

CHINAAMC SELECT OFC

**ChinaAMC Bitcoin ETF**

**ChinaAMC Ether ETF**

Annual Report

For the period ended  
31 December 2024



**华夏基金**  
**ChinaAMC**

## **CHINAAMC SELECT OFC**

(a Hong Kong public umbrella open-ended fund company with variable capital, limited liability and segregated liability between sub-funds and authorised under section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong)

### **ChinaAMC Bitcoin ETF**

HKD Stock Code: 3042  
RMB Stock Code: 83042  
USD Stock Code: 9042

### **ChinaAMC Ether ETF**

HKD Stock Code: 3046  
RMB Stock Code: 83046  
USD Stock Code: 9046

(Sub-Funds of ChinaAMC Select OFC)

For the period ended 31 December 2024

## ChinaAMC Select OFC

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# Management and administration

## Director of the Company

GAN Tian (Appointed on 16 April 2024)  
LI Fung Ming (Appointed on 16 April 2024)

## Manager

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

## Directors of the Manager

Li Yimei  
Sun Liqiang  
Gan Tian  
Li Fung Ming  
Yang Kun

## Custodian, Administrator and Registrar

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

## Virtual Asset Sub-Custodian

OSL Digital Securities Limited, acting via  
its associated entity BC Business Management  
Services (HK) Limited  
39/F Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## Virtual Asset Trading Platform

OSL Exchange (operated by OSL Digital  
Securities Limited)  
39/F Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## Legal Counsel to the Manager

Simmons & Simmons  
30/F, One Taikoo Place  
979 King's Road  
Hong Kong

## Auditor

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

## Listing Agent

Altus Capital Limited  
21 Wing Wo Street  
Central  
Hong Kong

## Service Agent

HK Conversion Agency Services Limited  
8th Floor, Two Exchange Square  
8 Connaught Place  
Central, Hong Kong

# Report of the Manager to the shareholders

## ChinaAMC Bitcoin ETF

---a sub-fund of ChinaAMC Select OFC

### Introduction

The ChinaAMC Bitcoin ETF (the “Sub-Fund”) is a sub-fund of ChinaAMC Select OFC, a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds. The Sub-Fund is a passively managed ETF falling within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC (the “Code”). Units of the Sub-Fund (the “Units”) are traded on The Stock Exchange of Hong Kong Limited (the “SEHK”) like stocks. The Sub-Fund’s HKD counter (stock code: 03042), RMB counter (stock code: 83042) and USD counter (stock code: 09042) commenced trading on the SEHK on 30 April 2024. The Sub-Fund is an index-tracking fund that seeks to track the performance of the CME CF Bitcoin Reference Rate (APAC Variant) (the “Index”).

The Sub-Fund acquires and holds bitcoin directly. Up to 100% of the Sub-Fund’s assets may be invested in bitcoin. Transactions of bitcoin by the Sub-Fund will be conducted through SFC-licensed virtual asset trading platforms. Bitcoin is a digital asset, the ownership and behaviour of which are determined by participants in an online, peer-to-peer network that connects computers that run publicly accessible software that follows the rules and procedures governing the bitcoin network, commonly referred to as the “bitcoin protocol”. Bitcoin is “stored” on a digital transaction ledger commonly known as a “blockchain”. The value of bitcoin is not backed by any government, corporation or other identified body, but is determined in part by the supply of, and demand for, bitcoin in the markets for exchange that have been organised to facilitate the trading of bitcoin.

### Performance of the Sub-Fund

The investment objective is to provide investment results that, before fees and expenses, closely correspond to the performance of bitcoin, as measured by the performance of the Index. There is no assurance that the Sub-Fund will achieve its investment objective.

The performance of the Sub-Fund is in below (Total Returns in respective currency<sup>1</sup>):

	1-Month	3-Month	Since Launch <sup>2</sup>
The Index	-3.44%	43.66%	46.40%
HKD Counter of the Sub-Fund (NAV-to-NAV)	-3.81%	43.12%	43.91%
HKD Counter of the Sub-Fund (Market-to-Market)	-4.21%	42.30%	43.02%
RMB Counter of the Sub-Fund (NAV-to-NAV)	-2.39%	49.81%	46.38%
RMB Counter of the Sub-Fund (Market-to-Market)	-2.81%	48.79%	45.45%
USD Counter of the Sub-Fund (NAV-to-NAV)	-3.56%	43.18%	45.01%
USD Counter of the Sub-Fund (Market-to-Market)	-4.06%	42.14%	43.81%

<sup>1</sup> Source: Bloomberg, as of 31 December 2024. Performances of the benchmark Index and HKD Counter of the Sub-Fund are calculated in HKD while performances of RMB Counter and USD Counter of the Sub-Fund are calculated in RMB and USD. Past performance figures shown are not indicative of the future performance of the Sub-Fund.

<sup>2</sup> Calculated since 30 April 2024.

## Report of the Manager to the shareholders (continued)

### **ChinaAMC Bitcoin ETF (continued)**

---a sub-fund of ChinaAMC Select OFC

#### **Activities of the Sub-Fund**

According to Bloomberg, the average daily trading volume of the Sub-Fund was 2,122,049 shares from 30 April 2024 (date of commencement of operations) to 31 December 2024. As of 31 December 2024, there were 146,300,000 shares outstanding.

# Report of the Manager to the shareholders (continued)

## ChinaAMC Ether ETF

---a sub-fund of ChinaAMC Select OFC

### Introduction

The ChinaAMC Ether ETF (the “Sub-Fund”) is a sub-fund of ChinaAMC Select OFC, a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds. The Sub-Fund is a passively managed ETF falling within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC (the “Code”). Units of the Sub-Fund (the “Units”) are traded on The Stock Exchange of Hong Kong Limited (the “SEHK”) like stocks. The Sub-Fund’s HKD counter (stock code: 03046), RMB counter (stock code: 83046) and USD counter (stock code: 09046) commenced trading on the SEHK on 30 April 2024. The Sub-Fund is an index-tracking fund that seeks to track the performance of the CME CF Ether-Dollar Reference Rate (APAC Variant) (the “Index”).

The Sub-Fund acquires and holds ether directly. Up to 100% of the Sub-Fund’s assets may be invested in ether. Transactions of ether by the Sub-Fund will be conducted through SFC-licensed virtual asset trading platforms. Ether is a digital asset which serves as the unit of account on an open-source, decentralised, peer-to-peer computer network, commonly referred to as the “Ethereum computer network”. Ether is “stored” on a digital transaction ledger commonly known as a “blockchain”. The value of ether is not backed by any government, corporation or other identified body, but is determined in part by the supply of, and demand for, ether in the markets for exchange that have been organised to facilitate the trading of ether.

### Performance of the Sub-Fund

The investment objective is to provide investment results that, before fees and expenses, closely correspond to the performance of ether, as measured by the performance of the Index. There is no assurance that the Sub-Fund will achieve its investment objective.

The performance of the Sub-Fund is in below (Total Returns in respective currency<sup>3</sup>):

	1-Month	3-Month	Since Launch <sup>4</sup>
The Index	-5.65%	27.06%	5.83%
HKD Counter of the Sub-Fund (NAV-to-NAV)	-6.02%	26.38%	3.63%
HKD Counter of the Sub-Fund (Market-to-Market)	-6.53%	25.75%	3.09%
RMB Counter of the Sub-Fund (NAV-to-NAV)	-4.64%	32.29%	5.41%
RMB Counter of the Sub-Fund (Market-to-Market)	-5.27%	31.42%	4.86%
USD Counter of the Sub-Fund (NAV-to-NAV)	-5.78%	26.44%	4.42%
USD Counter of the Sub-Fund (Market-to-Market)	-6.35%	25.55%	3.93%

<sup>3</sup> Source: Bloomberg, as of 31 December 2024. Performances of the benchmark Index and HKD Counter of the Sub-Fund are calculated in HKD while performances of RMB Counter and USD Counter of the Sub-Fund are calculated in RMB and USD. Past performance figures shown are not indicative of the future performance of the Sub-Fund.

<sup>4</sup> Calculated since 30 April 2024.

# Report of the Manager to the shareholders (continued)

## **ChinaAMC Ether ETF (continued)**

---a sub-fund of ChinaAMC Select OFC

### **Activities of the Sub-Fund**

According to Bloomberg, the average daily trading volume of the Sub-Fund was 433,878 shares from 30 April 2024 (date of commencement of operations) to 31 December 2024. As of 31 December 2024, there were 33,100,000 shares outstanding.

China Asset Management (Hong Kong) Limited  
30 April 2025

# Report of the Custodian to the shareholders ChinaAMC Select OFC (the “Company”)

We hereby confirm that, in our opinion, the Custodian of the Company and its Sub-funds has in all material respects managed the Company and its Sub-funds in accordance with the provisions of the Instrument of Incorporation, as amended and restated, during the period from 16 April 2024 (date of incorporation) to 31 December 2024.

For and on behalf of  
BOCI-Prudential Trustee Limited (“Custodian”)  
in its capacity as Custodian of ChinaAMC Select OFC  
30 April 2025

# Independent auditor's report to the shareholders of ChinaAMC Select OFC

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of ChinaAMC Select OFC (the "Company") for the period from 16 April 2024 (date of incorporation) to 31 December 2024 and its sub-Funds (the Sub-Funds") for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 set out on pages 13 to 37, which comprise the statement of assets and liabilities as at 31 December 2024, the statement of comprehensive income, the statement of changes in net assets attributable to shareholders/statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, comprising material accounting policies information and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company and its Sub-Funds as at 31 December 2024, and of their financial performance and cash flows for the period from 16 April 2024 (date of incorporation) to 31 December 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Boards ("IASB").

### Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs"). 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 Company and its Sub-Funds in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

# Independent auditor’s report to the shareholders of ChinaAMC Select OFC (continued)

## Report on the Audit of the Financial Statements (continued)

### Key audit matter (continued)

<b>Accounting for virtual asset transactions and balances</b>	
<i>Refer to note 6 to the financial statements and the accounting policies in note 2(d).</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>The Sub-Funds acquire and hold virtual assets directly to provide investment results.</p> <p>ChinaAMC Bitcoin ETF held US\$221,546,614 in Bitcoin, representing 99.96% of the net asset value.</p> <p>ChinaAMC Ether ETF held US\$34,920,837 in Ether, representing 100.06% of the net asset value.</p> <p><b>Accounting Policy</b></p> <p>We identified accounting of virtual asset transactions as a key audit matter because IFRSs do not specifically address accounting for virtual assets. Accordingly, judgement is applied in determining appropriate accounting policies based on the existing accounting framework and the facts and circumstances of the Sub-Funds’ investment strategies.</p> <p><b>Existence and Ownerships</b></p> <p>We identified existence with respect to the virtual assets as a key audit matter because of the anonymity of virtual assets transaction in blockchain.</p> <p><b>Valuation</b></p> <p>We identified the valuation of virtual asset as a key audit matter because of the significance in the context of the Sub-Funds’ financial statements and because the value of the virtual asset at the year-end date is a key performance indicator of the Sub-Funds.</p>	<p>Our audit procedures on the Sub-Funds’ virtual asset transactions and balances mainly included the following:</p> <ul style="list-style-type: none"> <li>• understanding and evaluating the accounting policies adopted by the Sub-Funds for its virtual assets based on their investment strategies and activities;</li> <li>• understanding and assessing of the control objectives and related controls relevant to our audit of the Sub-Funds by obtaining the service organisation internal control reports provided by the Custodian and Virtual Assets Sub-Custodian setting out the controls in place, and the independent service organisation auditors’ assurance report over the design and operating effectiveness of those controls;</li> <li>• evaluating the testing procedures and related results undertaken by the service organisation auditors, and opinions formed by the service organisation auditors on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Sub-Funds;</li> <li>• evaluating the competence, capability and objective and of the service organisation auditors;</li> <li>• obtaining independent confirmation from the virtual assets sub-custodian of virtual assets held at 31 December 2024, and agreeing the Sub-Funds’ holdings of virtual assets to those confirmations; and</li> <li>• engaging our valuation specialists to perform independent valuations of virtual asset and comparing these valuations with the Sub-Funds’ valuation. Our valuation specialists compared prices from independent sources to those used by the Sub-Funds to assess pricing for virtual assets.</li> </ul>

# Independent auditor's report to the shareholders of ChinaAMC Select OFC (continued)

## **Report on the Audit of the Financial Statements (continued)**

### **Information other than the financial statements and auditor's report thereon**

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

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

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

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

### **Responsibilities of Directors and Manager and those charged with governance for the financial statements**

The Directors and the Manager of the Company and its Sub-Funds are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Directors and the Manager 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 Directors and the Manager of the Company and its Sub-Funds are responsible for assessing the Company's and its Sub-Funds' 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 Directors and the Manager either intend to liquidate the Company and its Sub-Funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Directors and the Manager of the Company and its Sub-Funds are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Company's and its Sub-Funds' instrument of incorporation dated 29 April 2020, Part 7 of the Securities and Futures (Open-ended Fund Companies) Rules ("OFC Rules"), Appendix E of the Code on Unit Trusts and Mutual Funds ("UT Code") and Chapter 9 of the Code on Open-Ended Fund Companies ("OFC Code") issued by the Hong Kong Securities and Futures Commission.

Those charged with governance are responsible for overseeing the Company's and its Sub-Funds' financial reporting process.

# Independent auditor's report to the shareholders of ChinaAMC Select OFC (continued)

## Report on the Audit of the Financial Statements (continued)

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

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

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's 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 Company and its Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Company's and its Sub-Funds' instrument of incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

As part of an audit in accordance with HKSA's, 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 Company's and its Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors and the Manager.
- Conclude on the appropriateness of the Directors' and the Manager'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-Funds' 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-Funds to cease to continue as a going concern.

# Independent auditor's report to the shareholders of ChinaAMC Select OFC (continued)

## **Report on the Audit of the Financial Statements (continued)**

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

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

We communicate with the Directors and the Manager of the Company and its Sub-Funds 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.

We also provide the Directors and the Manager of the Company and its Sub-Funds with a statement that we have complied with relevant ethical requirements regarding independence and 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.

From the matters communicated with the Directors and the Manager of the Company and its Sub-Funds, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent auditor's report to the shareholders of ChinaAMC Select OFC (continued)

## **Report on matters under the relevant disclosure provisions of the Company's and its Sub-Funds' instrument of incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code**

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Company's and its Sub-Funds' instrument of incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Yiu Tsz Yeung, Arion.

Certified Public Accountants

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
30 April 2025

Statement of assets and liabilities  
as at 31 December 2024  
(Expressed in United States dollars)

	Note	ChinaAMC Select OFC 2024 US\$	ChinaAMC Bitcoin ETF 2024 US\$	ChinaAMC Ether ETF 2024 US\$
<b>Assets</b>				
Virtual assets	6	-	221,546,614	34,920,837
Amounts receivable		-	-	2,919
Cash and cash equivalents	7(e)	-	798,378	105,145
<b>Total assets</b>		-	222,344,992	35,028,901
<b>Liabilities</b>				
Management fee payable	7(a)	-	514,238	54,718
Custodian and administrator fee payable	7(b)	-	129,842	23,288
Redemption payable		-	1,783	-
Accrued expenses and other payables	7(c)	-	71,712	50,840
<b>Total liabilities (excluding net assets attributable to shareholders)</b>		-	717,575	128,846
<b>Net assets attributable to shareholders</b>				
Financial liabilities		-	221,627,417	34,900,055

Approved and authorised for issue by the Directors on 30 April 2025.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The accompanying notes are an integral part of these financial statements.

Statement of comprehensive income  
for the period ended 31 December 2024  
(Expressed in United States dollars)

	Note	ChinaAMC Select OFC <sup>(1)</sup> US\$	ChinaAMC Bitcoin ETF <sup>(2)</sup> US\$	ChinaAMC Ether ETF <sup>(2)</sup> US\$
<b>Income</b>				
Net gains on virtual assets	4	-	77,420,616	325,437
Net foreign exchange gains/(losses)		-	3,006	(103)
Interest income on bank deposits	7(d)	-	418	17,327
		-	77,424,040	342,661
<b>Expense</b>				
Management fee	7(a)	-	(1,037,162)	(120,832)
Custodian and Administrator fee	7(b)	-	(309,165)	(64,866)
Registrar fee	7(c)	-	(8,000)	(8,000)
Auditor's remuneration		-	(25,765)	(25,765)
Transaction costs		-	(3,285)	(1,560)
Other operating expenses		-	(120,170)	(83,962)
<b>Total operating expense</b>		-	(1,503,547)	(304,985)
<b>Profit from operations</b>		-	75,920,493	37,676
Taxation	5	-	-	-
<b>Profit and total comprehensive income for the period</b>		-	75,920,493	37,676

(1) ChinaAMC Select OFC was incorporated on 16 April 2024, and authorised by the Hong Kong Securities and Futures Commission (the "SFC") on 23 April 2024.

(2) The date of establishment for ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF (collectively "the Sub-Funds") was 30 April 2024. The Sub-Funds were authorised by the SFC on 23 April 2024, and commenced operation on 30 April 2024.

The accompanying notes are an integral part of these financial statements.

Statement of changes in net assets attributable to  
shareholders for the period ended 31 December 2024  
(Expressed in United States dollars)

	<i>ChinaAMC Select OFC<sup>(1)</sup></i>	<i>ChinaAMC Bitcoin ETF<sup>(2)</sup></i>	<i>ChinaAMC Ether ETF<sup>(2)</sup></i>
Note	2024 US\$	2024 US\$	2024 US\$
<b>Balance at the beginning of the period</b>	-	-	-
Profit and total comprehensive income for the period	-	75,920,493	37,676
	-----	-----	-----
<b>Subscriptions and redemptions by shareholders</b>			
Subscriptions of shares			
- In-kind	-	101,131,140	3,162,140
- Cash component	-	228,770,272	42,045,286
Redemptions of shares			
- In-kind	-	(141,303,033)	(9,446,140)
- Cash component	-	(42,891,455)	(898,907)
	-----	-----	-----
<b>Net subscriptions by shareholders</b>	-	145,706,924	34,862,379
	=====	=====	=====
<b>Balance at the end of the period</b>	-	221,627,417	34,900,055
	=====	=====	=====

<sup>(1)</sup> ChinaAMC Select OFC was incorporated on 16 April 2024, and authorised by the SFC on 23 April 2024.

<sup>(2)</sup> The date of establishment for the Sub-Funds was 30 April 2024. The Sub-Funds were authorised by the SFC on 23 April 2024, and commenced operation on 30 April 2024.

The accompanying notes are an integral part of these financial statements.

Statement of changes in net assets attributable to  
shareholders for the period ended 31 December 2024  
(continued)  
(Expressed in shares)

	Note	ChinaAMC Select OFC <sup>(1)</sup> 2024 Shares	ChinaAMC Bitcoin ETF <sup>(2)</sup> 2024 Shares	ChinaAMC Ether ETF <sup>(2)</sup> 2024 Shares
<b>Listed class</b>				
Balance at the beginning of the period		-	-	-
Shares subscribed during the period				
- In-kind		-	184,600,000	8,700,000
- Cash component		-	110,900,000	34,700,000
Shares redeemed during the period				
- In-kind		-	(117,800,000)	(6,800,000)
- Cash component		-	(31,400,000)	(3,500,000)
Balance at the end of the period		-	146,300,000	33,100,000
Net asset value per share <sup>(1)</sup>	8(a)	-	US\$1.5134	US\$1.0531
<b>Class A unlisted class</b>				
Balance at the beginning of the period		-	-	-
Shares subscribed during the period		-	26,354	6,946
Shares redeemed during the period		-	(12,106)	(3,190)
Balance at the end of the period		-	14,248	3,756
Net asset value per share <sup>(1)</sup>	8(a)	-	US\$14.8232	US\$10.9346

<sup>(1)</sup> ChinaAMC Select OFC was incorporated on 16 April 2024, and authorised by the SFC on 23 April 2024.

<sup>(2)</sup> The date of establishment for the Sub-Funds was 30 April 2024. The Sub-Funds were authorised by the SFC on 23 April 2024, and commenced operation on 30 April 2024.

The accompanying notes are an integral part of these financial statements.

Statement of cash flows  
for the period ended 31 December 2024  
(Expressed in United States dollars)

	<b>ChinaAMC Bitcoin ETF<sup>(1)</sup></b>	<b>ChinaAMC Ether ETF<sup>(1)</sup></b>
	2024	2024
	US\$	US\$
<b>Operating activities</b>		
Profit and total comprehensive income for the period	75,920,493	37,676
Adjustments for:		
Interest income on bank deposit	(418)	(17,327)
Net changes in unrealised gains on virtual assets	(51,668,832)	(311,453)
<b>Operating cash flow before changes in working capital</b>	24,251,243	(291,104)
Purchase of virtual assets	(239,194,727)	(43,324,663)
Proceeds from sale of virtual assets	29,146,835	2,431,279
Increase in other receivable	-	(2,919)
Increase in management fee payable	514,238	54,718
Increase in custodian and administrator fee payable	52,827	15,141
Increase in accrued expenses and other payables	148,727	58,987
<b>Net cash used in operations</b>	(185,080,857)	(41,058,561)
Interest received	418	17,327
<b>Net cash used in operating activities</b>	(185,080,439)	(41,041,234)
<b>Financing activities</b>		
Proceeds from subscription of shares	228,770,272	42,045,286
Payments on redemption of shares	(42,891,455)	(898,907)
<b>Net cash generated from financing activities</b>	185,878,817	41,146,379
<b>Net increase in cash and cash equivalents</b>	798,378	105,145
<b>Cash and cash equivalents at the beginning of the period</b>	-	-
<b>Cash and cash equivalents at the end of the period</b>	798,378	105,145

<sup>(1)</sup> The date of establishment for the Sub-Funds was 30 April 2024. The Sub-Funds were authorised by the SFC on 23 April 2024, and commenced operation on 30 April 2024.

The accompanying notes are an integral part of these financial statements.

# Notes to the financial statements

*(Expressed in United States dollar unless otherwise indicated)*

## 1 General information

ChinaAMC Select OFC (the “Company”) is a public open-ended fund company with variable capital and limited liability regulated under the Hong Kong Securities and Futures Ordinance (“SFO”). The Company is established with an umbrella structure and the Sub-Funds of the Company have segregated liability. The Company was incorporated pursuant to an Instrument of Incorporation filed to the Companies Registry of Hong Kong on and effective as of 16 April 2024, as amended and restated (the “Instrument”) with business registration number 76444721.

There were two Sub-Funds (collectively the “Sub-Funds”) created under the Company as at 31 December 2024. These Sub-Funds were launched and listed on the date set out below:

<b>Name of Sub-Funds</b>	<b>Launch and listing date</b>
ChinaAMC Bitcoin ETF	30 April 2024
ChinaAMC Ether ETF	30 April 2024

The investment objective of ChinaAMC Bitcoin ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of bitcoin, as measured by the performance of CME CF Bitcoin Reference Rate (APAC Variant).

The investment objective of ChinaAMC Ether ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of ether, as measured by the performance of the CME CF Ether-Dollar Reference Rate (APAC Variant).

The Sub-Funds are authorised by the Hong Kong Securities and Futures Commission (the “SFC”) under section 104 of the SFO. They are governed by the relevant provisions of the Code on Open Ended Fund Companies (the “OFC Code”) and the Code on Unit Trusts and Mutual Funds (the “UT Code”) issued by the SFC.

China Asset Management (Hong Kong) Limited (the “Manager”) is licensed by the SFC to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

The Company has appointed the Manager to manage the assets of the Company (i.e. to carry out investment management functions) and to provide asset valuation and pricing functions in respect of the Company and the Sub-Funds, pursuant to the Investment Management Agreement.

## **1 General information (continued)**

The Company has appointed BOCI-Prudential Trustee Limited (the “Custodian”) as the Custodian of the Sub-Funds. BOCI-Prudential Trustee Limited is incorporated in Hong Kong and is registered as a trust company under the Trustee Ordinance (Cap. 29) of Hong Kong. The Custodian is a joint venture founded by BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited.

The Custodian shall act as custodian of the assets of the Sub-Funds in respect of which it has been so appointed, pursuant to the Custody Agreement. The Custodian is responsible for the safekeeping of the assets of the Sub-Funds, and such assets will be dealt with pursuant to the terms in the Custody Agreement. The Custodian must take reasonable care, skill and diligence to ensure the safekeeping of the relevant Sub-Funds’ property entrusted to it.

The Custodian has appointed OSL Digital Securities Limited (“ODSL” or the “Virtual Asset Sub-Custodian”), acting via ODSL’s associated entity BC Business Management Services (HK) Limited, as the Virtual Asset Sub-Custodian of the Sub-Funds. ODSL is a company incorporated in Hong Kong and licensed with the SFC to carry on Type 1 (dealing in securities) and Type 7 (providing automated trading services) regulated activities. ODSL is a wholly owned subsidiary of OSL Group Limited (formerly known as BC Technology Group Limited).

## **2 Material accounting policies**

### **(a) Statement of compliance**

The financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”), and the relevant disclosure provisions of the OFC Code and the UT Code issued by the SFC. These are the Company and the Sub-Funds’ first financial statements prepared in accordance with IFRSs.

Material accounting policies adopted by the financial statements are disclosed below.

### **(b) Basis of preparation of the financial statements**

The financial statements of the Sub-Funds are presented in United States dollars (“US\$”) and rounded to the nearest dollar, which is the Sub-Funds’ functional and presentation currency.

The measurement basis used in the preparation of these financial statements is the historical cost basis except that virtual assets are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

## **2 Material accounting policies (continued)**

### **(b) Basis of preparation of the financial statements (continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No cash flow statement was prepared for the Company as the Company did not have any cash flow during the current period nor did it have any cash or cash equivalents at any point throughout the current period.

### **(c) Income and expenses**

Interest income is recognised as it accrues using effective interest method. Interest on bank deposits is separately disclosed on the face of profit or loss. All other income and expenses are accounted for on an accrual basis.

### **(d) Virtual assets**

Virtual assets are held primarily for the purpose of investing in the ordinary course of the Sub-Funds' business.

#### **(i) Classification and measurement**

Since the investment objectives and business models of the Sub-Funds result in them making frequent buy and sell trades in virtual assets, and the performances of the Sub-Funds are measured on a fair value basis, and generating a profit from the fluctuations of price, the Sub-Funds apply the guidance in HKAS 2, Inventories, for commodity broker-traders and measures virtual assets at fair value less costs to resell. The Sub-Funds consider there are no significant "costs to sell" for virtual assets and hence measurement of virtual assets as based on their fair values.

Virtual assets are measured initially and subsequently at fair value, with changes in fair values recognised in profit or loss.

#### **(ii) Fair value measurement principles**

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 in the principal or, in its absence, the most advantageous market to which the Sub-Funds have access at that date.

When available, the Sub-Funds measure the fair value of virtual assets using the quoted price in an active market for that virtual assets. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Sub-Funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

## **2 Material accounting policies (continued)**

### **(d) Virtual assets (continued)**

#### **(ii) Fair value measurement principles (continued)**

The Sub-Funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

### **(e) Translation of foreign currencies**

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities of the Sub-Funds denominated in foreign currencies are translated into USD at the foreign exchange rates ruling at the end of the reporting period. Differences arising on foreign currency translation are recorded in the statement of comprehensive income as “net foreign exchange gains”.

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

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### **(g) Taxation**

Taxation for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period. Current tax also includes non-recoverable withholding taxes on investment income, capital gains and share dividends.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable capital gains will be available against which the asset can be utilised, are recognised.

The amounts of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

## 2 Material accounting policies (continued)

### (h) *Shares in issue*

The Sub-Funds classify capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument is classified as an equity instrument if it has all of the following features:

- It entitles the holder to a pro rata share of the Sub-Funds' net assets in the event of the Sub-Funds' liquidation.
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The instrument does 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-Funds' net assets.
- The total expected cash flows attributable to the instrument 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-Funds over the life of the instrument.

In addition to the instrument having all the above features, the Sub-Funds must have no other financial instrument or contract that has:

- 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-Funds; and
- The effect of substantially restricting or fixing the residual return to the puttable instrument holders.

The Sub-Funds have created multiple classes of shares, which rank *pari passu* in all material respects but have different terms and conditions as set out in the Prospectus. The redeemable shares provide shareholders with the right to require redemption for cash at a value proportionate to the shareholders' share in the Sub-Funds' net assets at each redemption date but also in the event of the Sub-Fund's liquidation.

The redeemable shares of the Sub-Funds are both classified as financial liabilities and are measured at the present value of the redemption amounts as at 31 December 2024.

## **2 Material accounting policies (continued)**

### **(i) Segment reporting**

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Sub-Funds' most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Sub-Funds' various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

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

- (a) A person, or a close member of that person's family, is related to the Sub-Funds if that person:
  - (i) has control or joint control over the Sub-Funds;
  - (ii) has significant influence over the Sub-Funds; or
  - (iii) is a member of the key management personnel of the Sub-Funds or the Sub-Funds' parent.
- (b) An entity is related to the Sub-Funds if any of the following conditions applies:
  - (i) The entity and the Sub-Funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Sub-Funds.
  - (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).
  - (viii) The entity, or any member of a group which it is a part, provides key management personnel services to the Sub-Funds or to the Sub-Funds' parent.

## **2 Material accounting policies (continued)**

### **(k) Related parties (continued)**

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

## **3 Critical judgement**

In the process of applying the Sub-Funds' accounting policies, the Manager has made the following accounting judgements:

### *Accounting for virtual assets transactions and balances*

IFRSs do not specifically address accounting for virtual assets. Accordingly, for the preparation of the Sub-Funds' financial statements, management needs to apply judgement in determining appropriate accounting policies based on the existing accounting framework and the facts and circumstances of the Sub-Funds' virtual assets business.

The Sub-Funds' virtual assets portfolio mainly comprises Bitcoin ("BTC") and Ether ("ETH"). According to the business model of the Sub-Funds' activities and the characteristics of BTC and ETH, the Sub-Funds' virtual assets are accounted for as inventories measured at fair value less costs to sell on the statement of assets and liabilities.

Furthermore, in determining fair values, the Manager needs to apply judgement to identify the relevant available markets, and to consider accessibility to and activity within those markets in order to identify the principal virtual asset markets for the Sub-Funds.

#### 4 Net gains on virtual assets

	<b>ChinaAMC Bitcoin ETF<sup>(1)</sup></b>	<b>ChinaAMC Ether ETF<sup>(1)</sup></b>
	2024	2024
	US\$	US\$
Net realised gains on		
- Bitcoin ("BTC")	25,751,784	-
- Ether ("ETH")	-	13,984
	<u>25,751,784</u>	<u>13,984</u>
Net changes in unrealised gains on		
- Bitcoin ("BTC")	51,668,832	-
- Ether ("ETH")	-	311,453
	<u>51,668,832</u>	<u>311,453</u>
Net gains on virtual assets	<u>77,420,616</u>	<u>325,437</u>

(1) The date of establishment for the Sub-Funds was 30 April 2024. The Sub-Funds were authorised by the SFC on 23 April 2024, and commenced operation on 30 April 2024.

#### 5 Taxation

##### Hong Kong Profits Tax

No provision for Hong Kong Profits Tax has been made in the financial statements as the Sub-Funds have been authorised as a collective investment scheme by the SFC under Section 104 of the Hong Kong Securities and Futures Ordinance, profits of Sub-Funds are exempt from Hong Kong profits tax pursuant to Section 26A(1A)(a) of the Inland Revenue Ordinance.

There is no Hong Kong withholding tax on dividends or interest paid by a Hong Kong company.

There is no tax charge to the Sub-Funds for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024.

## 6 Virtual assets

In accordance with the Prospectus, for operational purpose, the Sub-Funds value virtual assets are valued using an indexing approach by reference to CME CF Bitcoin Reference Rate (APAC Variant) and CME CF Ether-Dollar Reference Rate (APAC Variant) (the “indices”). According to the methodology guide of the index provider, the indices reflect the time-weighted average price derived from aggregated trade data between 3:00pm to 4:00pm Hong Kong time from multiple Bitcoin USD/ Ether USD markets operated by major cryptocurrency exchanges that conform to the index providers’ criteria.

However, the methodology used to calculate the Index price to value virtual assets is not deemed consistent with IFRS. For financial statements purposes, under IFRS 13, an entity must prioritise the use of level 1 inputs for fair value measurement when they are available. Therefore, adopting the indexing approach to value virtual asset does not comply with IFRS 13. Therefore, the fair value of virtual assets is determined based on the price in a virtual asset market that the Sub-Funds considers its “principal market” as of 4:00pm Hong Kong time on the reporting date.

Below shows the value of virtual assets for the purpose of calculating the operating NAV in accordance with the Prospectus and financial statement in accordance with IFRS:

### Virtual assets at fair value through profit or loss

	<i>Quantity</i> 2024 Unit	<i>Unit price</i> 2024 US\$	<i>Value</i> 2024 US\$
<b>ChinaAMC Bitcoin ETF</b>			
Bitcoin			
- for the purpose of calculating the Dealing NAV	2,325.0943	92,719.93	215,582,584
- for the purpose of financial statement	<u>2,325.0943</u>	<u>95,285.00</u>	<u>221,546,614</u>
<b>ChinaAMC Ether ETF</b>			
Ether			
- for the purpose of calculating the Dealing NAV	10,245.2515	3,350.91	34,330,916
- for the purpose of financial statement	<u>10,245.2515</u>	<u>3,408.49</u>	<u>34,920,837</u>

The differences between the fair value of virtual assets in accordance with IFRSs and the valuation of virtual assets indicated in the Sub-Funds’ Prospectus resulted in adjustments in the net asset value (see note 10).

## 7 Transactions with related parties and Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 between the Sub-Funds, the Manager, the Custodian and their Connected Persons. Connected Persons are those as defined in the UT Code issued by the SFC.

## 7 Transactions with related parties and Connected Persons (continued)

All transactions during the year between the Sub-Funds, the Manager, the Custodian and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Manager, the Sub-Funds did not have any other transactions with Connected Persons except for those disclosed below. The relevant receivables and payables are unsecured, interest free and repayable on demand.

### (a) Management fees

The Manager is entitled to receive a management fee in respect of each class of shares calculated at 0.99% per annum of the net asset value of that part of the relevant Sub-Funds relating to the relevant class of shares.

The fee is calculated and accrued on each valuation day and payable monthly in arrears. The management fees charged for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 for each Sub-Fund are disclosed in the statement of comprehensive income. As at 31 December 2024, the management fees payable for each Sub-Fund is as below:

	<i>31 December 2024</i>
	US\$
ChinaAMC Bitcoin ETF	514,238
ChinaAMC Ether ETF	54,718

### (b) Custodian and Administrator fees

The Custodian is entitled to receive a fee up to 1% per annum of the net asset value of the Sub-Funds, subject to a monthly minimum fee of US\$ 5,000. Such fee is inclusive of the fee payable to the Virtual Asset Sub-Custodian.

The fee is calculated and accrued on each valuation day and payable monthly in arrears. The custodian fees charged for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 for each Sub-Fund are disclosed in the statement of comprehensive income. As at 31 December 2024, the custodian fees payable for each Sub-Fund is as below:

	<i>31 December 2024</i>
	US\$
ChinaAMC Bitcoin ETF	52,827
ChinaAMC Ether ETF	15,141

## 7 Transactions with related parties and Connected Persons (continued)

### (c) Registrar fees

The Company appointed BOCI-Prudential Trustee Limited as the registrar. The fee is calculated as US\$500 per month per class of share for each Sub-Fund.

The registrar fees charged for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 for each Sub-Fund are disclosed in the statement of comprehensive income. As at 31 December, the registrar fees payable for each Sub-Fund is as below:

	<i>31 December 2024</i>
	US\$
ChinaAMC Bitcoin ETF	3,042
ChinaAMC Ether ETF	3,042

### (d) Transaction fee

Transaction fee includes brokerage and commission fee for the purchases and sales of virtual assets. The transaction fees charged for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 for each Sub-Fund is as below:

	<i>For the period from 30 April 2024 (date of commencement of operations) to 31 December 2024</i>
	US\$
ChinaAMC Bitcoin ETF	3,285
ChinaAMC Ether ETF	1,560

As at 31 December 2024, the transaction fee payable to BOCI-Prudential Trustee Limited for ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF is US\$75 and US\$90 respectively.

### (e) Bank balances

The bank balance of a bank account maintained with Bank of China (Hong Kong) Limited, a related party of the Custodian of each Sub-Fund, as at 31 December 2024, is as below:

	<i>31 December 2024</i>
	US\$
ChinaAMC Bitcoin ETF	798,378
ChinaAMC Ether ETF	105,145

The interest earned from such bank accounts for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 for each Sub-Fund are disclosed in the statement of comprehensive income.

## 8 Capital management and shares in issue

As at 31 December 2024, each of the Sub-Fund issued two classes of units – Listed class and Class A unlisted class. Listed class is available for buy and sale in the secondary market during trading hours. Unlisted class is only able to subscribe and redeem at the relevant subscription price and redemption price based on the latest available net asset value as at the end of each dealing day.

The Sub-Funds' capital at the reporting date is represented by its redeemable shares.

The Sub-Funds' objective in managing the capital is to ensure a stable and strong base to achieve long term capital growth, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Sub-Funds in accordance with the Sub-Funds' investment objectives and policies stated in the Sub-Funds' Prospectus.

There were no changes in the policies and procedures during the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 with respect to the Sub-Funds' approach to its capital management. The Company and the Sub-Funds do not have any externally imposed capital requirements.

The amount and the movement of net assets attributable to shareholders are stated in the statement of changes in net assets attributable to shareholders. As the redeemable share are redeemed on demand at the shareholders' option, the actual level of redemption may differ significantly from historic experience.

Redeemable shares were issued by the Sub-Funds and the movement are shown in the table below.

### (a) Number of shares in issue

	<b>ChinaAMC Bitcoin ETF</b> <i>For the period from 30 April 2024 (date of commencement of operations) to 31 December 2024</i> Shares	<b>ChinaAMC Ether ETF</b> <i>For the period from 30 April 2024 (date of commencement of operations) to 31 December 2024</i> Shares
<b>Listed class</b>		
At 30 April 2024 (date of commencement of operations)	-	-
Shares subscribed during the period	295,500,000	43,400,000
Shares redeemed during the period	(149,200,000)	(10,300,000)
At 31 December 2024	<u>146,300,000</u>	<u>33,100,000</u>
Net asset value per share (in accordance with IFRS)	<u>US\$1.5134</u>	<u>US\$1.0531</u>
<b>Class A unlisted class</b>		
At 30 April 2024 (date of commencement of operations)	-	-
Shares subscribed during the period	26,354	6,946
Shares redeemed during the period	(12,106)	(3,190)
At 31 December 2024	<u>14,248</u>	<u>3,756</u>
Net asset value per share (in accordance with IFRS)	<u>US\$14.8232</u>	<u>US\$10.9346</u>

## 8 Capital management and shares in issue (continued)

### (b) Net asset value per share

Different classes of shares may be offered for the Sub-Funds. At the end of the reporting year, the net asset value per share (in accordance with IFRS) of each class is as follows:

	<b>ChinaAMC Bitcoin ETF</b>	<b>ChinaAMC Ether ETF</b>
<b>Listed class</b>		
At 30 April 2024 (date of commencement of operations)	US\$ -	US\$ -
At 31 December 2024	US\$1.5134	US\$ 1.0531
<b>Class A unlisted class</b>		
At 30 April 2024 (date of commencement of operations)	US\$ -	US\$ -
At 31 December 2024	US\$14.8232	US\$10.9346

## 9 Establishment cost

ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF were listed on 30 April 2024. Establishment costs for establishing the Sub-Funds, were US\$199,422 and were fully expensed during the period from 30 April 2024 (date of commencement of operations) to 31 December 2024 in accordance with IFRSs. ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF will bear the costs equally. There was no unamortised amount as at 31 December 2024.

Furthermore, a grant of US\$112,347 funded by the Government of the Hong Kong Special Administrative Region was provided to qualified open-ended fund companies for the period ended 31 December 2024. ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF will share the grant equally.

Per the Prospectus of ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF for the purpose of calculating the dealing NAV, the net of establishment costs and grants are amortised over the first five accounting periods of the Sub-Funds and as of 31 December 2024, the remaining amortisation period and amount for each Sub-Fund is as below:

	<b>ChinaAMC Bitcoin ETF</b>	<b>ChinaAMC Ether ETF</b>
Remaining amortisation period	4.33 years	4.33 years
Remaining amortisation amount	US\$34,729	US\$34,726

The differences between expensing the establishment costs as incurred in accordance with IFRSs and amortisation of the establishment costs indicated in the Sub-Funds' Prospectus resulted in adjustments in the net asset value (see note 10).

## 10 Reconciliation of net asset value

The net asset value presented in the statements of assets and liabilities differs from that quoted for pricing purposes at the year end are different. The principles for calculating the Dealing NAV as set out in the Sub-Funds' Prospectus are different from those required for financial reporting purposes under IFRSs. The following reconciliation provides details of the differences:

	<b>ChinaAMC Bitcoin ETF</b>	<b>ChinaAMC Ether ETF</b>
	<i>31 December</i>	<i>31 December</i>
	<i>2024</i>	<i>2024</i>
	US\$	US\$
Net asset value as reported in the statements of assets and liabilities as at 31 December	221,627,417	34,900,055
Adjustments for different basis adopted by the Sub-Funds in arriving at the Dealing NAV:		
- Valuation of virtual assets (note 6)	(5,964,030)	(589,921)
- Unamortised establishment cost (note 9)	34,729	34,726
	<u>215,698,116</u>	<u>34,344,860</u>
Dealing NAV as at 31 December	<u>215,698,116</u>	<u>34,344,860</u>

## 11 Financial instruments and associated risks

Up to 100% of the Sub-Funds' assets may be invested in virtual assets as dictated by their respective investment management strategies. The investment objectives of the Sub-Funds are disclosed in note 1.

The Sub-Funds' investing activities expose it to various types of risks that are associated with the virtual assets in which it invests. The Manager and the Custodian have set out below the most important types of financial risks inherent in each type of financial instruments. The Manager and the Custodian would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Funds. Shareholders should note that additional information in respect of risks associated with financial instruments in the Sub-Funds can be found in the Sub-Funds' Prospectus.

The Directors delegate the investment function of the Sub-Funds to the Manager.

The nature and extent of the financial instruments outstanding at the end of the reporting year and the risk management policies employed by the Sub-Funds are discussed below.

## 11 Financial instruments and associated risks (continued)

### (a) Market risk

Market risk embodies the potential for both losses and gains and includes price risk, currency risk and interest rate risk. The Sub-Funds' strategies on the management of market risk are driven by the Sub-Funds' investment objectives.

The Sub-Funds' market risk is managed on a regular basis by the Manager in accordance with policies and procedures in place. The Sub-Funds' overall market position is monitored on a yearly basis by the Custodian. Details of the nature of the Sub-Funds' investment portfolios at the reporting date are disclosed in the investment report.

#### (i) Price risk

The Sub-Funds are exposed to price risk arising from virtual assets which are measured on fair value basis. The Sub-Funds' performance is highly dependent on the market price of virtual assets. Price risk is managed in accordance with the investment objectives. As at 31 December 2024, the only market exposures were investment in virtual assets disclosed in note 6.

#### *Sensitivity*

At the reporting date, the impact of a 10% increase in value of the virtual assets, with all other variables held constant, is show below. An equal change in the opposite direction would have reduced the net asset values by an equal but opposite amount.

Sub-Funds	2024	
	Change in price %	Estimated increase in net assets attributable to unitholders %
<b>ChinaAMC Bitcoin ETF</b>		
Bitcoin	10%	22,154,661
<b>ChinaAMC Ether ETF</b>		
Ether	10%	3,492,084

#### (ii) Currency risk

The Sub-Funds may hold assets and liabilities denominated in currencies other than their functional currencies and are therefore exposed to currency risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of the Sub-Funds' assets and liabilities denominated in currencies other than US\$.

## 11 Financial instruments and associated risks (continued)

### (a) *Market risk (continued)*

#### (ii) Currency risk (continued)

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the value of that asset or liability. The Manager may mitigate this risk by using derivative financial instruments. The Manager monitors the Sub-Funds' currency exposure on an ongoing basis.

As at 31 December 2024, all financial instruments for ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF are denominated either in Hong Kong dollars ("HK\$") or United States dollars ("US\$"). As HK\$ is pegged to US\$, the Manager considers there is no significant current risk is associated with the Sub-Funds.

#### (iii) Interest rate risk

Interest rate risk arises from changes in interest rates which may affect the value of interest-bearing financial assets and liabilities, and therefore result in potential gain or loss to the Sub-Funds. The Sub-Funds' interest rate risk is managed on a regular basis by the Manager.

The Sub-Funds' exposure to the risk of changes in market interest rates relates primarily to the cash and cash equivalents, which is considered not significant to the Sub-Funds.

### (b) *Credit risk*

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in investments are settled on a delivery versus payment basis using approved brokers. The risk of default is considered minimal, as delivery of virtual assets sold is only made when the Custodian has received payments.

For purchase transactions, payments are made once virtual assets have been received by the Custodian. The trade will fail if either party fails to meet their obligation.

The Manager monitors the Sub-Funds' credit position on a regular basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of assets and liabilities.

The Sub-Funds apply the IFRS 9 general model for amounts receivables and cash and cash equivalents. The Manager considers the probability of the counterparties not being able to pay is minimal as they have capacity to meet their contractual obligations in the near term and thus there is no impairment allowance recognised.

## 11 Financial instruments and associated risks (continued)

### (c) *Liquidity risk*

Liquidity risk arises from the risk that the Sub-Funds may not be able to convert investments into cash to meet liquidity needs in a timely manner. The Sub-Funds' exposure to liquidity risk arises because of the possibility that the Sub-Funds could be required to pay its liabilities or redeem its shares earlier than expected. The Sub-Funds are exposed to daily cash redemption of its redeemable shares. Shares are redeemable at the shareholders' option based on the Sub-Funds' net asset value per share at the time of redemption.

The Sub-Funds' policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements in the short and long-term.

ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF invest in Bitcoin and Ether respectively which are traded in an active market, and can be readily disposed of. The Manager monitors the Sub-Funds' liquidity position on a regular basis.

As at 31 December 2024, all the financial liabilities including net assets attributable to shareholders of the Sub-Funds are repayable on demand or due within three months.

## 12 Fair value information

The Sub-Funds' virtual assets are measured at fair value at the reporting date. Fair value estimates are made at a specified point in time, based on market conditions and information about the virtual assets. Usually, fair values can be reliably determined within a reasonable range of estimates.

### *Valuation of virtual assets*

The Sub-Funds' accounting policy on fair value measurements is detailed in material accounting policies in note 2(d)(v).

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

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

## 12 Fair value information (continued)

- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following analyses financial instruments at fair value the end of the reporting year, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>ChinaAMC Bitcoin ETF</b>				
<b>As at 31 December 2024</b>				
Bitcoin	<u>221,546,614</u>	<u>-</u>	<u>-</u>	<u>221,546,614</u>
<b>ChinaAMC Ether ETF</b>				
<b>As at 31 December 2024</b>				
Ether	<u>34,920,837</u>	<u>-</u>	<u>-</u>	<u>34,920,837</u>

During the period ended 31 December 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

### **Valuation of financial instruments**

For certain other financial instruments including interest receivable and other payables, the carrying amounts approximate fair values due to the immediate or short-term nature of these financial instruments.

## 13 Major non-cash transactions

In accordance with the Prospectus, shares of ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF can be issued through an in-kind creation with the remaining balances in cash. For each creation or cancellation shares, the Sub-Funds receive or pay a Application Basket consisting of a portfolio of Virtual Asset, Securities and/or financial derivative instruments determined by the Manager at the start of business on the relevant Dealing Day. The Manager has discretion to accept any Creation or Cancellation shares, below beforehand mentioned, given that it is in the multiple of 100,000 shares.

During the period ended 31 December 2024, ChinaAMC Bitcoin ETF receive in-kind creation instructions of US\$101,131,140 and in-kind redemption instructions of US\$141,303,033 and ChinaAMC Ether ETF receive in-kind creation instructions of US\$3,162,140 and in-kind redemption instructions of US\$9,446,140.

## **14 Distributions**

In accordance with the Prospectus of the Sub-Funds, ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF have no distribution policy and no distribution will be made.

Accordingly there was no amount available for distribution to shareholders and undistributed income carried forward for ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF as at 31 December 2024.

There were no distribution made for ChinaAMC Bitcoin ETF and ChinaAMC Ether ETF for the period from 30 April 2024 (date of commencement of operations) to 31 December 2024.

## **15 Soft dollar commission**

As regards to the Sub-Funds, the Manager has not entered into any soft dollar commission arrangements during the period from 30 April 2024 (date of commencement of operations) to 31 December 2024.

## **16 Segment information**

The Manager makes the strategic resource allocation on behalf of the Company and the Sub-Funds and determine the operating segments based on the internal reporting used to make strategic decisions.

The Manager's asset allocation decisions for the Sub-Funds are based on one single, integrated investment strategy, and the Sub-Funds' performance are evaluated on an overall basis. Accordingly the Manager considers that each of the Sub-Funds has one single operating segment which is investing in a portfolio of virtual assets to generate investment returns in accordance with the investment objective stipulated in the Prospectus.

All gains and losses generated from investments by the Sub-Funds are disclosed in note 4.

The segment information provided to the Manager is the same as that disclosed in the Statement of comprehensive income and the Statement of Assets and Liabilities.

The Sub-Funds are domiciled in Hong Kong. All of the Sub-Funds' income is derived from investments virtual assets. The Sub-Funds have no assets classified as non-current assets.

## **17 Bank loans, overdrafts and other borrowings**

The Sub-Funds had no bank loans, overdrafts or other borrowings as at 31 December 2024.

## 18 Securities lending arrangement

During the period from 30 April 2024 (date of commencement of operations) to 31 December 2024, the Sub-Funds did not enter into any security lending arrangements.

## 19 Negotiability of assets

As at 31 December 2024, there were no statutory or contractual requirements restricting the negotiability of the assets of the Sub-Funds.

## 20 Commitments

As at 31 December 2024, the Sub-Funds had no commitments.

## 21 Contingent liabilities and capital commitment

As at 31 December 2024, the Sub-Funds had no contingent liabilities or capital commitment outstanding.

## 22 Possible impact of amendments, new standards and interpretations issued but not yet effective for the period ended 31 December 2024

Up to the date of issue of these financial statements, a number of new accounting standards are effective for annual reporting periods beginning after 31 December 2024 and have not been adopted in these financial statements. These include the following which may be relevant to the Sub-Funds.

	<i>Effective for accounting year beginning on or after</i>
Amendments to IAS 21, <i>Lack of exchangeability</i>	1 January 2025
Amendments to IFRS 9 and IFRS 7, <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
IFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027

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

## 23 Subsequent events

The Manager has evaluated the possibility of subsequent events in the Company and its Sub-Funds' financial statements through the date the financial statement were available to be issued. There were no other material events after the reporting date, which necessitate revision of the figures or disclosures included in these financial statements.

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

### ChinaAMC Bitcoin ETF

<b>Investments</b>	<i>Holdings</i>	<i>Cost US\$</i>	<i>Value US\$</i>	<i>% of net asset value</i>
<b>Virtual assets</b>				
Bitcoin <sup>(1)</sup>	2,325.094336	<u>169,877,782</u>	<u>215,582,584</u>	<u>99.96%</u>

### ChinaAMC Ether ETF

<b>Investments</b>	<i>Holdings</i>	<i>Cost US\$</i>	<i>Fair Value US\$</i>	<i>% of net asset value</i>
<b>Virtual assets</b>				
Ether <sup>(2)</sup>	10,245.251476	<u>34,609,384</u>	<u>34,330,916</u>	<u>100.06%</u>

<sup>(1)</sup> The value of Bitcoin reference to CME CF Bitcoin Reference Rate (APAC Variant) as indicated in the Prospectus.

<sup>(2)</sup> The value of Ether reference to CME CF Ether Reference Rate (APAC Variant) as indicated in the Prospectus.

Movements in investment portfolio  
for the period ended 31 December 2024 (unaudited)

	<i>% of net assets at 31 December 2024</i>	<i>% of net assets at 30 April 2024 (date of commencement of operations)</i>
<b>ChinaAMC Bitcoin ETF</b>		
Virtual assets - Bitcoin	99.96%	-

	<i>% of net assets at 31 December 2024</i>	<i>% of net assets at 30 April 2024 (date of commencement of operations)</i>
<b>ChinaAMC Ether ETF</b>		
Virtual assets - Ether	100.06%	-

## Performance record for the period ended 31 December 2024 (unaudited)

### **Net asset value**

	<i>Net asset value*</i> US\$	<i>Net asset value per share*</i> US\$
<b>ChinaAMC Bitcoin ETF</b>		
<b>At 31 December 2024 (NAV)</b>	215,698,116	
Listed class	215,492,563	1.4729
Class A unlisted class	205,553	14.4266

### **ChinaAMC Ether ETF**

<b>At 31 December 2024 (NAV)</b>	34,344,860	
Listed class	34,304,446	1.0364
Class A unlisted class	40,414	10.7606

\*Total net asset value and the net asset value per share was calculated in accordance with the prospectus.

### **Highest and lowest net asset value per share (dealing net asset value per share) \***

	<i>Highest net asset value per share</i> US\$	<i>Lowest net asset value per share</i> US\$
<b>ChinaAMC Bitcoin ETF</b>		
<b>Period from 30 April 2024 (date of commencement of operations) to 31 December 2024</b>		
Listed class	1.6986	0.8368
Class A unlisted class	16.6371	8.1963
<b>ChinaAMC Ether ETF</b>		
<b>Period from 30 April 2024 (date of commencement of operations) to 31 December 2024</b>		
Listed class	1.2414	0.7153
Class A unlisted class	12.8893	7.4259

\*The highest net asset value per share and lowest net asset value per share were calculated in accordance with the prospectus.

# Performance record for the period ended 31 December 2024 (unaudited) (continued)

**Comparison of the Sub-Fund’s performance and the actual index performance\***

The table below illustrates the comparison between the Sub-Fund’s performance (Market-to-Market) and that of the index during the following period:

	<i>The index</i>	<i>HKD counter of the Sub- Fund</i>	<i>RMB counter of the Sub- Fund</i>	<i>USD counter of the Sub- Fund</i>
<b>ChinaAMC Bitcoin ETF</b>				
Period from 30 April 2024 (date of commencement of operations) to 31 December 2024	46.40%	43.02%	45.45%	43.81%
<b>ChinaAMC Ether ETF</b>				
Period from 30 April 2024 (date of commencement of operations) to 31 December 2024	5.83%	3.09%	4.86%	3.93%

\*Past performance figures shown are not indicative of the future performance of the Sub-Funds.

