

Principal China Direct Opportunities Fund

Annual Report

For The Financial Year Ended 28 February 2023

PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023

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INVESTORS' LETTER

Dear Valued Investor,

Greetings from Principal Asset Management Berhad and thank you for investing with us!

We are pleased to bring you a copy of the Annual Fund Report of the Principal China Direct Opportunities Fund, for the financial year ended 28 February 2023. You may also download this report from our website at www.principal.com.my.

We are pleased to share that we continue to win accolades – the most recent recognition coming from the Refinitiv Lipper Fund Awards 2023 with five awards where Principal Asia Titans Fund won Best Equity Asia Pacific ex-Japan (Provident) in the 10-year category, while Principal Islamic Asia Pacific Dynamic Equity won the same award in the Islamic universe in the three-, five- and 10-year categories. Principal Global Titans MYR won the Best Equity Global (Malaysia) award in the five-year category.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website (www.principal.com.my), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

We appreciate your continuous support and the trust you place in us.

Yours faithfully,
for **Principal Asset Management Berhad**

Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund seeks opportunities through investment primarily in China A-Shares with the aim to provide capital appreciation.

Has the Fund achieved its objective?

The Fund is in line to achieve its long-term objectives as stated under the Fund Objective section.

What are the Fund's investment policy and principal investment strategy?

The Fund will invest at least 70% of its Net Asset Value ("NAV") (both inclusive) in equities that are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange ("China A-Shares") directly via Renminbi Qualified Foreign Institutional Investor ("RQFII") quota. Under general market conditions, the Fund will seek opportunities within the China A-Shares universe by focusing mainly in mid-capitalization and/or small-capitalization companies which the Manager believe will exhibit good growth potential when compared against its peers or the overall market. The Fund may also opt to seek investment exposure via collective investment scheme that is in line with the Fund's objective, subject to the requirements of the Securities Commission Malaysia ("SC") Guidelines. The Fund may invest the remaining of its Net Asset Value ("NAV") in liquid assets, i.e. deposits and money market instruments for liquidity purpose.

The Manager has appointed CCB Principal Asset Management Co. Ltd. ("CCBPAM"), a company incorporated in China, as the Sub-Adviser of the Fund ("Sub-Adviser"). CCBPAM will provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund. The Sub-Adviser utilizes CCBPAM's in-house developed proprietary multi-factor model as a tool for the stock selection and portfolio construction. The multiple factors embedded within the model act as the criteria in the stock selection and portfolio construction by taking into account the elements that will affect the investment returns, ranging from fundamental, technical to sentimental aspect. The factors are actively revised, where they can be adjusted continuously in accordance with changes in the market.

The asset allocation strategy for the Fund is as follows:

- at least 70% of the Fund's NAV (both inclusive) will be invested in equities; and
- up to 30% of the Fund's NAV may be invested in liquid assets.

Base Currency

Chinese Yuan Renminbi ("RMB")

Fund category/ type

Equity/ Growth

When was the Fund launched?

| Name of Class | Launch date |
|---------------|--------------|
| Class MYR | 8 March 2018 |
| Class SGD | 8 March 2018 |
| Class USD | 8 March 2018 |

What was the size of the Fund as at 28 February 2023?

RMB264.57 million (139.30 million units)

What is the Fund's benchmark?

China Securities Index ("CSI") 500 Index

Note: The Fund's benchmark is for performance comparison purpose only. Investors are cautioned that the risk profile of the Fund is different from the benchmark.

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund's distribution policy?

The Manager has the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund. The Manager also has the right to make provisions for reserves in respect of distribution of the Class.

What was the net income distribution for the financial year ended 28 February 2023?

The Fund distributed a total net income of RMB7.11 million to unit holders for the financial year ended 28 February 2023.

The Fund's NAV per unit before and after distributions were as follows:

| Date | NAV per unit (before distribution) RMB | NAV per unit (after distribution) RMB |
|------------------------------|---|--|
| Distribution on 27 June 2022 | | |
| Class MYR | 1.8187 | 1.7632 |
| Class SGD | 5.4001 | 5.4001 |
| Class USD | 7.0934 | 6.8773 |

Breakdown of distribution were as follows:

| | RMB | % |
|--------------|------------------|---------------|
| Income | 7,111,178 | 100.00 |
| Capital | - | - |
| Total | 7,111,178 | 100.00 |

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial years were as follows:

| | 28.02.2023 | 28.02.2022 | 28.02.2021 |
|--------------------------|-------------------|-------------------|-------------------|
| | % | % | % |
| Quoted securities | | | |
| - Communication Services | 2.48 | 2.44 | 4.38 |
| - Consumer Discretionary | 7.84 | 8.73 | 10.98 |
| - Consumer Staples | 8.15 | 7.45 | 6.52 |
| - Energy | 2.72 | 2.05 | 1.09 |
| - Financials | 5.56 | 8.80 | 3.25 |
| - Health Care | 10.18 | 8.88 | 7.85 |
| - Industrials | 18.27 | 17.78 | 19.37 |
| - Information Technology | 16.74 | 15.63 | 16.10 |
| - Materials | 16.81 | 16.61 | 21.39 |
| - Media | - | 0.02 | - |
| - Real Estate | 1.37 | 4.11 | 2.43 |
| - Utilities | 3.15 | 1.91 | 2.56 |
| Cash and other assets | 8.71 | 6.15 | 8.30 |
| Liabilities | (1.98) | (0.56) | (4.22) |
| | 100.00 | 100.00 | 100.00 |

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last three financial years were as follows:

| | 28.02.2023 | 28.02.2022 | 28.02.2021 |
|--|-------------------|-------------------|-------------------|
| NAV (RMB Million) | | | |
| - Class MYR | 240.39 | 200.13 | 292.89 |
| - Class SGD | 8.02 | 7.00 | 12.95 |
| - Class USD | 16.16 | 17.08 | 27.51 |
| Units in circulation (Million) | | | |
| - Class MYR | 135.44 | 106.48 | 174.23 |
| - Class SGD | 1.52 | 1.25 | 2.59 |
| - Class USD | 2.34 | 2.33 | 4.20 |
| NAV per unit (RMB) | | | |
| - Class MYR | 1.7748 | 1.8795 | 1.6811 |
| - Class SGD | 5.2695 | 5.5803 | 4.9911 |
| - Class USD | 6.9217 | 7.3301 | 6.5560 |
| Highest NAV per unit (RMB) | | | |
| - Class MYR | 1.8950 | 2.0757 | 1.8646 |
| - Class SGD | 5.6264 | 6.1629 | 5.5358 |
| - Class USD | 7.1431 | 8.0953 | 7.2706 |
| Lowest NAV per unit (RMB) | | | |
| - Class MYR | 1.4822 | 1.6150 | 1.3164 |
| - Class SGD | 4.4006 | 4.7950 | 3.9082 |
| - Class USD | 5.7805 | 6.2984 | 5.1330 |
| Total return (%) | | | |
| - Class MYR | (5.44) | 18.93 | 22.18 |
| - Class SGD | (12.16) | 17.49 | 20.99 |
| - Class USD | (11.51) | 14.70 | 27.22 |
| Capital growth (%) | | | |
| - Class MYR | (8.32) | 18.93 | 22.18 |
| - Class SGD | (14.83) | 17.49 | 20.99 |
| - Class USD | (14.20) | 14.70 | 27.22 |
| Income distribution (%) | | | |
| - Class MYR | 3.14 | - | - |
| - Class SGD | 3.13 | - | - |
| - Class USD | 3.13 | - | - |
| Total Expense Ratio ("TER") (%) ^ | 2.83 | 3.21 | 2.67 |
| Portfolio Turnover Ratio ("PTR") (times) # | 3.43 | 3.75 | 4.43 |

^ The Fund's TER decreased from 3.21% to 2.83% due to a decrease in expenses of the Fund during the financial year under review.

For the financial year under review, the Fund's PTR decreased from 3.75 times to 3.43 times as there were lesser investment activities on the back of redemptions.

PERFORMANCE DATA (CONTINUED)

| | 28.02.2023 | 28.02.2022 | 28.02.2021 |
|---|------------|------------|------------|
| Gross/Net distribution per unit (cents) | | | |
| Distribution on 27 June 2022 | | | |
| - Class MYR | 5.53 | - | - |
| - Class SGD | 16.41 | - | - |
| - Class USD | 21.56 | - | - |

| | 28.02.2023 | 28.02.2022 | 28.02.2021 | 29.02.2020 | Since inception to 28.02.2019 |
|---------------------|------------|------------|------------|------------|----------------------------------|
| | % | % | % | % | % |
| Annual total return | | | | | |
| - Class MYR | (5.44) | 18.93 | 22.18 | 5.50 | (18.49) |
| - Class SGD | (12.16) | 17.49 | 20.99 | 5.07 | (19.58) |
| - Class USD | (11.51) | 14.70 | 27.22 | 1.78 | (21.82) |

(Launch date: 8 March 2018)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial year have been extracted from Lipper.

MARKET REVIEW (1 MARCH 2022 TO 28 FEBRUARY 2023)

Domestic market fluctuated during the financial year under review as the CSI 300 fell 19.20% in USD terms. In the earlier period, China equities were dampened by the country's struggle to contain its Coronavirus Disease 2019 ("COVID-19") outbreak and the consequent imposition of harsh lockdowns in several parts of the country. Policymakers have also vowed to provide more support to boost the country's economic growth. External pressures continued to cause further strain on the market as geopolitical tensions surrounding US-China heightens.

Towards the end of 2022, China's COVID-19, macroeconomic and regulatory policies were coordinated in favour of growth for the first time in 3 years. China made important policy shifts in November and December, i.e., it abandoned its dynamic zero-COVID-19 policy and reversed its stance towards the property sector by launching a series of policies and injecting credit to support and stimulate real estate activities.

The first few months of 2023 saw signs of stabilization and recovery for the real estate sector and housing market as home prices have stopped declining in January 2023.

FUND PERFORMANCE

| | 1 year to 28.02.2023 | | | 3 years 28.02.2023 | | |
|----------------------|-------------------------|--------------|--------------|-----------------------|--------------|--------------|
| | Class MYR | Class SGD | Class USD | Class MYR | Class SGD | Class USD |
| | % | % | % | % | % | % |
| Income Distribution | 3.14 | 3.13 | 3.13 | 3.14 | 3.13 | 3.13 |
| Capital Growth | (8.32) | (14.83) | (14.20) | 33.22 | 21.08 | 25.20 |
| Total Return | (5.44) | (12.16) | (11.51) | 37.40 | 24.87 | 29.12 |
| Benchmark | (9.83) | (16.33) | (15.63) | 25.07 | 13.31 | 17.47 |
| Average Total Return | (5.44) | (12.16) | (11.51) | 11.17 | 7.68 | 8.89 |

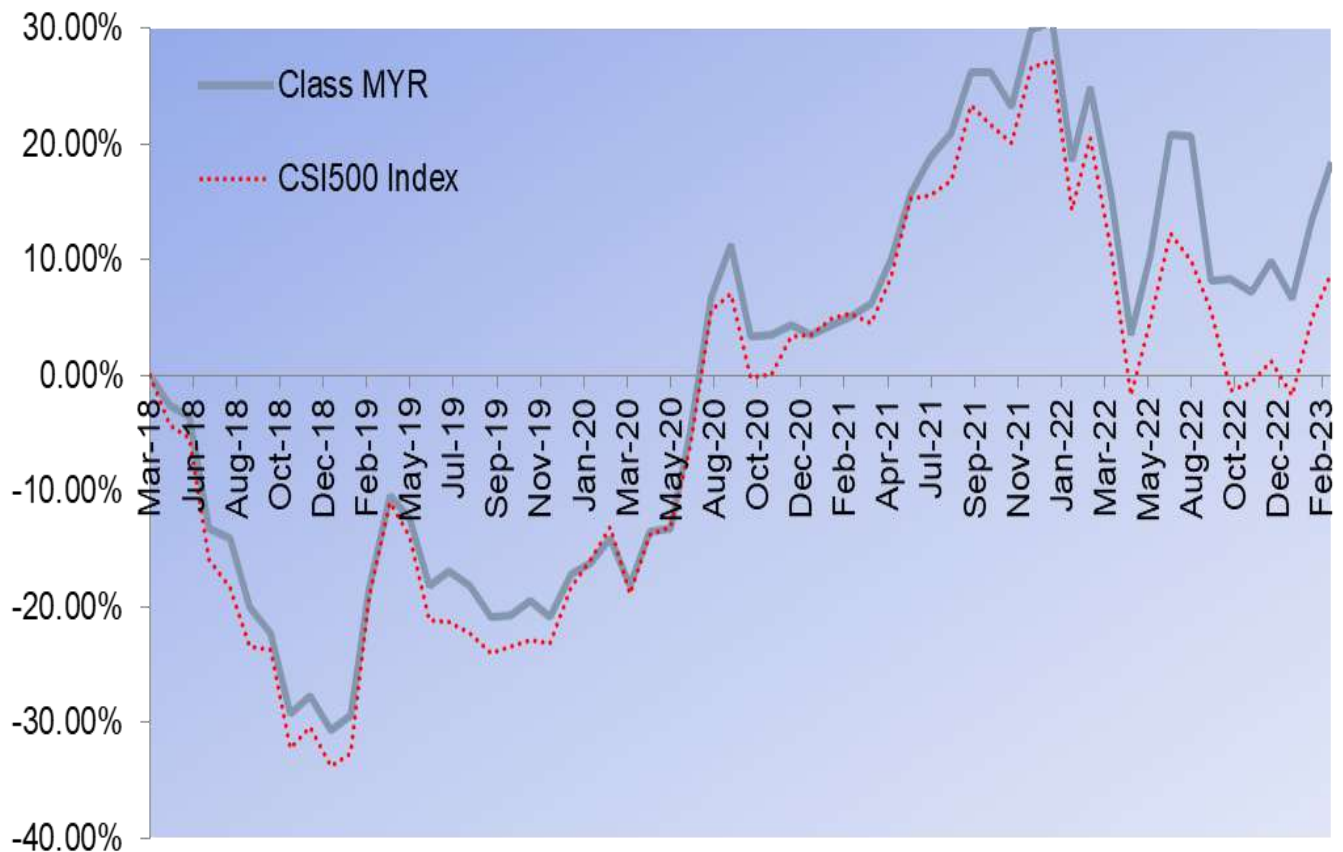
FUND PERFORMANCE (CONTINUED)

| | Since inception to 28.02.2023 | | |
|----------------------|----------------------------------|----------------|----------------|
| | Class MYR % | Class SGD % | Class USD % |
| Income Distribution | 3.14 | 3.13 | 3.13 |
| Capital Growth | 14.56 | 2.31 | (0.38) |
| Total Return | 18.15 | 5.52 | 2.74 |
| Benchmark | 8.63 | (3.35) | (5.39) |
| Average Total Return | 3.40 | 1.08 | 0.54 |

During the financial year under review, Class MYR, Class SGD and Class USD decreased by 5.44%, 12.16%, and 11.51% respectively. All three classes outperformed their benchmark that decreased further by 9.83%, 16.33%, and 15.63% respectively within the same reporting period.

Since inception

Class MYR



FUND PERFORMANCE (CONTINUED)

Since inception

Class SGD



Class USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

| | 28.02.2023 | 28.02.2022 | Changes % |
|-------------------|-------------------|-------------------|----------------------|
| Class MYR | | | |
| NAV (RMB Million) | 240.39 | 200.13 | 20.12 |
| NAV/Unit (RMB) | 1.7748 | 1.8795 | (5.57) |
| Class SGD | | | |
| NAV (RMB Million) | 8.02 | 7.00 | 14.57 |
| NAV/Unit (RMB) | 5.2695 | 5.5803 | (5.57) |
| Class USD | | | |
| NAV (RMB Million) | 16.16 | 17.08 | (5.39) |
| NAV/Unit (RMB) | 6.9217 | 7.3301 | (5.57) |

For the financial year under review, the Fund's NAV for Class MYR and Class SGD increased by 20.12% and 14.57% respectively whilst Class USD decreased by 5.39%.

In addition, the NAV per unit of the Fund saw a decrease across all classes mainly due to negative investment performance during the period. At the time of reporting, Class MYR has the largest total NAV which stood at RMB240.39 million.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial year have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

| (% of NAV) | 28.02.2023 | 28.02.2022 |
|-----------------------|-------------------|-------------------|
| Quoted securities | 93.27 | 94.41 |
| Cash and other assets | 8.71 | 6.15 |
| Liabilities | (1.98) | (0.56) |
| TOTAL | 100.00 | 100.00 |

During the financial year under review, the Fund was fully invested with minimal level of liquid assets maintained primarily for redemption purposes.

MARKET OUTLOOK*

Worthy to look forward to is the upcoming National Two Sessions' conference which we think that "stabilizing growth and expanding domestic demand" would still be the main keynote of the conference, focusing on issues related to high-quality development, the impact of policy support on the market, the construction of a modern industrial system, and the state-owned enterprise reform follow-up construction direction, and so on. Still early in its recovery phase, we are expecting China's economic momentum to pick up throughout the year.

* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

The Fund will continue to remain fully invested primarily in China A-Shares stocks with minimal cash kept for liquidity purposes.

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (the “Manager”), the sub-manager and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Principal Malaysia Funds (“Funds”) unless the soft commission received is retained in the form of goods and services such as research and advisory services that assist in the decision making process relating to the Fund’s investments. All dealings with brokers are executed on most favourable terms available for the Fund.

During the financial year under review, the Manager, the sub-manager and the trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds and there was no churning of trades.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

STATE OF AFFAIR OF THE FUND

Latest changes to the Statement by Manager’s signatory as follows:

Mr. Juan Ignacio Eyzaguirre Baraona (retired on 30 June 2022)
Mr. Uday Jayaram (appointed on 30 June 2022)

There were no other significant changes in the state of affairs of the Fund during the financial year and up to the date of Manager’s report, not otherwise disclosed in the financial statements.

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

There were no circumstances that had materially affected the interest of the unit holders during the financial year under review.

CROSS TRADE

No cross-trade transactions have been carried out during the financial year under review.

UNIT SPLIT

No unit split exercise has been carried out during the financial year under review.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 57 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 28 February 2023 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

UDAY JAYARAM
Director

Kuala Lumpur
17 April 2023

TRUSTEE'S REPORT

**TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 28 February 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

We are of the opinion that the distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
18 April 2023

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal China Direct Opportunities Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 28 February 2023, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 57.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 28 February 2023, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND (cont'd.)**

Report on the audit of the financial statements (cont'd.)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund 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 of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund, 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 the Manager for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the 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 either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND (cont'd.)**

Report on the audit of the financial statements (cont'd.)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing 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.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of 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 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 auditors' report to the related disclosures in the financial statements of the Fund 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 auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA DIRECT OPPORTUNITIES FUND (cont'd.)**

Report on the audit of the financial statements (cont'd.)

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
No. 03013/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
17 April 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023**

| | Note | 2023 RMB | 2022 RMB |
|---|------|---------------------|-------------------|
| INCOME | | | |
| Dividend income | | 3,667,070 | 3,832,948 |
| Interest income from deposits with licensed financial institutions | | 198,421 | 118,147 |
| Net (loss)/gain on financial assets at fair value through profit or loss | 8 | (467,417) | 39,612,911 |
| Net foreign exchange gain/(loss) | | 517,823 | (909,473) |
| | | <u>3,915,897</u> | <u>42,654,533</u> |
| EXPENSES | | | |
| Management fee | 4 | 4,191,028 | 4,748,720 |
| Trustee and custodian fees | 5 | 2,355,479 | 3,669,860 |
| Audit fee | | 17,927 | 19,000 |
| Tax agent's fee | | 9,943 | 8,100 |
| Transaction costs | | 2,181,513 | 2,825,844 |
| Other expenses | | 377,319 | 419,809 |
| | | <u>9,133,209</u> | <u>11,691,333</u> |
| (LOSS)/PROFIT BEFORE DISTRIBUTION AND TAXATION | | (5,217,312) | 30,963,200 |
| Distribution: | | | |
| - Class MYR | | 6,122,717 | - |
| - Class SGD | | 208,282 | - |
| - Class USD | | 780,179 | - |
| | 6 | <u>7,111,178</u> | <u>-</u> |
| (LOSS)/PROFIT BEFORE TAXATION | | (12,328,490) | 30,963,200 |
| Taxation | 7 | <u>(450,686)</u> | <u>(7,679)</u> |
| (LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR | | <u>(12,779,176)</u> | <u>30,955,521</u> |
| (Loss)/Profit after taxation is made up as follows: | | | |
| Realised amount | | (21,174,127) | 33,066,356 |
| Unrealised amount | | 8,394,951 | (2,110,835) |
| | | <u>(12,779,176)</u> | <u>30,955,521</u> |

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023**

| | Note | 2023 RMB | 2022 RMB |
|--|------|--------------------|--------------------|
| ASSETS | | | |
| Cash and cash equivalents | 9 | 14,867,330 | 11,815,477 |
| Financial assets at fair value through profit or loss | 8 | 246,780,115 | 211,690,659 |
| Amount due from Manager | | 7,955,722 | 1,754,672 |
| Clearing reserve fund | 10 | <u>215,662</u> | <u>206,986</u> |
| TOTAL ASSETS | | <u>269,818,829</u> | <u>225,467,794</u> |
| LIABILITIES | | | |
| Amount due to Manager | | 4,812,995 | 874,622 |
| Accrued management fee | | 361,404 | 307,062 |
| Amount due to Trustee | | 12,047 | 10,235 |
| Other payables and accruals | | <u>57,474</u> | <u>57,868</u> |
| TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS) | | <u>5,243,920</u> | <u>1,249,787</u> |
| NET ASSET VALUE OF THE FUND | | <u>264,574,909</u> | <u>224,218,007</u> |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS | | <u>264,574,909</u> | <u>224,218,007</u> |
| REPRESENTED BY: | | | |
| FAIR VALUE OF OUTSTANDING UNITS (RMB) | | | |
| - Class MYR | | 240,392,216 | 200,133,673 |
| - Class SGD | | 8,023,407 | 7,000,873 |
| - Class USD | | <u>16,159,286</u> | <u>17,083,461</u> |
| | | <u>264,574,909</u> | <u>224,218,007</u> |
| NUMBER OF UNITS IN CIRCULATION (UNITS) | | | |
| - Class MYR | | 135,444,065 | 106,481,626 |
| - Class SGD | | 1,522,614 | 1,254,562 |
| - Class USD | | <u>2,334,570</u> | <u>2,330,583</u> |
| | 11 | <u>139,301,249</u> | <u>110,066,771</u> |
| NET ASSET VALUE PER UNIT (RMB) | | | |
| - Class MYR | | 1.7748 | 1.8795 |
| - Class SGD | | 5.2695 | 5.5803 |
| - Class USD | | <u>6.9217</u> | <u>7.3301</u> |

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 28 FEBRUARY 2023**

| | Note | 2023 RMB | 2022 RMB |
|--|-------------|---------------------|---------------------|
| REPRESENTED BY: | | | |
| NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES | | | |
| - Class MYR | | RM1.1456 | RM1.2495 |
| - Class SGD | | SGD1.0231 | SGD1.2012 |
| - Class USD | | <u>USD0.9962</u> | <u>USD1.1611</u> |

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023**

| | 2023 | 2022 |
|---|---------------------------|---------------------------|
| | RMB | RMB |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR | <u>224,218,007</u> | <u>333,351,614</u> |
| Movement due to units created and cancelled during the financial year: | | |
| - Creation of units from applications | | |
| - Class MYR | 173,236,658 | 249,658,988 |
| - Class SGD | 1,952,919 | 3,123,546 |
| - Class USD | <u>10,580,226</u> | <u>9,237,786</u> |
| | <u>185,769,803</u> | <u>262,020,320</u> |
| | | |
| - Creation of units from reinvestment of distributions | | |
| - Class MYR | 6,122,717 | - |
| - Class SGD | 208,282 | - |
| - Class USD | <u>780,179</u> | <u>-</u> |
| | <u>7,111,178</u> | <u>-</u> |
| | | |
| - Cancellation of units | | |
| - Class MYR | (127,642,377) | (369,316,506) |
| - Class SGD | (786,574) | (10,395,484) |
| - Class USD | <u>(11,315,952)</u> | <u>(22,397,458)</u> |
| | <u>(139,744,903)</u> | <u>(402,109,448)</u> |
| | | |
| Total comprehensive (loss)/income for the financial year | <u>(12,779,176)</u> | <u>30,955,521</u> |
| | | |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR | <u><u>264,574,909</u></u> | <u><u>224,218,007</u></u> |

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023**

| | Note | 2023 RMB | 2022 RMB |
|---|------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Proceeds from disposal of quoted securities | | 778,611,331 | 1,063,641,145 |
| Purchase of quoted securities | | (816,349,717) | (918,793,204) |
| Dividend income received | | 3,667,070 | 3,832,948 |
| Interest income received from deposits with licensed financial institutions | | 198,421 | 118,147 |
| Clearing reserve fund contribution | 10 | (8,676) | 82,774 |
| Management fee paid | | (4,136,686) | (4,937,648) |
| Trustee and custodian fees paid | | (2,353,667) | (3,676,158) |
| Payments for other fees and expenses | | (405,583) | (446,404) |
| Net realised exchange loss | | (84,959) | (482,903) |
| Tax paid | 7 | (450,686) | (7,679) |
| Net cash (used in)/generated from operating activities | | <u>(41,313,152)</u> | <u>139,331,018</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash proceeds from units created | | 179,568,753 | 264,327,063 |
| Payments for cancellation of units | | (135,806,530) | (410,227,340) |
| Net cash generated from/(used in) financing activities | | <u>43,762,223</u> | <u>(145,900,277)</u> |
| Net increase/(decrease) in cash and cash equivalents | | 2,449,071 | (6,569,259) |
| Effect of foreign exchange differences | | 602,782 | (444,968) |
| Cash and cash equivalents at the beginning of the financial year | | <u>11,815,477</u> | <u>18,829,704</u> |
| Cash and cash equivalents at the end of the financial year | 9 | <u><u>14,867,330</u></u> | <u><u>11,815,477</u></u> |
| <u>Cash and cash equivalents comprised of:</u> | | | |
| Deposits with licensed financial institutions | | 7,911,017 | 7,293,021 |
| Bank balances | | <u>6,956,313</u> | <u>4,522,456</u> |
| Cash and cash equivalents at the end of the financial year | 9 | <u><u>14,867,330</u></u> | <u><u>11,815,477</u></u> |

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2023**

1. THE FUND, THE MANAGER, AND ITS PRINCIPAL ACTIVITIES

Principal China Direct Opportunities Fund (the “Fund”) is governed by Principal Deed dated 22 January 2018 and First Supplemental Deed dated 7 November 2019 (collectively refer to as “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will invest at least 70% of its NAV (both inclusive) in China A-Shares directly via RQFII quota. Under general market conditions, the Fund will seek opportunities within the China A-Shares universe by focusing mainly in mid-capitalisation and/or small-capitalisation companies which the Manager believe will exhibit good growth potential when compared against its peers or the overall market. The Fund may also opt to seek investment exposure via collective investment scheme that is in line with the Fund’s objective, subject to the requirements of the SC Guidelines. The Fund may invest the remaining of its NAV in liquid assets, i.e. deposits and money market instruments for liquidity purpose.

The Manager has appointed CCBPAM, a company incorporated in China, as the Sub-Adviser of the Fund. CCBPAM will provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund. The Sub-Adviser utilizes CCBPAM’s in-house developed proprietary multi-factor model as a tool for the stock selection and portfolio construction. The multiple factors embedded within the model act as the criteria in the stock selection and portfolio construction by taking into account the elements that will affect the investment returns, ranging from fundamental, technical to sentimental aspect. The factors are actively revised, where they can be adjusted continuously in accordance with changes in the market.

The asset allocation strategy for the Fund is as follows:

- at least 70% of the Fund’s NAV (both inclusive) will be invested in equities; and
- up to 30% of the Fund’s NAV may be invested in liquid assets.

All investments are subjected to the SC Guidelines on Unit Trust Funds, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia’s leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS as issued by the Malaysian Accounting Standards Board (“MASB”) and IFRS as issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported year.

It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and assumptions are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(l).

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 March 2022 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on/after 1 March 2023 are applicable to the Fund.

(b) Financial assets and financial liabilities

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("OCI").

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from dealers, amount due from Manager and clearing reserve fund as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

All of the Fund's financial liabilities are measured at amortised cost.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Recognition and measurement (continued)

Financial instruments are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial year which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Foreign quoted securities are valued based on the last traded market price quoted on the respective foreign stock exchange at the close of the business day of the respective foreign stock exchanges.

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit loss ("ECL") using probability of default, exposure at default and loss given default. The Manager consider both historical analysis and forward looking information in determining any ECL. The Manager consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Significant increase in credit risk

A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

(c) Income recognition

Dividend income is recognised on the ex-dividend date when the right to receive payment is established.

Interest income from deposits with licensed financial institutions is recognised on a time proportionate basis using effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain or loss on disposal of quoted securities is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

(d) Functional and presentation currencyFunctional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in RMB, which is the Fund's functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RMB primarily due to the following factors:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(d) Functional and presentation currency (continued)**Functional and presentation currency (continued)

- i) The Fund's investments are denominated in RMB;
- ii) Significant portion of the cash is denominated in RMB for the purpose of making settlement of the foreign trades; and
- iii) Significant portion of the Fund's expenses are denominated in RMB.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balance and deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Distributions

A distribution to the Fund's unit holders is accounted for as finance cost in the statement of comprehensive income as the unit holders' contributions are classified as financial liability as per Note 2(l). A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

(g) Transaction costs

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers, and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

(h) Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable profit income earned during the financial year.

Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from investment are based on tax regime of the respective countries that the Fund invests in. They are presented within the other expenses line in the statement of comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(i) Unit holders' contributions**

The unit holders' contributions to the Fund meets the definition of puttable instruments classified as financial liability under MFRS 132 "*Financial Instruments: Presentation*".

The Fund issues cancellable units, in three classes of units, known respectively as the Class MYR, Class SGD and Class USD, which are cancelled at the unit holder's option. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unit holder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unit holders of respective classes with the total number of outstanding units of respective classes.

(j) Realised and unrealised portions of profit or loss after taxation

The analysis of realised and unrealised portions of profit or loss after taxation as presented on the statement of comprehensive income is prepared in accordance with GUTF.

(k) Amount due from/to dealers and stockbrokers

Amount due from and amount due to dealers represent receivables for Spot foreign exchange ("FX") sold and payables for Spot FX purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

(l) Critical accounting estimates and judgements in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that in applying these accounting policies, no significant judgement was required.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

| | Financial assets at fair value through profit or loss RMB | Financial assets at amortised cost RMB | Total RMB |
|---------------------------------------|--|---|----------------------|
| 2023 | | | |
| Cash and cash equivalents (Note 9) | - | 14,867,330 | 14,867,330 |
| Quoted securities (Note 8) | 246,780,115 | - | 246,780,115 |
| Amount due from Manager | - | 7,955,722 | 7,955,722 |
| Clearing reserve fund | - | 215,662 | 215,662 |
| | <u>246,780,115</u> | <u>23,038,714</u> | <u>269,818,829</u> |
| 2022 | | | |
| Cash and cash equivalents (Note 9) | - | 11,815,477 | 11,815,477 |
| Quoted securities (Note 8) | 211,690,659 | - | 211,690,659 |
| Amount due from Manager | - | 1,754,672 | 1,754,672 |
| Clearing reserve fund | - | 206,986 | 206,986 |
| | <u>211,690,659</u> | <u>13,777,135</u> | <u>225,467,794</u> |

All current liabilities are financial liabilities which are carried at amortised cost.

The Fund seeks opportunities through investment primarily in China A-Shares with the aim to provide capital appreciation.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of an investment in quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of quoted securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of quoted securities and other financial instruments within specified limits according to the Deeds.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(i) Price risk (continued)

The Fund's overall exposure to price risk was as follows:

| | 2023 RMB | 2022 RMB |
|--|--------------------|--------------------|
| Financial assets at fair value through profit or loss: | | |
| - Quoted securities | <u>246,780,115</u> | <u>211,690,659</u> |

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of quoted securities at the end of each reporting year. The analysis is based on the assumptions that the price of the quoted securities fluctuated by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

| % Change in price of quoted securities | Market value RMB | Impact on profit or loss and NAV RMB |
|---|---------------------|--|
| 2023 | | |
| -5% | 236,195,582 | (12,339,006) |
| 0% | 246,780,115 | - |
| +5% | <u>257,364,648</u> | <u>12,339,006</u> |
| 2022 | | |
| -5% | 201,106,126 | (10,584,533) |
| 0% | 211,690,659 | - |
| +5% | <u>222,275,192</u> | <u>10,584,533</u> |

(ii) Interest rate risk

Interest rate is a general economic indicator that will have an impact on the management of the Fund.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Fund's exposure to fair value interest rate risk arises from investment in money market instruments. The interest rate risk is expected to be minimal as the Fund's investments comprise mainly short-term deposits with approved licensed financial institutions.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund is not exposed to cash flow interest rate risk as the Fund does not hold any financial instruments at variable interest rate.

As at the financial year, the Fund is not exposed to a material level of interest rate risk.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The weighted average effective interest rate per annum is as follows:

| | 2023 % | 2022 % |
|---|-----------|-----------|
| Deposits with licensed financial institutions | 2.80 | 1.80 |

(iii) Currency risk

Currency risk of the Fund is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus RMB based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currencies of the Fund:

Financial assets

| | Cash and cash equivalents RMB | Amount due from Manager RMB | Total RMB |
|-------------|-------------------------------------|-----------------------------------|--------------|
| 2023 | | | |
| MYR | 7,942,929 | 7,955,653 | 15,898,582 |
| SGD | 1,942,164 | - | 1,942,164 |
| USD | 438,679 | 69 | 438,748 |
| | 10,323,772 | 7,955,722 | 18,279,494 |

Financial assets

| | Cash and cash equivalents RMB | Amount due from Manager RMB | Total RMB |
|-------------|-------------------------------------|-----------------------------------|--------------|
| 2022 | | | |
| MYR | 31,882 | 1,661,939 | 1,693,821 |
| SGD | 1,107,904 | 7,324 | 1,115,228 |
| USD | 902,873 | 85,409 | 988,282 |
| | 2,042,659 | 1,754,672 | 3,797,331 |

Financial liabilities

| | Amount due to Manager RMB | Total RMB |
|-------------|---------------------------------|--------------|
| 2023 | | |
| MYR | 4,812,995 | 4,812,995 |
| | 4,812,995 | 4,812,995 |

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(iii) Currency risk (continued)

Financial liabilities

| | Amount due to Manager RMB | Total RMB |
|-------------|---------------------------------|----------------|
| 2022 | | |
| MYR | <u>874,622</u> | <u>874,622</u> |

The table below summarises the sensitivity of the Fund's profit or loss and NAV to changes in foreign exchange movements at the financial year. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

| | Change in foreign exchange rate % | Impact on profit or loss/NAV 2023 RMB | 2022 RMB |
|-----|---|---|--------------------|
| MYR | +/- 5 | +/-554,279 | +/- 40,960 |
| SGD | +/- 5 | +/- 97,108 | +/- 55,761 |
| USD | +/- 5 | <u>+/-21,937</u> | <u>+/- 49,414</u> |
| | | <u>+/- 673,325</u> | <u>+/- 146,135</u> |

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund.

The credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For the amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

For the amount due from dealers, the settlement terms are depending on the execution of contract terms, i.e. within 2 business days. The credit risk is minimal as all FX transactions are using approved financial institutions.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchanges. The credit risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved stockbrokers.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

The following table sets out the credit risk concentration of the Fund:

| | Cash and cash equivalents RMB | Amount due from Manager RMB | Clearing reserve fund RMB | Total RMB |
|-------------|----------------------------------|--------------------------------|------------------------------|-------------------|
| 2023 | | | | |
| - AAA | 14,867,330 | - | - | 14,867,330 |
| - Not Rated | - | 7,955,722 | 215,662 | 8,171,384 |
| | <u>14,867,330</u> | <u>7,955,722</u> | <u>215,662</u> | <u>23,038,714</u> |
| 2022 | | | | |
| - AAA | 11,815,477 | - | - | 11,815,477 |
| - Not Rated | - | 1,754,672 | 206,986 | 1,961,658 |
| | <u>11,815,477</u> | <u>1,754,672</u> | <u>206,986</u> | <u>13,777,135</u> |

Deposits with licensed financial institutions of the Fund have an average remaining maturity of 1 day (2022: 1 day).

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector, and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining year as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

| | Less than 1 month RMB | Between 1 month to 1 year RMB | Total RMB |
|--|--------------------------|----------------------------------|--------------------|
| 2023 | | | |
| Amount due to Manager | 4,812,995 | - | 4,812,995 |
| Accrued management fee | 361,404 | - | 361,404 |
| Amount due to Trustee | 12,047 | - | 12,047 |
| Other payables and accruals | - | 57,474 | 57,474 |
| Net assets attributable to unit holders* | <u>264,574,909</u> | <u>-</u> | <u>264,574,909</u> |
| Contractual undiscounted cash flows | <u>269,761,355</u> | <u>57,474</u> | <u>269,818,829</u> |

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk (Continued)

2022

| | | | |
|--|--------------------|---------------|--------------------|
| Amount due to Manager | 874,622 | - | 874,622 |
| Accrued management fee | 307,062 | - | 307,062 |
| Amount due to Trustee | 10,235 | - | 10,235 |
| Other payables and accruals | - | 57,868 | 57,868 |
| Net assets attributable to unit holders* | <u>224,218,007</u> | <u>-</u> | <u>224,218,007</u> |
| Contractual undiscounted cash flows | <u>225,409,926</u> | <u>57,868</u> | <u>225,467,794</u> |

* Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of RMB264,574,909 (2022: RMB224,218,007). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) Fair value estimation

Fair value is defined as 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 (i.e. an exit price).

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded market price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

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

| | Level 1 RMB | Level 2 RMB | Level 3 RMB | Total RMB |
|--|--------------------|----------------|----------------|--------------------|
| 2023 | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| - Quoted securities | <u>246,780,115</u> | <u>-</u> | <u>-</u> | <u>246,780,115</u> |
| 2022 | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| - Quoted securities | <u>211,690,659</u> | <u>-</u> | <u>-</u> | <u>211,690,659</u> |

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments.

The Fund's policies on valuation of these financial assets are stated in Note 2(b).

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

- (ii) The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from Manager, clearing reserve fund and all current liabilities are a reasonable approximation of their fair values due to their short-term nature.

4. MANAGEMENT FEE

In accordance with Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the financial year ended 28 February 2023, the management fee was recognised at a rate of 1.80% per annum (2021: 1.80% per annum) for each class.

There was no further liability to the Manager in respect of management fee other than amounts recognised above.

5. TRUSTEE AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.06% per annum, (including local custodian fee but excluding foreign sub-custodian fee and charges) on the NAV of the Fund. The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears.

For the financial year ended 28 February 2023, the Trustee fee was recognised at the rate of 0.06% per annum (2022: 0.06% per annum).

There was no further liability to the Trustee in respect of Trustee fee other than the amount recognised above.

6. DISTRIBUTION

Distribution to members were derived from the following sources (assessed up to distribution declaration date):

| | 2023 | 2022 |
|--|------------------|-------------|
| | RMB | RMB |
| Dividend income | 9,668 | - |
| Net realized loss on forex exchange | (951) | - |
| Net realized loss on sales | (603,894) | - |
| Interest received | 1,500 | - |
| Prior financial year's realised income | 7,794,121 | - |
| | <u>7,200,444</u> | <u>-</u> |
| Less: | | |
| Expenses | 89,266 | - |
| Net distribution amount | <u>7,111,178</u> | <u>-</u> |
| Gross/Net distribution per unit (Cents) | | |
| Distribution on 27 June 2022 | | |
| - Class MYR | 5.53 | - |
| - Class SGD | 16.41 | - |
| - Class USD | 21.56 | - |
| | <u>43.50</u> | <u>-</u> |

6. DISTRIBUTION (CONTINUED)

Gross distribution was derived using total income less total expenses. Net distribution above was sourced from current financial period and prior financial period realised income.

Gross distribution per unit was derived from gross realised income less expenses, divided by the number of units in circulation. Net distribution per unit was derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

There were unrealised losses of USD 2,110,835 during the financial year ended 28 February 2022.

7. TAXATION

| | 2023 | 2022 |
|-------------------------------------|-------------|-------------|
| | RMB | RMB |
| Tax charged for the financial year: | | |
| - Foreign tax duties | 450,686 | 7,679 |

A numerical reconciliation between the (loss)/profit before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund was as follows:

| | 2023 | 2022 |
|---|--------------|--------------|
| | RMB | RMB |
| (Loss)/Profit before taxation | (12,328,490) | 30,963,200 |
| Taxation at Malaysian statutory rate of 24% (2022: 24%) | (2,958,838) | 7,431,168 |
| Tax effects of: | | |
| - Investment income not subject to tax | (939,815) | (10,237,088) |
| - Expenses not deductible for tax purposes | 1,180,221 | 1,657,780 |
| - Restriction on tax deductible expenses for Unit Trust Fund | 2,718,432 | 1,148,140 |
| Foreign tax duties | 450,686 | 7,679 |
| Taxation | 450,686 | 7,679 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 2023 | 2022 |
|--|-------------|-------------|
| | RMB | RMB |
| At fair value through profit or loss: | | |
| - Quoted securities | 246,780,115 | 211,690,659 |
| Net (loss)/gain on financial assets at fair value through profit or loss: | | |
| - Realised (loss)/gain on disposals | (8,537,895) | 41,278,778 |
| - Unrealised fair value gain/(loss) | 8,070,478 | (1,665,867) |
| | (467,417) | 39,612,911 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2023 | | | | |
| QUOTED SECURITIES | | | | |
| Communication Services | | | | |
| Beijing Enlight Media Co Ltd | 8,100 | 57,821 | 61,560 | 0.02 |
| China South Publishing & Media Group Co | 103,800 | 1,007,937 | 1,038,000 | 0.39 |
| CITIC Guoan Information Industry | 1,900 | 12,876 | 4,712 | 0.00 |
| Giant Network Group Co Ltd - A share | 34,200 | 353,457 | 346,788 | 0.13 |
| Guangdong Brandmax Marketing Co Ltd | 82,300 | 561,989 | 613,958 | 0.23 |
| Jiangsu Phoenix Publishing & Media Inc | 74,700 | 573,277 | 644,661 | 0.24 |
| Shandong Publishing & Media Co | 269,600 | 1,656,535 | 1,784,752 | 0.67 |
| Southern Publishing & Media Co - A share | 249,300 | 2,136,335 | 2,119,050 | 0.80 |
| | <u>823,900</u> | <u>6,360,227</u> | <u>6,613,481</u> | <u>2.48</u> |
| Consumer Discretionary | | | | |
| Anhui Jianghuai Automobile Group Co Ltd | 2,700 | 38,570 | 43,362 | 0.02 |
| Bafang Electric Suzhou Co Ltd | 2,700 | 325,347 | 334,800 | 0.13 |
| Chow Tai Seng Jewellery Co Ltd | 26,500 | 349,586 | 431,685 | 0.16 |
| Guangzhou Automobile Group Co | 106,700 | 1,363,516 | 1,223,849 | 0.46 |
| Guangzhou Holike Creative Home | 128,000 | 1,696,725 | 1,697,280 | 0.64 |
| Guangzhou Restaurant Group Co | 48,400 | 1,238,490 | 1,357,620 | 0.51 |
| Hang Zhou Great Star Industrial Co Ltd | 45,600 | 993,228 | 979,032 | 0.37 |
| IKD Co Ltd | 8,100 | 159,859 | 205,578 | 0.08 |
| Jason Furniture Hangzhou Co Ltd | 7,600 | 318,096 | 358,036 | 0.14 |
| Jiangsu Tianmu Lake Tourism Co | 8,400 | 219,193 | 257,124 | 0.10 |
| Jiangsu Xinri E-Vehicle Co Ltd | 60,500 | 1,203,442 | 1,229,360 | 0.46 |
| Keboda Technology Co. Ltd | 14,100 | 946,101 | 930,600 | 0.35 |
| KingClean Electric Co Ltd - A share | 99,100 | 3,104,248 | 3,085,974 | 1.17 |
| Kuang-Chi Technologies Co Ltd | 113,600 | 1,913,302 | 1,989,136 | 0.75 |
| Ningbo Joyson Electronic Corp - A share | 100,300 | 1,486,098 | 1,577,719 | 0.60 |
| Ningbo Tuopu Group Co Ltd | 1,400 | 98,211 | 93,800 | 0.04 |
| Ningbo Xusheng Group Co Ltd | 1,200 | 43,657 | 48,840 | 0.02 |
| Sailun Jinyu Group Co Ltd | 800 | 9,202 | 8,896 | - |
| Shanghai Daimay Automotive Interior Co Ltd | 38,300 | 663,061 | 704,720 | 0.27 |
| Shanghai Yuyuan Tourist Mart Co Ltd - A share | 223,100 | 1,687,258 | 1,749,104 | 0.66 |
| Suzhou TA&A Ultra Clean Technology Co Ltd | 9,200 | 699,652 | 529,000 | 0.20 |
| Tayho Advanced Materials Group - A share | 290 | 3,500 | 7,717 | 0.00 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Consumer Discretionary | | | | |
| (Continued) | | | | |
| Tianneng Battery Group Co Ltd | 3,900 | 143,891 | 144,885 | 0.06 |
| Xingye Leather Technology Co Ltd | 62,600 | 716,607 | 788,760 | 0.30 |
| Zhejiang Bangjie Digital Knitting Share Co Ltd | 3,300 | 31,947 | 34,287 | 0.02 |
| Zhejiang Semir Garment Co Ltd | 143,200 | 807,697 | 872,088 | 0.33 |
| | <u>1,259,590</u> | <u>20,260,484</u> | <u>20,683,252</u> | <u>7.84</u> |
| Consumer Staples | | | | |
| Anhui Gujing Distillery Co Ltd | 3,200 | 900,051 | 876,224 | 0.33 |
| Beijing Dabeinong Technology Group Ltd - A share | 42,300 | 369,209 | 348,552 | 0.13 |
| Bestore Co Ltd - A share | 33,000 | 1,160,783 | 1,258,950 | 0.48 |
| By-health Co Ltd | 34,300 | 778,389 | 787,528 | 0.30 |
| ChaCha Food Co Ltd | 13,051 | 605,827 | 597,736 | 0.23 |
| Foshan Haitian Flavouring & Food - A share | 14,500 | 1,143,155 | 1,191,610 | 0.45 |
| Fu Jian Anjoy Foods Co Ltd | 8,700 | 1,343,757 | 1,422,276 | 0.54 |
| Fujian Aonong Biological Techn | 9,700 | 133,500 | 127,361 | 0.05 |
| Fujian Sunner Development Co L | 77,700 | 1,815,929 | 1,930,068 | 0.73 |
| Guangdong Haid Group Co Ltd | 3,100 | 191,642 | 196,912 | 0.07 |
| Guangdong Marubi Biotechnology Co Ltd | 3,200 | 104,802 | 125,440 | 0.05 |
| Guangdong Wens Foodstuffs Group | 23,400 | 476,563 | 463,086 | 0.18 |
| Hebei Yangyuan Zhihui Beverage Co | 8,900 | 169,150 | 189,214 | 0.07 |
| Jiangsu Provincial Agricultura | 19,700 | 225,667 | 243,295 | 0.09 |
| Kweichow Moutai Co Ltd - A share | 1,400 | 2,515,913 | 2,539,236 | 0.96 |
| Luzhou Laojiao Co Ltd -A | 200 | 47,065 | 50,000 | 0.02 |
| Muyuan Foodstuff Co Ltd | 21,300 | 1,026,875 | 1,055,202 | 0.40 |
| New Hope Liuhe Co Ltd - A share | 140,000 | 1,799,669 | 1,848,000 | 0.70 |
| Oppl Lighting Co Ltd | 84,300 | 1,441,421 | 1,629,519 | 0.62 |
| Proya Cosmetics Co Ltd | 3,300 | 535,695 | 602,250 | 0.23 |
| Shanghai Flyco Electrical Appliance Co Ltd | 2,900 | 212,959 | 247,573 | 0.09 |
| Sichuan Teway Food Group Co Ltd | 58,900 | 1,605,961 | 1,620,928 | 0.61 |
| Wellhope Foods Co Ltd | 106,300 | 1,194,677 | 1,335,128 | 0.50 |
| Yifeng Pharmacy Chain Co Ltd - A share | 13,800 | 795,761 | 834,900 | 0.32 |
| | <u>727,151</u> | <u>20,594,420</u> | <u>21,520,988</u> | <u>8.15</u> |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Energy | | | | |
| China Merchants Energy Shipping Co Ltd - A share | 40,200 | 222,243 | 283,008 | 0.11 |
| China Oilfield Services Ltd | 35,600 | 561,899 | 563,904 | 0.21 |
| Cnooc Energy Technology & Services Ltd | 332,000 | 982,784 | 1,085,640 | 0.41 |
| Cofco Capital Holdings Co Ltd | 191,400 | 1,441,330 | 1,431,672 | 0.54 |
| Nanjing Tanker Corporation - A share | 55,300 | 221,735 | 231,154 | 0.09 |
| Shanghai Datun Energy Resource Co Ltd | 5,000 | 88,347 | 75,500 | 0.03 |
| Shanxi Lu'an Environmental Energy | 28,700 | 502,727 | 640,010 | 0.24 |
| Sinopec Oilfield Service Corporation | 1,180,200 | 2,519,818 | 2,525,628 | 0.95 |
| Yang Quan Coal Industry Group | 23,600 | 344,372 | 375,476 | 0.14 |
| | <u>1,892,000</u> | <u>6,885,255</u> | <u>7,211,992</u> | <u>2.72</u> |
| Financials | | | | |
| Avic Capital Co Ltd | 100,600 | 442,883 | 437,610 | 0.17 |
| Bank of Chengdu Co Ltd | 83,500 | 1,248,011 | 1,199,895 | 0.45 |
| China Great Wall Securities Co | 22,900 | 210,400 | 199,230 | 0.08 |
| China Merchants Bank - A Shares | 21,900 | 828,284 | 817,089 | 0.31 |
| Dongxing Securities Co Ltd | 47,300 | 412,768 | 406,307 | 0.15 |
| Guangzhou Yuexiu Capital Holding | 981,495 | 6,090,450 | 6,448,422 | 2.44 |
| Guoyuan Securities Co Ltd | 219,900 | 1,454,577 | 1,550,295 | 0.59 |
| Huaxia Bank Co Ltd - A share | 87,100 | 449,650 | 454,662 | 0.17 |
| Jiangsu Financial Leasing Co Ltd | 436,000 | 2,198,555 | 2,637,800 | 1.00 |
| Shaanxi International Trust Co | 156,000 | 470,791 | 521,040 | 0.20 |
| | <u>2,156,695</u> | <u>13,806,369</u> | <u>14,672,350</u> | <u>5.56</u> |
| Health Care | | | | |
| Autobio Diagnostics Co Ltd | 20,100 | 1,203,942 | 1,412,025 | 0.53 |
| Beijing Balance Medical Technology Co Ltd | 15,896 | 2,034,558 | 2,040,728 | 0.77 |
| Beijing Tiantan Biological Products Co Ltd -A share | 44,300 | 1,073,670 | 1,034,405 | 0.39 |
| CanSino Biologics Inc | 1,705 | 287,341 | 219,058 | 0.08 |
| Changchun BCHT Biotechnology Co Ltd | 5,800 | 391,834 | 344,404 | 0.13 |
| Chemclin Diagnostics Co Ltd | 98,300 | 1,192,296 | 1,327,050 | 0.50 |
| China Resources Sanjiu Medical & Pharmaceutical Co Ltd - A share | 13,600 | 673,127 | 692,648 | 0.26 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Health Care (continued) | | | | |
| Chongqing Pharscin Pharmaceutical Co Ltd | 10,900 | 226,427 | 212,441 | 0.08 |
| Cisen Pharmaceutical Co Ltd | 20,700 | 263,414 | 305,325 | 0.12 |
| DaShenLin Pharmaceutical Group | 34,300 | 1,325,758 | 1,323,980 | 0.50 |
| Double Medical Technology Co Ltd | 1,572 | 57,834 | 56,183 | 0.02 |
| Haisco Pharmaceutical Group Co | 24,800 | 524,684 | 644,800 | 0.24 |
| HitGen Inc | 45,900 | 690,827 | 663,714 | 0.25 |
| Huadong Medicine Co Ltd | 11,700 | 570,757 | 562,185 | 0.21 |
| Hubei Jumpcan Pharmaceutical Co Ltd | 46,700 | 1,274,127 | 1,365,975 | 0.52 |
| Jiangsu Jibeier Pharmaceutical Co Ltd | 8,700 | 204,468 | 260,043 | 0.10 |
| Jiangsu Yuyue Medical Equipmentment - A share | 16,800 | 520,217 | 530,040 | 0.20 |
| Jointown Pharmaceutical Group - A share | 114,500 | 1,514,889 | 1,656,815 | 0.63 |
| Lepu Medical Technology Beijin | 34,300 | 782,004 | 805,364 | 0.30 |
| Micro-Tech Nanjing Co Ltd | 10,400 | 873,671 | 868,712 | 0.33 |
| Nanjing King-Friend Biochemica | 95,100 | 1,711,688 | 1,642,377 | 0.62 |
| Shandong Buchang Pharmaceutical Co Ltd | 66,400 | 1,404,922 | 1,359,208 | 0.51 |
| Shenzhen Hepalink Pharmaceutic Group Co Ltd - A share | 271,100 | 4,160,913 | 3,735,758 | 1.41 |
| Shenzhen Salubris Pharmaceutics Co Ltd | 3,500 | 115,224 | 129,850 | 0.05 |
| Shijiazhuang Yiling Pharmaceutical Co Ltd | 42,100 | 1,301,923 | 1,263,842 | 0.48 |
| Sichuan Kelun Pharmaceutical Co Ltd | 3,000 | 64,201 | 86,610 | 0.03 |
| Sinocare Inc | 13,500 | 472,355 | 476,145 | 0.18 |
| Tibet Weixinkang Medicine Co Ltd | 6,600 | 102,944 | 101,838 | 0.04 |
| Yantai Dongcheng Pharmaceutical Group Co Ltd | 11,900 | 201,953 | 219,198 | 0.08 |
| Zhejiang Jiuzhou Pharmaceutical Industry Co | 25,300 | 1,017,688 | 996,567 | 0.38 |
| Zhejiang Wolwo Bio- Pharmaceutical Co Ltd - A share | 12,100 | 642,247 | 637,912 | 0.24 |
| | <u>1,131,573</u> | <u>26,881,903</u> | <u>26,975,200</u> | <u>10.18</u> |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Industrials | | | | |
| AECC Aero-Engine Control Co Ltd | 5,100 | 142,655 | 129,132 | 0.05 |
| AVIC Helicopter Co Ltd | 24,400 | 1,090,456 | 1,107,516 | 0.42 |
| AVIC Shenyang HeiBao Co Ltd | 28,800 | 1,692,490 | 1,665,216 | 0.63 |
| Beijing Changjiu Logistics o Ltd | 143,400 | 1,274,514 | 1,383,810 | 0.52 |
| Beijing United Information Technology Co Ltd - A share | 9,300 | 960,815 | 751,347 | 0.28 |
| Beijing Worldia Diamond Tools - A share | 8,900 | 309,194 | 321,290 | 0.12 |
| Bozhon Precision Industry Technology - A share | 25,199 | 839,629 | 779,909 | 0.29 |
| Center International Group Co | 6,100 | 173,767 | 170,495 | 0.06 |
| Centre Testing International Group - A share | 24,400 | 525,278 | 546,316 | 0.21 |
| Changchun UP Optotech Co Ltd | 19,300 | 449,155 | 497,940 | 0.19 |
| China Baoan Group Co Ltd | 3,300 | 43,410 | 42,240 | 0.02 |
| China Communications Construction Co | 107,600 | 857,990 | 993,148 | 0.38 |
| China Merchants Port Group Co Ltd | 33,800 | 539,380 | 501,254 | 0.19 |
| China Nuclear Engineering Corporation Ltd | 354,000 | 2,750,173 | 2,853,240 | 1.08 |
| CNPC Capital Co Ltd | 72,100 | 439,901 | 425,390 | 0.16 |
| Contemporary AmpereX Technology Co Ltd - A share | 2,400 | 1,075,272 | 969,360 | 0.37 |
| COSCO SHIPPING Energy Transportation Co Ltd | 73,600 | 919,341 | 1,065,728 | 0.40 |
| Deppon Logistics Co Ltd - A share | 127,300 | 2,434,207 | 2,458,163 | 0.93 |
| Dongguan Yiheda Automation Co | 18,400 | 1,129,768 | 1,089,280 | 0.41 |
| Eve Energy Co Ltd | 9,300 | 790,952 | 676,110 | 0.26 |
| Fangda Carbon New Material Co Ltd | 1,200 | 11,158 | 8,028 | - |
| Farasis Energy Gan Zhou Co Ltd | 42,700 | 1,186,652 | 1,041,026 | 0.39 |
| Guizhou Space Appliance Co Ltd | 4,000 | 263,564 | 257,200 | 0.10 |
| Hangzhou Oxygen Plant Group Co | 57,665 | 2,150,932 | 2,248,935 | 0.85 |
| Hangzhou Youngsun Intelligent Equioment Co Ltd | 11,600 | 199,545 | 197,780 | 0.07 |
| Hefei Meiya Optoelectronic Technology Co Ltd - A share | 900 | 24,604 | 24,372 | 0.01 |
| Hongfa Technology Co Ltd - A share | 34,260 | 1,291,168 | 1,200,813 | 0.45 |
| Hwa Create Co Ltd | 401 | 2,948 | 3,409 | - |
| Jiangsu GoodWe Power Supply Technology Co Ltd | 3,600 | 1,152,559 | 1,398,564 | 0.53 |
| Jiangsu Hengli Hydraulic Co Ltd - A share | 8,800 | 626,251 | 606,672 | 0.23 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Industrials (Continued) | | | | |
| Kunshan GuoLi Electronic Techn | 4,400 | 272,535 | 261,976 | 0.10 |
| Nantong Jianghai Capacitor Co Ltd | 10,200 | 244,839 | 233,580 | 0.09 |
| Neway Valve Suzhou Co Ltd | 46,700 | 529,203 | 533,314 | 0.20 |
| Ningbo Deye Technology Co Ltd | 800 | 296,045 | 264,720 | 0.10 |
| Pylon Technologies Co Ltd | 6,100 | 1,926,884 | 1,634,800 | 0.62 |
| Qinhuangdao Port Co Ltd | 151,700 | 421,756 | 436,896 | 0.17 |
| SF Holding Co Ltd | 4,000 | 229,145 | 215,720 | 0.08 |
| Shanghai Hanbell Precise Machinery Co Ltd - A share | 10,400 | 266,843 | 276,120 | 0.10 |
| Shanghai Laimu Electronics Co | 41,800 | 610,667 | 562,210 | 0.21 |
| Shanghai Lansheng Corp | 182,400 | 1,674,865 | 1,820,352 | 0.69 |
| Shenzhen Consys Science & Technology Co Ltd | 7,200 | 257,766 | 312,552 | 0.12 |
| Shenzhen Expressway Co Ltd | 140,700 | 1,266,684 | 1,280,370 | 0.48 |
| Shenzhen FRD Science & Technology | 32,600 | 550,866 | 541,160 | 0.20 |
| Shenzhen Kstar Science And Technology Co Ltd - A share | 17,400 | 855,246 | 873,480 | 0.33 |
| Sinochem International Corporation | 112,200 | 776,872 | 788,766 | 0.30 |
| Sinotrans Ltd | 240,600 | 920,145 | 945,558 | 0.36 |
| STO Express Co Ltd | 79,600 | 926,835 | 785,652 | 0.30 |
| Suzhou Secote Precision Electronics Co Ltd | 4,200 | 154,292 | 167,286 | 0.06 |
| Suzhou SLAC Precision Equipment Co Ltd | 25,700 | 491,693 | 421,480 | 0.16 |
| TBEA Co Ltd | 400 | 10,395 | 8,624 | - |
| Tianjin Capital Environmental Protection Group Co Ltd | 187,100 | 1,161,997 | 1,204,924 | 0.46 |
| Tianjin Lvyin Landscape and Ecology Construction Co Ltd | 900 | 7,639 | 8,559 | - |
| Titan Wind Energy Suzhou Co Ltd | 12,000 | 189,687 | 183,720 | 0.07 |
| Wave Cyber Shanghai Co Ltd | 25,800 | 524,844 | 528,642 | 0.20 |
| Wetown Electric Group Co Ltd | 20,709 | 570,916 | 532,221 | 0.20 |
| Wuxi Hyatech Co Ltd | 19,500 | 335,439 | 338,520 | 0.13 |
| Xiamen C & D Inc | 55,100 | 688,682 | 727,320 | 0.28 |
| Xianheng International Science & Technology Co Ltd | 99,400 | 1,233,897 | 1,329,972 | 0.50 |
| Yantai Eddie Precision Machinery Co Ltd | 21,100 | 326,390 | 408,918 | 0.16 |
| Youngy Co Ltd | 6,100 | 676,447 | 606,950 | 0.24 |
| Zhejiang Dayuan Pumps Industrial Co Ltd | 7,100 | 146,707 | 188,647 | 0.07 |
| Zhejiang Goldensea Environment - A share | 30,600 | 396,165 | 424,422 | 0.16 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Industrials (Continued) | | | | |
| Zhejiang HangKe Technology Incorporated Co. | 40,400 | 2,072,246 | 2,030,100 | 0.77 |
| Zhejiang Kaishan Compressor Co Ltd - A share | 55,727 | 902,617 | 905,564 | 0.34 |
| Zhejiang Weiming Environment Protection Co Ltd - A share | 44,400 | 1,116,066 | 870,684 | 0.33 |
| Zhejiang Weixing New Building materials Co Ltd | 9,500 | 208,630 | 243,960 | 0.09 |
| | <u>3,016,361</u> | <u>48,589,673</u> | <u>48,311,422</u> | <u>18.27</u> |
| Information Technology | | | | |
| ArcSoft Corporation Ltd | 300 | 7,262 | 8,196 | - |
| Asiainfo Security Technologies Co Ltd | 13,500 | 294,029 | 288,765 | 0.11 |
| Avary Holding Shenzhen Co Ltd | 142,200 | 4,183,379 | 4,044,168 | 1.53 |
| Beijing ABT Networks Co Ltd | 15,800 | 621,137 | 689,038 | 0.26 |
| Beijing E-Hualu Information Technology Ltd - A share | 3,700 | 91,525 | 91,242 | 0.03 |
| Beijing Global Safety Technology Co Ltd | 6,700 | 149,536 | 147,400 | 0.06 |
| Beijing Jingyuntong Technology Co Ltd | 44,300 | 335,545 | 307,885 | 0.12 |
| Beijing Yuanliu Hongyuan Electronic Technology Co Ltd - A share | 11,400 | 1,051,411 | 1,026,342 | 0.39 |
| Changsha Jingjia Microelectron - A share | 800 | 60,588 | 57,808 | 0.02 |
| Chengdu Xuguang Electronics Co | 36,600 | 492,741 | 462,990 | 0.17 |
| China National Software & Service Co Ltd - A share | 5,700 | 327,179 | 407,094 | 0.15 |
| Dareway Software Co Ltd | 18,400 | 228,017 | 197,616 | 0.07 |
| DBAPPSecurity Co Ltd | 2,700 | 448,040 | 446,148 | 0.17 |
| Eastern Communications Co Ltd | 200 | 1,229 | 2,128 | - |
| Electric Connector Technology Co Ltd | 22,700 | 937,208 | 884,165 | 0.33 |
| Foxconn Industrial Internet Co | 97,700 | 915,173 | 937,920 | 0.35 |
| GHT Co Ltd | 23,700 | 319,420 | 323,979 | 0.12 |
| Giantec Semiconductor Corp | 2,000 | 203,151 | 169,900 | 0.06 |
| Guangdong Fuxin Technology Co | 19,800 | 599,367 | 574,596 | 0.22 |
| Halo Microelectronics Co Ltd | 50,100 | 1,321,040 | 1,203,903 | 0.46 |
| Hangzhou Chang Chuan Technology Co Ltd | 9,400 | 455,750 | 416,232 | 0.16 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Information Technology | | | | |
| (Continued) | | | | |
| Hengdian Group DMEGC -A | 9,800 | 207,679 | 213,248 | 0.08 |
| Hengtong Optic-electric Co Ltd | 58,700 | 849,891 | 864,651 | 0.33 |
| Hillstone Networks Co Ltd | 165,500 | 3,553,679 | 4,059,715 | 1.53 |
| InfoVision Optoelectronics Kunshan Co Ltd | 97,900 | 538,899 | 425,865 | 0.16 |
| Jiangsu Eazytec Co Ltd | 1,800 | 76,920 | 81,648 | 0.03 |
| Jiangsu Pacific Quartz Co Ltd | 11,000 | 1,432,247 | 1,579,710 | 0.60 |
| Jones Tech PLC | 21,300 | 339,361 | 360,822 | 0.14 |
| Kingsemi Co Ltd | 500 | 79,601 | 105,500 | 0.04 |
| Longshine Technology Co Ltd | 17,300 | 398,914 | 480,767 | 0.18 |
| Ningbo Sunrise Elc Technology | 2,900 | 79,488 | 77,952 | 0.03 |
| Primeton Information Technolog | 116,403 | 2,433,630 | 2,581,819 | 0.98 |
| Qi An Xin Technology Group Inc | 4,100 | 302,805 | 311,846 | 0.12 |
| Richinfo Technology Co Ltd | 32,700 | 533,341 | 597,102 | 0.23 |
| Shanghai Fudan Microelectronic Group Co Ltd | 6,000 | 421,450 | 431,820 | 0.16 |
| Shanghai Hollywave Electronic System Co Ltd | 5,200 | 449,700 | 421,720 | 0.16 |
| Shanghai Koal Software Co Ltd | 10,400 | 153,193 | 169,416 | 0.06 |
| Shanghai W-ibeda High Tech Group Co Ltd | 1,700 | 94,061 | 116,110 | 0.04 |
| Shenzhen Aisidi Co Ltd - A share | 36,000 | 329,651 | 337,320 | 0.13 |
| Shenzhen Everwin Precision Technology - A share | 121,900 | 1,386,440 | 1,529,845 | 0.58 |
| Shenzhen Gongjin Electronics Co Ltd - A share | 54,200 | 470,705 | 523,030 | 0.20 |
| Shenzhen Jingquanhua Electronics Co Ltd | 3,600 | 128,138 | 143,748 | 0.05 |
| Shenzhen Kinwong Electronic Co Ltd | 130,800 | 2,740,614 | 3,137,892 | 1.19 |
| Shenzhen S.C New Energy Technology Coproration | 7,600 | 641,584 | 981,160 | 0.37 |
| Shenzhen Sunway Communication - A share | 18,600 | 320,282 | 348,750 | 0.13 |
| Skyworth Digital Co Ltd | 700 | 12,651 | 10,990 | - |
| Suzhou Dongshan Precision Manufacturing Co Ltd | 21,300 | 527,645 | 621,960 | 0.24 |
| Suzhou Tztek Technology Co Ltd | 4,000 | 137,689 | 156,200 | 0.06 |
| Tatwah Smartech Co Ltd | 10 | 44 | 43 | - |
| Tianjin 712 Communication & Broadcasting Co Ltd | 3,100 | 102,735 | 105,524 | 0.04 |
| Universal Scientific Industrial Shanghai Co Ltd | 170,900 | 2,769,125 | 2,707,056 | 1.02 |
| Venustech Group Inc | 1,100 | 33,082 | 32,615 | 0.01 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Information Technology | | | | |
| (Continued) | | | | |
| Wonders Information Co Ltd - A share | 380,500 | 3,817,046 | 3,675,630 | 1.39 |
| Yangtze Optical Fibre and Cable Co Ltd | 50,500 | 1,789,301 | 1,862,440 | 0.70 |
| Yingkou Jinchun Machinery Co Ltd | 3,200 | 272,192 | 257,152 | 0.10 |
| Zhejiang Crystal-Optech Co Ltd - A share | 178,954 | 2,154,036 | 2,313,875 | 0.88 |
| | <u>2,277,867</u> | <u>42,620,546</u> | <u>44,312,456</u> | <u>16.74</u> |
| Materials | | | | |
| BBMG Corporation Ltd | 355,400 | 949,345 | 927,594 | 0.35 |
| Beijing Tongyizhong New Material - A share | 2,700 | 59,089 | 55,809 | 0.02 |
| Bluestar Adisseo Co | 96,400 | 881,767 | 870,492 | 0.33 |
| China Kings Resources Group Co | 1,500 | 63,049 | 60,885 | 0.02 |
| China Rare Earth Resources and Services | 17,000 | 646,354 | 685,780 | 0.26 |
| Daqing Huake Co Ltd | 6,500 | 110,695 | 120,250 | 0.05 |
| Daye Special Steel Co Ltd - A share | 137,463 | 2,514,482 | 2,805,620 | 1.06 |
| Fujian Kuncai Material Technol | 8,000 | 417,146 | 471,120 | 0.18 |
| Fushun Special Steel Co Ltd - A share | 15,400 | 272,726 | 222,222 | 0.08 |
| Guangdong Dazhi Environmental Protection Technology Co | 5,800 | 145,191 | 153,584 | 0.06 |
| Guangdong HEC Technology Holding Co Ltd | 292,200 | 2,609,856 | 2,755,446 | 1.04 |
| Guangdong Huate Gas Co Ltd | 3,709 | 282,604 | 273,650 | 0.10 |
| Henan Mingtai AI Industrial Co | 200 | 4,800 | 3,626 | - |
| Huaibei Mining Holdings Co Ltd | 162,200 | 2,190,534 | 2,355,144 | 0.89 |
| Hubei Sanonda Co Ltd | 141,500 | 1,598,567 | 1,382,455 | 0.52 |
| Inner Mongolia Dazhong Mining | 27,600 | 371,737 | 369,288 | 0.14 |
| Jiangsu Dingsheng New Material Joint Stock Co Ltd | 19,400 | 880,458 | 821,008 | 0.31 |
| Jiangsu Huaxin New Material Co | 59,100 | 893,919 | 942,054 | 0.36 |
| Jiangsu Jingshen Salt & Chemical Industry Co Ltd | 39,400 | 486,836 | 435,370 | 0.16 |
| Jiangsu Sidike New Material Science & Technology Co Ltd | 4,700 | 126,992 | 137,851 | 0.05 |
| Jiangsu ToLand Alloy Co Ltd | 19,500 | 934,592 | 933,075 | 0.35 |
| Jiangsu Yoke Technology Co Ltd | 25,736 | 1,381,707 | 1,274,447 | 0.48 |
| Jiangxi Ganfeng Lithium Co Ltd | 8,100 | 588,080 | 586,440 | 0.22 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2023 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Materials (Continued) | | | | |
| Jiangxi GETO New Materials Corporation Ltd | 7,500 | 302,944 | 303,750 | 0.11 |
| Jinyuan EP Co Ltd | 12,400 | 155,919 | 147,808 | 0.06 |
| Kingfa Sci & Tech Co Ltd | 79,300 | 811,431 | 793,793 | 0.30 |
| Lianhe Chemical Technology Co | 40,900 | 713,507 | 672,805 | 0.25 |
| Nantong Acetic Acid Chemical Co Ltd - A share | 76,300 | 1,652,180 | 1,640,450 | 0.62 |
| Ningbo Boway Alloy Material Co | 9,500 | 171,837 | 177,555 | 0.07 |
| Ningbo Changhong Polymer Scientific & Technical Inc | 56,400 | 885,039 | 875,328 | 0.33 |
| Ningxia Building Materials Gro | 200 | 1,894 | 3,050 | - |
| Pangang Group Vanadium Titaniu | 214,300 | 1,200,188 | 1,197,937 | 0.45 |
| Red Avenue New Materials Group | 16,200 | 541,224 | 532,656 | 0.20 |
| Shandong Shida Shenghua Chemical Co Ltd | 100 | 12,495 | 9,246 | - |
| Shanghai Pret Composites Co Ltd | 25,600 | 464,583 | 419,584 | 0.16 |
| Shanghai Sunglow Packaging Technology Co Ltd | 81,500 | 641,551 | 805,220 | 0.30 |
| Shanghai Yongguan Adhesive Products Corp Ltd | 26,600 | 625,668 | 636,538 | 0.24 |
| Shengda Mining Co Ltd | 112,140 | 1,527,047 | 1,539,682 | 0.58 |
| Shenzhen Senior Technology Material Co Ltd | 3,400 | 78,008 | 72,250 | 0.03 |
| Shenzhen YUTO Packaging Technology | 73,500 | 2,248,525 | 2,254,980 | 0.85 |
| Sichuan Furong Technology Co Ltd | 28,800 | 471,542 | 462,816 | 0.17 |
| Sichuan Tianyi Science&Technol | 10,900 | 433,436 | 500,528 | 0.19 |
| Sinoma Science & Technology Co. Ltd | 4,400 | 104,733 | 101,420 | 0.04 |
| Sinomine Resource Exploration - A share | 2,400 | 180,419 | 180,024 | 0.07 |
| Skshu Paint Co Ltd | 17,100 | 2,083,959 | 2,093,211 | 0.79 |
| Suli Co Ltd | 71,800 | 1,394,735 | 1,418,050 | 0.54 |
| Suzhou Xingye Materials Technology Co Ltd | 30,400 | 326,682 | 368,144 | 0.14 |
| Tianqi Lithium Corporation - A share | 13,200 | 1,447,459 | 1,082,268 | 0.41 |
| Weihai Guangwei Composites Co Ltd | 15,200 | 1,149,214 | 1,013,080 | 0.38 |
| Yintai Gold Co Ltd | 14,400 | 167,159 | 167,040 | 0.07 |
| Yunnan Chihong Zinc & Germanium Co Ltd | 72,400 | 384,874 | 396,028 | 0.15 |
| Yunnan Copper Co Ltd | 105,100 | 1,286,680 | 1,338,974 | 0.51 |
| Zhejiang Hailiang Co Ltd | 233,584 | 2,734,092 | 2,891,770 | 1.09 |
| Zhejiang Juhua Co Ltd | 69,600 | 1,160,675 | 1,311,264 | 0.50 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| 2023 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Materials (Continued) | | | | |
| Zhejiang Sanmei Chemical Industrial Co Ltd | 14,000 | 394,050 | 474,880 | 0.18 |
| | <u>2,988,632</u> | <u>44,164,275</u> | <u>44,525,339</u> | <u>16.81</u> |
| Real Estate | | | | |
| Beijing Capital Development Co | 153,700 | 834,785 | 833,054 | 0.31 |
| China Green Electricity Investment | 23,300 | 324,510 | 294,512 | 0.11 |
| Everbright Jiabao Co Ltd | 559 | 2,257 | 1,973 | - |
| Hangzhou Binjiang Real Estate Group Co Ltd | 45,300 | 461,071 | 466,137 | 0.18 |
| Shanghai Lingang Holdings Corp | 81,700 | 993,714 | 998,374 | 0.38 |
| Shanghai Zhangjiang High-Tech Park | 8,800 | 101,889 | 110,704 | 0.04 |
| Shenzhen Huaqiang Industry Co | 25,200 | 316,476 | 317,016 | 0.12 |
| Youngor Group Co Ltd - A share | 89,900 | 575,952 | 591,542 | 0.23 |
| | <u>428,459</u> | <u>3,610,654</u> | <u>3,613,312</u> | <u>1.37</u> |
| Utilities | | | | |
| Chongqing Fuling Electric Power Industrial | 142 | 2,454 | 2,650 | 0.00 |
| Chongqing Gas Group Corporation Ltd | 70,500 | 572,814 | 575,280 | 0.22 |
| Datang International Power Generation Co Ltd | 341,800 | 931,198 | 1,015,146 | 0.38 |
| Guangxi Guiguan Electric Power | 583,700 | 3,444,817 | 3,332,927 | 1.26 |
| Huadian Power International Co | 54,500 | 301,428 | 312,830 | 0.12 |
| Hubei Energy Group Co Ltd - A share | 197,700 | 932,977 | 877,788 | 0.33 |
| Jiangsu Guoxin Corporation Ltd | 204,500 | 1,293,515 | 1,302,665 | 0.49 |
| Jiangxi Ganneng Co Ltd | 3,100 | 29,390 | 29,047 | 0.01 |
| Sichuan Minjiang Hydropower Co | 53,000 | 868,752 | 891,990 | 0.34 |
| | <u>1,508,942</u> | <u>8,377,345</u> | <u>8,340,323</u> | <u>3.15</u> |
| TOTAL QUOTED SECURITIES | <u>18,211,170</u> | <u>242,151,151</u> | <u>246,780,115</u> | <u>93.27</u> |
| ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | <u>4,628,964</u> | | |
| TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | <u>246,780,115</u> | | |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2022 | | | | |
| QUOTED SECURITIES | | | | |
| Communication Services | | | | |
| Beijing Daily Online Network Information Co Ltd - A share | 18,900 | 510,918 | 494,802 | 0.22 |
| Beijing FengShangShiJi Culture Media Co Ltd - A share | 1,800 | 91,560 | 93,024 | 0.04 |
| Beijing Kunlun Tech Co Ltd - A share | 51,600 | 1,155,857 | 906,612 | 0.42 |
| China Publishing & Media Co Ltd | 44,900 | 242,227 | 242,011 | 0.11 |
| China South Publishing & Media Co Ltd - A share | 47,300 | 469,254 | 449,350 | 0.20 |
| CITIC Guoan Information Industrial Co Ltd - A share | 1,900 | 12,843 | 4,788 | - |
| G-bits Network Technology Xiam Co Ltd | 1,300 | 543,332 | 454,688 | 0.20 |
| Shandong Publishing & Media Co Ltd | 217,000 | 1,313,892 | 1,388,799 | 0.62 |
| Southern Publishing & Media Co - A share | 130,000 | 995,916 | 1,047,800 | 0.46 |
| Time Publishing and Media Co Ltd | 33,000 | 237,119 | 262,350 | 0.12 |
| Youzu Interactive Co Ltd | 9,000 | 133,745 | 106,920 | 0.05 |
| | <u>556,700</u> | <u>5,706,663</u> | <u>5,451,144</u> | <u>2.44</u> |
| Consumer Discretionary | | | | |
| Anhui Korrun Co Ltd - A share | 2,400 | 51,801 | 41,880 | 0.02 |
| Anhui Xinhua Media Co Ltd | 348,100 | 1,816,762 | 1,719,614 | 0.77 |
| AUCMA Co Ltd - A share | 4,500 | 32,564 | 28,980 | 0.01 |
| BTG Hotels Group Co Ltd - A share | 21,800 | 523,817 | 551,540 | 0.25 |
| But'one Information Co Ltd - A share | 41,900 | 981,671 | 979,622 | 0.44 |
| Changbai Mountain Tourism Co Ltd - A share | 44,600 | 521,952 | 429,052 | 0.20 |
| Chengdu XGimi Technology Co Ltd - A share | 2,500 | 1,241,736 | 1,108,750 | 0.49 |
| DBG Technology Co Ltd | 34,300 | 503,996 | 419,832 | 0.19 |
| Guangdong Vanward New Electrical Co Ltd - A share | 78,300 | 644,896 | 566,109 | 0.25 |
| Guangzhou Automobile Group Co | 7,500 | 94,875 | 95,925 | 0.04 |
| Guangzhou Restaurant Group Co Ltd | 3,400 | 76,699 | 77,112 | 0.03 |
| Heilan Home Co Ltd | 230,400 | 1,452,157 | 1,391,616 | 0.62 |
| Heilan Home Co Ltd - A share | 20,300 | 147,936 | 122,612 | 0.05 |
| Huada Automotive Technology Co Ltd - A share | 200 | 4,017 | 4,088 | 0.00 |
| Huali Industries Co Ltd - A share | 35,700 | 447,428 | 358,785 | 0.16 |
| Huizhou Desay Sv Automotive Co Ltd | 4,000 | 472,581 | 528,480 | 0.24 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) | | | | |
| QUOTED SECURITIES | | | | |
| (CONTINUED) | | | | |
| Consumer Discretionary | | | | |
| (Continued) | | | | |
| Hunan Huakai Cultural and Creative Co Ltd - A share | 31,500 | 593,942 | 565,740 | 0.26 |
| Joeone Co Ltd - A share | 8,300 | 94,125 | 99,766 | 0.04 |
| Keeson Technology Corp - A share | 30,186 | 816,878 | 691,561 | 0.31 |
| NavInfo Co Ltd | 50,700 | 748,601 | 867,477 | 0.39 |
| Ningbo Peacebird Fashion Co Ltd | 9,500 | 322,302 | 226,385 | 0.10 |
| Ningbo Tuopu Group Co Ltd | 14,900 | 632,950 | 896,682 | 0.40 |
| Ningbo Xusheng Auto Technology Co Ltd | 6,400 | 280,186 | 285,632 | 0.13 |
| Noblelift Intelligent Equipment Co Ltd - A share | 4,200 | 81,670 | 75,390 | 0.03 |
| SAIC Motor Corp Ltd - A share | 22,400 | 450,974 | 405,664 | 0.18 |
| Shanghai Daimay Automotive Int | 21,700 | 445,339 | 391,034 | 0.17 |
| Shanghai Jinjiang International Co Ltd | 13,400 | 726,877 | 752,946 | 0.34 |
| Shanghai Lianming Machinery Co Ltd | 19,800 | 200,528 | 196,218 | 0.09 |
| Shanghai Shuixing Home Textile Co Ltd | 26,500 | 443,605 | 445,995 | 0.20 |
| Shenzhen MTC Co Ltd - A share | 57,400 | 284,888 | 254,856 | 0.12 |
| Visual China Group Co Ltd | 7,200 | 111,305 | 114,336 | 0.05 |
| Wanxiang Qianchao Co Ltd - A share | 199,400 | 1,140,905 | 1,152,532 | 0.51 |
| Xingye Leather Technology Co Ltd | 47,900 | 632,256 | 500,076 | 0.22 |
| Yantai Tayho Advanced Material Co Ltd - A share | 290 | 3,537 | 5,707 | - |
| Zhe Jiang Taihua New Material Co Ltd - A share | 18,500 | 288,598 | 272,690 | 0.12 |
| Zhejiang Asia-Pacific Mechanical & Electronic Co Ltd - A share | 114,300 | 1,051,114 | 1,072,134 | 0.48 |
| Zhejiang Tieliu Clutch Co Ltd | 45,220 | 730,426 | 695,936 | 0.31 |
| Zhejiang Xiantong Rubber & Plastic Co Ltd - A share | 14,800 | 206,661 | 219,040 | 0.10 |
| Zhejiang Yasha Decoration Co Ltd | 31,600 | 231,312 | 203,504 | 0.09 |
| Zhejiang Zhaofeng Mechanical & Electronic Co Ltd - A share | 12,800 | 780,142 | 724,992 | 0.33 |
| | <u>1,688,796</u> | <u>20,314,009</u> | <u>19,540,290</u> | <u>8.73</u> |
| Consumer Staples | | | | |
| Anhui Kouzi Distillery Co Ltd | 7,610 | 451,226 | 574,936 | 0.26 |
| Anhui Yingjia Distillery Co Ltd | 12,300 | 666,895 | 910,077 | 0.41 |
| Baolingbao Biology Co Ltd - A share | 98,500 | 1,303,693 | 1,224,355 | 0.55 |
| Bestore Co Ltd - A share | 5,700 | 248,140 | 207,879 | 0.09 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Consumer Staples (continued) | | | | |
| ChaCha Food Co Ltd - A share | 10,000 | 585,765 | 596,000 | 0.27 |
| COFCO Tunhe Sugar Co Ltd | 33,636 | 318,970 | 284,224 | 0.13 |
| COFCO Tunhe Sugar Co Ltd - A share | 92,300 | 815,370 | 779,935 | 0.35 |
| Fujian Sunner Development Co Ltd - A share | 10,100 | 221,387 | 199,071 | 0.09 |
| Guangdong Wens Foodstuffs Group | 87,600 | 1,925,605 | 1,707,324 | 0.76 |
| Guangdong Yantang Dairy Co Ltd | 11,600 | 273,182 | 266,220 | 0.12 |
| Hebei Chengde Lolo Co Ltd - A share | 21,800 | 255,105 | 212,114 | 0.09 |
| Hebei Yangyuan Zhihui Beverage Co Ltd | 50,300 | 1,512,491 | 1,306,291 | 0.58 |
| Hunan Dakang International Food Co Ltd | 91,800 | 316,596 | 320,382 | 0.14 |
| Jiangsu Provincial Agricultural Co Ltd | 47,100 | 539,501 | 567,084 | 0.25 |
| Juewei Food Co Ltd | 7,400 | 424,826 | 390,868 | 0.17 |
| Mingchen Health Co Ltd | 9,000 | 288,424 | 292,410 | 0.13 |
| New Hope Dairy Co Ltd - A share | 2,800 | 40,925 | 39,088 | 0.02 |
| Oppe Lighting Co Ltd - A share | 15,000 | 427,733 | 296,850 | 0.13 |
| Proya Cosmetics Co Ltd | 3,200 | 625,458 | 595,040 | 0.27 |
| Shandong Minhe animal Husbandr - A share | 37,900 | 620,052 | 588,587 | 0.26 |
| Shandong Yisheng Livestock & Poultry Breeding Co Ltd | 48,700 | 474,054 | 470,442 | 0.21 |
| Shanghai Jahwa United Co Ltd - A share | 17,400 | 716,748 | 674,772 | 0.30 |
| Shanxi Xinghuacun Fen Wine Factory Co Ltd - A share | 300 | 101,459 | 87,669 | 0.04 |
| Shenzhen Agricultural Products Co Ltd - A share | 5,900 | 33,448 | 34,928 | 0.02 |
| Sichuan Swellfun Co Ltd - A share | 9,200 | 1,131,093 | 916,320 | 0.41 |
| Sichuan Teway Food Group Co Ltd | 84,600 | 1,908,762 | 1,858,662 | 0.83 |
| Tongwei Co Ltd - A share | 29,800 | 1,254,410 | 1,278,420 | 0.57 |
| | <u>851,546</u> | <u>17,481,318</u> | <u>16,679,948</u> | <u>7.45</u> |
| Energy | | | | |
| China Coal Energy Co Ltd | 66,000 | 473,949 | 449,460 | 0.20 |
| China Petroleum Engineering Co Ltd | 226,200 | 716,828 | 793,962 | 0.35 |
| Datong Coal Industry Co Ltd - A share | 1,900 | 23,653 | 25,403 | 0.01 |
| Guanghui Energy Co Ltd - A share | 121,700 | 782,869 | 865,287 | 0.39 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Energy (continued) | | | | |
| Shanxi Lu'an Environmental Energy Development Co Ltd - A share | 68,900 | 951,761 | 959,088 | 0.43 |
| Yang Quan Coal Industry Group - A share | 37,200 | 406,431 | 444,912 | 0.20 |
| Yankuang Energy Group Co Ltd - A share | 33,200 | 775,442 | 1,052,440 | 0.47 |
| | <u>555,100</u> | <u>4,130,933</u> | <u>4,590,552</u> | <u>2.05</u> |
| Financials | | | | |
| Avic Capital Co Ltd - A share | 815,200 | 3,217,513 | 3,171,128 | 1.41 |
| Bank of Changsha Co Ltd - A share | 54,000 | 438,280 | 428,760 | 0.19 |
| Bank of Communications Co Ltd - A share | 64,400 | 296,955 | 307,832 | 0.14 |
| Bank of Jiangsu Co Ltd | 193,600 | 1,359,110 | 1,287,440 | 0.57 |
| Bank of Nanjing Co Ltd - A share | 8,600 | 77,294 | 83,936 | 0.03 |
| Bank of Ningbo Co Ltd - A share | 18,200 | 726,278 | 693,420 | 0.31 |
| China Everbright Bank Co Ltd - A share | 895,100 | 3,077,032 | 2,989,634 | 1.33 |
| China Great Wall Securities Co Ltd | 22,000 | 286,408 | 235,620 | 0.10 |
| China Minsheng Banking Co Ltd - A share | 20,300 | 82,215 | 79,373 | 0.04 |
| CITIC Securities Co Ltd - A share | 72,665 | 1,782,310 | 1,695,274 | 0.76 |
| Guangzhou Yuexiu Financial Holings - A share | 221,400 | 1,855,415 | 1,972,674 | 0.88 |
| Guolian Securities Co Ltd - A share | 45,600 | 717,653 | 671,688 | 0.30 |
| Guosen Securities Co Ltd - A share | 229,000 | 2,589,578 | 2,370,150 | 1.06 |
| Industrial Bank Co Ltd - A share | 45,900 | 1,048,390 | 1,013,013 | 0.45 |
| Jiangsu Financial Leasing Co Ltd | 186,400 | 958,891 | 952,504 | 0.42 |
| Ping An Bank Co Ltd - A share | 17,700 | 362,931 | 278,775 | 0.13 |
| Shenwan Hongyuan Group Co Ltd - A share | 331,400 | 1,525,633 | 1,517,812 | 0.68 |
| | <u>3,241,465</u> | <u>20,401,886</u> | <u>19,749,033</u> | <u>8.80</u> |
| Health Care | | | | |
| Anhui Fengyuan Pharmaceutical Co Ltd - A share | 18,800 | 224,663 | 178,788 | 0.08 |
| Apeloa Pharmaceutical Co Ltd - A share | 13,400 | 458,405 | 380,024 | 0.17 |
| Autek China Inc - A share | 3,000 | 154,590 | 122,970 | 0.05 |
| Autobio Diagnostics Co Ltd | 5,690 | 326,795 | 294,116 | 0.13 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|--|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Health Care (continued) | | | | |
| Beijing New Oriental Star Petrochemical Engineering Co Ltd - A share | 26,200 | 297,022 | 305,754 | 0.13 |
| Beijing Strong Biotechnologies Inc | 16,700 | 270,649 | 315,296 | 0.14 |
| CareRay Digital Medical Technology Co Ltd - A share | 4,000 | 148,193 | 115,000 | 0.05 |
| Changchun High & New Technology Co Ltd - A share | 700 | 190,087 | 127,435 | 0.06 |
| China National Medicines Corp - A share | 5,800 | 176,315 | 161,472 | 0.07 |
| China Resources Double Crane Co Ltd - A share | 31,400 | 384,323 | 387,476 | 0.17 |
| Chongqing Zhengchuan Pharmaceutical Packaging Co Ltd - A share | 6,900 | 234,333 | 208,104 | 0.09 |
| Chongqing Zhifei Biological Products Co Ltd | 1,400 | 191,091 | 180,992 | 0.08 |
| Hangzhou Tigermed Consulting Co Ltd - A share | 7,300 | 669,293 | 742,994 | 0.33 |
| Hubei Jumpcan Pharmaceutical Co Ltd | 23,300 | 623,851 | 585,063 | 0.26 |
| Jenkem Technology Co Ltd | 200 | 54,558 | 44,914 | 0.02 |
| Jiangsu Nhwa Pharmaceutical Co Ltd - A share | 86,300 | 1,332,207 | 1,140,886 | 0.51 |
| Jiangsu Yuyue Medical Equipment Co Ltd - A share | 8,300 | 295,879 | 243,522 | 0.11 |
| Jinyu Bio-Technology Co Ltd | 15,200 | 249,706 | 211,432 | 0.09 |
| Joinn Laboratories China Co Ltd | 3,600 | 425,855 | 413,784 | 0.18 |
| Jointown Pharmaceutical Group - A share | 68,100 | 975,014 | 907,092 | 0.40 |
| Kontour Xi'an Medical Technolony Co Ltd - A share | 2,300 | 153,712 | 126,845 | 0.06 |
| Lionco Pharmaceutical Group Co Ltd | 29,700 | 263,460 | 248,292 | 0.11 |
| Maider Medical Industry Equipment Co Ltd - A share | 3,200 | 142,768 | 98,592 | 0.04 |
| Micro-Tech Nanjing Co Ltd - A share | 2,600 | 509,492 | 397,904 | 0.18 |
| Nanjing King-Friend Biochemical Co Ltd | 20,100 | 603,722 | 700,284 | 0.31 |
| PharmaBlock Sciences Nanjing Inc | 800 | 69,835 | 74,000 | 0.03 |
| Porton Pharma Solutions Ltd - A share | 17,700 | 1,330,721 | 1,422,018 | 0.63 |
| Shandong Pharmaceutical Glass Co Ltd | 23,200 | 971,872 | 725,232 | 0.32 |
| Shanghai Haixin Group Co Ltd | 10,600 | 89,308 | 83,316 | 0.04 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Health Care (Continued) | | | | |
| Shenzhen Hepalink Pharmaceutical Co Ltd - A share | 6,800 | 115,512 | 108,596 | 0.05 |
| Shenzhen Kangtai Biological Products Co Ltd | 4,800 | 454,728 | 405,312 | 0.18 |
| Shenzhen Salubris Pharmaceutical Co Ltd | 22,700 | 812,208 | 567,954 | 0.25 |
| Shenzhen Salubris Pharmaceutical Co Ltd - A share | 66,900 | 1,741,935 | 1,673,838 | 0.75 |
| Shenzhen Weiguang Biological P Shinva Medical Instrument Co Ltd - A share | 14,400 3,400 | 446,973 74,317 | 430,848 84,014 | 0.19 0.04 |
| Sonoscape Medical Corp | 9,000 | 273,257 | 271,440 | 0.12 |
| Tasly Pharmaceutical Group Co - A share | 117,400 | 1,645,256 | 1,752,782 | 0.78 |
| Tianjin Chase Sun Pharmaceutic Co Ltd - A share | 14,600 | 98,216 | 96,944 | 0.04 |
| Tianjin Chase Sun Pharmaceutical Co Ltd - A share | 81,600 | 486,165 | 541,824 | 0.24 |
| Tianjin ZhongXin Pharmaceutical Co Ltd | 19,000 | 559,825 | 509,010 | 0.22 |
| Tonghua Dongbao Pharmaceutical Co Ltd - A share | 52,400 | 545,306 | 547,056 | 0.24 |
| Winning Health Technology Group - A share | 39,300 | 552,826 | 448,806 | 0.20 |
| Wuhan Easy Diagnosis Biomedicine Co Ltd - A share | 1,100 | 79,434 | 88,220 | 0.04 |
| Xiamen Amoytop Biotech Co Ltd - A share | 4,800 | 131,820 | 142,512 | 0.06 |
| Yifan Pharmaceutical Co Ltd | 11,300 | 191,437 | 192,213 | 0.09 |
| Yipinhong Pharmaceutical Co Ltd | 15,800 | 511,951 | 463,414 | 0.21 |
| Zhejiang Jiuzhou Pharmaceutical Co Ltd - A share | 6,800 | 362,969 | 325,448 | 0.15 |
| Zhejiang Wolwo Bio- Pharmaceutical Co Ltd - A share | 9,700 | 558,551 | 441,156 | 0.19 |
| | <u>958,290</u> | <u>21,460,405</u> | <u>20,034,984</u> | <u>8.88</u> |
| Industrials | | | | |
| AA Industrial Belting Shanghai Co Ltd - A share | 30,100 | 360,254 | 368,123 | 0.16 |
| Anhui Julong Transmission Techology Co Ltd | 10,100 | 238,185 | 248,864 | 0.11 |
| Anhui Zhongyuan New Materials - A share | 21,600 | 231,265 | 247,968 | 0.11 |
| AVIC Aircraft Co Ltd - A share | 9,500 | 346,588 | 289,845 | 0.13 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Industrials | | | | |
| Avic Aviation High-Technology Co Ltd - A share | 11,700 | 412,127 | 309,582 | 0.14 |
| AVIC Electromechanical Systems Co Ltd - A share | 33,600 | 354,245 | 418,320 | 0.19 |
| Avic Heavy Machinery Co Ltd - A share | 48,800 | 1,957,953 | 2,345,816 | 1.05 |
| AVIC Helicopter Co Ltd - A share | 16,600 | 907,180 | 970,934 | 0.44 |
| Beijing SPC Environment Protection Tech Co Ltd - A share | 34,400 | 218,878 | 289,648 | 0.13 |
| Beijing United Information Tecnology Co Ltd | 487 | 56,410 | 57,461 | 0.03 |
| Beijing Worldia Diamond Tools Co Ltd - A share | 11,900 | 550,797 | 526,932 | 0.24 |
| China Avionics Systems Co Ltd - A share | 51,400 | 891,349 | 934,452 | 0.42 |
| China Baoan Group Co Ltd - A share | 40,500 | 770,016 | 557,280 | 0.25 |
| China Intl Marine Container Co Ltd - A share | 10,000 | 154,862 | 150,200 | 0.07 |
| China National Chemical Engine - A share | 26,200 | 279,127 | 272,742 | 0.12 |
| China Nuclear Engineering Corp | 217,300 | 2,028,690 | 1,960,046 | 0.87 |
| China State Construction Engineering Co Ltd - A share | 35,300 | 181,220 | 179,677 | 0.08 |
| CITIC Heavy Industries Co Ltd - A share | 7,000 | 29,377 | 28,420 | 0.01 |
| CMST Development Co Ltd - A share | 172,700 | 1,122,807 | 993,025 | 0.44 |
| COSCO SHIPPING Specialized Carrier Co Ltd - A share | 66,300 | 332,633 | 322,218 | 0.14 |
| Damon Technology Group Co Ltd - A share | 1,000 | 31,166 | 26,830 | 0.01 |
| Dongfang Electric Corp Ltd - A share | 14,400 | 260,414 | 234,144 | 0.10 |
| Dynagreen Environmental Protection Group Co Ltd | 10,000 | - | - | - |
| Dynagreen Environmental Protection Group Co Ltd - A share | 4,300 | 43,475 | 41,108 | 0.02 |
| Eaglerise Electric & Electronic Co Ltd | 8,600 | 145,220 | 162,368 | 0.07 |
| Eternal Asia Supply Chain Management Ltd | 57,500 | 319,054 | 309,925 | 0.14 |
| Eternal Asia Supply Chain Management Ltd - A share | 46,600 | 323,516 | 251,174 | 0.11 |
| Fangda Carbon New Material Co ltd - A share | 64,300 | 669,753 | 661,647 | 0.30 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Industrials (Continued) | | | | |
| Fujian Supertech Advanced Material Co Ltd | 1,000 | 46,323 | 42,740 | 0.02 |
| Goldcup Electric Apparatus Co Ltd | 14,900 | 122,868 | 116,965 | 0.05 |
| Guangzhou Jiacheng International Co Ltd - A share | 19,100 | 597,070 | 534,800 | 0.24 |
| Guangzhou Port Co Ltd | 652,400 | 2,158,083 | 2,231,208 | 1.00 |
| Guodian Nanjing Automation Co Ltd | 4,200 | 37,521 | 39,690 | 0.02 |
| Hangzhou Zhongya Machinery Co | 16,600 | 254,919 | 251,656 | 0.11 |
| Han's Laser Tech Industry Group - A share | 55,800 | 2,436,008 | 2,716,344 | 1.21 |
| Hongfa Technology Co Ltd - A share | 10,700 | 695,776 | 671,960 | 0.30 |
| Huida Sanitary Ware Co Ltd | 39,900 | 379,202 | 373,065 | 0.17 |
| Hwa Create Co Ltd | 401 | 2,950 | 3,858 | - |
| Inventronics Hangzhou Inc - A share | 8,100 | 196,033 | 141,102 | 0.07 |
| Jiangsu Zhongtian Technology Co Ltd | 37,800 | 656,995 | 707,238 | 0.32 |
| Jiangxi Hongdu Aviation Industrial Co Ltd - A share | 6,900 | 264,736 | 230,943 | 0.10 |
| Jilin Expressway Co Ltd - A share | 201,000 | 552,678 | 566,820 | 0.25 |
| Jinlongyu Group Co Ltd | 11,700 | 126,840 | 115,011 | 0.05 |
| JPMF Guangdong Co Ltd | 47,200 | 291,606 | 282,728 | 0.13 |
| Keda Clean Energy Co Ltd - A share | 5,800 | 135,673 | 133,400 | 0.06 |
| L&K Engineering Suzhou Co Ltd | 32,600 | 387,982 | 426,408 | 0.19 |
| Loctek Ergonomic Technology Co Ltd | 7,500 | 203,632 | 181,425 | 0.08 |
| Milkyway Chemical Supply Chain Co Ltd | 5,608 | 702,978 | 743,509 | 0.33 |
| Ming Yang Smart Energy Group Ltd | 55,100 | 1,406,979 | 1,416,070 | 0.63 |
| Nantong Square Cold Chain Equipment Co Ltd - A share | 56,100 | 714,708 | 687,786 | 0.31 |
| Nantong Xingqiu Graphite Co Ltd - A share | 300 | 19,008 | 14,976 | 0.01 |
| Ningbo Haitian Precision Machinery Co Ltd - A share | 7,700 | 193,686 | 169,169 | 0.07 |
| Ningbo Ronbay New Energy Technology Co Ltd - A share | 3,600 | 426,080 | 531,000 | 0.24 |
| North Industries Group Red Arrow Co Ltd | 68,100 | 1,590,647 | 1,538,379 | 0.69 |
| Qingdao TGOOD Electric Co Ltd - A share | 5,500 | 115,053 | 116,765 | 0.05 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Industrials (Continued) | | | | |
| Riyue Heavy Industry Co Ltd - A share | 9,600 | 267,782 | 263,040 | 0.12 |
| Shandong Hi-speed Co Ltd - A share | 57,200 | 322,522 | 308,308 | 0.14 |
| Shanghai Hanbell Precise Machinery Co Ltd - A share | 2,400 | 57,201 | 54,864 | 0.02 |
| Shanghai International Port Group - A share | 47,700 | 243,198 | 271,413 | 0.12 |
| Shanghai Kelai Mechatronics Engineering Co Ltd - A share | 2,100 | 51,685 | 52,857 | 0.02 |
| Shanghai Nar Industrial Co Ltd - A share | 7,700 | 134,728 | 139,678 | 0.06 |
| Shenzhen Expressway Co Ltd | 30,800 | 296,472 | 311,080 | 0.14 |
| Shenzhen Tongyi Industry Co Ltd | 28,400 | 509,601 | 509,212 | 0.23 |
| Sichuan Road & Bridge Co Ltd | 41,200 | 458,197 | 513,352 | 0.23 |
| Sinochem International Corp | 7,100 | 63,106 | 57,439 | 0.03 |
| STO Express Co Ltd | 13,100 | 105,074 | 105,717 | 0.05 |
| Suzhou Maxwell Technologies Co Ltd - A share | 800 | 579,481 | 437,680 | 0.19 |
| Suzhou Secote Precision Electronic Co Ltd | 5,600 | 133,740 | 138,096 | 0.06 |
| TBEA Co Ltd | 21,900 | 417,451 | 441,942 | 0.20 |
| Tederic Machinery Co Ltd | 81,400 | 731,643 | 754,578 | 0.34 |
| Tian Di Science & Technology Co Ltd - A share | 46,700 | 217,457 | 190,536 | 0.08 |
| Tianjin Capital Environmental Co Ltd - A share | 52,700 | 334,118 | 372,589 | 0.17 |
| Top Resource Conservation & Enviroment Corp | 56,900 | 613,359 | 608,261 | 0.27 |
| Wuxi Huaguang Boiler Co Ltd - A share | 67,800 | 769,296 | 725,460 | 0.32 |
| Wuxi Shangji Automation Co Ltd | 900 | 123,644 | 142,290 | 0.06 |
| Yijiahe Technology Co Ltd - A share | 2,700 | 171,678 | 178,200 | 0.08 |
| Yindu Kitchen Equipment Co Ltd | 14,300 | 275,343 | 279,565 | 0.12 |
| YTO Express Group Co Ltd | 23,900 | 406,979 | 415,621 | 0.19 |
| YTO Express Group Co Ltd - A share | 126,900 | 2,089,772 | 2,206,791 | 0.98 |
| Zhefu Holding Group Co Ltd - A share | 4,100 | 25,546 | 25,338 | 0.01 |
| Zhejiang Baida Precision Manufacturing Co | 52,200 | 672,602 | 625,356 | 0.28 |
| Zhejiang Dibay Electric Co Ltd | 54,600 | 720,956 | 771,498 | 0.34 |
| Zhejiang Sanhua Intelligent Co Ltd | 14,500 | 349,095 | 291,450 | 0.13 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Industrials (Continued) | | | | |
| Zhejiang Walrus New Material Co Ltd - A share | 8,800 | 268,675 | 275,176 | 0.13 |
| Zhuzhou Kibing Group Co Ltd - A share | 13,000 | 208,280 | 204,230 | 0.09 |
| | <u>3,334,796</u> | <u>39,551,276</u> | <u>39,815,381</u> | <u>17.78</u> |
| Information Technology | | | | |
| Advanced Fiber Resources Zhuhai Ltd | 1,400 | 63,033 | 63,308 | 0.03 |
| All Winner Technology Co Ltd - A share | 6,300 | 334,098 | 352,422 | 0.16 |
| Amlogic Shanghai Co Ltd - A share | 1,556 | 152,395 | 204,661 | 0.09 |
| Anhui Wanyi Science & Technology Co Ltd - A share | 14,200 | 304,111 | 242,962 | 0.11 |
| Avary Holding Shenzhen Co Ltd | 9,500 | 365,375 | 328,795 | 0.15 |
| Beijing E-Hualu Information Tenology Co Ltd | 2,100 | 61,068 | 59,136 | 0.03 |
| Beijing Seeyon Internet Software Corp - A share | 2,100 | 118,163 | 140,427 | 0.06 |
| Beijing SuperMap Software Co Ltd | 4,200 | 116,096 | 102,648 | 0.05 |
| Beijing Zhong Ke San Huan High-Tech Co Ltd - A share | 460 | 4,650 | 6,431 | - |
| CEC CoreCast Corp Ltd - A share | 11,200 | 359,367 | 364,336 | 0.16 |
| Changsha Jingjia Microelectron Co Ltd - A share | 5,400 | 860,526 | 663,444 | 0.30 |
| Chengdu TangYuan Electric Co Ltd - A share | 15,800 | 393,240 | 391,998 | 0.18 |
| Chengdu Yunda Technology Co Ltd - A share | 48,500 | 391,701 | 392,365 | 0.17 |
| China Zhenhua Group Science & Technology Co Ltd - A share | 300 | 32,445 | 35,151 | 0.02 |
| DBAPPSecurity Co Ltd - A share | 6,100 | 1,255,005 | 1,168,333 | 0.52 |
| DHC Software Co Ltd - A share | 17,700 | 134,637 | 145,671 | 0.06 |
| DongGuan YuTong Optical Technology Co Ltd - A share | 3,800 | 134,691 | 124,488 | 0.06 |
| Donghua Testing Technology Co Ltd | 1,500 | 47,662 | 49,065 | 0.02 |
| Eastcompeace Technology Co Ltd - A share | 17,600 | 241,694 | 252,384 | 0.11 |
| Eastern Communications Co Ltd | 200 | 1,226 | 2,178 | - |
| Foshan Nationstar Optoelectron Co Ltd | 27,400 | 302,461 | 257,286 | 0.11 |
| Fujian Apex Software Co Ltd | 15,300 | 542,936 | 452,880 | 0.20 |
| Fujian Newland Computer Co Ltd - A share | 39,800 | 727,217 | 703,266 | 0.31 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Information Technology (Continued) | | | | |
| Fujian Raynen Technology Co Ltd | 9,200 | 132,178 | 117,852 | 0.05 |
| Geovis Technology Co Ltd - A share | 4,100 | 291,785 | 283,351 | 0.13 |
| Gigadevice Semiconductor Beijing Co Ltd | 2,300 | 369,699 | 352,613 | 0.16 |
| Great Chinasoft Technology Co Ltd | 1,600 | 26,491 | 24,800 | 0.01 |
| GRG Banking Equipment Co Ltd - A share | 170,400 | 1,965,544 | 2,017,536 | 0.90 |
| Guangdong East Power Co Ltd - A share | 24,700 | 231,002 | 233,415 | 0.10 |
| Guangzhou Haige Communications Co Ltd - A share | 89,200 | 963,613 | 888,432 | 0.39 |
| Guangzhou Shiyuan Electronic Technology Co Ltd - A share | 23,100 | 1,756,058 | 1,987,293 | 0.89 |
| Hangzhou Dptech Technologies Co Ltd - A share | 12,500 | 546,891 | 447,500 | 0.20 |
| Hangzhou Lion Electronics Co Ltd | 3,100 | 425,378 | 368,652 | 0.16 |
| Hangzhou Sunrise Technology Co Ltd - A share | 2,500 | 27,144 | 26,525 | 0.01 |
| Hefei Gocom Information Technology Co Ltd - A share | 5,000 | 117,057 | 117,150 | 0.05 |
| Hengtong Optic-electric Co Ltd | 103,700 | 1,491,882 | 1,532,686 | 0.68 |
| Hillstone Networks Co Ltd - A share | 14,868 | 445,491 | 372,443 | 0.17 |
| Huagong Tech Co Ltd - A share | 77,600 | 2,195,737 | 1,905,080 | 0.85 |
| Ingenic Semiconductor Co Ltd | 5,300 | 573,832 | 589,890 | 0.26 |
| Jiangsu Pacific Quartz Co Ltd - A share | 400 | 21,696 | 24,944 | 0.01 |
| Jiangsu Yitong High-Tech Co Ltd | 30,100 | 400,255 | 356,083 | 0.16 |
| Jiangsu Yunyong Electronics & Technology Co Ltd - A share | 6,700 | 444,517 | 391,548 | 0.17 |
| Leyard Optoelectronic Co Ltd - A share | 13,100 | 128,713 | 110,302 | 0.05 |
| MLS Co Ltd | 87,400 | 1,232,332 | 1,135,326 | 0.51 |
| NAURA Technology Group Co Ltd - A share | 400 | 118,740 | 121,260 | 0.05 |
| Ninestar Corp | 10,900 | 287,305 | 543,910 | 0.24 |
| Olympic Circuit Technology Co | 15,200 | 294,821 | 307,800 | 0.14 |
| PCI-Suntek Technology Co Ltd - A share | 61,600 | 471,846 | 516,208 | 0.23 |
| Primeton Information Technology Co Ltd - A share | 3,400 | 92,048 | 83,402 | 0.04 |
| Richinfo Technology Co Ltd - A share | 3,000 | 44,509 | 44,700 | 0.02 |
| Rockchip Electronics Co Ltd | 2,100 | 274,671 | 245,259 | 0.11 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Information Technology (Continued) | | | | |
| Shanghai 2345 Network Holding | 77,900 | 160,225 | 196,308 | 0.09 |
| Shanghai Baosight Software Co Ltd - A share | 3,900 | 257,813 | 209,508 | 0.09 |
| Shanghai Belling Co Ltd | 20,800 | 632,684 | 474,032 | 0.22 |
| Shengyi Technology Co Ltd - A share | 2,400 | 55,354 | 46,632 | 0.02 |
| Shenzhen Aisidi Co Ltd - A share | 76,900 | 889,480 | 769,769 | 0.34 |
| Shenzhen Kaifa Technology Co Ltd - A share | 5,200 | 70,722 | 70,824 | 0.03 |
| Shenzhen S.C New Energy Technology Corp | 300 | 38,487 | 26,364 | 0.01 |
| Shenzhen Suntak Circuit Technology Co Ltd - A share | 59,100 | 940,107 | 882,954 | 0.39 |
| Sino Wealth Electronic Co Ltd | 4,300 | 280,830 | 243,896 | 0.11 |
| StarPower Semiconductor Ltd - A share | 1,000 | 461,646 | 361,390 | 0.16 |
| Suzhou Dongshan Precision Manufacturing Co Ltd - A share | 42,800 | 967,488 | 948,876 | 0.42 |
| Suzhou Etron Technologies Co Ltd | 9,500 | 356,254 | 343,520 | 0.15 |
| Suzhou Hengmingda Electronic Technology Co Ltd - A share | 8,300 | 288,476 | 273,485 | 0.12 |
| Taiji Computer Corp Ltd - A share | 48,800 | 1,315,926 | 1,246,352 | 0.56 |
| Tatwah Smartech Co Ltd | 10 | 44 | 36 | - |
| Tianjin 712 Communication & Broadcasting Co Ltd - A share | 19,700 | 694,289 | 678,665 | 0.30 |
| Unisplendour Corp Ltd - A share | 18,800 | 460,767 | 413,412 | 0.18 |
| Universal Scientific Industrial Co Ltd | 8,500 | 117,351 | 118,915 | 0.05 |
| Venustech Group Inc - A share | 22,100 | 644,578 | 533,936 | 0.24 |
| Verisilicon Microelectronics Shanghai Co Ltd - A share | 32,200 | 2,029,700 | 1,968,064 | 0.88 |
| Wangsu Science & Technology Co Ltd - A share | 14,700 | 77,287 | 99,960 | 0.04 |
| Westone Information Industry Ltd - A share | 6,400 | 272,827 | 292,160 | 0.13 |
| Wuhu Token Science Co Ltd | 159,900 | 1,640,913 | 1,539,837 | 0.69 |
| Wuxi Chipown Micro-Electronics Ltd | 2,800 | 405,462 | 299,600 | 0.13 |
| Wuxi Xinje Electric Co Ltd - A share | 9,800 | 378,866 | 378,770 | 0.17 |
| Yangtze Optical Fibre and Cable Co Ltd | 13,200 | 406,614 | 421,740 | 0.19 |
| Yingkou Jinchun Machinery Co Ltd - A share | 600 | 45,720 | 49,740 | 0.02 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Information Technology (Continued) | | | | |
| Zhejiang Crystal-Optech Co Ltd - A share | 40,500 | 684,896 | 573,480 | 0.26 |
| | <u>1,746,294</u> | <u>36,889,838</u> | <u>35,111,820</u> | <u>15.63</u> |
| Materials | | | | |
| Angang Steel Co Ltd - A share | 239,200 | 1,087,918 | 918,528 | 0.41 |
| Anhui Annada Titanium Industry Co Ltd | 47,500 | 719,677 | 816,050 | 0.36 |
| Anhui Genuine New Materials Co Ltd | 13,200 | 328,309 | 299,244 | 0.13 |
| Anhui Jinhe Industrial Co Ltd - A share | 39,900 | 1,686,872 | 1,611,162 | 0.72 |
| BBMG Corp - A share | 251,400 | 735,672 | 724,032 | 0.32 |
| Beijing Shougang Co Ltd | 173,400 | 1,015,821 | 1,040,400 | 0.46 |
| Chengdu Wintrue Holding Co Ltd - A share | 42,200 | 553,546 | 591,222 | 0.26 |
| Chengtun Mining Group Co Ltd | 3,300 | 33,961 | 35,970 | 0.02 |
| China Northern Rare Earth Group | 4,100 | 162,996 | 201,761 | 0.09 |
| Gansu Jiu Steel Group Hongxing Co Ltd | 47,500 | 113,431 | 106,875 | 0.05 |
| GEM Co Ltd | 47,700 | 418,199 | 456,012 | 0.20 |
| Guangdong Dowstone Technology Co Ltd | 38,600 | 823,345 | 949,560 | 0.43 |
| Guangdong HEC Technology Holdings | 103,200 | 913,088 | 896,808 | 0.40 |
| Guizhou Chanhen Chemical Corp | 2,100 | 49,668 | 55,923 | 0.02 |
| Hainan Mining Co Ltd - A share | 33,900 | 420,942 | 379,680 | 0.17 |
| Hesteel Co Ltd | 73,000 | 183,931 | 187,610 | 0.08 |
| Hongda Xingye Co Ltd - A share | 90,900 | 491,267 | 488,133 | 0.22 |
| Hoshine Silicon Industry Co Lt | 1,700 | 230,928 | 254,150 | 0.11 |
| Huabao Flavours & Fragrances Co Ltd | 8,800 | 427,918 | 277,112 | 0.12 |
| Hubei Xingfa Chemicals Group - A share | 34,700 | 1,080,620 | 1,422,700 | 0.64 |
| Hubei Zhenhua Chemical Co Ltd - A share | 43,700 | 514,664 | 600,438 | 0.27 |
| Inner Mongolia Eerduosi Resources Co Ltd | 19,600 | 449,058 | 504,308 | 0.23 |
| Jiangsu Lopal Tech Co Ltd | 9,700 | 291,704 | 329,800 | 0.15 |
| Jinduicheng Molybdenum Co Ltd - A share | 110,900 | 805,138 | 784,063 | 0.35 |
| LB Group Co Ltd - A share | 28,300 | 741,613 | 748,535 | 0.33 |
| Levima Advanced Materials Corp | 7,400 | 294,123 | 229,252 | 0.10 |
| Lily Group Co Ltd - A share | 11,500 | 168,674 | 170,430 | 0.08 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Materials (Continued) | | | | |
| Luoyang Jianlong Micro-Nano New Material Co Ltd - A share | 5,100 | 760,274 | 828,189 | 0.37 |
| Nanjing Redsun Co Ltd - A share | 600 | 12,081 | 4,794 | - |
| Nantong Jiangshan Agrochemical Co Ltd - A share | 6,600 | 276,435 | 301,950 | 0.13 |
| Ningbo Shanshan Co Ltd - A share | 65,600 | 1,739,702 | 1,962,096 | 0.88 |
| Ningxia Building Materials Group | 200 | 1,895 | 2,630 | - |
| Org Packaging Co Ltd - A share | 45,700 | 277,601 | 263,232 | 0.12 |
| Sanxiang Advanced Materials Co Ltd - A share | 8,300 | 173,434 | 179,778 | 0.08 |
| Shandong Cynda Chemical Co Ltd - A share | 15,000 | 153,276 | 166,200 | 0.07 |
| Shandong Daye Co Ltd | 97,000 | 919,900 | 942,840 | 0.42 |
| Shandong Iron and Steel Co Ltd | 252,000 | 464,860 | 456,120 | 0.20 |
| Shandong Nanshan Aluminum Co Ltd - A share | 68,300 | 331,295 | 331,938 | 0.15 |
| Shandong Yuanli Science and Technology Co Ltd | 1,300 | 51,087 | 56,329 | 0.03 |
| Shanghai Haishun New Pharmaceutical Packaging Co Ltd | 50 | 652 | 953 | - |
| Shanghai Huayi Group Corp Ltd | 136,500 | 1,283,881 | 1,246,245 | 0.56 |
| Shanghai Huide Science & Technology Co Ltd | 7,100 | 263,906 | 266,392 | 0.12 |
| Shanghai Putailai New Energy Technology Co Ltd - A share | 600 | 83,181 | 87,288 | 0.04 |
| Shanxi Taigang Stainless Steel Co Ltd - A share | 65,000 | 389,407 | 475,150 | 0.21 |
| Shenghe Resources Holding Co Ltd | 9,000 | 149,494 | 176,580 | 0.08 |
| Shengxing Group Co Ltd - A share | 10,500 | 70,106 | 63,945 | 0.03 |
| Shenzhen Capchem Technology Co Ltd - A share | 4,100 | 468,220 | 393,600 | 0.18 |
| Sichuan Hebang Biotechnology Co Ltd | 351,600 | 1,197,056 | 1,381,788 | 0.62 |
| Sinoma Science & Technology Co | 24,300 | 640,773 | 723,654 | 0.32 |
| Sinopec Shanghai Petrochemical Co Ltd - A share | 324,200 | 1,329,024 | 1,316,252 | 0.59 |
| Tangshan Sunfar Silicon Industries | 300 | 14,070 | 11,880 | 0.01 |
| Tongling Nonferrous Metals Group - A share | 486,800 | 1,668,856 | 1,922,860 | 0.86 |
| Transfar Zhilian Co Ltd | 74,700 | 593,370 | 572,949 | 0.26 |
| Xiamen Tungsten Co Ltd - A share | 18,900 | 448,896 | 415,800 | 0.19 |
| Xianhe Co Ltd - A share | 2,800 | 90,080 | 90,412 | 0.04 |
| Xinfengming Group Co Ltd | 10,500 | 145,418 | 146,895 | 0.07 |
| Xinxiang Chemical Fiber Co Ltd - A share | 83,000 | 499,453 | 435,750 | 0.19 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|-------------------|--------------------------|------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Materials (Continued) | | | | |
| Xinxing Ductile Iron Pipes Co Ltd - A share | 26,900 | 138,850 | 133,693 | 0.06 |
| Yunnan Chihong Zinc & Germanium Co Ltd - A share | 21,800 | 107,539 | 115,322 | 0.05 |
| Yunnan Tin Co Ltd - A share | 40,800 | 720,503 | 1,022,040 | 0.46 |
| Zhejiang Hailiang Co Ltd | 70,200 | 813,797 | 849,420 | 0.38 |
| Zhejiang Hailide New Material Co Ltd | 3,400 | 25,736 | 25,942 | 0.01 |
| Zhejiang Huayou Cobalt Co Ltd - A share | 200 | 22,790 | 24,626 | 0.01 |
| Zhejiang Juhua Co Ltd - A share | 139,400 | 1,859,749 | 2,038,028 | 0.91 |
| Zhejiang Sanmei Chemical Industry Co Ltd - A share | 83,400 | 1,880,462 | 1,979,082 | 0.88 |
| Zhejiang Satellite Petrochemical Co Ltd - A share | 2,620 | 100,025 | 118,110 | 0.05 |
| Zhejiang Zhongxin Fluoride Material Co Ltd | 11,400 | 263,256 | 261,402 | 0.12 |
| Zibo Qixiang Tengda Chemical Co Ltd - A share | 33,720 | 292,138 | 323,712 | 0.14 |
| | <u>4,136,890</u> | <u>35,465,611</u> | <u>37,195,624</u> | <u>16.61</u> |
| Media | | | | |
| Inmyshow Digital Technology Group - A share | <u>5,200</u> | <u>50,887</u> | <u>47,892</u> | <u>0.02</u> |
| Real Estate | | | | |
| China World Trade Center Co Ltd | 24,000 | 368,840 | 338,880 | 0.15 |
| COFCO Property Group Co Ltd | 126,400 | 424,995 | 498,016 | 0.22 |
| Everbright Jiabao Co Ltd | 559 | 2,521 | 1,727 | - |
| Greenland Holdings Corp Ltd | 169,000 | 742,045 | 730,080 | 0.33 |
| Nanjing Gaoke Co Ltd - A share | 121,200 | 1,116,420 | 1,150,188 | 0.51 |
| Red Star Macalline Group Corp - A share | 203,800 | 1,766,786 | 1,722,110 | 0.78 |
| Shanghai Lujiazui Finance & Trading Co Ltd - A share | 69,300 | 807,908 | 769,230 | 0.34 |
| Shanghai SMI Holding Co Ltd - A share | 524,000 | 2,235,017 | 2,211,280 | 0.99 |
| Shenzhen Huaqiang Industry Co Ltd | 16,200 | 265,263 | 241,056 | 0.10 |
| Shenzhen World Union Properties Co Ltd - A share | 7,200 | 27,640 | 24,552 | 0.01 |
| Tianjin Guangyu Development Co Ltd | 4,600 | 89,243 | 97,980 | 0.04 |
| Yango Group Co Ltd - A share | 257,500 | 723,222 | 623,150 | 0.28 |
| Youngor Group Co Ltd - A share | 58,100 | 402,302 | 393,337 | 0.18 |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

| Name of counter | Quantity Units | Aggregate cost RMB | Market value RMB | Percentage of NAV % |
|---|--------------------------|---------------------------|---------------------------|---------------------------|
| 2022 (CONTINUED) QUOTED SECURITIES (CONTINUED) | | | | |
| Real Estate (continued) | | | | |
| Zhejiang China Commodities City Group Co Ltd - A share | 88,400 | 422,538 | 411,060 | 0.18 |
| | <u>1,670,259</u> | <u>9,394,740</u> | <u>9,212,646</u> | <u>4.11</u> |
| Utilities | | | | |
| Beijing Capital Co Ltd - A share | 14,500 | 54,084 | 50,170 | 0.02 |
| CECEP Wind-Power Corp | 61,100 | 397,696 | 345,215 | 0.15 |
| Chengdu Xingrong Environment Co Ltd - A share | 25,400 | 152,387 | 148,844 | 0.07 |
| Chongqing Fuling Electric Power Co Ltd | 118 | 1,045 | 1,960 | - |
| Chongqing Water Group Co Ltd - A share | 66,300 | 419,401 | 405,093 | 0.18 |
| Hubei Energy Group Co Ltd - A share | 100,600 | 451,438 | 469,802 | 0.21 |
| Jiangsu Guoxin Co Ltd | 6,800 | 41,857 | 42,500 | 0.02 |
| Jiangsu New Energy Development Co Ltd - A share | 19,100 | 468,869 | 484,376 | 0.22 |
| Leshan Electric Power Co Ltd - A share | 3,800 | 25,341 | 24,966 | 0.01 |
| Ningxia Jiaze Renewables Corp | 85,100 | 442,543 | 424,649 | 0.19 |
| Shenergy Co Ltd - A share | 17,200 | 115,782 | 120,916 | 0.05 |
| Shenzhen Energy Group Co Ltd - A share | 11,800 | 94,323 | 85,314 | 0.04 |
| Sichuan Chuantou Energy Co Ltd - A share | 41,000 | 474,398 | 493,230 | 0.22 |
| Sichuan Mingxing Electric Power Co Ltd - A share | 122,300 | 894,661 | 905,020 | 0.40 |
| Sichuan Minjiang Hydropower Co Ltd | 13,400 | 250,782 | 259,290 | 0.13 |
| | <u>588,518</u> | <u>4,284,607</u> | <u>4,261,345</u> | <u>1.91</u> |
| TOTAL QUOTED SECURITIES | <u>19,333,854</u> | <u>215,132,173</u> | <u>211,690,659</u> | <u>94.41</u> |
| ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | <u>(3,441,514)</u> | | |
| TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | <u>211,690,659</u> | | |

A-shares trade on the two Chinese stock exchanges, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. A-shares are shares of mainland China-based companies and are available for purchase to select foreign institutions through the Qualified Foreign Institutional Investor ("QFII") system.

9. CASH AND CASH EQUIVALENTS

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | RMB | RMB |
| Deposits with licensed financial institutions | 7,911,017 | 7,293,021 |
| Bank balances | 6,956,313 | 4,522,456 |
| | <u>14,867,330</u> | <u>11,815,477</u> |

10. CLEARING RESERVE FUND

In accordance with the requirements of the China Securities Depository and Clearing Corporation Limited ("CSDC"), in relation to the trading of China A-Shares, the Fund is required to maintain a minimum settlement reserve fund based on the approved quota multiplied by minimum ratio of settlement reserve fund determined by CSDC where the reserve fund is assessed on monthly basis.

11. NUMBER OF UNITS IN CIRCULATION (UNITS)

| | 2023 | 2022 |
|-----------------|---------------------|---------------------|
| | No. of units | No. of units |
| Class MYR (i) | 135,444,065 | 106,481,626 |
| Class SGD (ii) | 1,522,614 | 1,254,562 |
| Class USD (iii) | 2,334,570 | 2,330,583 |
| | <u>139,301,249</u> | <u>110,066,771</u> |

(i) Class MYR

| | | |
|--|---------------------|----------------------|
| At the beginning of the financial year | 106,481,626 | 174,231,484 |
| Add : Creation of units from applications | 100,069,307 | 130,133,660 |
| Add : Creation of units from reinvestment of distributions | 3,468,639 | - |
| Less: Cancellation of units | <u>(74,575,507)</u> | <u>(197,883,518)</u> |
| At the end of the financial year | <u>135,444,065</u> | <u>106,481,626</u> |

(ii) Class SGD

| | | |
|--|------------------|--------------------|
| At the beginning of the financial year | 1,254,562 | 2,593,843 |
| Add : Creation of units from applications | 379,414 | 581,962 |
| Add : Creation of units from reinvestment of distributions | 39,779 | - |
| Less: Cancellation of units | <u>(151,141)</u> | <u>(1,921,243)</u> |
| At the end of the financial year | <u>1,522,614</u> | <u>1,254,562</u> |

(iii) Class USD

| | | |
|--|--------------------|--------------------|
| At the beginning of the financial year | 2,330,583 | 4,196,439 |
| Add : Creation of units from applications | 1,630,030 | 1,209,916 |
| Add : Creation of units from reinvestment of distributions | 73,593 | - |
| Less: Cancellation of units | <u>(1,699,636)</u> | <u>(3,075,772)</u> |
| At the end of the financial year | <u>2,334,570</u> | <u>2,330,583</u> |

12. TOTAL EXPENSE RATIO (“TER”)

| | 2023 | 2022 |
|-----|-------------|-------------|
| | % | % |
| TER | 2.83 | 3.21 |

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E) \times 100}{F}$$

| | | |
|---|---|---|
| A | = | Management fee |
| B | = | Trustee and custodian fees |
| C | = | Audit fee |
| D | = | Tax Agent’s fee |
| E | = | Other expenses excluding withholding tax |
| F | = | Average NAV of the Fund calculated on a daily basis |

The average NAV of the Fund for the financial year calculated on a daily basis is RMB232,603,208 (2022: RMB263,934,412).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

| | 2023 | 2022 |
|-------------|-------------|-------------|
| PTR (times) | 3.43 | 3.75 |

PTR is derived based on the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where:

| | |
|--|---|
| total acquisition for the financial year | = RMB814,505,504 (2022 RMB916,948,991) |
| total disposal for the financial year | = RMB778,948,631 (2022: RMB1,064,622,776) |

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

The related parties and their relationship with the Fund are as follows:

| <u>Related parties</u> | <u>Relationship</u> |
|---|--|
| Principal Asset Management Berhad | The Manager |
| Principal Financial Group, Inc. | Ultimate holding company of shareholder of the Manager |
| Principal International (Asia) Ltd | Shareholder of the Manager |
| Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements | Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager |
| CIMB Group Holdings Bhd | Ultimate holding company of shareholder of the Manager |

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

The related parties and their relationship with the Fund are as follows: (continued)

| <u>Related parties</u> | <u>Relationship</u> |
|--|--|
| CIMB Group Sdn Bhd | Shareholder of the Manager |
| CIMB Bank Bhd | Shareholder of the Manager |
| CIMB Islamic Bank Bhd | Shareholder of the Manager |
| Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements | Fellow subsidiary and associated companies of the ultimate holding company of the shareholder of the Manager |

Units held by the Manager and parties related to the Manager

| | 2023 | | 2022 | |
|-----------------------------------|--------------|--------|--------------|--------|
| | No. of units | RMB | No. of units | RMB |
| Manager | | | | |
| Principal Asset Management Berhad | | | | |
| - Class MYR | 40,937 | 72,655 | 18,234 | 34,271 |
| - Class SGD | 2,192 | 11,548 | 2,125 | 11,858 |
| - Class USD | 1,477 | 10,224 | 1,432 | 10,497 |

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

There were no significant related party transaction and balance for the financial year ended 28 February 2023, other than those already disclosed elsewhere in the financial statements.

15. TRANSACTIONS WITH BROKERS

Details of transactions with the brokers for the financial year ended 28 February 2023 were as follows:

| Brokers | Value of trades RMB | Percentage of total trades % | Brokerage fees RMB | Percentage of total brokerage fees % |
|---|--------------------------------|---|-------------------------------|---|
| Credit Suisse Founder Securities Ltd | 606,332,594 | 38.06 | 485,070 | 38.07 |
| China International Capital Corporation Ltd | 508,237,641 | 31.90 | 406,421 | 31.89 |
| UBS Securities Co Ltd | 478,513,634 | 30.04 | 382,806 | 30.04 |
| | <u>1,593,083,869</u> | <u>100.00</u> | <u>1,274,297</u> | <u>100.00</u> |

15. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the brokers for the financial year ended 28 February 2022 were as follows:

| Brokers | Value of trades RMB | Percentage of total trades % | Brokerage fees RMB | Percentage of total brokerage fees % |
|---|--------------------------------|---|-------------------------------|---|
| China International Capital Corporation Ltd | 691,933,346 | 34.92 | 553,481 | 34.92 |
| Credit Suisse Founder Securities Ltd | 650,151,014 | 32.81 | 520,117 | 32.81 |
| UBS Securities Co Ltd | 639,216,513 | 32.26 | 511,378 | 32.26 |
| Automated Trading Desk Financial Services LLC | 270,894 | 0.01 | 216 | 0.01 |
| | <u>1,981,571,767</u> | <u>100.00</u> | <u>1,585,192</u> | <u>100.00</u> |

16. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The COVID-19 pandemic and related lockdowns and movement restrictions, together with geopolitical tensions and heightened inflationary environment globally have had, and will continue to have, a significant impact on global economic conditions and the environment which the Fund operates.

The Manager continues to closely monitor the macro-economic outlook as a result of COVID-19 pandemic and its impact to the Fund's performance and will be managing the risks to achieve the Fund's objective.

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 17 April 2023.

DIRECTORY

Head Office of the Manager

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