

TradePlus

S&P New China Tracker

Annual Report

31 December 2021

Out **think.** Out **perform.**



AFFIN HWANG
CAPITAL

MANAGER

Affin Hwang Asset Management Berhad
199701014290 (429786-T)

TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)

TRADEPLUS S&P NEW CHINA TRACKER

Annual Report and Audited Financial Statements For the Financial Year Ended 31 December 2021

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GENERAL INFORMATION

MANAGER

Affin Hwang Asset Management Berhad
199701014290 (429786-T)
Registered Office:
27th Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: 03 – 2142 3700
Fax No.: 03 – 2142 3799

Business Office:

Ground Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: 03 – 2116 6000
Fax No.: 03 – 2116 6100
Toll Free No.: 1-800-88-7080
E-mail: customercare@affinhwangam.com
Website: www.affinhwangam.com

MANAGER'S DELEGATE

(fund valuation & accounting function)
TMF Trustees Malaysia Berhad (610812-W)
Registered & Business Address:
10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee,
50250 Kuala Lumpur
Tel. No.: 03 – 2382 4288
Fax No.: 03 – 2026 1451

TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)
Registered & Business Address:
10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee,
50250 Kuala Lumpur
Tel. No.: 03 – 2382 4288
Fax No.: 03 – 2026 1451
E-mail: fundserviceskl@tmf-group.com
Website: www.tmf-group.com

TRUSTEE'S DELEGATE

(Custodian)
Standard Chartered Bank Malaysia Berhad
Registered & Business Address:
Level 16, Menara Standard Chartered
30 Jalan Sultan Ismail
50250 Kuala Lumpur
Tel. No: (603) 2117 7777
Website: www.sc.com/my

COMPANY SECRETARY

Raja Shahrul Nizam Raja Yahya (LS0009904)
27th Floor Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur

REGISTRAR

Affin Hwang Asset Management Berhad
199701014290 (429786-T)
27th Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: 03 – 2142 3700
Fax No.: 03 – 2142 3799

FUND INFORMATION

Fund Name	TradePlus S&P New China Tracker
Fund Type	Index tracking fund
Fund Category	Equity exchange-traded fund
Investment Objective	The Fund aims to provide investment results that closely correspond to the performance of the Benchmark
Benchmark	S&P New China Sectors Ex A-Shares Index
Distribution Policy	Subject to the availability of income, the Fund will distribute income on an annual basis after the end of its first financial year

BREAKDOWN OF UNITHOLDERS BY MYR CLASS (0829EA) SIZE AS AT 31 DECEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held	% of units held
1 - 99	2	31	0.0
100 - 1,000	644	304,569	3.9
1,001 - 10,000	344	1,053,300	13.5
10,001 - 100,000	41	962,400	12.3
100,001 - < 5% *	1	135,300	1.7
>= 5% *	3	5,348,100	68.5
Total	1,035	7,803,700	100.0

5% * - 5% Issued Shares or Paidup Capital of the stock

BREAKDOWN OF UNITHOLDERS BY USD CLASS (0829EB) SIZE AS AT 31 DECEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held	% of units held
1 - 99	0	0	0
100 - 1,000	4	1,300	0.418
1,001 - 10,000	3	14,000	4.497
10,001 - 100,000	1	16,000	5.14
100,001 - < 5% *	2	280,000	89.945
>= 5% *	0	0	0
Total	10	311,300	100

5% * - 5% Issued Shares or Paidup Capital of the stock

FUND PERFORMANCE DATA

Category	As at 31 Dec 2021	As at 31 Dec 2020	As at 31 Dec 2019
Portfolio composition (%)			
Quoted equities – foreign			
- Health Care	8.41	6.49	5.11
- Consumer discretionary	40.72	-	-
- Consumer staples	6.37	-	-
- Consumer Goods	-	15.72	10.50
- Consumer Services	-	34.76	32.93
- Financial services	14.47	14.70	22.20
- Energy	0.59	0.18	-
- Industrials	1.81	1.05	1.10
- Technology	25.74	18.63	20.48
- Telecommunications	0.55	2.57	6.88
- Utilities	0.72	-	0.21
Total quoted equities – foreign (%)	99.38	94.10	99.40
Cash & cash equivalent (%)	0.62	5.90	0.60
Total (%)	100.00	100.00	100.00
Country Allocation (%)			
China	-	-	0.47
Hong Kong	90.74	58.14	66.25
United States	8.64	35.96	32.69
Cash	0.62	5.90	0.60
Total (%)	100.00	100.00	100.00
Total NAV (HKD 'million)	90.280	52.881	26.535
NAV per Unit (in HKD)	11.1251	15.8565	11.5370
Unit in Circulation (million)	8.115	3.335	2.300
Highest NAV per unit	19.4069	15.8565	11.6444
Lowest NAV per unit	10.7117	9.2570	9.8777
Return of the Fund (%) ⁱⁱⁱ	-29.84	40.85	15.37
- Capital Growth (%) ⁱ	-29.84	37.44	15.37
- Income Distribution (%) ⁱⁱ	Nil	2.48	Nil
Gross Distribution per Unit (sen)	Nil	38.00	Nil
Net Distribution per Unit (sen)	Nil	38.00	Nil
Management Expense Ratio (%) ¹	0.73	1.13	1.39
Portfolio Turnover Ratio (times) ²	0.91	0.75	0.84
Tracking Error	1.17	2.42	1.30

Basis of calculation and assumption made in calculating the returns:-

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return	=	NAV per Unit end / NAV per Unit begin – 1
Income return	=	Income distribution per Unit / NAV per Unit ex-date
Total return	=	(1+Capital return) x (1+Income return) – 1

¹The MER of the Fund was lower than the previous year due to higher average net asset value of the Fund for the financial year.

²The PTR of the Fund was higher than the previous year due to more trading activities for the financial year.

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit split were declared for the financial year ended 31 December 2021.

Performance Review

For the period 1 January 2021 to 31 December 2021, the Fund registered a -29.84% return compared to the benchmark return of -30.14%. The Fund thus outperformed the Benchmark by 0.30%. The Net Asset Value ("NAV") of the Fund as at 31 December 2021 was HKD90,280,223.93 (HKD11.1251 per unit) while the NAV as at 31 December 2020 was HKD52,881,389.19 (HKD15.8565 per unit).

Since commencement, the Fund has registered a return of 14.01% compared to the benchmark return of 17.74%, underperforming by 3.73%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/1/21 - 31/12/21)	Since Commencement (24/1/19 - 31/12/21)
Fund	(29.84%)	14.01%
Benchmark	(30.14%)	17.74%
Outperformance	0.30%	(3.73%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/1/21 - 31/12/21)	Since Commencement (24/1/19 - 31/12/21)
Fund	(29.84%)	4.56%
Benchmark	(30.14%)	5.71%
Outperformance	0.30%	(1.15%)

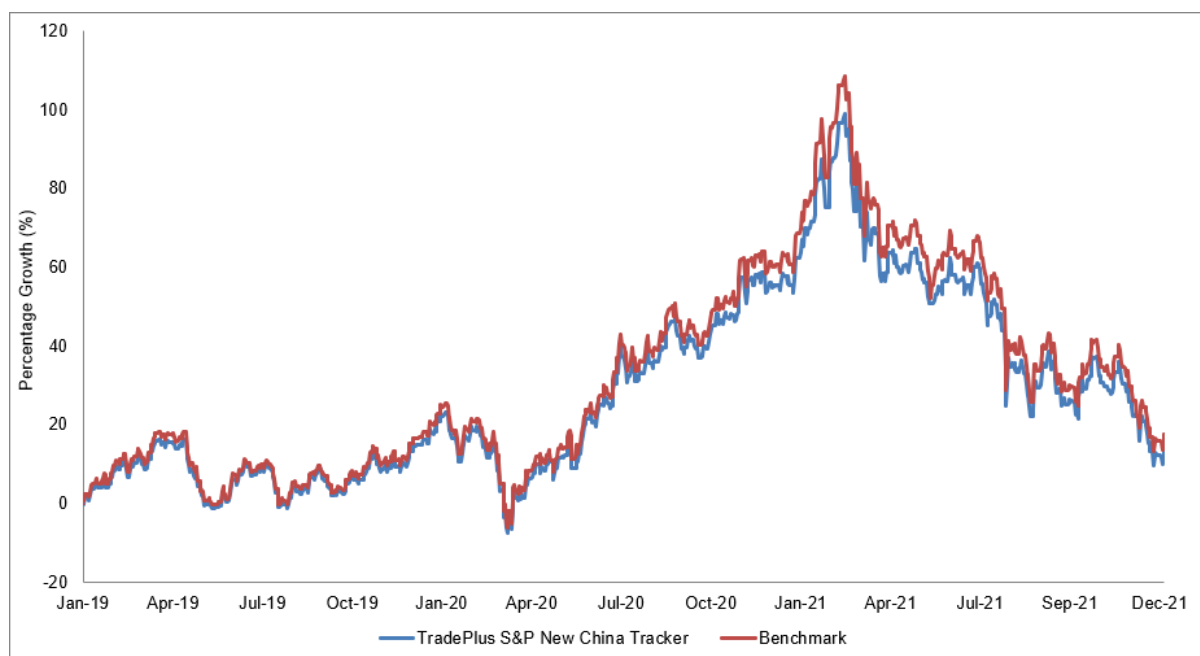
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/1/21 - 31/12/21)	FYE 2020 (1/1/20 - 31/12/20)	FYE 2019 (24/1/19 - 31/12/19)
Fund	(29.84%)	40.85%	15.37%
Benchmark	(30.14%)	43.60%	17.37%
Outperformance	0.30%	(2.75%)	(2.00%)

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark since commencement.



"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."

Benchmark: S&P New China Sectors Ex A-Shares Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

Asset Allocation

As at 31 December 2021, the ETF's asset allocation stood at 99.38% in equities while the remaining was held in cash and cash equivalent.

Strategies Employed

The Manager continues to adopt the full replication strategy. The Manager remained highly invested into the Index securities in the same approximate weightings or proportions as they appear in the Benchmark to provide investment results that closely correspond to the performance of the Benchmark. As at 31 December 2021, the Fund's AUM stood at HKD90.280 million, with 99.38% of the Fund's NAV invested into equities.

Market Review

Global equities started 2021 on a strong note buoyed by policy easing and optimism surrounding global vaccination rollouts. However, the global recovery grew at an uneven pace as developed markets posted stronger gains compared to emerging markets.

Developed markets have managed to administer the vaccine at a quicker pace which led to a corresponding increase in mobility. The S&P 500 index pierced new highs in the year underpinned by a strong earnings rebound as businesses clambered to meet renewed demand.

However, the rally was tested by surging bond yields in the 1Q'2021 as well as the spectre of inflation that would spook investors for the rest of the year. Inflation vaulted strongly from a low-base effect as supply chain disruptions associated with the pandemic led to a sharp increase in input prices.

Markets were soothed initially by dovish comments from the US Federal Reserve which pledged to keep monetary policy accommodative. Fed Chair Jerome Powell held the view that inflation was transitional and that supply-demand imbalances would begin to ease which would cool down inflation.

However with inflation proving stickier than expected, the Fed relented towards the end of year and pivoted towards a hawkish stance. At its policy meeting, the Fed signaled that it would start accelerating its tapering of bond purchases that would pave the way for 3 rate hikes in 2022.

Meanwhile in Asia, the broader MSCI Asia ex-Japan index ended the year down as the region reeled from the Delta variant that led to fresh lockdowns being imposed and a surge in hospitalization rates.

The region was also pulled down by weaker performance in China as authorities cast a wide regulatory dragnet which impacted a range of sectors including technology, education and e-commerce. This was part of a wider 'common prosperity' drive by Beijing to narrow the income gap and increase the political legitimacy of the Communist Party which celebrated its 100th anniversary in 2021.

On the domestic front, the local market mirrored regional losses with the benchmark KLCI closing lower in the year. A litany of concerns sent the stock market on a volatile path with fresh lockdowns, political instability as well as new taxes proposed under Budget 2022.

Political risks abated slightly with the appointment of Datuk Seri Ismail Sabri Yaakob as the 9th Prime Minister after securing the majority support of 114 MPs. The appointment provided some clarity by resolving the political impasse following the resignation of Tan Sri Muhyiddin Yassin who faced a turbulent tenure due to the mishandling of the pandemic as well as a rare royal rebuke.

Markets were also jolted when the government announced a one-off prosperity tax (Cukai Makmur) during the tabling of Budget 2022 for companies that earned super profits. This quelled the initial optimism from economic reopening as earnings forecasts are pared down.

However, the government made U-turns on other tax measures proposed under Budget 2022 including reinstating the exemption of all types of foreign incomes for individuals from tax as well as stamp duty cap. Markets were concerned that these initial measures would dampen sentiment and reduce market vibrancy as well as velocity of trading. However, the local market could now see support on the back of easing policy headwinds as investors also price-in better growth prospects.

Looking ahead, we are maintaining a cautious stance on the back of headwinds arising from persistent inflation and higher interest rates which could pressure risk assets. Potential inflection points for the market to turnaround include declining inflation that could herald a shift in the US Federal Reserve's tightening bias. Any additional stimulus measures from China would also be supportive of risk-assets.

Investment Outlook

2022 is set to be a year of transition for markets as investors contend with normalization of growth rates and monetary policy tightening. We expect to see a lot of crosswinds and periods of transition especially with regards to policy.

While we don't expect a rout for markets like during early-2020 at the height of the pandemic or 2008-GFC, some form of correction is anticipated. In fact, Asian stock markets have already started to consolidate.

Our base-case is that inflationary pressures should recede on the back of easing supply bottlenecks and lower commodity prices. Port congestions are starting to ease and commodity prices have rolled over. Input prices will come down if this trend continues, though there will be some lag effect.

While a total lockdown caused by the Omicron variant is not a base-case for now, there will probably be need to make adjustments as we go along. However, developments of new medical treatments such as oral pills can help in the fight against COVID. This would lay the planks for a more sustainable reopening of the economy once we have a complete medical arsenal that is effective against all known variants. There could also be room for the Fed to adjust policy should Omicron turn out to be more destructive than what the market anticipates.

After a wide regulatory dragnet was casted in 2021 by the Chinese government specifically on targeted sectors including education, technology, and e-commerce, recent policy signals by Beijing suggested that the

worst of tightening cycle is over. We see the focus of policymakers shifting from that of regulatory tightening to now supporting growth as its economy wanes.

Back home, we believe that it will be a stock picker's market for local investors as Bursa languishes behind other regional peers. With foreign shareholding at an all-time low, much of the exuberance have faded especially on the back of a strong US dollar environment which makes emerging markets like Malaysia unattractive. Though, we view that domestic market will not be susceptible to sudden foreign outflows and that the direction of the market will be influenced more by local players that have grown massively in size and are looking for opportunities to deploy.

In terms of sector opportunities, we see banks as positive, benefit from a rising interest rate cycle as well as improvement in asset quality. Valuations of the sector is also attractive with banking stocks trading at a discount to its book value. Though seeing a lot of pressure now due to ESG headwinds especially pertaining to the welfare of foreign workers, technology and exporters are another key segment that could see potential upside underpinned by strong earnings visibility driven by secular growth trends such as 5G, electric vehicles (EV) and solar energy.

Against a volatile backdrop, we are cautiously positioned for 2022. On inflection points, we see retreating inflation and a less hawkish Fed policy as potential turnarounds for the market to improve. Asian markets could also see stronger support on the back of policy easing by China.

State of Affairs of the Fund

There is neither any significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

Soft Commissions received from Brokers

During the financial period under review, the management company had received on behalf of the Fund, soft commissions in the form of research materials, data and quotation services, investment-related publications, market data feed and industry benchmarking agencies which are of demonstrable benefit to Unitholders of the Fund.

Cross Trade

No Cross trade transactions have been carried out during the reported period.

THE MANAGER

Board of Directors

Name	Dato' Teng Chee Wai
Designation	Managing Director
Age	55
Gender	Male
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> • Bachelor of Science, National University of Singapore • Post-Graduate Diploma in Actuarial Studies, City University in London
Working Experience and Occupation	<p>Present:</p> <ul style="list-style-type: none"> • Founder & Managing Director of AHAM <p>Past:</p> <ul style="list-style-type: none"> • Assistant General Manager (Investment), Overseas Assurance Corporation • Investment Manager, NTUC Income, Singapore
Date appointed to the Board	23 December 2004
Details of membership of any Board Committee in AHAM	None
Details of other Directorship in public companies and listed issuers	<ul style="list-style-type: none"> • Director of Affin Hwang Trustee Berhad • Chairman of Bintang Capital Partners Berhad
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Name	Raja Tan Sri Dato' Seri Aman bin Raja Haji Ahmad
Designation	Chairman, Non - Independent Non - Executive Director
Age	76
Gender	Male
Nationality	Malaysian
Qualification	Raja Tan Sri Dato' Seri Aman graduated from Universiti Malaya. He is a Fellow of the Institute of Chartered Accountants in England and Wales, member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants as well as a Fellow of the Institute of Bankers Malaysia.
Working Experience and Occupation	<p>Raja Tan Sri Dato' Seri Aman held various positions in the Maybank Group from 1974 to 1985 prior to joining Affin Bank Berhad as an Executive Director. In 1992, he joined Perbadanan Usahawan Nasional Berhad as its CEO before he was re-appointed as the CEO of Affin Bank Berhad in 1995.</p> <p>Raja Tan Sri Dato' Seri Aman had served as a member of the National Pension Fund's ("KWAP") Investment Panel and he is currently the Chairman of Lembaga Tabung Angkatan Tentera's (LTAT) Investment Committee. He had also served as a member of the Malaysian Government's Working Group Policy of the Special Task Force to Facilitate Business (PEMUDAH) for a period of ten (10) years from 2007 to 2017.</p> <p>He was previously served as Director of Affin Hwang Investment Bank Berhad.</p>
Date appointed to the Board	19 February 2019
Details of membership of any Board Committee in AHAM	None
Details of other Directorship in public companies and listed issuers	<ul style="list-style-type: none"> • Chairman of Ahmad Zaki Resources Berhad • Director of Tomei Consolidated Berhad
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Name	Puan Mona Suraya bt Kamaruddin
Designation	Non-Independent Non-Executive Director
Age	55
Gender	Female
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> • Emile Woolf College - CIMA (stage 3) • University College of Wales Aberystwyth- BSc (Economic) in Accounting (Hons)
Working Experience and Occupation	<p>Present:</p> <ul style="list-style-type: none"> • Chief Executive Officer of Affin Hwang Investment Bank Berhad <p>Past:</p> <ul style="list-style-type: none"> • Managing Director, Head of Equities, Nomura Securities Malaysia Sdn Bhd (“NSM”) • Vice-President, Institutional Sales, JP Morgan Securities Malaysia • Senior Manager, Institutional Sales, Arab-Malaysian Securities Malaysia • Head of Research, MGI Securities Sdn Bhd • Senior Investment Analyst, Crosby Securities, KL • Senior Investment Analyst, Standard Chartered Securities • Investment Analyst, Arab-Malaysian Securities Sdn Bhd
Date appointed to the Board	12 October 2020
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> • Member of Board Audit Committee • Member of Board Compliance and Risk Management Committee
Details of other Directorship in public companies and listed issuers	NIL
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Name	ELEANOR SEET OON HUI (XUE ENHUI ELEANOR)
Designation	Non-Independent Non-Executive Director
Age	46
Gender	Female
Nationality	Singaporean
Qualification	Bachelor of Economics, University of New South Wales, Sydney
Working Experience and Occupation	<p>Present:</p> <ul style="list-style-type: none"> • Representative director • President and Director of Nikko Asset Management Asia Limited • Head of Asia ex-Japan of Nikko Asset Management (Nikko AM) <p>Past:</p> <ul style="list-style-type: none"> • Director, AxJ Intermediaries, BlackRock/ BGI • Director, SE Asia, AllianceBernstein <p>Other Appointments:</p> <ul style="list-style-type: none"> • Serves as Vice-Chairman on the Executive Committee of the Investment Management Association of Singapore (IMAS)
Date appointed to the Board	30 March 2018
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> • Member of Board Audit Committee • Member of Board Compliance and Risk Management Committee
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Name	Major General Dato' Zulkiflee bin Mazlan (R)
Designation	Independent Non-Executive Director
Age	67
Gender	Male
Nationality	Malaysian
Qualification	<ul style="list-style-type: none"> • Graduated from the Royal Military Academy at Sandhurst • Bachelor of Law (Hons) from Institute Technology of Mara • Master Degree in National Security Strategy from National Defense University, Fort McNair, Washington DC
Working Experience and Occupation	<p>Present: Major. Gen Dato' Zulkiflee is the Chairman of Koperasi Angkatan Tentera Malaysia and he also sits on the Board of Great Eastern Takaful Berhad.</p> <p>Past: Major General Dato' Zulkiflee had a distinguished career in the Malaysian Armed Forces. He also held numerous commands and staff appointments at the Ministry of Defence. He had served as Director General of Jabatan Hal Ehwal Veteran. He was the Chief Executive Officer of Yayasan Veteran Angkatan Tentera Malaysia and also served on the Board of Perbadanan Hal Ehwal Bekas Tentera. He was previously served as the Chairman of Affin Hwang Investment Berhad and Affin Hwang Trustee Berhad.</p>
Date appointed to the Board	1 September 2019
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> • Chairman of Board Compliance and Risk Management Committee • Member of Board Audit Committee
Details of other Directorship in public companies and listed issuers	<ul style="list-style-type: none"> • Director of Great Eastern Takaful Berhad
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Name	Faizal Sham Bin Abu Mansor
Designation	Independent Non-Executive Director
Age	51
Gender	Male
Nationality	Malaysian
Qualification	Encik Faizal graduated with a Bachelor of Science in Accounting from Rutgers University, New Jersey, USA. He later went on to obtain his Master in Business Administration from Ohio University, Athens, USA. Faizal also has a Diploma in Aviation Studies from the International Air Transport Association. He is a Fellow of the Chartered Accountants Australia & New Zealand and a former Member of the Malaysian Institute of Accountants.
Working Experience and Occupation	<p>Encik Faizal Sham started his career with the Securities Commission before gaining experience within the financial services industry through his tenure at Bank of Tokyo-Mitsubishi (M) Berhad, and Arab-Malaysian Merchant Bank Berhad which is now known as AmInvestment Bank Berhad.</p> <p>He left Malaysia in 1998 to work in Australia for Polyaire Holdings Pty Ltd, a manufacturer and distributor of air-conditioning components before returning to rejoin AmInvestment Bank Berhad in 2003 where he provided financial advisory services to some of the largest corporates in the country. He then moved on to become the Chief Financial Officer of WWE Holdings Berhad and later established his career at Malaysia Airports Holdings Berhad where he had helped restructure the company, drive its financial performance and raise its profile with the investor community and international business expansion.</p> <p>Prior to his appointment as Director of the Company, Encik Faizal Sham was the Chief Executive Officer of Astro Productions, and Head of Astro Awani within Astro Malaysia Holdings Berhad.</p> <p>Encik Faizal was also served as a Senior Director, Finance & Procurement at MARA Corporation Sdn Bhd, an investment holding company of Majlis Amanah Rakyat (MARA).</p> <p>He is presently an Independent Non Executive Director of Solution Group Berhad</p>
Date appointed to the Board	5 July 2019
Details of membership of any Board Committee in AHAM	<ul style="list-style-type: none"> • Chairman of Board Audit Committee • Member of Board Compliance and Risk Management Committee
Details of other Directorship in public companies and listed issuers	None
Conflict of interests with the Fund	None
List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies other than traffic offences	None
Number of board meetings attended in the financial year	11/11

Director's Training

The Board acknowledges the importance of continuing education for its Directors. During the Financial Year Ended 2021, the Board members had attended various training programmes, workshops, seminars, briefings and/or conferences on various subjects in accordance to the respective Director's own training needs. These trainings include:

TENG CHEE WAI

Organiser	Name of Programme
FMTCS Sdn Bhd	Environment, Social and Governance (ESG): Values- Based Investing.
FMTCS Sdn Bhd	Alternative Investments: A 21 st Century Perspective.
Affin Hwang Asset Management Berhad ("AHAM")	Corporate Liability on Corruption under the MACC Act 2009.
Affin Bank Berhad ("ABB")	AFFIN Semi Annual Board Training – Demystifying Digital Transformation.
ABB / Asian Banking School	Blockchain, Cryptocurrencies and The Rise of Alternative Fundraising Channels.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.

RAJA TAN SRI DATO' SERI AMAN BIN RAJA HAJI AHMAD

Organiser	Name of Programme
Ahmad Zaki Resources Berhad	Covid-19: Micro Outlook 2nd Half 2021.
Affin Hwang Asset Management Berhad ("AHAM")	Corporate Liability on Corruption under the MACC Act 2009.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.

PUAN MONA SURAYA BT KAMARUDDIN

Organiser	Name of Programme
Malaysian Investment Banking Association	Updates on Foreign Exchange (FE) Policies: FE Notices & Its Application.
CNBC Asia Pacific	Media & Communication Skills Coaching.
Affin Bank Berhad ("ABB")	Affin Directors' Training – Recovery and Resolution Planning by Messrs PwC.
Robert Walters	Infinite Mindset in Today's Business.

ABB	AFFIN Semi Annual Board Training – Demystifying Digital Transformation.
The Iclif Leadership & Governance Centre	Implementing Amendments in the Malaysian Code of Corporate Governance.
The Iclif Leadership & Governance Centre	Corporate Governance Regulatory Updates for the Capital Markets.
Affin Hwang Asset Management Berhad (“AHAM”)	Corporate Liability on Corruption under the MACC Act 2009.
ABB / Asian Banking School	Blockchain, Cryptocurrencies and The Rise of Alternative Fundraising Channels.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.

SEET OON HUI ELEANOR (XUE ENHUI ELEANOR)

Organiser	Name of Programme
Nikko AM	NikkoAM FOREWORD™ 2020 Virtual Conference – Rising Above the Noise.
The Institute of Banking & Finance Singapore (“IBF”)	Emerging stronger from COVID-19: Co-Creating Opportunities for Our Workforce.
Money Authority of Singapore (“MAS”)	Industry Engagement Session for Asset Managers.
Bloomberg Women's Buy-Side Network (“BWBN”)	Sustainable Infrastructure: The Next Big Thing?
Bloomberg	Attitudes Towards Sustainable and Responsible Investment in Asia.
Ernst & Young (“EY”)	2020 Global Alternative Fund Symposium – Singapore.
HSBC	Digital Thought Leadership C-Suite Roundtable for Institutional Investors.
The Asset	Digitalization: The Future of Investing.
Stewardship Asia	Stewardship & Sustainability: Moving from Intent to Impact.
IMAS	IMAS Fintech Jam 2020.
Milken Institute	2020 Milken Institute Asia Summit.
MAS	Leading Together - A SkillsFuture LDI Event.
MAS	The 13th Financial Sector Tripartite Committee (FSTC) .

IMAS Bloomberg	IMAS-Bloomberg Investment Conference 2021: “The Future of Capital”.
IMAS Bloomberg	IMAS Digital Summit 2021.
IMAS Bloomberg	IMAS-Bloomberg C-Suite Power Tea with PRI CEO, Fiona Reynolds.
Trans-tasman Business Circle	Act +Invitation Dialogue Session with Nimish Shah: Chief Digital Officer, Bank of Singapore.
NUS Business School	The Stewardship Edge Programme.
Bloomberg	Bloomberg In-conversation: Biden Administration on US-China Relations.
Milken	Milken S&P virtual roundtable - The Art & Science of Workplace Well-Being: What is a Leader’s Role?
MAS IBF	MAS-IBF Growing Timber Webinar Series: A Tech-Enabled Financial Sector – Is Our Workforce Ready?
MAS BIS	MAS-BIS Conference on “Macro-Financial Stability Policy in a Globalised World”.
MAS BIS	MAS-BIS Conference: Panel Small Open Economies & Concluding Remarks.
Affin Bank Berhad (“ABB”)	Affin Semi-Annual Board Training Demystifying Digital Transformation.
Affin Hwang Asset Management Berhad (“AHAM”)	Directors' Training Program: Corporate Liability Under Section 17A of the MACC Act 2009.
IMAS	Sustainable Investment & MAS Guidelines on Environmental Risk Management Module.
ABB / Asian Banking School	Blockchain, Cryptocurrencies and the Rise of Alternative Fundraising Channels.
MAS IBF	MAS-IBF Growing Timber Webinar Series: Powering Our International Financial Centre with a Globalised Singaporean Workforce.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.
Institute of Policy Studies (“IPS”)	IPS Corporate Associates Breakfast Dialogue on "Virtually Unlimited Singapore".
BNP	BNP Paribas Virtual Webinar: An Allocator’s Lens into 2022.
Standard Chartered Bank	‘React, Recover and Respond – A CRO’s Role Today’.
MAS	Financial Stability Review Analyst Briefing.
IHRP	The People Behind People Forum 2021

MAJOR GENERAL DATO' ZULKIFLEE BIN MAZLAN (R)

Organiser	Name of Programme
Affin Hwang Investment Bank Berhad	Talk on Directors and Officers (D&O) and Comprehensive Crime and Professional Indemnity (CCPI) Insurance.
Affin Hwang Asset Management Berhad ("AHAM")	Corporate Liability on Corruption under the MACC Act 2009.
Affin Bank Berhad	AFFIN Semi Annual Board Training – Demystifying Digital Transformation.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.

FAIZAL SHAM BIN ABU MANSOR

Organiser	Name of Programme
Affin Hwang Asset Management Berhad ("AHAM")	Corporate Liability on Corruption under the MACC Act 2009.
Affin Bank Berhad ("ABB")	AFFIN Semi Annual Board Training – Demystifying Digital Transformation.
ABB / Asian Banking School	Blockchain, Cryptocurrencies and The Rise of Alternative Fundraising Channels.
AHAM	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance.

During the Financial Year Ended 2021, there were no public sanction or penalty that was imposed on the management company by the relevant regulatory bodies.

The Custodian (Trustee's Delegate)

The Trustee has appointed Standard Chartered Bank Malaysia Berhad ("SCBMB") as the custodian of the quoted and unquoted investments of the Fund. SCBMB was incorporated in Malaysia under the same name on 29 February 1984 under the Companies Act 1965 as a public limited company and is a subsidiary of Standard Chartered PLC (the holding company of a global banking group). SCBMB was granted a license on 1 July 1994 under the Financial Services Act 2013.

SCBMB is responsible for the Fund's assets settlement and custodising the Fund's asset. The assets are held in the name of the Fund through the custodian's wholly owned subsidiary and nominee company, Cartaban Nominees (Tempatan) Sdn Bhd. All investments are automatically registered into the name of the Fund. The custodian acts only in accordance with the instruction from the Trustee.

TRUSTEE'S REPORT TO THE UNITHOLDERS OF TRADEPLUS S&P NEW CHINA TRACKER

We have acted as Trustee of TradePlus S&P New China Tracker for the financial period ended 31 December 2021. To the best of our knowledge, Affin Hwang Asset Management Berhad, the Manager, has operated and managed the ETF in accordance with the limitations imposed on the investment powers of the management company and the trustee under the Deeds, other provisions of the Deeds, the Capital Markets and Services Act 2007, the Securities Commission's Guidelines on Exchange-Traded Funds, the Capital Markets and Services Act 2007 and other applicable laws during the financial period then ended.

We have also ensured the following:

- (a) the procedures and processes employed by Affin Hwang Asset Management Berhad to value and/or price the units of the Fund are adequate and that such valuation and pricing is carried out in accordance with the Deed of the Fund and other regulatory requirements; and
- (b) the creation and cancellation of units have been carried out in accordance with the Deed and relevant regulatory requirements.

For TMF Trustees Malaysia Berhad
(Company No.: 610812-W)

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
8 February 2022

TRADEPLUS S&P NEW CHINA TRACKER

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

TRADEPLUS S&P NEW CHINA TRACKER

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<u>Note</u>	<u>2021</u> HKD	<u>2020</u> HKD
INVESTMENT (LOSS)/INCOME			
Dividend income		647,650	314,045
Net loss on foreign currency exchange		(9,372)	(7,213)
Net (loss)/gain on financial asset at fair value through profit or loss	9	(34,421,463)	9,825,131
		<u>(33,783,185)</u>	<u>10,131,963</u>
EXPENSES			
Management fee	4	(432,399)	(137,278)
Trustee fee	5	(34,592)	(10,982)
Auditors' remuneration		(42,000)	(42,000)
Tax agent's fee		(7,000)	(7,000)
Transaction and custody fee		(262,796)	(35,678)
Licence fee	6	(92,338)	(78,240)
Other expenses		(52,830)	(42,352)
		<u>(923,955)</u>	<u>(353,530)</u>
(LOSS)/PROFIT BEFORE TAXATION		(34,707,140)	9,778,433
TAXATION	7	-	-
NET (LOSS)/PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR		<u>(34,707,140)</u>	<u>9,778,433</u>
Net (loss)/profit after taxation is made up of the following:			
Realised amount		(8,668,314)	1,081,117
Unrealised amount		(26,038,826)	8,697,316
		<u>(34,707,140)</u>	<u>9,778,433</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>Note</u>	<u>2021</u> HKD	<u>2020</u> HKD
ASSETS			
Cash and cash equivalents		669,281	3,113,201
Financial assets at fair value through profit or loss	9	89,717,838	49,760,773
Dividend receivables		3,552	745
Prepayment of license fee		-	82,190
TOTAL ASSETS		<u>90,390,671</u>	<u>52,956,909</u>
LIABILITIES			
Amount due to Manager - management fee		39,099	18,241
Amount due to Trustee		3,128	1,459
Auditors' remuneration		42,861	43,009
Tax agent's fee		7,924	7,456
License fee		10,176	-
Other payables and accruals		7,259	5,355
TOTAL LIABILITIES		<u>110,447</u>	<u>75,520</u>
NET ASSET VALUE OF THE FUND		<u>90,280,224</u>	<u>52,881,389</u>
EQUITY			
Unitholders' capital		113,095,009	40,989,034
(Accumulated losses)/retained earnings		(22,814,785)	11,892,355
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>90,280,224</u>	<u>52,881,389</u>
NUMBER OF UNITS IN CIRCULATION	10	<u>8,115,000</u>	<u>3,335,000</u>
NET ASSET VALUE PER UNIT (HKD)		<u>11.1251</u>	<u>15.8565</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Unitholders' <u>capital</u> HKD	(Accumulated losses)/ retained <u>earnings</u> HKD	<u>Total</u> HKD
Balance as at 1 January 2021	40,989,034	11,892,355	52,881,389
Total comprehensive loss for the financial year	-	(34,707,140)	(34,707,140)
Movement in unitholders' capital:			
Creation of units arising from applications	72,105,975	-	72,105,975
Balance as at 31 December 2021	<u>113,095,009</u>	<u>(22,814,785)</u>	<u>90,280,224</u>
Balance as at 1 January 2020	23,685,955	2,849,222	26,535,177
Total comprehensive income for the financial year	-	9,778,433	9,778,433
Distribution (Note 8)	-	(735,300)	(735,300)
Movement in unitholders' capital:			
Creation of units arising from applications	25,909,090	-	25,909,090
Cancellation of units	(8,606,011)	-	(8,606,011)
Balance as at 31 December 2020	<u>40,989,034</u>	<u>11,892,355</u>	<u>52,881,389</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<u>2021</u> HKD	<u>2020</u> HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	37,274,492	14,367,035
Purchase of investments	(111,653,020)	(27,927,623)
Dividends received	617,037	297,864
Management fee paid	(411,541)	(130,066)
Trustee fee paid	(32,923)	(10,405)
License fee paid	28	(160,400)
Payment for other fees and expenses	(334,596)	(107,992)
Net realised loss on foreign currency exchange	(13,985)	(762)
	<hr/>	<hr/>
Net cash flows used in operating activities	(74,554,508)	(13,672,349)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	72,105,975	25,909,090
Payments for cancellation of units	-	(8,606,011)
Payments for distribution	-	(735,300)
	<hr/>	<hr/>
Net cash flows generated from financing activities	72,105,975	16,567,779
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
	(2,448,533)	2,895,430
EFFECTS OF FOREIGN CURRENCY EXCHANGE		
	4,613	(6,451)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		
	<hr/>	<hr/>
	3,113,201	224,222
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		
	<hr/> <hr/>	<hr/> <hr/>
	669,281	3,113,201

Cash and cash equivalents as at 31 December 2021 and 31 December 2020 comprise of bank balances.

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards, International Financial Reporting Standards (“MFRS”).

The preparation of financial statements in conformity with MFRS 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 revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note L.

(a) Standards, amendments to published standards and interpretations that are effective:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘Interest Rate Benchmark (IBOR) Reform – Phase 2’ (effective 1 January 2021) provide practical expedient allowing entities to update the effective interest rate (insert as applicable: for instruments measured at amortised cost, lessees and insurers applying the temporary exemption from MFRS 9) to account for any required changes in contractual cash flows that is a direct consequence of IBOR reform. This results in no immediate gain or loss recognised in profit or loss.

The amendments require entities to update the hedge documentation to reflect the changes required by the IBOR replacement. The amendments also provide reliefs that enable and require entities to continue hedge accounting in circumstances when changes in hedged items and hedging instruments are solely due to IBOR reform.

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective:

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Standards and amendments that have been issued but not yet effective: (continued)

- Amendments to MFRS 101 'Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

B INCOME RECOGNITION

Dividend income

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 on the ex-dividend date, when the right to receive the dividend has been established.

Realised gains and losses on sale of investments

For quoted investments, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

C DISTRIBUTION

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

D TRANSACTION COSTS

Transaction costs are costs in relation to any particular transaction or dealing, all stamp duty and other duties, taxes, government charges, brokerage fees, bank charges, transfer fees, registration fees, transaction levies, foreign exchange costs and other duties and charges whether in connection with the Fund Assets or the creation, issue, transfer, cancellation or redemption of Units or the acquisition or disposal of Fund Assets or otherwise which may have become or may be payable in respect of, and whether prior to, upon or after the occasion of, such transaction or dealing. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

E TAXATION

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

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

F FUNCTIONAL 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 Hong Kong Dollar ("HKD"), which is the Fund's functional and presentation currency.

G FOREIGN CURRENCY TRANSLATION

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 re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

- those to be measured 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.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The contractual cash flows of the Fund's debt securities are solely principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

The Fund classifies amount due to Manager, amount due to Trustee, auditors' remuneration, tax agent's fee, license fee and other payables and accruals as financial liabilities measured at amortised cost.

(ii) 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.

Financial liabilities, within the scope of MFRS 9, 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.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of foreign transactions are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit or loss' in the period which they arise.

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 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.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

If a valuation based on the market price does not represent the fair value of the 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 securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

(iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers 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 expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

Qualitative criteria:

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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 bad debt recoveries. There are no write-offs/recoveries during the financial year.

I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

J UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the Participating Dealers' option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

K SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic asset allocation committee of the Manager that makes strategic decisions.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 contents on 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 judgments 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 Securities Commission's ("SC") Guidelines on Exchange-Traded Funds.

Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgment 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 HKD primarily due to the following factors:

- (i) A significant portion of the Fund's investments are in quoted equities whose primary economic environment is in Hong Kong;
- (ii) Significant portion of the Fund's expenses are denominated in HKD;
- (iii) Cash creation and cash redemption of units are transacted in HKD.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Exchange-Traded Funds.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

1 INFORMATION ON THE FUND

The Exchange-Traded Fund was constituted under the name TradePlus S&P New China Tracker (the “Fund”) pursuant to the execution of a Deed dated 26 October 2018 entered into between Affin Hwang Asset Management Berhad (the “Manager”) and TMF Trustees Malaysia Berhad (the “Trustee”).

The Fund commenced operations on 24 January 2019 and will continue its operations until terminated by the Trustee as provided under Section 26.2 of the Deed.

The Fund may invest in the following permitted investments:

- (i) Authorised Securities;
- (ii) Derivatives;
- (iii) Units or shares in collective investment schemes;
- (iv) Money market instruments;
- (v) Deposits; and
- (vi) Any other investments permitted by the SC from time to time

All investments will be subjected to the SC’s Guidelines on Exchange-Traded Funds, the Deed and the objective of the Fund.

The Fund is listed on the main market of Bursa Malaysia and its objective is to provide investment results that closely correspond to the performance of the S&P New China Sectors Ex A-Shares Index Benchmark – a modified float-adjusted market capitalisation weighted index which is designed to measure the performance of China and Hong Kong domiciled companies in consumption and service-oriented industries.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 8 February 2022.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Note	At amortised cost HKD	At fair value through profit or loss HKD	Total HKD
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents		669,281	-	669,281
Dividend receivables		3,552	-	3,552
Quoted equities	9	-	89,717,838	89,717,838
Total		<u>672,833</u>	<u>89,717,838</u>	<u>90,390,671</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		39,099	-	39,099
Amount due to Trustee		3,128	-	3,128
Auditor's remuneration		42,861	-	42,861
Tax agent's fee		7,924	-	7,924
License fee		10,176	-	10,176
Other payables and accruals		7,259	-	7,259
Total		<u>110,447</u>	<u>-</u>	<u>110,447</u>
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents		3,113,201	-	3,113,201
Dividend receivables		745	-	745
Quoted equities	9	-	49,760,773	49,760,773
Total		<u>3,113,946</u>	<u>49,760,773</u>	<u>52,874,719</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments of the Fund are as follows: (continued)

	Note	At amortised cost HKD	At fair value through profit or loss HKD	Total HKD
<u>2020</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		18,241	-	18,241
Amount due to Trustee		1,459	-	1,459
Auditor's remuneration		43,009	-	43,009
Tax agent's fee		7,456	-	7,456
Other payables and accruals		5,355	-	5,355
Total		<u>75,520</u>	<u>-</u>	<u>75,520</u>

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Exchange-Traded Funds.

Market risk

(a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund is structured as an index tracking fund that tracks its benchmark index, the S&P New China Sectors Ex A Share Index, which comprises of a diversified list of equity securities in its constituents. As such, the Manager believes that the Fund is able to minimise its price risk through the diversification that it has in its portfolio of underlying securities that replicates its benchmark index.

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

	<u>2021</u> HKD	<u>2020</u> HKD
Quoted investments		
Quoted equities	<u>89,717,838</u>	<u>49,760,773</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(a) Price risk (continued)

The table below summarises the sensitivity of the Fund's profit or loss, and NAV to movements in prices of its benchmark index. The analysis is based on the assumption that the benchmark index fluctuates by 29.76% (2020: 21.52%), which is the annualised standard deviation as at 31 December 2021. If all other variables are held constant, and that the fair value of the investments move in the same quantum with the fluctuation of the Benchmark Index, this would represent the Management's best estimates of a reasonable possible shift in the quoted securities.

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

<u>% Change in benchmark index</u>	<u>Market value</u> HKD	<u>Impact on</u> (loss)/profit <u>after tax/NAV</u> HKD
<u>2021</u>		
-29.76%	63,017,809	(26,700,029)
0%	89,717,838	-
+29.76%	116,417,867	26,700,029
<u>2020</u>		
-21.52%	39,052,255	(10,708,518)
0%	49,760,773	-
+21.52%	60,469,291	10,708,518

(b) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Hong Kong Dollar, the investments will face currency losses in addition to the capital gain/loss. The Manager will evaluate the likely directions of a foreign currency versus Hong Kong Dollar based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund:

	<u>Quoted equities</u> HKD	<u>Cash and cash equivalents</u> HKD	<u>Total</u> HKD
<u>2021</u>			
<u>Financial assets</u>			
United States Dollar	7,798,275	49,975	7,848,250
	<u> </u>	<u> </u>	<u> </u>
	<u>Quoted equities</u> HKD	<u>Cash and cash equivalents</u> HKD	<u>Total</u> HKD
<u>2020</u>			
<u>Financial assets</u>			
United States Dollar	19,024,856	10,038	19,034,894
	<u> </u>	<u> </u>	<u> </u>

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on United States Dollar's historical volatility with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by based on United States Dollar's historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in rate</u> %	<u>Impact on (loss)/profit after tax/NAV</u> HKD
<u>2021</u>		
United States Dollar	+/- 0.44	+/- 34,532
		<u> </u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market risk (continued)

(b) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on United States Dollar's historical volatility with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by based on United States Dollar's historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative. (continued)

	Change in rate %	Impact on (loss)/profit after tax/NAV HKD
<u>2020</u>		
United States Dollar	+/- 1.21	<u>+/- 230,322</u>

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investments. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Credit risk (continued)

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

	Cash and cash equivalents HKD	Dividend receivables HKD	Total HKD
<u>2021</u>			
Financial Services - AAA	669,281	-	669,281
Consumer Goods - NR	-	3,552	3,552
	<u>669,281</u>	<u>3,552</u>	<u>672,833</u>
<u>2020</u>			
Financial Services - AAA	3,113,201	-	3,113,201
Health Care - NR	-	745	745
	<u>3,113,201</u>	<u>745</u>	<u>3,113,946</u>

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 cash to meet anticipated payments for operating expenses and cancellation of units by unitholders.

The Fund's units can be redeemed either in-kind or in cash. For in-kind redemptions, an in-kind redemption basket comprising the authorised securities of the Fund, determined by the Manager on each dealing day will be delivered to the investor. For cash redemptions, a redemption basket of securities is liquidated and a cash sum equivalent to the redemption price multiplied by the number of units redeemed will be delivered to the investors. The Fund maintains a sufficient amount of cash and liquid securities to meet the ongoing operating expenses and liquidity requirements of the Fund.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	<u>Within</u> <u>one month</u> HKD	<u>Between</u> <u>one month to</u> <u>to one year</u> HKD	<u>Total</u> HKD
<u>2021</u>			
Amount due to Manager			
- management fee	39,099	-	39,099
Amount due to Trustee	3,128	-	3,128
Auditor's remuneration	-	42,861	42,861
Tax agent's fee	-	7,924	7,924
License fee	-	10,176	10,176
Other payables and accruals	-	7,259	7,259
	<u>42,227</u>	<u>68,220</u>	<u>110,447</u>
<u>2020</u>			
Amount due to Manager			
- management fee	18,241	-	18,241
Amount due to Trustee	1,459	-	1,459
Auditor's remuneration	-	43,009	43,009
Tax agent's fee	-	7,456	7,456
Other payables and accruals	-	5,355	5,355
	<u>19,700</u>	<u>55,820</u>	<u>75,520</u>

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital net of accumulated losses. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. 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 for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

An active market is a market in which transactions for the asset 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.

(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 judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment 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.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> HKD	<u>Level 2</u> HKD	<u>Level 3</u> HKD	<u>Total</u> HKD
<u>2021</u>				
Financial asset at fair value through profit or loss:				
- quoted equities	<u>89,717,838</u>	<u>-</u>	<u>-</u>	<u>89,717,838</u>
<u>2020</u>				
Financial asset at fair value through profit or loss:				
- quoted equities	<u>49,760,773</u>	<u>-</u>	<u>-</u>	<u>49,760,773</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.

- (ii) The carrying values of cash and cash equivalents, dividend receivables and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate up to 3.00% per annum of the NAV of the Fund, calculated on a daily basis.

For the financial year ended 31 December 2021, management fee is recognised at a rate of 0.50% (2020: 0.50%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee, at a rate up to 0.10% per annum of the NAV of the Fund, calculated on a daily basis (excluding foreign sub-custodian fees and charges).

For the financial year ended 31 December 2021, the Trustee fee is recognised at a rate of 0.04% (2020: 0.04%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

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

6 LICENCE FEE

License fee is payable to S&P Dow Jones Indices, the Benchmark Index provider.

For the financial year ended 31 December 2021, the license fee is recognised at minimum of USD10,000 (2020: USD10,000) per annum or 0.05% (2020: 0.05%) of the average daily asset under management, whichever is higher.

7 TAXATION

	<u>2021</u> HKD	<u>2020</u> HKD
Current taxation	-	-

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

	<u>2021</u> HKD	<u>2020</u> HKD
Net (loss)/profit before taxation	(34,707,140)	9,778,433
Tax at Malaysian statutory rate of 24% (2020: 24%)	(8,329,714)	2,346,824
Tax effects of:		
Investment loss disallowed from tax/(investment income not subject to tax)	8,107,964	(2,431,672)
Expenses not deductible for tax purposes	210,316	80,497
Restriction on tax deductible expenses for Exchange-Traded Funds	11,434	4,351
Tax expense	-	-

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

8 DISTRIBUTION

	<u>2021</u> HKD	<u>2020</u> HKD
Distribution to unitholders is from the following sources:		
Gross dividend income	-	213,933
Realised gain from sale of investments	-	359,815
Previous year's realised income	-	198,317
	<hr/>	<hr/>
Gross realised income	-	772,065
Less: Expenses	-	(36,765)
	<hr/>	<hr/>
	-	735,300
	<hr/> <hr/>	<hr/> <hr/>
Gross/net distribution per unit (sen)	-	38.00
	<hr/> <hr/>	<hr/> <hr/>
Cum-Distribution – 13 November 2020		
- NAV	-	30,336,758
	<hr/> <hr/>	<hr/> <hr/>
- NAV per unit	-	15.6779
	<hr/> <hr/>	<hr/> <hr/>
Ex-Distribution – 13 November 2020		
- NAV	-	29,601,458
	<hr/> <hr/>	<hr/> <hr/>
- NAV per unit	-	15.2979
	<hr/> <hr/>	<hr/> <hr/>

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

Included in distributions for the financial year is an amount of HKDNil (2020: HKD198,317) made from previous year's realised income.

During the financial year ended 31 December 2021, the Fund incurred unrealised loss of HKD26,038,826 (2020: HKDNil).

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2021</u> HKD	<u>2020</u> HKD
Financial assets at fair value through profit or loss:		
- quoted equities – foreign	89,717,838	49,760,773
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised (loss)/gain on sale of investments	(8,378,024)	1,121,364
- unrealised (loss)/gain on changes in fair value	(26,043,439)	8,703,767
	<u>(34,421,463)</u>	<u>9,825,131</u>

(a) Quoted equities – foreign

(i) Quoted equities – foreign as at 31 December 2021 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> HKD	Fair <u>value</u> HKD	Percentage <u>of NAV</u> %
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Brilliance China Automotive	18,000	127,227	130,140	0.14
Air China Ltd	16,000	105,760	86,880	0.10
BYD Co Ltd	7,400	1,465,711	1,972,840	2.19
Great Wall Motor Co Ltd	29,600	612,646	791,800	0.88
Guangzhou Automobile Gp Co Ltd	23,200	177,603	178,176	0.20
Haier Smart Home Co Ltd	18,800	465,508	617,580	0.68
Galaxy Entertainment Group Ltd	17,600	1,014,926	710,160	0.79
Alibaba Group Holdings Ltd	79,600	14,258,260	9,456,480	10.47
ANTA Sports Products Ltd	10,000	1,180,771	1,168,000	1.29
Chow Tai Fook Jewellery Group	19,400	316,080	271,988	0.30
China MeiDong Auto Holdings Ltd	3,400	130,530	136,680	0.15
Geely Automobile Holdings Ltd	44,300	973,671	941,375	1.04
Kingsoft Corp Ltd	8,200	333,486	280,440	0.31
Li Auto Inc.	5,100	576,330	624,750	0.69
Li Ning Company Ltd	19,700	1,139,355	1,678,440	1.86
NetEase Inc	18,000	2,907,775	2,835,000	3.14
Pop Mart International Grp Ltd	7,000	318,440	312,900	0.35
Sands China Ltd	20,400	660,160	369,648	0.41
Shenzhou Intl Group Holdings	6,600	989,242	986,040	1.09
JD.com Inc	17,650	5,032,745	4,832,570	5.35
Topsports International Holdings	25,000	213,500	197,250	0.22
Trip.com Group Ltd	4,050	712,800	772,335	0.86

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2021 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Consumer Discretionary (continued)</u>				
XPeng Inc.	5,900	937,765	1,099,170	1.22
Zhongsheng Group Holdings Ltd	4,900	273,760	297,920	0.33
	<u>429,800</u>	<u>34,924,051</u>	<u>30,748,562</u>	<u>34.06</u>
<u>Consumer Staples</u>				
Alibaba Health Information Tec	37,300	623,428	245,434	0.27
Tsingtao Brewery Co Ltd	2,800	221,820	203,140	0.23
Sinopharm Group Co Ltd	11,800	280,503	200,128	0.22
Nongfu Spring Co Ltd	14,700	676,430	754,845	0.84
China Resources Beer Holdings	12,000	627,200	765,000	0.85
China Mengniu Dairy Co Ltd	24,500	954,630	1,081,675	1.20
China Feihe Ltd	26,500	467,709	276,660	0.31
Hengan Intl. Grp Co Ltd	5,800	308,669	232,580	0.26
JD Health International Inc	9,300	580,739	571,485	0.63
Smooore International Holdings	16,300	866,703	646,295	0.72
Tingyi (Cayman Islnds) Holdings Co	15,900	225,157	254,400	0.28
WH Group Ltd	69,100	457,438	337,899	0.37
	<u>246,000</u>	<u>6,290,426</u>	<u>5,569,541</u>	<u>6.18</u>
<u>Energy</u>				
China Longyuan Power Group	29,200	323,988	530,856	0.59

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2021 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Financial Services</u>				
China Life Insurance Co. Ltd	64,300	1,044,011	830,756	0.92
Ping An Insurance Grp Co China	49,000	3,954,606	2,751,350	3.05
PICC Property & Casualty Co Ltd	59,700	414,638	380,289	0.42
China Pacific Insurance Group	22,600	630,894	476,860	0.53
New China Life Insurance Co Ltd	6,700	190,341	139,360	0.15
People's Insurance Co Group CN	70,300	185,293	165,205	0.18
AIA Group Ltd	105,900	9,488,226	8,323,740	9.22
	<u>378,500</u>	<u>15,908,009</u>	<u>13,067,560</u>	<u>14.47</u>
<u>Health Care</u>				
Shandong Weigao Group Medical	22,000	281,941	213,840	0.24
Shanghai Fosun Pharmaceutical	4,900	182,800	168,070	0.18
CanSino Biologics Inc.	600	112,140	108,120	0.12
WuXi AppTec Co Ltd	3,400	425,245	458,320	0.51
Pharmaron Beijing Co Ltd	1,100	163,580	132,330	0.15
Hangzhou Tigermed Consulting	1,100	170,840	107,580	0.12
CSPC Pharmaceutical Group Ltd	75,640	638,348	640,671	0.71
Akeso Inc	4,900	271,575	166,600	0.18
BeiGene Ltd	6,600	1,030,920	1,062,600	1.18
Genscript Biotech Corp	10,000	330,350	342,000	0.38
Innovent Biologics Inc	9,000	566,221	434,250	0.48
Microport Scientific Corp	6,600	299,620	185,460	0.20
Sino Biopharmaceutical Ltd	92,100	628,157	502,866	0.55
Wuxi Biologics Cayman Inc	30,000	2,828,575	2,776,500	3.08
	<u>267,940</u>	<u>7,930,312</u>	<u>7,299,207</u>	<u>8.08</u>
<u>Industrials</u>				
Fuyao Glass Industry Co Ltd	5,300	238,833	213,325	0.24
MTR Corp Ltd	13,500	598,489	564,975	0.62
	<u>18,800</u>	<u>837,322</u>	<u>778,300</u>	<u>0.86</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2021 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Technology</u>				
Baidu Inc	20,100	2,750,840	2,906,460	3.22
Bilibili Inc	2,120	812,808	760,232	0.84
Chinasoft International Ltd	23,000	293,041	233,220	0.26
China Literature Ltd	3,500	230,686	171,150	0.19
GDS Holdings Ltd	8,800	602,965	398,640	0.44
Kingdee Intl Software Grp Co	24,700	597,977	591,565	0.66
Kuaishou Technology	13,200	1,686,955	950,400	1.05
Meituan	34,700	8,404,427	7,821,380	8.66
Tencent Holdings Ltd	19,600	10,333,737	8,949,360	9.91
	<u>149,720</u>	<u>25,713,436</u>	<u>22,782,407</u>	<u>25.23</u>
<u>Telecommunications</u>				
ZTE Corporation	6,900	147,044	147,315	0.16
China Tower Corp Ltd	414,100	534,760	351,985	0.39
	<u>421,000</u>	<u>681,804</u>	<u>499,300</u>	<u>0.55</u>
<u>Utilities</u>				
Huaneng Power Intl Inc.	24,000	118,080	125,040	0.14
CGN Power Co Ltd	87,000	190,530	206,190	0.23
China Resources Power Holdings	12,000	305,400	312,600	0.35
	<u>123,000</u>	<u>614,010</u>	<u>643,830</u>	<u>0.72</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2021 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>United States</u>				
<u>Consumer Discretionary</u>				
Huazhu Group Ltd	1,267	463,546	368,830	0.41
NIO Inc	13,474	4,110,267	3,329,747	3.69
New Oriental Education & Tech	13,743	221,992	223,986	0.25
Pinduoduo Inc	4,141	3,155,355	1,881,344	2.08
Vipshop Holdings Ltd	3,226	536,724	211,318	0.23
	<u>35,851</u>	<u>8,487,884</u>	<u>6,015,225</u>	<u>6.66</u>
<u>Consumer Staples</u>				
RLX Technology Inc	5,541	322,748	168,085	0.19
<u>Health Care</u>				
Zai Lab Ltd	601	600,454	294,371	0.33
<u>Industrials</u>				
ZTO Express Cayman Inc	3,891	862,467	856,270	0.95
<u>Technology</u>				
JOYY Inc Depositary Receipt	491	291,409	173,947	0.19
Tencent Music Entertainment Gp	5,436	615,524	290,377	0.32
	<u>5,927</u>	<u>906,933</u>	<u>464,324</u>	<u>0.51</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2021 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> HKD	Fair <u>value</u> HKD	Percentage <u>of NAV</u> %
Total quoted equities – foreign	2,115,771	104,403,844	89,717,838	99.38
Accumulated unrealised loss on quoted equities – foreign		(14,686,006)		
Total quoted equities – foreign		89,717,838		

(ii) Quoted equities – foreign as at 31 December 2020 is as follows:

<u>Name of counters</u>	<u>Quantity</u>	Aggregate <u>cost</u> HKD	Fair <u>value</u> HKD	Percentage <u>of NAV</u> %
<u>Hong Kong</u>				
<u>Consumer Goods</u>				
ANTA Sports Products Ltd	3,900	227,892	479,310	0.91
Brilliance China Auto Holdings Ltd	12,000	87,027	84,600	0.16
BYD Co Ltd	2,000	159,070	406,000	0.77
China Feihe Ltd	12,000	195,065	217,680	0.41
China Mengniu Dairy Co Ltd	10,500	330,580	490,875	0.93
China Resources Beer Holdings	6,000	250,100	428,400	0.81
Dongfeng Motor Group Co. Ltd	8,000	63,520	72,000	0.14
Fuyao Glass Industry Co Ltd	2,000	75,000	85,000	0.16
Geely Automobile Holdings Ltd	21,000	348,439	555,450	1.05
Great Wall Motor Co Ltd	12,500	118,387	331,250	0.63
Guangzhou Automobile Gp Co Ltd	12,000	101,600	102,960	0.19
Haier Smart Home Co Ltd	6,400	88,200	179,840	0.34
Hengan Intl. Grp Co Ltd	3,000	173,814	164,700	0.31
Li Ning Company Ltd	8,000	227,952	426,000	0.81
Minth Group Ltd	2,000	76,100	81,700	0.15
Nongfu Spring Co Ltd	6,000	288,600	329,400	0.62
Shenzhou Intl Group Holdings	2,900	324,128	438,190	0.83
Smooere International Holdings	6,000	326,400	358,800	0.68
Tingyi (Cayman Islnds) Holdings Co	8,000	107,200	105,440	0.20
Vitasoy International Holdings	4,000	146,000	120,600	0.23
Want Want China Holdings Ltd	24,000	141,930	134,400	0.25
WH Group Ltd	36,000	249,346	234,000	0.44

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 December 2020 is as follows: (continued)

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Consumer Goods (continued)</u>				
Yihai International Holding Ltd	2,000	142,700	229,800	0.43
Zhongsheng Group Holdings Ltd	2,000	97,075	110,500	0.21
	<u>212,200</u>	<u>4,346,125</u>	<u>6,166,895</u>	<u>11.66</u>
Air China Ltd	8,000	59,380	48,720	0.09
China Eastern Airlines Corp Ltd	4,000	13,680	13,400	0.03
China Literature Ltd	1,200	68,880	73,020	0.14
China Southern Airlines Co Ltd	6,000	23,820	27,660	0.05
Evergrande Health Industry Group	7,000	196,000	211,400	0.40
Galaxy Entertainment Group Ltd	8,400	463,513	506,100	0.96
Haidilao International Holdings	3,000	89,750	178,200	0.34
Meituan Dianping	16,400	2,607,829	4,831,440	9.14
MTR Corp Ltd	6,000	260,973	260,100	0.49
Sands China Ltd	8,800	313,021	299,640	0.57
	<u>68,800</u>	<u>4,096,846</u>	<u>6,449,680</u>	<u>12.21</u>
<u>Financial Services</u>				
AIA Group Ltd	45,100	3,571,136	4,284,500	8.10
China Life Insurance Co. Ltd	30,200	552,925	516,420	0.98
China Pacific Insurance Group	11,000	308,116	333,850	0.63
China Taiping Insurance Holdings	5,400	76,248	75,384	0.14
Country Garden Services Holdings Co	5,000	151,500	262,000	0.50
New China Life Insurance Co Ltd	3,200	101,414	96,480	0.18
People's Insurance Co Group China	31,000	88,637	75,950	0.14
PICC Property & Casualty Co Ltd	28,000	206,729	163,800	0.31
Ping An Insurance Grp Co China	20,700	1,750,671	1,965,465	3.72
	<u>179,600</u>	<u>6,807,376</u>	<u>7,773,849</u>	<u>14.70</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 December 2020 is as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Health Care</u>				
CSPC Pharmaceutical Group Ltd	36,240	250,317	287,383	0.54
Hangzhou Tigermed Consulting	400	67,200	71,600	0.14
Hansoh Pharmaceutical Group Co	4,000	114,500	148,600	0.28
Innovent Biologics Inc	3,000	106,221	246,150	0.47
Microport Scientific Corp	2,000	83,000	83,900	0.16
Pharmaron Beijing Co Ltd	400	49,280	52,320	0.10
Shandong Weigao Group Medical	8,000	70,720	140,000	0.26
Shanghai Fosun Pharmaceutical	2,000	53,750	74,000	0.14
Sino Biopharmaceutical Ltd	45,250	265,755	339,375	0.64
Sinopharm Group Co Ltd	5,600	153,491	105,504	0.20
WuXi AppTec Co Ltd	1,100	106,270	166,540	0.31
Wuxi Biologics Cayman Inc	10,500	616,175	1,076,250	2.03
	<u>118,490</u>	<u>1,936,679</u>	<u>2,791,622</u>	<u>5.27</u>
<u>Oil & Gas</u>				
China Longyuan Power Group	12,000	81,240	93,240	0.18
<u>Technology</u>				
Alibaba Health Information Technology	13,500	171,579	306,450	0.58
BYD Electronic Intl Co Ltd	2,000	83,600	81,000	0.15
China Tower Corp Ltd	192,000	316,093	218,880	0.41
China Youzan Ltd	48,000	111,360	110,400	0.21
Kingdee Intl Software Grp Co	10,000	199,570	315,500	0.60
Kingsoft Corp Ltd	4,000	144,500	199,800	0.38
Ping An Healthcare & Tech Co Ltd	2,300	208,955	216,085	0.41
Tencent Holdings Ltd	8,150	3,566,297	4,596,600	8.69
ZTE Corporation	3,200	59,670	62,336	0.12
	<u>283,150</u>	<u>4,861,624</u>	<u>6,107,051</u>	<u>11.55</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 December 2020 is as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Telecommunications</u>				
China Mobile Ltd	22,200	1,376,204	981,240	1.86
China Telecom Corp Ltd	58,000	184,214	124,700	0.24
China Unicom Hong Kong Ltd	24,000	172,437	106,800	0.20
HKT Trust & HKT Ltd	14,000	158,643	140,840	0.27
	<u>118,200</u>	<u>1,891,498</u>	<u>1,353,580</u>	<u>2.57</u>
<u>United States</u>				
<u>Consumer Goods</u>				
LI Auto Inc	660	168,128	147,486	0.28
NIO Inc	4,832	1,358,668	1,825,727	3.45
XPeng Inc	531	193,349	176,177	0.33
	<u>6,023</u>	<u>1,720,145</u>	<u>2,149,390</u>	<u>4.06</u>
<u>Consumer Services</u>				
Alibaba Group Holding Ltd	2,311	3,821,353	4,168,484	7.88
Bilibili Inc	524	266,711	348,278	0.66
GSX Techedu Inc	387	165,607	155,167	0.29
Huazhu Group Ltd	600	188,256	209,212	0.40
IQIYI Inc	1,107	182,917	150,038	0.28
JD.com Inc	3,643	1,452,440	2,481,213	4.69
Melco Resorts & Entertainment	781	119,316	112,333	0.21
New Oriental Education & Tech	594	582,691	855,700	1.62
Pinduoduo Inc	1,280	832,107	1,760,662	3.33
TAL Education Group	1,606	637,426	890,481	1.68
Trip.com Group Ltd	1,758	444,351	459,778	0.87
Vipshop Holdings Ltd	1,543	197,915	336,190	0.64
	<u>16,134</u>	<u>8,891,090</u>	<u>11,927,536</u>	<u>22.55</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 31 December 2020 is as follows (continued):

<u>Name of counters</u>	<u>Quantity</u>	<u>Aggregate cost HKD</u>	<u>Fair value HKD</u>	<u>Percentage of NAV %</u>
<u>United States</u> (continued)				
<u>Health Care</u>				
BeiGene Ltd	174	277,808	347,947	0.66
Zai Lab Ltd	282	222,204	295,055	0.56
	<u>456</u>	<u>500,012</u>	<u>643,002</u>	<u>1.22</u>
<u>Industrials</u>				
ZTO Express Cayman Inc	2,468	482,464	557,823	1.05
<u>Technology</u>				
21Vianet Group Inc	362	90,055	97,258	0.18
Autohome Inc	216	144,547	166,778	0.32
Baidu Inc	973	1,130,334	1,630,045	3.08
GDS Holdings Ltd	448	261,877	323,956	0.61
JOYY Inc Depositary Receipt	228	130,592	141,022	0.27
NetEase Inc	1,583	857,657	1,173,782	2.22
Tencent Music Entertainment Group	1,437	173,179	214,264	0.40
	<u>5,247</u>	<u>2,788,241</u>	<u>3,747,105</u>	<u>7.08</u>
Total quoted equities – foreign	<u>1,022,768</u>	<u>38,403,340</u>	<u>49,760,773</u>	<u>94.10</u>
Accumulated unrealised gain on quoted equities – foreign		<u>11,357,433</u>		
Total quoted equities – foreign		<u>49,760,773</u>		

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the year	3,335,000	2,300,000
Creation of units arising from applications	4,780,000	1,800,000
Cancellation of units	-	(765,000)
At the end of the financial year	<u>8,115,000</u>	<u>3,335,000</u>

11 TRANSACTIONS WITH BROKERS

(i) Details of transactions with brokers for the financial year ended 31 December 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> HKD	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> HKD	Percentage of total <u>brokerage</u> %
JP Morgan Securities (Asia Pacific) Ltd	31,833,902	21.38	18,599	21.62
Alliance Bernstein (Singapore) Ltd	29,417,299	19.75	17,407	20.24
Macquarie Capital Securities Ltd	25,707,699	17.26	9,615	11.18
CLSA Ltd	18,040,465	12.11	9,021	10.49
China International Capital Corp HK Securities Ltd	16,583,882	11.14	9,738	11.32
State Street Global Markets	16,017,145	10.75	16,017	18.62
CLSA Singapore Pte Ltd	11,327,121	7.61	5,618	6.53
	<u>148,927,513</u>	<u>100.00</u>	<u>86,015</u>	<u>100.00</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

11 TRANSACTIONS WITH BROKERS (CONTINUED)

(ii) Details of transactions with brokers for the financial year ended 31 December 2020 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> HKD	Percentage of total <u>trade</u> %	<u>Brokerage</u> <u>fees</u> HKD	Percentage of total <u>brokerage</u> %
Alliance Bernstein (Singapore) Ltd	11,818,231	28.14	3,799	28.16
CLSA Ltd	9,586,950	22.82	4,041	29.95
Macquarie Capital Securities Ltd	9,244,670	22.01	762	5.65
JP Morgan Securities PLC	4,512,860	10.74	2,707	20.06
JP Morgan Securities (Asia Pacific) Ltd	4,229,678	10.07	1,271	9.42
Macquarie Bank Ltd Hong Kong Branch	2,614,205	6.22	913	6.76
	<u>42,006,594</u>	<u>100.00</u>	<u>13,493</u>	<u>100.00</u>

12 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationships</u>
Lembaga Tabung Angkatan Tentera (“LTAT”)	Ultimate holding corporate body of the Manager
Affin Bank Berhad (“ABB”)	Penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Holding company of the Manager
Affin Hwang Asset Management Berhad	The Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager as disclosed in its financial statements
Directors of Affin Hwang Asset Management	Directors of the Manager

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

12 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

The units held by the Manager as at the end of the financial year are as follows: (continued)

	No. of units	2021 HKD	No. of units	2020 HKD
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (The units are held beneficially for seeding purpose)	500,000	5,562,550	500,000	7,928,250
	500,000	5,562,550	500,000	7,928,250

13 MANAGEMENT EXPENSE RATIO (“MER”)

	2021 %	2020 %
MER	0.73	1.13

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	Licence fee
F	=	Other expenses, excluding sales and service tax on transaction costs and withholding tax
G	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year ended 31 December 2021 calculated on a daily basis was HKD86,449,980 (2020: HKD27,454,711).

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2021</u>	<u>2020</u>
PTR (times)	<u>0.91</u>	<u>0.75</u>

PTR is derived from 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 = HKD111,653,020 (2020: HKD27,957,349)
total disposal for the financial year = HKD45,652,516 (2020: HKD13,230,320)

15 SEGMENT INFORMATION

The strategic asset allocation committee of the Investment Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by the Manager that are used to make strategic decisions.

The committee is responsible for the Fund’s entire portfolio and considers the business to have a single operating segment. The committee’s asset allocation decisions are based on a single, integrated investment strategy and the Fund’s performance is evaluated on an overall basis.

The reportable operating segments derive their income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of dividends and gains on the appreciation in the value of investments and are derived from quoted equities in Hong Kong and United States.

The Fund has a diversified unitholder population. However, as at 31 December 2021, there was 1 (2020: 3) unitholders who held more than 10% of the Fund’s NAV. The unitholders’ holdings were 54.79% (2020: 34.46%, 15.00%, 13.40%)

There were no changes in the reportable segments during the financial year.

The internal reporting provided to the committee for the Fund’s assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

16 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The worsening macro-economic outlook as a result of Covid-19, both domestically and globally, has resulted in the deterioration of the Fund's Net Asset Value/unit as of the date of this report. This is mainly due to the decrease in the fair value of the Fund's investments at fair value through profit or loss.

The Manager is monitoring the situation closely and will be actively managing the portfolio to achieve the Fund's objective.

TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in the opinion as the Manager, the financial statements set out on pages 1 to 38 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 December 2021 and of its financial performance, changes in equity and cash flows for the financial year ended 31 December 2021 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AFFIN HWANG ASSET MANAGEMENT BERHAD

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
8 February 2022

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TRADEPLUS S&P NEW CHINA TRACKER

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of TradePlus S&P New China Tracker (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 December 2021, and of its financial performance and its cash flows for the financial year ended 31 December 2021 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 38.

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 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 Ethics Standards Board for Accountants’ 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 UNITHOLDERS OF
TRADEPLUS S&P NEW CHINA TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Fund. In particular, we considered where the Manager has made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Fund, the accounting processes and controls, and the industry in which the Fund operates.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Fund for the current year. These matters were addressed in the context of our audit of the financial statements of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Valuation and existence of financial assets at fair value through profit or loss</p> <p>Refer to Note H, Note 3 and Note 9 to the financial statements.</p> <p>The investment portfolio at the year ended comprised quoted equities valued at HKD89,717,838.</p> <p>We focused on the valuation and existence of investments because investments represent the most significant element of the net assets recognised in the financial statements.</p>	<p>We have tested the valuation of the quoted equities as at year-end by independently agreeing the price used in the valuation to the quoted price published by the relevant stock exchanges.</p> <p>We have tested the existence of the investment portfolio by agreeing the investment holding to an independent custodian confirmation.</p>

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TRADEPLUS S&P NEW CHINA TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's report 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 of the Fund is responsible for the preparation of the 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 controls 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 has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF TRADEPLUS S&P NEW CHINA TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 judgment and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
TRADEPLUS S&P NEW CHINA TRACKER (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

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.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

OTHER MATTERS

This report is made solely to the unitholders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
8 February 2022

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