and exchange differences on other financial instruments are included in profit or loss.

Net assets attributable to unitholders

The Sub-Fund issues redeemable units, namely Class A-DIST-RMB and Class A-DIST-USD units, were classified as equity.

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

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.
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.
- (d) 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Net assets attributable to unitholders (continued)

In addition to the redeemable units having all the above features, the Sub-Fund must have 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, and
- (b) The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.

Upon issuance of redeemable units, the consideration received is included in equity. Transaction costs incurred by the Sub-Fund in issuing or acquiring its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments that are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in the statement of profit or loss and other comprehensive income on the purchase, sale, issuance or cancellation of the Sub-Fund's own equity instruments.

Distributions to unitholders

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

Revenue recognition

(a) Dividend income

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

(b) Interest income

Interest income is recognised on an accrual basis using the EIR by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible to known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and at banks and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Sub-Fund's cash management.

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

This item includes changes in the fair value of financial assets as at FVPL and exclude interest and dividend income.

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

Realised gains and losses on disposals of financial instruments classified as at FVPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Fund;
 - (ii) has significant influence over the Sub-Fund; or
 - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Fund are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Fund are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Fund or an entity related to the Sub-Fund;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, of any member of a group of which it is a part, provides key management personnel services to the Sub-Fund or to the parent of the Sub-Fund.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Taxes

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

3. TRANSACTIONS WITH THE TRUSTEE AND MANAGER AND THEIR CONNECTED PERSONS

Connected persons of the Trustee and the Manager are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund, the Trustee, 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 below.

(a) Management fee

The Manager is entitled to receive a management fee from the Sub-Fund, at a rate of 1.25% (up to maximum of 1.75%) per annum for Class A units and 0.75% (up to maximum of 1.75%) per annum for Class I units with respect to the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears.

The management fee for the year ended 31 December 2023 was RMB803,798 (2022: RMB1,040,797). As at 31 December 2023, management fee of RMB181,660 (2022: RMB241,120) was payable to the Manager.

(b) Trustee fee

The Trustee is entitled to receive a trustee fee from the Sub-Fund, with a maximum of 0.5% per annum based on the net asset value, accrued on each dealing day and is paid monthly in arrears.

The trustee fee for the year ended 31 December 2023 was RMB480,000 (2022: RMB480,000). As at 31 December 2023, trustee fee of RMB40,000 (2022: RMB80,000) was payable to the Trustee.

(c) Custodian fee and bank charges

The Custodian and RQFII Local Custodian are entitled to receive custodian fees from the Sub-Fund, at a current rate up to 0.1% (up to a maximum of 0.3%) per annum, calculated monthly and is paid monthly in arrears.

The Custodian and RQFII Local Custodian fee for the year ended 31 December 2023 were RMB50,060 (2022: RMB45,749). As at 31 December 2023, there was no custodian fee payable to the Custodian (2022: Nil).

For the year ended 31 December 2023, bank charges of RMB8,013 (2022: RMB6,448) were charged by Bank of China (Hong Kong) Limited.

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

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3. TRANSACTIONS WITH THE TRUSTEE AND MANAGER AND THEIR CONNECTED PERSONS
(continued)

(d) Bank deposits held by the Trustee's affiliates

The Sub-Fund's bank deposits were held by the Trustee's affiliates, Bank of China (Hong Kong) Limited and Bank of China Limited. The interest income for the year ended 31 December 2023 was RMB16,869 (2022: RMB28,671). Further details of the balances held are described in note 10 to the financial statements.

(e) Transaction costs – Investment handling fee

Investment handling fee pertain to fee charges on transaction made through the Administrator at RMB85 per transaction made. The investment handling fee for the year ended 31 December 2023 was RMB17,260 (2022: RMB19,055). As at 31 December 2023, investment handling fee of RMB1,200 (2022: RMB3,040) was payable to the Administrator.

(f) Investment transactions with Trustee and its connected persons

BOCI International (China) Limited and BOCI-Prudential Trustee Limited are the Trustee's fellow subsidiaries.

	Aggregate value of purchases and sales of securities RMB	Total commission paid RMB	% of Sub-Fund's total transactions during the year %	Average commission Rate %
2023				
BOCI International (China) Limited	111,273,832	-	84.39%	-
BOCI-Prudential Trustee Limited	20,588,576	-	15.61%	-
2022				
BOCI International (China) Limited	50,197,381	-	63.09%	-
BOCI-Prudential Trustee Limited	29,369,205	-	36.91%	-

CHINAAMC SELECT RMB BOND FUND
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4. SOFT COMMISSION ARRANGEMENTS

The Manager and its connected persons have not received any soft dollar commissions or entered into any soft dollar arrangements in respect of the management of the Sub-Fund during the year ended 31 December 2023 and 31 December 2022. The Manager and its connected persons have not retained any cash rebates from any broker or dealer.

5. WITHHOLDING TAXES

PRC Tax

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

Distribution Tax

A 10% PRC withholding tax has been levied on dividend and interest payments from PRC companies to foreign investors. The Sub-Fund is subject to a distribution tax of 10%. There is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future.

According to Circular Caishui [2018] 108 ("Circular 108"), foreign institutional investors are temporarily exempt from PRC withholding income tax with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. The exemption period was extended to 31 December 2025 in accordance with Circular Caishui [2021] 34 ("Circular 34"). The Manager of Sub-Fund had temporarily ceased to make any provision in respect of withholding tax on the bond interest income received by the Sub-Fund from its investments up to and including 31 December 2023.

Value-Added Tax

On 22 November 2018, the Ministry of Finance and the State Administration of Taxation of the PRC jointly issued "Circular on the Corporate Income Tax and Value-Added Tax Policy for Foreign Institutions to Invest in the Onshore Bond Market" (Caishui [2018] No.108). Pursuant to Circular 108, bond interest income derived by foreign institutions from investing in the onshore bond market is temporarily exempted from VAT for the period from 7 November 2018 to 6 November 2021. On 22 November 2021, this tax exemption was extended until 31 December 2025 through the joint issuance by the Ministry of Finance and the State Taxation Administration of the PRC of circular (Caishui [2021] No.34) ("Circular 34").

In light of Circular 108 and Circular 34 and having taken and considered professional tax advice and acting in accordance with such advice, no VAT provision was to be made on interest income derived from debt instruments issued or distributed in the PRC received/receivable by the Sub-Fund for the period from 7 November 2018 to 6 November 2021 until Circular 108 ceases to apply and from 7 November 2021 to 31 December 2025 until Circular 34 ceases to apply. There was no VAT provision of the Sub-Fund for the year ended 31 December 2023 (2022: nil).

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

6. DISTRIBUTION

	RMB
Undistributed income at 1 January 2022	-
Loss and total comprehensive income for the year	<u>(2,656,868)</u>
Undistributed income before distribution	(2,656,868)
Interim distribution paid	
on 9 February 2022 (Record date: 26 January 2022)	(286,238)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 3 March 2022 (Record date: 24 February 2022)	(285,999)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 7 April 2022 (Record date: 29 March 2022)	(279,196)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 10 May 2022 (Record date: 27 April 2022)	(280,328)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 6 June 2022 (Record date: 27 May 2022)	(277,672)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 6 July 2022 (Record date: 28 June 2022)	(270,924)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 3 August 2022 (Record date: 27 July 2022)	(269,091)
- RMB0.03 per unit for Class A -DIST-RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 5 September 2022 (Record date: 29 August 2022)	(267,560)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 12 October 2022 (Record date: 28 September 2022)	(265,021)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 3 November 2022 (Record date: 27 October 2022)	(259,047)
- RMB0.03 per unit for Class A -DIST-RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 5 December 2022 (Record date: 28 November 2022)	(255,316)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
on 5 January 2023 (Record date: 28 December 2022)	(253,034)
- RMB0.03 per unit for Class A-DIST- RMB	
- USD0.03 per unit for Class A-DIST-USD	
Transfer from capital	<u>5,906,294</u>
Undistributed income at 31 December 2022	<u><u>-</u></u>

CHINAAMC SELECT RMB BOND FUND
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6.	DISTRIBUTION (continued)	RMB
	Undistributed income at 31 December 2022 and 1 January 2023	-
	Loss and total comprehensive income for the year	<u>(1,044,815)</u>
	Undistributed income before distribution	(1,044,815)
	Interim distribution paid	
	on 3 February 2023 (Record date: 20 January 2023)	(250,863)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 3 March 2023 (Record date: 24 February 2023)	(245,749)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 6 April 2023 (Record date: 29 March 2023)	(241,872)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 08 May 2023 (Record date: 26 April 2023)	(241,568)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 5 June 2023 (Record date: 29 May 2023)	(237,290)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 5 July 2023 (Record date: 28 June 2023)	(219,042)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 3 August 2023 (Record date: 27 July 2023)	(214,391)
	- RMB0.03 per unit for Class A-DIST-RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 5 September 2023 (Record date: 29 August 2023)	(208,561)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 11 October 2023 (Record date: 26 September 2023)	(205,042)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 3 November 2023 (Record date: 27 October 2023)	(204,585)
	- RMB0.03 per unit for Class A-DIST-RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 5 December 2023 (Record date: 28 November 2023)	(201,453)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	on 3 January 2024 (Record date: 27 December 2023)	(199,657)
	- RMB0.03 per unit for Class A-DIST- RMB	
	- USD0.03 per unit for Class A-DIST-USD	
	Transfer from capital	<u>3,714,888</u>
	Undistributed income at 31 December 2023	<u>-</u>

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

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6. DISTRIBUTION (continued)

The Manager may in its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Fund.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023 RMB	2022 RMB
Financial assets at fair value through profit or loss		
- debt securities	48,494,381	69,885,294
- collective investment scheme	<u>3,423,811</u>	<u>-</u>
Total financial assets at fair value through profit or loss	<u>51,918,192</u>	<u>69,885,294</u>

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading at the end of the reporting date.

The Sub-Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded prices falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

The Sub-Fund's fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions.

When a price for an identical asset or liability is not observable, the Sub-Fund measures fair value using another valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, the Sub-Fund's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

Even when there is no observable market to provide pricing information about the sale of an asset or the transfer of a liability at the measurement date, a fair value measurement shall assume that a transaction takes place at that date, considered from the perspective of a market participant that holds the asset or owes the liability. That assumed transaction establishes a basis for estimating the price to sell the asset or to transfer the liability.

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

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

As at 31 December 2023, the Sub-Fund invested in debt securities and collective investment scheme and categories the investments within Level 2 and Level 1 respectively. Financial instruments that are traded in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2, include debt securities.

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets measured at fair value as at 31 December 2023 and 31 December 2022.

31 December 2023	Quoted prices in active markets Level 1 RMB	Significant observable inputs Level 2 RMB	Significant unobservable inputs Level 3 RMB	Total RMB
Financial assets at fair value through profit or loss:				
- Debt securities	-	48,494,381	-	48,494,381
- Collective investment scheme	3,423,811	-	-	3,423,811
	<u>3,423,811</u>	<u>48,494,381</u>	<u>-</u>	<u>51,918,192</u>

31 December 2022	Quoted prices in active markets Level 1 RMB	Significant observable inputs Level 2 RMB	Significant unobservable inputs Level 3 RMB	Total RMB
Financial assets at fair value through profit or loss:				
- Debt securities	-	69,885,294	-	69,885,294
	<u>-</u>	<u>69,885,294</u>	<u>-</u>	<u>69,885,294</u>

There are no investments classified within Level 1 and Level 3 and no transfers between levels for the year ended 31 December 2023 (2022: Nil).

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

8. CASH AND CASH EQUIVALENTS

	2023 RMB	2022 RMB
Cash at banks	<u>5,020,472</u>	<u>6,032,829</u>

The bank balance is the cash at bank held with Bank of China Limited and Bank of China (Hong Kong) Limited, affiliate companies of the Trustee. The bank balance comprises savings and current account with bank at market interest rates. The bank balance is deposited with creditworthy banks with no recent history of default.

9. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The consideration received or paid for units issued or re-purchased respectively is based on the value of the Sub-Fund's net asset value per unit at the date of the transaction. In accordance with the provisions of the Sub-Fund investment positions are valued based on the last traded market price for the purpose of determining the trading net asset value per unit for subscriptions and redemptions. The Sub-Fund's net asset value per unit is calculated by dividing the Sub-Fund's net assets with the total number of outstanding units.

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.

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

	2023 RMB	2022 RMB
Net assets attributable to unitholders as at last calendar day for the period (calculated in accordance with Explanatory Memorandum)	55,107,272	74,303,314
Adjustment for the year-ended valuation	29,770	965
Net assets attributable to unitholders (calculated in accordance with IFRSs)	<u>55,137,042</u>	<u>74,304,279</u>
Net assets attributable to unitholders (per unit) as at last calendar day for the period (calculated in accordance with Explanatory Memorandum)		
- Class A-DIST-RMB	RMB 8.4067	RMB8.9214
- Class A-DIST-USD	<u>USD 6.9154</u>	<u>USD7.6163</u>
Net assets attributable to unitholders (per unit) (calculated in accordance with IFRSs)		
- Class A-DIST-RMB	RMB8.4067	RMB8.9214
- Class A-DIST-USD	<u>USD6.9154</u>	<u>USD7.6163</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES

Risk management

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

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

(a) 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 price risk, interest rate risk, and foreign exchange risk.

(i) Price risk

The Sub-Fund's market price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals. The table below summarises the overall market exposures of the Sub-Fund and the impact of increases/decreases from the Sub-Fund's financial assets at FVPL on the Sub-Fund's net asset value as at 31 December 2023 and 31 December 2022. The analysis is based on the assumption that the underlying investments in collective investment scheme increased/decreased by a reasonable possible shift, with all other variables held constant. However, this does not represent a prediction of the future movement in the corresponding key markets.

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Market risk (continued)

(i) Price risk (continued)

	Carrying value of financial assets at FVPL RMB	% of net assets %	Increase/ (decrease) in shift in underlying securities %	Increase/ (decrease) in estimated possible change in net asset value RMB
31 December 2023				
Financial assets at fair value through profit or loss	3,423,811	6	1/ (1)	34,238 (34,238)
31 December 2022				
Financial assets at fair value through profit or loss	-	-	1/ (1)	- -

(ii) Interest rate risk

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

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. In a rising interest rate environment, the Sub-Fund will acquire debts with a shorter maturity profile to minimise the negative impact to the portfolio.

The majority of interest rate exposure arises on investments in debt securities. Most of the Sub-Fund's investments in debt securities carry fixed interest rates. The Manager considers the movement in interest rates will have insignificant impact on the interest income.

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

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.

	Change in basis points	(Decrease)/increase in sensitivity of change in fair value of investments RMB
31 December 2023		
Debt securities	25	(241,494)
Debt securities	(25)	241,494
31 December 2022		
Debt securities	25	(47,583)
Debt securities	(25)	47,583

The Sub-Fund also has interest-bearing bank deposits. As the bank deposits have maturity dates within three months, the Manager considers the movement in interest rates will not have significant cash flow impact on the net assets attributable to unitholders as at 31 December 2023 and 31 December 2022 and therefore no sensitivity analysis on bank deposit is presented.

(iii) 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 RMB, the functional currency of the Sub-Fund. The Manager considers the Sub-Fund is not exposed to significant currency risk and therefore no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(b) Liquidity risk

Liquidity risk is defined as the risk that the Sub-Fund will encounter difficulties in meeting its 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 daily cash redemptions of its redeemable units. Units are redeemable at the holder's option based on the Sub-Fund's net asset value per unit at the time of redemption, calculated in accordance with the Sub-Fund's Trust Deed. It is the Sub-Fund's policy that the Manager monitors the Sub-Fund's liquidity position on a daily basis.

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

Financial liabilities

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

Financial assets

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

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(b) Liquidity risk (continued)

	On demand RMB'000	Within 1 month RMB'000	1 month to 3 months RMB'000	More than 3 months to 1 year RMB'000	Total RMB'000
31 December 2023					
<u>Financial assets</u>					
Financial assets at fair value through profit or loss	-	51,918	-	-	51,918
Interest receivables	-	161	298	305	764
Subscription receivable	-	30	-	-	30
Cash and cash equivalents	5,020	-	-	-	5,020
Total financial assets	5,020	52,109	298	305	57,732
<u>Financial liabilities</u>					
Redemption payable	-	147	-	-	147
Management fee payable	-	182	-	-	182
Trustee fee payable	-	40	-	-	40
Other payables	-	44	-	485	529
Distributions payable to unitholders	-	200	-	-	200
Total financial liabilities	-	613	-	485	1,098

CHINAAMC SELECT RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(b) Liquidity risk (continued)

	On demand RMB'000	Within 1 month RMB'000	1 month to 3 months RMB'000	More than 3 months to 1 year RMB'000	Total RMB'000
31 December 2022					
<u>Financial assets</u>					
Financial assets at fair value through profit or loss	-	69,885	-	-	69,885
Interest receivables	-	2	343	551	896
Cash and cash equivalents	6,033	-	-	-	6,033
Total financial assets	6,033	69,887	343	551	76,814
<u>Financial liabilities</u>					
Redemption payable	-	131	-	-	131
Management fee payable	-	-	-	241	241
Trustee fee payable	-	80	-	-	80
Other payables	-	44	-	284	328
Distributions payable to unitholders	-	253	-	-	253
Total financial liabilities	-	508	-	525	1,033

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(c) Credit and counterparty risk

Credit risk is the risk of loss to the Sub-Fund that may arise on outstanding financial instruments should a counterparty default on its obligations. The Sub-Fund minimises exposure to credit risk by only dealing with creditworthy counterparties.

All transactions by the Sub-Fund in securities are settled/paid for upon delivery using an approved broker. 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 Manager's policy is to closely monitor the creditworthiness of the Sub-Fund's counterparties (e.g., brokers, custodian and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

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

Financial assets subject to IFRS 9's impairment requirements

The Sub-Fund's financial assets subject to the ECL model within IFRS 9 are only cash and cash equivalents, subscription receivable and interest receivables. As at 31 December 2023, the total of the above financial assets subject to the ECL model was RMB5,814,328 on which no loss allowance had been provided (2022: total of RMB6,928,452 on which no loss allowance had been provided). There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the period.

For financial assets measured at amortised cost, the Sub-Fund applies the general approach for impairment, there is no information indicating that the financial asset had a significant increase in credit risk since initial recognition. The financial assets therefore are still classified at stage 1 and presented in gross carrying amount.

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

10. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

(c) Credit and counterparty risk (continued)

Financial assets not subject to IFRS 9's impairment requirements

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

The Sub-Fund invested in PRC RMB fixed income securities issued by corporations that carry a credit rating grade of at least BBB-/Baa3 or equivalent assigned by one of the local rating agencies recognised by the relevant authorities in the PRC. If the issuer of any of the fixed interest securities in which the Sub-Fund's assets are invested defaults, the performance of the Sub-Fund will be adversely affected.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of assets held with the Custodian. The tables below summarise the Sub-Fund's assets placed with the Custodian and their related credit ratings:

	RMB	Credit rating	Source of credit rating
31 December 2023			
<u>RQFII Local Custodian</u> Bank of China Limited	51,918,192	A	S&P
31 December 2022			
<u>RQFII Local Custodian</u> Bank of China Limited	69,885,294	A	S&P

The Manager of the Sub-Fund considers that none of these assets are impaired nor past due as at 31 December 2023 and 31 December 2022.

11. EVENTS AFTER THE REPORTING PERIOD

The Manager declared distributions of RMB0.03 per unit for Class A-DIST-RMB and USD0.03 per unit for Class A-DIST-USD on 29 January 2024, 27 February 2024 and 26 March 2024 respectively.

During the period between the end of the reporting period and the date of authorisation of these financial statements, there were 57 units of subscription for Class A-DIST-USD and 224,023 units of redemption for Class A-DIST-RMB of the Sub-Fund.

12. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Trustee and the Manager on 25 April 2024.

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

INVESTMENT PORTFOLIO (UNAUDITED)

31 December 2023

	Nominal Qty (in RMB)	Fair Value (in RMB)	% of net asset (%)
COLLECTIVE INVESTMENT SCHEMES			
China			
HFT SSE PLEDGEABLE URBAN INVESTMENT BOND ETF	124,100	1,249,811	2.27%
HFT CSI COMMERCIAL PAPER ETF	20,000	2,174,000	3.94%
		3,423,811	6.21%
FIXED INCOME SECURITIES			
China			
CECEP WIND POWER CORP CB 0.2% A 21JUN2027	1,000,000	1,134,854	2.06%
CHINA FORTUNE LAND DEVELOPMENT CO LTD 7% A 03MAR2021	5,000,000	770,485	1.40%
CHINA FORTUNE LAND DEVELOPMENT CO LTD 5.5% A 20OCT2022	401,000	60,910	0.11%
CHINA RESOURCES LAND HLDGS LTD 3.05% A 20DEC2024	1,000,000	1,000,667	1.81%
COFCO COMMERCIAL PROPERTY INVESTMEN CO LTD 3.2% A 09JAN2025	5,000,000	5,007,000	9.08%
CSC FINANCIAL CO LTD 2.86% A 10JUL2025	4,000,000	4,000,000	7.25%
DASHENLIN PHARMACEUTICAL GROUP CO LTD CB 0.6% A 22OCT2026	2,000,000	2,201,408	3.99%
FINANCIAL STREET HLDGS CO LTD 3.29% A 24APR2028	5,000,000	4,987,655	9.05%
FUJIAN ENERGY GROUP CO LTD 3.46% A 09NOV2026	5,000,000	5,078,000	9.21%
HAN'S LASER TECHNOLOGY INDUSTRY GROUP CO LTD CB 0.8% A 06FEB2024	2,000,000	2,056,444	3.73%
WINGTECH TECHNOLOGY CO LTD CB 0.1% A 28JUL2027	2,000,000	2,116,692	3.84%
LONGI GREEN ENERGY TECHNOLOGY CO LTD CB 0.2% A 05JAN2028	1,000,000	1,024,796	1.86%
NINGBO COMMERCIAL GROUP CO LTD 2.9% A 18APR2025	3,000,000	3,003,300	5.45%
SHANGHAI WAIGAOQIAO FREE TRADE ZONE GROUP CO LTD 3.19% A 25MAR2027	5,000,000	5,051,000	9.16%
YANCHANG PETROLEUM GROUP CO LTD 3.54% A PERP	5,000,000	5,025,500	9.11%
SHENZHEN METRO GROUP CO LTD 3.05% A 20AUG2024	3,000,000	3,003,459	5.45%
WILL SEMICONDUCTOR LTD SHANGHAI CB 0.2% A 28DEC2026	1,946,000	2,197,848	3.99%
XI'AN TRIANGLE DEFENSE CO LTD CB 0.4% A 25MAY2027	631,000	774,363	1.40%
Total of fixed income securities		48,494,381	87.95%
Total listed/quoted investment (Cost: RMB 59,320,989)		51,918,192	94.16%
Other net assets		3,218,850	5.84%
Total net assets as at 31 December 2023		55,137,042	100.00%

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

MOVEMENT IN PORTFOLIO HOLDINGS (UNAUDITED)

31 December 2023

	As at 1 January 2023	Movement in holdings Bonus/ Dividends			As at 31 December 2023
		Addition	Disposal		
FIXED INCOME SECURITIES					
China					
ANSHAN IRON & STEEL GROUP CO LTD 4.1% A PERP(CALLED)	3,000,000	-	(3,000,000)		-
BANK OF JIANGSU CO LTD CB 1.5% A 14MAR2025	2,000,000	-	(2,000,000)		-
BEIJING AUTOMOTIVE GROUP CO LTD 4.48% A 19OCT2023	5,000,000	-	(5,000,000)		-
BEIJING HAIDIAN STATE-OWNED ASSETS OPERATION & MANAGEMENT CENTER 3.7% A 24OCT2024	5,000,000	-	(5,000,000)		-
BEIJING TOURISM GROUP CO LTD 3.4% A 02AUG2023	7,000,000	-	(7,000,000)		-
CECEP WIND POWER CORP CB 0.2% A 21JUN2027	1,000,000	-	-	1,000,000	
CHINA CHENGTONG HLDGS GROUP LTD 3.63% A 17MAY2026	4,000,000	-	(4,000,000)		-
CHINA EVERBRIGHT BANK CO LTD CB 1.8% A 17MAR2023	1,500,000	-	(1,500,000)		-
CHINA FORTUNE LAND DEVELOPMENT CO LTD 5.5% A 20OCT2022	401,000	-	-	401,000	
CHINA FORTUNE LAND DEVELOPMENT CO LTD 7% A 03MAR2021	5,000,000	-	-	5,000,000	
CHINA GOVT BOND 3.52% S/A 25APR2046	5,600,000	-	(5,600,000)		-
CHINA RESOURCES LAND HLDGS LTD 3.05% A 20DEC2024	-	1,000,000	-	-	1,000,000
CHONGQING NAN'AN URBAN CONSTRUCTION & DEVELOPMENT GROUP CO LTD 4.8% A 27SEP2024	1,262,000	-	(1,262,000)		-
COFCO COMMERCIAL PROPERTY INVESTMEN CO LTD 3.2% A 09JAN2025	-	5,000,000	-	-	5,000,000
CSC FINANCIAL CO LTD 2.86% A 10JUL2025	-	4,000,000	-	-	4,000,000
DASHENLIN PHARMACEUTICAL GROUP CO LTD CB 0.6% A 22OCT2026	2,000,000	-	-	-	2,000,000
FINANCIAL STREET HLDGS CO LTD 3.29% A 24APR2028	-	5,000,000	-	-	5,000,000
FUJIAN ENERGY GROUP CO LTD 3.46% A 09NOV2026	-	5,000,000	-	-	5,000,000
GUANGZHOU ASSET MANAGEMENT CO LTD 3.79% A 22JAN2024	-	5,000,000	(5,000,000)		-
GUOTAI JUNAN SECURITIES CO LTD CB 1.8% A 07JUL2023	1,500,000	-	(1,500,000)		-
HAN'S LASER TECHNOLOGY INDUSTRY GROUP CO LTD CB 0.8% A 06FEB2024	2,000,000	-	-	-	2,000,000
LONGI GREEN ENERGY TECHNOLOGY CO LTD CB 0.2% A 05JAN2028	1,000,000	-	-	-	1,000,000
NINGBO COMMERCIAL GROUP CO LTD 2.9% A 18APR2025	3,000,000	-	-	-	3,000,000
QINGDAO CITY CONSTRUCTION INVESTMENT GROUP CO LTD 3.95% A 14OCT2027	5,000,000	-	(5,000,000)		-
SHANGHAI JINQIAO GROUP CO LTD 2.6% A 26SEP2029	-	5,000,000	(5,000,000)		-
SHANGHAI LUJIAZUI DEVELOPMENT GROUP CO LTD 3.6% A 29MAR2024	7,000,000	-	(7,000,000)		-
SHANGHAI WAIGAOQIAO FREE TRADE ZONE GROUP CO LTD 3.19% A 25MAR2027	-	5,000,000	-	-	5,000,000
SHANXI GAS GROUP CO LTD 3.5% A 18OCT2023	-	9,500,000	(9,500,000)		-
SHENZHEN METRO GROUP CO LTD 3.05% A 20AUG2024	3,000,000	-	-	-	3,000,000

CHINAAMC SELECT RMB BOND FUND
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MOVEMENT IN PORTFOLIO HOLDINGS (UNAUDITED) (continued)

31 December 2023

	As at	Movement in holdings			As at
	1 January 2023	Addition	Bonus/ Dividends	Disposal	31 December 2023
FIXED INCOME SECURITIES (Continued)					
China (Continued)					
WILL SEMICONDUCTOR LTD SHANGHAI CB 0.2% A 28DEC2026	1,946,000	-	-	-	1,946,000
WINGTECH TECHNOLOGY CO LTD CB 0.1% A 28JUL2027	2,000,000	-	-	-	2,000,000
XI'AN TRIANGLE DEFENSE CO LTD CB 0.4% A 25MAY2027	631,000	-	-	-	631,000
YANCHANG PETROLEUM GROUP CO LTD 3.54% A PERP	-	5,000,000	-	-	5,000,000
YANZHOU COAL MINING CO LTD 3.43% A 12MAR2025	2,000,000	-	-	(2,000,000)	-
Total of fixed income securities	71,840,000	49,500,000	-	(69,362,000)	51,978,000
COLLECTIVE INVESTMENT SCHEMES					
China					
HFT SSE PLEDGEABLE URBAN INVESTMENT BOND ETF	-	124,100	-	-	124,100
HFT CSI COMMERCIAL PAPER ETF	-	50,000	-	(30,000)	20,000
Total of collective investment schemes	-	174,100	-	(30,000)	144,100
Total investment portfolio	71,840,000	49,674,100	-	(69,392,000)	52,122,100

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

PERFORMANCE TABLE (UNAUDITED)

Net asset value attributable to unitholders

		Net asset value per unit	Net asset value RMB
As at 31 December 2023			
- Class A-DIST-RMB	RMB	8.4067	51,275,757
- Class A-DIST-USD	USD	6.9154	3,861,285
As at 31 December 2022			
- Class A-DIST-RMB	RMB	8.9214	69,075,371
- Class A-DIST-USD	USD	7.6163	5,228,908
As at 31 December 2021			
- Class A-DIST-RMB	RMB	9.5733	87,704,799
- Class A-DIST-USD	USD	8.9546	5,114,929

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

PERFORMANCE TABLE (UNAUDITED) (continued)

Highest issue price and lowest redemption price per unit¹

		Highest issue price per unit		Lowest redemption price per unit
Year ended 31 December 2023				
- Class A-DIST-RMB	RMB	8.9900	RMB	8.3900
- Class A-DIST-USD	USD	7.8700	USD	6.7700
Year ended 31 December 2022				
- Class A-DIST-RMB	RMB	9.5800	RMB	8.9200
- Class A-DIST-USD	USD	9.0000	USD	7.2900
Year ended 31 December 2021				
- Class A-DIST-RMB	RMB	10.0907	RMB	9.4589
- Class A-DIST-USD	USD	9.3338	USD	8.6794
Year ended 31 December 2020				
- Class A-DIST-RMB	RMB	10.3123	RMB	10.0412
- Class A-DIST-USD	USD	9.2793	USD	8.4242
Year ended 31 December 2019				
- Class A-DIST-RMB	RMB	10.2588	RMB	10.1180
- Class I-ACC-USD	USD	11.4513	USD	10.7528
- Class A-DIST-USD	USD	9.2142	USD	8.4888
Year ended 31 December 2018				
- Class A-DIST-RMB	RMB	10.2473	RMB	10.1620
- Class I-ACC-USD	USD	11.7331	USD	10.7213
- Class A-DIST-USD	USD	9.8676	USD	8.7897
Year ended 31 December 2017				
- Class A-DIST-RMB	RMB	10.4201	RMB	10.1786
- Class I-ACC-USD	USD	11.1562	USD	10.2116
- Class A-DIST-USD	USD	9.6205	USD	9.0512
Year ended 31 December 2016				
- Class A-DIST-RMB	RMB	10.6699	RMB	10.3894
- Class I-DIST-RMB	RMB	10.6252	RMB	10.4996
- Class I-ACC-USD	USD	10.8770	USD	10.1822
- Class A-DIST-USD	USD	9.9929	USD	9.0435

CHINAAMC SELECT RMB BOND FUND
(a sub-fund of ChinaAMC Select Fund)

PERFORMANCE TABLE (UNAUDITED) (continued)

Highest issue price and lowest redemption price per unit¹(continued)

		Highest issue price per unit		Lowest redemption price per unit
Year ended 31 December 2015				
- Class A-DIST-RMB	RMB	10.6326	RMB	10.3378
- Class I-DIST-RMB	RMB	10.5765	RMB	10.2373
- Class I-ACC-USD	USD	10.8534	USD	10.3122
- Class A-DIST-USD	USD	10.3649	USD	9.7488
- Class I-ACC-RMB	RMB	10.7965	RMB	10.3488
Year ended 31 December 2014				
- Class A-DIST-RMB	RMB	10.7153	RMB	9.9508
- Class I-DIST-RMB	RMB	10.5998	RMB	10.0027
- Class I-ACC-USD	USD	10.6383	USD	10.0000
- Class A-DIST-USD	USD	10.5519	USD	9.9953
- Class I-ACC-RMB	RMB	10.3865	RMB	9.9998

¹ Past performance figures shown are not indicative of the future performance of the Sub-Fund.



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