

ChinaAMC Select Fund
**ChinaAMC Select China New
Economy Fund**

Annual Report

For the year ended 31 December 2020



ANNUAL REPORT

CHINAAMC SELECT CHINA NEW ECONOMY 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 2020

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select 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:

<http://www.chinaamc.com.hk/en/products/public-fund/chinaamc-select-china-new-economy-fund/documents.html>

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

CHINAAMC SELECT CHINA NEW ECONOMY 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

Yang Minghui
Li Yimei
Gan Tian
Li Fung Ming
Zhang Xiaoling (resigned on 14 September 2020)

LEGAL ADVISER TO THE MANAGER

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

TRUSTEE, ADMINISTRATOR AND REGISTRAR

BOCI-Prudential Trustee Limited
12/F and 25/F, Citicorp Centre
18 Whitfield Road
Causeway Bay, Hong Kong

AUDITOR

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

CUSTODIAN

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

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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REPORT OF THE MANAGER TO THE UNITHOLDERS

Market Review and Fund Performance

With the launch of COVID-19 Vaccines, it is expected that the global economy and corporate profits may rebound in 2021. Some stock markets which previously have underperformed are likely to catch up. Portfolio strategy should focus on diversifying investment to global; value and growth, traditional and new economy sectors should be equally emphasized. For Mainland and HK stock markets in 2020, the Sino-US trade dispute has not ceased, Investors focus on growth sector whose business is dominated by China's domestic demand.

Meanwhile, local traditional companies in HK has good potential for valuation recovery, and a string of leading companies from new economy sectors has scheduled listing in HK, which may shore up for HK turnover and capital inflows. We believe that under the background of the rapid rise of macro leverage ratio under the epidemic situation this year and the faster than expected recovery of China's economy after the second and third quarters of this year, the policy is expected to withdraw from easing in an orderly way, tend to gradually normalize, and the liquidity will usher in marginal tightening. However, we are optimistic about the performance of Hong Kong stock market in the next year, considering that the economy will continue to improve next year and that the mainland will meet the 100th anniversary of the founding of the Communist Party of China in 2021. Due to the improvement of both internal and external environment, Hong Kong stocks are in a profit upward cycle overall. Under the background of the sharp rise of the US deficit, the US dollar continues to depreciate in the medium and long term; the domestic fundamentals are relatively strong, and the RMB may remain strong. The depreciation of the US dollar is also good for the performance of enterprises in Hong Kong. In addition, compared with A-share, Hong Kong stock has a high-cost performance advantage, A&H shares premium reaches a new high, and Hong Kong stock has the best target of new economy enterprises. In the future, overseas capital will continue to flow into the Hong Kong stock market.

China Asset Management (Hong Kong) Limited
23 April 2021

CHINAAMC SELECT CHINA NEW ECONOMY 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 China New Economy Fund (a sub-fund of ChinaAMC Select Fund) for the year ended 31 December 2020 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

23 April 2021

Independent auditor's report**To the Manager and the Trustee of****ChinaAMC Select China New Economy 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 China New Economy Fund (a sub-fund of ChinaAMC Select Fund (the "Trust") and referred to as the "Sub-Fund") set out on pages 7 to 31, which comprise the statement of financial position as at 31 December 2020, 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 a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial disposition of the Sub-Fund as at 31 December 2020, and of its financial transactions and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Manager and the Trustee of
ChinaAMC Select China New Economy 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 of the Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed dated 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 Securities and Futures Commission of Hong Kong.

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, in accordance with our agreed terms of engagement, 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 Manager and the Trustee of
ChinaAMC Select China New Economy 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 also provide the Manager and the Trustee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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
23 April 2021

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2020

	Notes	2020 HKD	2019 HKD
INCOME			
Dividend income		99,637	105,563
Interest income on bank deposits	5	114	951
Other income		5,850	-
		<u>105,601</u>	<u>106,514</u>
EXPENSES			
Management fee	5	(93,562)	(66,524)
Trustee fee	5	(240,000)	(240,000)
Custodian fee and bank charges	5	(158,573)	(78,847)
Auditors' remuneration		(103,200)	(100,000)
Brokerage fees		(46,000)	(20,386)
Transaction costs	5	(147,322)	(64,818)
Legal and professional fees		(45,343)	(14,619)
Other expenses		(36,329)	(32,435)
		<u>(870,329)</u>	<u>(617,629)</u>
Less: Reimbursement of expenses by the Manager	5	<u>562,114</u>	<u>494,647</u>
		<u>(308,215)</u>	<u>(122,982)</u>
LOSS BEFORE INVESTMENT AND EXCHANGE DIFFERENCES		(202,614)	(16,468)
INVESTMENT GAINS AND EXCHANGE DIFFERENCES			
Net gains on financial assets at fair value through profit or loss		3,532,666	2,223,121
Foreign exchange (losses)/gains		<u>(12,756)</u>	<u>1,669</u>
NET INVESTMENT AND EXCHANGE GAINS		<u>3,519,910</u>	<u>2,224,790</u>
PROFIT BEFORE TAX		<u>3,317,296</u>	<u>2,208,322</u>
Withholding taxes	8	<u>(4,962)</u>	<u>(5,773)</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u><u>3,312,334</u></u>	<u><u>2,202,549</u></u>

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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STATEMENT OF FINANCIAL POSITION

31 December 2020

	Notes	2020 HKD	2019 HKD
ASSETS			
Financial assets at fair value through profit or loss	9	4,082,479	5,397,985
Amount due from the Manager	5	126,432	118,244
Amounts due from brokers	6	-	71,760
Subscription receivable		230,300	-
Prepayment		-	252
Cash and cash equivalents	10	<u>185,810</u>	<u>282,844</u>
TOTAL ASSETS		<u>4,625,021</u>	<u>5,871,085</u>
LIABILITIES			
Management fee payable	5	51,861	44,998
Trustee fee payable	5	20,000	20,666
Accrued expenses and other payables		114,604	102,600
Amounts due to brokers	6	<u>95,136</u>	<u>41,568</u>
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>281,601</u>	<u>209,832</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	11	<u>4,343,420</u>	<u>5,661,253</u>
TOTAL LIABILITIES		<u><u>4,625,021</u></u>	<u><u>5,871,085</u></u>

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2020

	Number of units	HKD
As at 1 January 2019	1,950,398.62	19,472,295
Subscription of units		
– Class I HKD	455,929.82	5,000,000
– Class A HKD	33,278.11	342,760
	<u>489,207.93</u>	<u>5,342,760</u>
Redemption of units		
– Class I HKD	(1,947,399.49)	(21,356,351)
	<u>(1,947,399.49)</u>	<u>(21,356,351)</u>
Increase in net assets attributable to unitholders	<u>-</u>	<u>2,202,549</u>
As at 31 December 2019 and 1 January 2020	492,207.06	5,661,253
Subscription of units		
– Class A HKD	406,611.56	5,122,940
	<u>406,611.56</u>	<u>5,122,940</u>
Redemption of units		
– Class I HKD	(409,469.27)	(7,000,000)
– Class A HKD	(230,317.34)	(2,753,107)
	<u>(639,786.61)</u>	<u>(9,753,107)</u>
Increase in net assets attributable to unitholders	<u>-</u>	<u>3,312,334</u>
At 31 December 2020	<u><u>259,032.01</u></u>	<u><u>4,343,420</u></u>
	2020	2019
Number of units in issue		
– Class I HKD	46,460.55	455,929.82
– Class A HKD	212,571.46	36,277.24
Net asset value per unit		
– Class I HKD	18.0489	11.5772
– Class A HKD	16.4879	10.5539

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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STATEMENT OF CASH FLOWS

Year ended 31 December 2020

	Notes	2020 HKD	2019 HKD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		3,317,296	2,208,322
Adjustment for:			
Decrease in financial assets at fair value through profit or loss		1,315,506	10,943,242
Increase in amount due from the Manager	(8,188)	(118,224)
Decrease/(increase) in amount due from brokers		71,760	(71,760)
Decrease/(increase) in prepayment		252	(252)
Decrease in dividend receivable		-	26
Increase in management fee payable		6,863	28,006
(Decrease)/increase in trustee fee payable	(666)	666
Increase/(decrease) in accrued expenses and other payables		12,004	(7,430)
Increase in amounts due to brokers		53,568	41,568
Cash generated from operations		4,768,395	13,024,164
Tax paid	8	(4,962)	(5,773)
Net cash flows from operating activities		<u>4,763,433</u>	<u>13,018,391</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		4,892,640	5,342,760
Payments on redemption of units		(9,753,107)	(21,356,351)
Net cash flows used in financing activities		<u>(4,860,467)</u>	<u>(16,013,591)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(97,034)	(2,995,200)
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year		282,844	3,278,044
CASH AND CASH EQUIVALENTS AT THE YEAR END		<u>185,810</u>	<u>282,844</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash at banks	10	<u>185,810</u>	<u>282,844</u>
Net cash flows generated from operating activities includes:			
Dividend received net of withholding tax		94,675	99,816
Interest income received on bank deposits		<u>114</u>	<u>951</u>

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

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 China New Economy 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 authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the *Code on Unit Trusts and Mutual Funds* established by the SFC (the "SFC Code"). Authorisation by the SFC does not imply official approval or recommendation. The Sub-Fund was launched on 27 May 2015. As at 31 December 2020, there are five other sub-funds established under the Trust and the inception dates are as follows:

	Inception date
ChinaAMC Select RMB Bond Fund	21 February 2012
ChinaAMC Select Hong Kong China Opportunities Fund	9 March 2016
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

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").

The name of the Sub-Fund changed from ChinaAMC Select Hong Kong China Equity Fund to ChinaAMC Select China New Economy Fund with effect from 1 September 2016.

The investment objective of the Sub-Fund is to achieve long term capital growth by primarily (i.e. not less than 70% of its net asset value) investing in China-Related Companies. To achieve the investment objective, not less than 50% of the Sub-Fund's net asset value will be invested equity securities which are (a) traded in Hong Kong dollars ("HKD") and (b) listed on the stock exchange of Hong Kong ("HK Equity Securities"). When investing in HK Equity Securities, the Sub-Fund will focus on investing in equities of companies which, in the opinion of the Manager, will likely benefit from innovations, use of new technologies or offering products and services that meet the demands of the new and evolving China economy ("China-related companies") with registered offices located in the People's Republic of China ("PRC") or Hong Kong, and/or China-related companies that do not have their registered offices in the PRC or Hong Kong but either (a) carry out a predominant proportion of their business activities in the PRC or Hong Kong or (b) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong. The Manager currently intends to maintain at all times that at least 50% of the Sub-Fund's assets will be denominated in HKD.

2. 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

2. BASIS OF PREPARATION (continued)

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 HKD and all values are rounded to the nearest HKD except where otherwise indicated.

3.1 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, which are applicable to the Sub-Fund.

Amendments to IAS 1 and IAS 8 *Definition of Material*

The nature and the impact of the revised IFRSs are described below:

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Sub-Fund.

3.2 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

There are no standards and interpretations that are issued, but not yet effect, up to date of issuance of the Sub-Fund's financial statements which, in the opinion of the Manager will clearly impact the Sub-Fund.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(a) Classification (continued)

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 assets

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 amount due from the Manager, amounts due from brokers, and subscription receivable.

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

Financial liabilities

Financial liabilities measured at amortised cost includes all financial liabilities. The Sub-Fund includes in this category management fee payable, trustee fee payable, accrued expenses and other payables, and amounts due to brokers.

(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 2020

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 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 expected credit losses ("ECL"). 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 2020

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

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

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as cash and cash equivalents.

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

Functional and presentation currency

The Sub-Fund's functional currency is HKD, 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 HKD.

Therefore, the HKD 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 HKD.

Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date. Differences arising on settlement or transaction of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value 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 the statement of profit or loss and other comprehensive income.

Net assets attributable to unitholders

Redeemable units are redeemable at the holder's option and are classified as financial liabilities as they do not meet the conditions to be classified as equity. Redeemable units are measured at the redemption amount.

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.

NOTES TO THE FINANCIAL STATEMENTS

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 finance cost recognised in the statement of profit or loss and other comprehensive income. A proposed distribution is recognised as a liability in the year 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Amounts 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 broker are payables for securities purchased (in a regular way transaction) that are financial liabilities, other than those classified as at FVPL.

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 the statement of profit or loss and other comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

NOTES TO THE FINANCIAL STATEMENTS

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

Connected persons of the Manager and the trustee are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund, 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, current level at 1.75% per annum for Class A HKD Units and Class A RMB Units and 1.0% per annum for Class I HKD Units and Class I RMB Units (up to maximum of 1.75% per annum) 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 2020 was HKD93,562 (2019: HKD66,524).

As at 31 December 2020, management fee of HKD51,861 (2019: HKD44,998) was payable to the Manager.

b) Trustee fee

The Trustee is entitled to receive a trustee fee from the Sub-Fund, current level up to 0.15% per annum (up to maximum of 0.5%) per annum, based on the net asset value, subject to minimum monthly fee of HKD40,000, which is reduced by 50% from May 2015 to December 2020 and accrued on each valuation day and is paid monthly in arrears.

The trustee fee for the year ended 31 December 2020 was HKD240,000 (2019: HKD240,000). As at 31 December 2020, trustee fee of HKD20,000 (2019: HKD20,666) was payable to the Trustee.

c) Custodian fee and bank charges

The Custodian is entitled to receive custodian fees from the Sub-Fund, at a current level up to 0.06% (up to a maximum of 0.1%) per annum, calculated monthly and is paid monthly in arrears.

The custodian fees for the year ended 31 December 2020 were HKD156,197 (2019: HKD75,947). As at 31 December 2020, there was no custodian fee payable to the Custodian (2019: Nil).

For the year ended 31 December 2020, bank charges of HKD2,376 (2019: HKD2,900) were charged by Bank of China (Hong Kong) Limited.

d) Transaction costs – Investment handling fee

Transaction costs comprise of investment handling fee and investment related charges. Investment handling fee pertain to fee charges on transaction made through the Administrator at HKD100 per transaction made. The investment handling fee for the year ended 31 December 2020 was HKD84,600 (2019: HKD38,600). As at 31 December 2020, investment handling fee of HKD8,500 (2019: HKD2,600) was payable to the Administrator.

e) Bank deposits held by the Trustee's affiliates

The Sub-Fund's bank deposits was held by the Trustee's affiliates, Bank of China (Hong Kong) Limited, with interest income amounting to HKD114 for the year ended 31 December 2020 (2019: HKD951). Further details of the balance held are described in note 10 to the financial statements.

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

f) Investment transactions with connected persons of the Trustee
BOCI Securities Limited is the Trustee's fellow subsidiary.

	Aggregate value of purchases and sales of securities HKD	Total commission paid HKD	% of Sub-Fund's total transactions during the year %	Average commission Rate %
2020 BOCI Securities Limited	-	-	-	-
2019 BOCI Securities Limited	44,044	88	0.15%	0.20%

g) Expenses borne by the Manager

The explanatory memorandum stated that it is the Manager's current intention to cap the ongoing charges at 2.50% for both Class A and Class I Units with respect to the average net asset value published from 1 January 2020 to 31 December 2020 ("Average Net Asset Value") per unit of the Sub-Fund; any ongoing charges in excess of such figure as at the end of the reporting period will be borne by the Manager. The Manager has an absolute discretion to set the ongoing charges cap in respect of the units of the Sub-Fund at a rate below 2.50% of the Average Net Asset Value per unit.

The following amount of expenses incurred by the Sub-Fund were borne by the Manager for the year ended 31 December 2020 and 31 December 2019.

	Expenses incurred by the Sub-Fund HKD	Income in the statement of profit or loss and other comprehensive income HKD
<u>For the year ended 31 December 2020</u>		
Reimbursement of expenses by the Manager	562,114	562,114
<u>For the year ended 31 December 2019</u>		
Reimbursement of expenses by the Manager	494,647	494,647

As at 31 December 2020, the reimbursement of expenses due from the Manager was HKD126,432 (2019: HKD118,244).

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

h) Holdings 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. ChinaAMC International Holdings Limited is the Manager's subsidiary. The holdings in the Sub-Fund by the Manager and its connected persons as at 31 December 2020 and 31 December 2019 were as follows:

31 December 2020

	Units outstanding at 1 January 2020	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2020
Class I HKD units held by: ChinaAMC International Holdings Limited	455,930	-	(409,469)	46,461

31 December 2019

	Units outstanding at 1 January 2019	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2019
Class I HKD units held by ChinaAMC International Holdings Limited	-	455,930	-	455,930

6. AMOUNTS DUE FROM AND DUE TO BROKERS

As at 31 December 2020, there was no amounts due from brokers (2019: HKD71,760) and amounts due to brokers was HKD95,136 (2019: HKD41,568), which represent receivables and payables for securities sold and purchased that have been contracted for, but not yet delivered on the reporting date respectively.

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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31 December 2020

7. 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 2020 and 31 December 2019. The Manager and its connected persons have not retained any cash rebates from any broker or dealer.

8. INCOME TAX

Hong Kong

No provision for Hong Kong profits tax has been made for the Sub-Fund as the dividend income and realised gain on disposal of investment of the Sub-Fund are excluded from the charge to profits tax under Section 14, Section 26 or Section 26A of the Hong Kong Inland Revenue Ordinance.

PRC

Under PRC laws and regulations, foreign investors (such as the Sub-Fund) may be subject to a 10% withholding tax on income (such as dividend and capital gains) imposed on securities issued by PRC tax resident enterprises ("Distribution Tax"). There is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future. The distribution tax provided for the year ended 31 December 2020 was HKD4,962 (2019: HKD5,773).

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 HKD	2019 HKD
Financial assets at fair value through profit or loss		
- Listed equity securities	4,082,479	5,397,985
Total financial assets at fair value through profit or loss	<u>4,082,479</u>	<u>5,397,985</u>

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

The Sub-Fund utilises the last traded market price for financial assets 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.

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

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 fulfil 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.

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets measured at fair value as at 31 December 2020 and 31 December 2019.

	Quoted prices in active markets Level 1 HKD	Significant observable inputs Level 2 HKD	Significant unobservable inputs Level 3 HKD	Total HKD
31 December 2020				
Financial assets at fair value through profit or loss:				
- Listed equity securities	4,082,479	-	-	4,082,479

	Quoted prices in active markets Level 1 HKD	Significant observable inputs Level 2 HKD	Significant unobservable inputs Level 3 HKD	Total HKD
31 December 2019				
Financial assets at fair value through profit or loss:				
- Listed equity securities	5,397,985	-	-	5,397,985

As at 31 December 2020, the Sub-Fund only invested in listed equity securities in the Hong Kong Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. There were no investments classified within Level 2 and Level 3, and no transfers between levels for the year ended 31 December 2020 (2019: Nil).

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10. CASH AND CASH EQUIVALENTS

	2020 HKD	2019 HKD
Cash at bank	<u>185,810</u>	<u>282,844</u>

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

11. 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, 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.

12. 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.

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

(a) Market risk (continued)

(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 2020 and 31 December 2019. The analysis is based on the assumption that the underlying investments in equity securities 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.

	Carrying value of financial assets at FVPL HKD	% of net assets %	Increase/ (decrease) in shift in underlying securities %	Increase/ (decrease) in estimated possible change in net asset value HKD
31 December 2020				
Financial assets at fair value through profit or loss	4,082,479	94	5	204,124
			(5)	(204,124)
31 December 2019				
Financial assets at fair value through profit or loss	5,397,985	95	5	269,899
			(5)	(269,899)

(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.

The Manager considers that the Sub-Fund is not subject to significant risk due to fluctuations in the prevailing level of market interest rate. As the Sub-Fund has no investments in fixed income assets, the Manager considers that changes in the fair value of its net assets in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

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

(a) Market risk (continued)

(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 HKD, 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.

(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.

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

(b) Liquidity risk (continued)

	On demand HKD	Within 1 month HKD	1 month to 3 months HKD	More than 3 months to 1 year HKD	Total HKD
As at 31 December 2020					
<u>Financial assets</u>					
Financial assets at fair value through profit or loss	-	4,082,479	-	-	4,082,479
Amount due from Manager	-	-	126,432	-	126,432
Subscription receivable	-	230,300	-	-	230,300
Cash and cash equivalents	185,810	-	-	-	185,810
Total financial assets	185,810	4,312,779	126,432	-	4,625,021

	On demand HKD	Within 1 month HKD	1 month to 3 months HKD	More than 3 months to 1 year HKD	Total HKD
As at 31 December 2020					
<u>Financial liabilities</u>					
Management fee payable	-	-	51,861	-	51,861
Trustee fee payable	-	20,000	-	-	20,000
Accrued expenses and other payables	-	11,404	-	103,200	114,604
Amounts due to brokers	-	95,136	-	-	95,136
Net assets attributable to unitholders*	4,343,420	-	-	-	4,343,420
Total financial liabilities	4,343,420	126,540	51,861	103,200	4,625,021

* Subject to redemption terms of the Sub-fund.

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

(b) Liquidity risk (continued)

	On demand HKD	Within 1 month HKD	1 month to 3 months HKD	More than 3 months to 1 year HKD	Total HKD
As at 31 December 2019					
<u>Financial assets</u>					
Financial assets at fair value through profit or loss	-	5,397,985	-	-	5,397,985
Amount due from Manager	-	-	118,244	-	118,244
Amounts due from brokers	-	71,760	-	-	71,760
Cash and cash equivalents	282,844	-	-	-	282,844
Total financial assets	282,844	5,469,745	118,244	-	5,870,833

	On demand HKD	Within 1 month HKD	1 month to 3 months HKD	More than 3 months to 1 year HKD	Total HKD
As at 31 December 2019					
<u>Financial liabilities</u>					
Management fee payable	-	44,998	-	-	44,998
Trustee fee payable	-	20,666	-	-	20,666
Accrued expenses and other payables	-	2,600	-	100,000	102,600
Amounts due to brokers	-	41,568	-	-	41,568
Net assets attributable to unitholders*	5,661,253	-	-	-	5,661,253
Total financial liabilities	5,661,253	109,832	-	100,000	5,871,085

* Subject to redemption terms of the Sub-fund.

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12. 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, amount due from the Manager, amounts due from brokers and subscription receivable. As at 31 December 2020, the total of cash and cash equivalents, amount due from the Manager, amounts due from brokers, and subscription receivable was HKD542,542 on which no loss allowance had been provided (2019: total of HKD472,848 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 year.

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 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 dividend receivables. All the Sub-Fund's cash and cash equivalents are held in major financial institutions located in Hong Kong and Mainland China, 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.

Financial assets not subject to IFRS 9's impairment requirements

The Sub-Fund is exposed to credit risk on equity 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.

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

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

(c) Credit and counterparty risk (continued)

Financial assets not subject to IFRS 9's impairment requirements (continued)

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:

31 December 2020

	HKD	Credit rating	Source of credit rating
<u>Custodian</u>			
Bank of China (Hong Kong) Limited	4,082,479	A+	S&P

31 December 2019

	HKD	Credit rating	Source of credit rating
<u>Custodian</u>			
Bank of China (Hong Kong) Limited	5,397,985	A+	S&P

The Manager of the Sub-Fund considers that none of these assets are impaired nor past due as at 31 December 2020 and 31 December 2019.

13. EVENTS AFTER THE REPORTING PERIOD

Effective from 3 April 2021, the name of the Sub-Fund was revised to ChinaAMC Select Greater China Technology Fund to reflect the change of investment strategy of the Sub-Fund as follows. The Sub-Fund will seek to achieve its existing investment objective of long term capital growth by investing not less than 70% of its Net Asset Value in equities of technology companies which, in the opinion of the Manager, will likely benefit from innovations, use of new technologies or offering products and services that meet the demands of the new and evolving China economy ("China-Related Technology Companies").

During the period between the year end and the date of authorisation of these financial statements, there was a net subscription of 3,444,046 Class A units of the Sub-Fund.

14. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Trustee and the Manager on 23 April 2021.

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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INVESTMENT PORTFOLIO

31 December 2020

	Nominal Value/ Quantity HKD	Fair Value HKD	% of net asset
<u>LISTED SECURITIES</u>			
China			
JIANGSU HENGLI HIGHPRESSURE OIL CYLINDER CO LTD-A	980	131,943	3.04%
JIANGSU HENGRUI MEDICINE CO LTD-A	600	79,681	1.83%
KWEICHOW MOUTAI CO LTD-A	100	238,056	5.48%
MIDEA GROUP CO LTD-A	700	82,102	1.89%
WULIANGYE YIBIN CO LTD-A	700	243,411	5.60%
<i>Total of equity securities traded in China</i>		<u>775,193</u>	<u>17.84%</u>
Hong Kong			
AKESO INC	4,000	152,000	3.50%
ALIBABA GROUP HLDG LTD	800	186,080	4.28%
CHINA HONGQIAO GROUP LTD	14,000	99,400	2.29%
CHINA MERCHANTS BANK CO LTD-H	1,000	49,000	1.13%
CHINA MODERN DAIRY HLDGS LTD	60,000	111,600	2.57%
CHINA MOLYBDENUM CO LTD-H	27,000	136,620	3.15%
CHINA TAIPING INSURANCE HLDGS CO LTD	2,000	27,960	0.64%
HAIER SMART HOME CO LTD -H	3,200	89,920	2.07%
HONG KONG EXCHANGES & CLEARING LTD	200	85,000	1.96%
HUA HONG SEMICONDUCTOR LTD	2,000	88,000	2.03%
JINKE SMART SERVICES GROUP CO LTD-H	2,500	156,000	3.59%
KINGSOFT CORP LTD	2,000	100,000	2.30%
KWG LIVING GROUP HLDGS LTD	6,000	37,800	0.87%
LENOVO GROUP LTD	6,000	43,920	1.01%
LIVZON PHARMACEUTICAL GROUP INC-H	3,000	90,150	2.08%
MEITUAN-CLASS B	700	206,220	4.75%
NONGFU SPRING CO LTD-H	2,000	109,800	2.53%
SICHUAN LANGUANG JUSTBON SERVICES GROUP CO LTD-H	1,200	42,240	0.97%
SITC INTL HLDGS CO LTD	3,000	50,220	1.16%
SMOORE INTL HLDHS LTD	2,000	119,700	2.76%
SUNAC SERVICES HLDGS LTD	8,000	137,280	3.16%
TENCENT HLDGS LTD	600	338,400	7.78%
VENUS MEDTECH HANGZHOU INC-H	1,000	79,050	1.82%
VESYNC CO LTD	4,000	43,760	1.01%
XIAOMI CORP-CLASS B SHARE	1,000	33,200	0.76%
ZIJIN MINING GROUP CO LTD-H	14,000	122,920	2.83%
<i>Total of equity securities traded in Hong Kong</i>		<u>2,736,240</u>	<u>63.00%</u>
United States			
BILIBILI INC-ADR	200	132,911	3.06%
JD.COM INC-ADR	200	136,292	3.14%
MINISO GROUP HLDG LTD-SPONSORED ADR	98	20,050	0.46%
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	100	144,052	3.32%
PINDUODUO INC-SPONSORED ADR	100	137,741	3.17%
<i>Total of equity securities traded in United States</i>		<u>571,046</u>	<u>13.15%</u>
Total investment portfolio (Cost: HKD 2,845,124)		<u>4,082,479</u>	<u>93.99%</u>
Other assets		<u>260,941</u>	<u>6.01%</u>
Total net assets		<u><u>4,343,420</u></u>	<u><u>100.00%</u></u>

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

MOVEMENT IN PORTFOLIO HOLDINGS

31 December 2020

	As at 1 January 2020	Movement in holdings			As at 31 December 2020
		Addition	Bonus/ Dividends	Disposal	
<u>LISTED SECURITIES</u>					
China					
ANGANG STEEL CO LTD-A	-	28,500	-	(28,500)	-
BEIJING SHUNXIN AGRICULTURE CO LTD-A	-	1,200	-	(1,200)	-
CHINA INTL TRAVEL SERVICE CORP LTD-A	-	800	-	(800)	-
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD-A	-	700	-	(700)	-
DARE TECHNOLOGY CO LTD-A	-	4,000	-	(4,000)	-
DASHENLIN PHARMACEUTICAL GROUP CO LTD-A	-	800	-	(800)	-
GREE ELECTRIC APPLIANCES INC-A	-	1,600	-	(1,600)	-
JIANGSU HENGLI HIGHPRESSURE OIL CYLINDER CO LTD-A	-	1,000	480	(500)	980
JIANGSU HENGRUI MEDICINE CO LTD-A	-	2,200	-	(1,600)	600
KWEICHOW MOUTAI CO LTD-A	-	100	-	-	100
MIDEA GROUP CO LTD-A	-	1,300	-	(600)	700
NARI TECHNOLOGY CO LTD-A	-	3,500	-	(3,500)	-
SANY HEAVY INDUSTRY CO LTD-A	-	3,600	-	(3,600)	-
SHENZHEN KANGTAI BIOLOGICAL PRODUCTS CO LTD-A	-	300	-	(300)	-
TCL CORP-A	-	10,000	-	(10,000)	-
WALVAX BIOTECHNOLOGY CO LTD-A	-	1,500	-	(1,500)	-
WULIANGYE YIBIN CO LTD-A	-	900	-	(200)	700
Hong Kong					
AIA GROUP LTD	-	1,000	-	(1,000)	-
AIR CHINA LTD-H	-	22,000	-	(22,000)	-
AK MEDICAL HLDGS LTD	-	16,000	-	(16,000)	-
AKESO INC	-	7,000	-	(3,000)	4,000
ALIBABA GROUP HLDG LTD	200	3,800	-	(3,200)	800
ALIBABA HEALTH INFORMATION TECHNOLOGY LTD	-	8,000	-	(8,000)	-
ANHUI CONCH CEMENT CO LTD-H	-	2,000	-	(2,000)	-
ANTA SPORTS PRODUCTS LTD	-	2,000	-	(2,000)	-
ARCHOSAUR GAMES INC	-	4,000	-	(4,000)	-
ASCENTAGE PHARMA GROUP INTL	-	7,700	-	(7,700)	-
ASM PACIFIC TECHNOLOGY LTD	300	-	-	(300)	-
AVICHINA INDUSTRY & TECHNOLOGY CO LTD-H	15,000	55,000	-	(70,000)	-
BOSIDENG INTL HLDGS LTD	-	60,000	-	(60,000)	-
BRILLIANCE CHINA AUTOMOTIVE HLDGS LTD	-	10,000	-	(10,000)	-
BUDWEISER BREWING CO APAC LTD	-	10,400	-	(10,400)	-
BYD ELECTRONIC (INTL) CO LTD	-	6,000	-	(6,000)	-
CANSINO BIOLOGICS INC-H	-	400	-	(400)	-
CATHAY MEDIA AND EDUCATION GROUP INC	-	44,000	-	(44,000)	-
CHINA COMMUNICATIONS CONSTRUCTION CO LTD-H	-	15,000	-	(15,000)	-
CHINA COMMUNICATIONS SERVICES CORP-H	-	10,000	-	(10,000)	-
CHINA CONSTRUCTION BANK CORP-H	34,000	35,000	-	(69,000)	-
CHINA EAST EDUCATION HLDGS LTD	-	6,000	-	(6,000)	-
CHINA EDUCATION GROUP HLDGS LTD	-	4,000	-	(4,000)	-
CHINA EVERBRIGHT LTD	-	8,000	-	(8,000)	-
CHINA FEIHE LTD	6,000	4,000	-	(10,000)	-
CHINA FOODS LTD	-	30,000	-	(30,000)	-
CHINA GALAXY SECURITIES CO LTD-H	-	16,000	-	(16,000)	-
CHINA GAS HLDGS LTD	-	7,000	-	(7,000)	-
CHINA HARMONY AUTO HLDG LTD	-	12,000	-	(12,000)	-
CHINA HONGQIAO GROUP LTD	-	14,000	-	-	14,000
CHINA INTL CAPITAL CORP LTD-H	-	14,400	-	(14,400)	-
CHINA INTL MARINE CONTAINERS (GROUP) CO LTD-H	-	8,000	-	(8,000)	-

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

MOVEMENT IN PORTFOLIO HOLDINGS (continued)

31 December 2020

	As at 1 January 2020	Movement in holdings			As at 31 December 2020
		Addition	Bonus/ Dividends	Disposal	
LISTED SECURITIES (continued)					
Hong Kong (continued)					
CHINA KEPEI EDUCATION GROUP LTD	-	16,000	-	(16,000)	-
CHINA LESSO GROUP HLDGS LTD	-	6,000	-	(6,000)	-
CHINA LIFE INSURANCE CO LTD-H	8,000	19,000	-	(27,000)	-
CHINA LITERATURE LTD	-	2,000	-	(2,000)	-
CHINA MENGNIU DAIRY CO LTD	-	4,000	-	(4,000)	-
CHINA MERCHANTS BANK CO LTD-H	2,500	16,500	-	(18,000)	1,000
CHINA MOBILE LTD	1,500	2,500	-	(4,000)	-
CHINA MODERN DAIRY HLDGS LTD	-	60,000	-	-	60,000
CHINA MOLYBDENUM CO LTD-H	-	93,000	-	(66,000)	27,000
CHINA NATIONAL BUILDING MATERIAL CO LTD-H	6,000	32,000	-	(38,000)	-
CHINA NEW HIGHER EDUCATION GROUP LTD	-	39,000	-	(39,000)	-
CHINA OILFIELD SERVICES LTD-H	-	26,000	-	(26,000)	-
CHINA RESOURCES BEER HLDGS CO LTD	2,000	2,000	-	(4,000)	-
CHINA RESOURCES CEMENT HLDGS LTD	-	22,000	-	(22,000)	-
CHINA RESOURCES GAS GROUP LTD	-	2,000	-	(2,000)	-
CHINA RESOURCES LAND LTD	-	2,000	-	(2,000)	-
CHINA RESOURCES MIXC LIFESTYLE SERVICES LTD	-	3,600	-	(3,600)	-
CHINA RISUN GROUP LTD	-	39,000	-	(39,000)	-
CHINA SCE GROUP HLDGS LTD	-	20,000	-	(20,000)	-
CHINA SHENHUA ENERGY CO LTD-H	-	17,500	-	(17,500)	-
CHINA TAIPING INSURANCE HLDGS CO LTD	-	7,000	-	(5,000)	2,000
CHINA TOWER CORP LTD-H	-	38,000	-	(38,000)	-
CHINA TRADITIONAL CHINESE MEDICINE HLDGS CO LTD	-	96,000	-	(96,000)	-
CHINA VANKE CO LTD-H	6,800	-	-	(6,800)	-
CHINA YONGDA AUTOMOBILES SERVICES HLDGS LTD	-	20,000	-	(20,000)	-
CHINA YUHUA EDUCATION CORP LTD	14,000	-	-	(14,000)	-
CHINASOFT INTL LTD	-	12,000	-	(12,000)	-
CNOOC LTD	-	42,000	-	(42,000)	-
COSCO SHIPPING ENERGY TRANSPORTATION CO LTD-H	-	44,000	-	(44,000)	-
COSCO SHIPPING INTL HONG KONG CO LTD	-	56,000	-	(56,000)	-
COUNTRY GARDEN HLDGS CO LTD	-	11,000	-	(11,000)	-
COWELL E HLDGS INC	-	12,000	-	(12,000)	-
CSC FINANCIAL CO LTD-H	-	25,000	-	(25,000)	-
CSPC PHARMACEUTICAL GROUP LTD	-	4,000	-	(4,000)	-
CSTONE PHARMACEUTICALS	-	15,000	-	(15,000)	-
DONGFANG ELECTRIC CORP LTD-H	-	20,000	-	(20,000)	-
DONGFENG MOTOR GROUP CO LTD-H	-	20,000	-	(20,000)	-
ENN ENERGY HLDGS LTD	-	1,400	-	(1,400)	-
EVER SUNSHINE LIFESTYLE SERVICES GROUP LTD	-	6,000	-	(6,000)	-
FINANCIAL STREET PROPERTY CO LTD-H	-	8,000	-	(8,000)	-
FLAT GLASS GROUP CO LTD-H	-	38,000	-	(38,000)	-
FRONTAGE HLDGS CORP	24,000	-	-	(24,000)	-
FU SHOU YUAN INTL GROUP LTD	-	12,000	-	(12,000)	-
FUYAO GLASS INDUSTRY GROUP CO LTD-H	-	4,400	-	(4,400)	-
GALAXY ENTERTAINMENT GROUP LTD	2,000	-	-	(2,000)	-
GANFENG LITHIUM CO LTD-H	-	2,600	-	(2,600)	-
GEELY AUTOMOBILE HLDGS LTD	-	9,000	-	(9,000)	-
GENSCRIPT BIOTECH CORP	2,000	-	-	(2,000)	-
GOME RETAIL HLDGS LTD	-	40,000	-	(40,000)	-
GREAT WALL MOTOR CO LTD-H	-	19,000	-	(19,000)	-
GUANGZHOU AUTOMOBILE GROUP CO LTD-H	-	22,000	-	(22,000)	-
GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HLDGS CO LTD-H	-	2,000	-	(2,000)	-

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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MOVEMENT IN PORTFOLIO HOLDINGS (continued)

31 December 2020

	As at	Movement in holdings			As at
	1 January 2020	Addition	Bonus/ Dividends	Disposal	31 December 2020
LISTED SECURITIES (continued)					
Hong Kong (continued)					
HAILILAO INTL HLDG LTD	-	4,000	-	(4,000)	-
HAIER ELECTRONICS GROUP CO LTD (ACQUIRED)	-	10,000	-	(10,000)	-
HAIER SMART HOME CO LTD -H	-	4,800	-	(1,600)	3,200
HAITONG SECURITIES CO LTD-H	-	18,800	-	(18,800)	-
HANG SENG BANK LTD	-	1,500	-	(1,500)	-
HENGAN INTL GROUP CO LTD	-	1,000	-	(1,000)	-
HISENSE HOME APPLIANCES GROUP CO LTD-H	-	8,000	-	(8,000)	-
HONG KONG EXCHANGES & CLEARING LTD	800	2,300	-	(2,900)	200
HOPE EDUCATION GROUP CO LTD	-	50,000	-	(50,000)	-
HSBC HLDGS PLC	-	2,000	-	(2,000)	-
HUA HONG SEMICONDUCTOR LTD	-	3,000	-	(1,000)	2,000
HUANENG POWER INTL INC-H	-	30,000	-	(30,000)	-
HUATAI SECURITIES CO LTD-H	-	8,200	-	(8,200)	-
HYGEIA HEALTHCARE HLDGS CO LTD	-	4,000	-	(4,000)	-
IMAX CHINA HLDG INC	-	6,000	-	(6,000)	-
INDUSTRIAL & COMMERCIAL BK OF CHINA-H	20,000	102,000	-	(122,000)	-
INNOVENT BIOLOGICS INC (B)	-	4,000	-	(4,000)	-
JHBP CY HLDGS LTD	-	400	-	(400)	-
JINKE SMART SERVICES GROUP CO LTD-H	-	2,500	-	-	2,500
KINGDEE INTL SOFTWARE GROUP CO LTD	-	10,000	-	(10,000)	-
KINGSOFT CORP LTD	-	2,000	-	-	2,000
KUNLUN ENERGY CO LTD	-	44,000	-	(44,000)	-
KWG LIVING GROUP HLDGS LTD	-	6,000	-	-	6,000
LENOVO GROUP LTD	-	20,000	-	(14,000)	6,000
LI NING CO LTD	-	2,500	-	(2,500)	-
LIVZON PHARMACEUTICAL GROUP INC-H	-	4,800	-	(1,800)	3,000
LOGAN GROUP CO LTD	-	8,000	-	(8,000)	-
MAOYAN ENTERTAINMENT	-	4,200	-	(4,200)	-
MEILLEURE HEALTH INTL INDUSTRY GROUP LTD	-	288,000	-	(288,000)	-
MEITUAN-CLASS B	1,000	6,000	-	(6,300)	700
MELCO INTL DEVELOPMENT LTD	-	3,000	-	(3,000)	-
MGM CHINA HLDGS LTD	-	8,000	-	(8,000)	-
MIDEA REAL ESTATE HLDG LTD	-	3,400	-	(3,400)	-
MING YUAN CLOUD GROUP HLDGS LTD	-	1,000	-	(1,000)	-
NETDRAGON WEBSOFT HLDGS LTD	-	3,000	-	(3,000)	-
NETEASE INC	-	1,000	-	(1,000)	-
NEW CHINA LIFE INSURANCE CO LTD-H	-	2,000	-	(2,000)	-
NEW WORLD DEVELOPMENT CO LTD	-	8,000	-	(8,000)	-
NONGFU SPRING CO LTD-H	-	2,000	-	-	2,000
ORIENT OVERSEAS INTL LTD	-	2,000	-	(2,000)	-
PEIJIA MEDICAL LTD	-	2,000	-	(2,000)	-
PETROCHINA CO LTD-H	42,000	40,000	-	(82,000)	-
PHARMARON BEIJING CO LTD-H	1,200	-	-	(1,200)	-
PING AN INSURANCE GROUP CO OF CHINA LTD-H	3,500	8,000	-	(11,500)	-
POLY PROPERTY SERVICES CO LTD-H	3,000	1,400	-	(4,400)	-
POSTAL SAVINGS BANK OF CHINA CO LTD-H	-	14,000	-	(14,000)	-
RENHUI HUMAN RESOURCES TECHNOLOGY HLDGS LTD	-	3,800	-	(3,800)	-
SANDS CHINA LTD	-	2,000	-	(2,000)	-
SEMICONDUCTOR MANUFACTURING INTL CORP	10,000	17,500	-	(27,500)	-
S-ENJOY SERVICE GROUP CO LTD	-	16,000	-	(16,000)	-
SHANDONG GOLD MINING CO LTD-H	3,000	8,000	1,200	(12,200)	-
SHANDONG WEIGAO GROUP MEDICAL POLYMER CO LTD-H	-	12,000	-	(12,000)	-
SHANGHAI FUDAN MICROELECTRONICS GROUP CO LTD-H	-	14,000	-	(14,000)	-

CHINAAMC SELECT CHINA NEW ECONOMY FUND
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MOVEMENT IN PORTFOLIO HOLDINGS (continued)

31 December 2020

	As at 1 January 2020	Movement in holdings			As at 31 December 2020
		Addition	Bonus/ Dividends	Disposal	
LISTED SECURITIES (continued)					
Hong Kong (continued)					
SHANGHAI JUNSHI BIOSCIENCES CO LTD	-	4,000	-	(4,000)	-
SHANGHAI KINDLY MEDICAL INSTRUMENTS CO LTD-H	1,600	600	-	(2,200)	-
SHANGHAI PHARMACEUTICALS HLDG CO LTD-H	-	3,600	-	(3,600)	-
SHENZHEN INTL HLDGS LTD	-	6,000	-	(6,000)	-
SHENZHOU INTL GROUP HLDGS LTD	1,000	-	-	(1,000)	-
SHIMAO GROUP HLDGS LTD	4,500	11,000	-	(15,500)	-
SHUN TAK HLDGS LTD	-	50,000	-	(50,000)	-
SICHUAN LANGUANG JUSTBON SERVICES GROUP CO LTD-H	-	4,000	-	(2,800)	1,200
SINO BIOPHARMACEUTICAL LTD	10,000	-	-	(10,000)	-
SITC INTL HLDGS CO LTD	-	6,000	-	(3,000)	3,000
SJM HLDGS LTD	-	21,000	-	(21,000)	-
SMOORE INTL HLDHS LTD	-	6,000	-	(4,000)	2,000
SOHO CHINA LTD	-	40,000	-	(40,000)	-
SSY GROUP LTD	-	34,000	-	(34,000)	-
SUN ART RETAIL GROUP LTD	5,500	-	-	(5,500)	-
SUNAC CHINA HLDGS LTD	3,000	11,000	-	(14,000)	-
SUNAC SERVICES HLDGS LTD	-	8,000	-	-	8,000
SUNNY OPTICAL TECHNOLOGY GROUP CO LTD	-	2,100	-	(2,100)	-
TCL ELECTRONICS HLDGS LTD	-	12,000	-	(12,000)	-
TENCENT HLDGS LTD	1,400	1,000	-	(1,800)	600
TIMES NEIGHBORHOOD HLDGS LTD	-	29,000	-	(29,000)	-
TINGYI (CAYMAN ISLANDS) HLDG CORP	-	10,000	-	(10,000)	-
TONG REN TANG TECHNOLOGIES CO LTD-H	-	16,000	-	(16,000)	-
TONGCHENG-ELONG HLDGS LTD	-	10,000	-	(10,000)	-
TRAVELSKY TECHNOLOGY LTD-H	-	5,000	-	(5,000)	-
TSINGTAO BREWERY CO LTD-H	-	2,000	-	(2,000)	-
VENUS MEDTECH HANGZHOU INC-H	-	1,000	-	-	1,000
VESYNC CO LTD	-	4,000	-	-	4,000
WEICHAI POWER CO LTD-H	4,000	-	-	(4,000)	-
WH GROUP LTD	13,000	22,500	-	(35,500)	-
WUXI APPTTEC CO LTD-H	-	6,200	-	(6,200)	-
WUXI BIOLOGICS CAYMAN INC	2,000	1,500	-	(3,500)	-
XD INC	2,000	2,000	-	(4,000)	-
XIAOMI CORP-CLASS B SHARE	-	10,000	-	(9,000)	1,000
XINYI ENERGY HLDGS LTD	-	30,000	-	(30,000)	-
XINYI SOLAR HLDGS LTD	-	10,000	-	(10,000)	-
YANGTZE OPTICAL FIBRE AND CABLE JOINT STOCK LTD CO-H	-	4,500	-	(4,500)	-
YICHANG HEC CHANGJIANG PHARMACEUTICAL CO LTD-H	1,000	-	-	(1,000)	-
YIHAI INTL HLDG LTD	-	7,000	-	(7,000)	-
ZHENGZHOU COAL MINING MACHINERY GROUP CO LTD-H	-	20,000	-	(20,000)	-
ZHOU HEI YA INTL HLDGS CO LTD	-	14,000	-	(14,000)	-
ZHUZHOU CRRC TIMES ELECTRIC CO LTD-H	-	1,800	-	(1,800)	-
ZIJIN MINING GROUP CO LTD-H	-	40,000	-	(26,000)	14,000
ZTE CORP-H	5,000	1,000	-	(6,000)	-
ZTO EXPRESS CAYMAN INC	-	400	-	(400)	-

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

MOVEMENT IN PORTFOLIO HOLDINGS (continued)

31 December 2020

	As at 1 January 2020	Movement in holdings			As at 31 December 2020
		Addition	Bonus/ Dividends	Disposal	
<u>DEPOSIT RECEIPT</u>					
United States					
ALIBABA GROUP HLDG LTD-SPONSORED ADR	300	-	-	(300)	-
BAIDU INC-ADR	200	160	-	(360)	-
BILIBILI INC-ADR	-	900	-	(700)	200
CHINA EASTERN AIRLINES CORP LTD-ADR	-	600	-	(600)	-
DOUYU INTL HLDGS LTD-SPONSORED ADR	-	700	-	(700)	-
HUAZHU GROUP LTD-SPONSORED ADR	-	1,100	-	(1,100)	-
JD.COM INC-ADR	400	800	-	(1,000)	200
MINISO GROUP HLDG LTD-SPONSORED ADR	-	498	-	(400)	98
NETEASE INC-ADR	-	50	-	(50)	-
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	-	100	-	-	100
PETROCHINA CO LTD-ADR	-	400	-	(400)	-
PINDUODUO INC-SPONSORED ADR	-	300	-	(200)	100
TAL EDUCATION GROUP-ADR	400	960	-	(1,360)	-
ZTO EXPRESS CAYMAN INC-SPONSORED ADR	-	900	-	(900)	-
Total investment portfolio	264,100	2,820,968	1,680	(2,911,770)	174,978

CHINAAMC SELECT CHINA NEW ECONOMY FUND
(a sub-fund of ChinaAMC Select Fund)

PERFORMANCE TABLE

Net asset value attributable to unitholders

	Net assets value per unit HKD	Net assets attributable to unitholders HKD
31 December 2020		
Class I	18.0489	838,560
Class A	16.4879	3,504,860
31 December 2019		
Class I	11.5772	5,278,386
Class A	10.5539	382,867
31 December 2018		
Class I	9.9850	19,444,194
Class A	9.3698	28,101

Highest issue and lowest redemption prices per unit¹

	Highest issue unit price HKD	Lowest redemption unit price HKD
Year ended 31 December 2020		
Class I	18.0489	9.7705
Class A	16.4879	8.9228
Year ended 31 December 2019		
Class I	11.7140	9.6677
Class A	10.8960	9.0705
Year ended 31 December 2018		
Class I	14.4056	9.8792
Class A	10.2850	9.2678
Year ended 31 December 2017		
Class I	13.2761	8.8898
Year ended 31 December 2016		
Class I	9.2263	6.6049
Period from 27 May 2015 (date of inception) to 31 December 2015		
Class I	10.1937	6.5961

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

With effect from 1 September 2016, investment objective of the Sub-Fund was changed. Performance information for periods prior to 1 September 2016 does not reflect the current investment strategy.

