



ANNUAL REPORT
31 December 2022

TradePlus **S&P New China Tracker**

MANAGER
AHAM Asset Management Berhad
*(Formerly known as Affin Hwang Asset
Management Berhad)*
199701014290 (429786-T)

TRUSTEE
TMF Trustees Malaysia Berhad
200301008392 (1281-T)

Built On Trust

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TRADEPLUS S&P NEW CHINA TRACKER

Annual Report and Audited Financial Statements For the Financial Year Ended 31 December 2022

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GENERAL INFORMATION

MANAGER

AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
199701014290 (429786-T)

Registered Office:

3rd 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@aham.com.my
Website: aham.com.my

MANAGER'S DELEGATE

(fund valuation & accounting function)

TMF Trustees Malaysia Berhad
200301008392 [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
200301008392 [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

AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
199701014290 (429786-T)

Registered Office:

3rd Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur

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

FUND PERFORMANCE DATA

Category	As at 31 Dec 2022	As at 31 Dec 2021	As at 31 Dec 2020
Portfolio composition (%)			
Quoted equities – foreign			
- Consumer Goods	-	-	15.72
- Consumer Discretionary	39.65	40.72	-
- Consumer Staples	6.34	6.37	-
- Consumer Services	-	-	34.76
- Energy	0.42	0.59	-
- Financial Services	16.76	14.47	14.70
- Health Care	8.11	8.41	6.49
- Oil & Gas	-	-	0.18
- Industrials	2.67	1.81	1.05
- Technology	24.55	25.74	18.63
- Telecommunications	0.90	0.55	2.57
- Utilities	0.55	0.72	-
Total quoted equities – foreign (%)	99.95	99.38	94.10
Cash & cash equivalent (%)	0.05	0.62	5.90
Total (%)	100.00	100.00	100.00
Country Allocation (%)			
Hong Kong	93.33	90.74	58.14
United States	6.62	8.64	35.96
Cash	0.05	0.62	5.90
Total (%)	100.00	100.00	100.00
Total NAV (HKD 'million)	93.151	90.280	52.881
NAV per Unit (in HKD)	8.9858	11.1251	15.8565
Unit in Circulation (million)	10.367	8.115	3.335
Highest NAV per unit	11.6592	19.4069	15.8565
Lowest NAV per unit	6.3291	10.7117	9.2570
Return of the Fund (%)	-19.23	-29.84	40.85
- Capital Growth (%)	-19.23	-29.84	37.44
- Income Distribution (%)	Nil	Nil	2.48
Gross Distribution per Unit (sen)	Nil	Nil	38.00
Net Distribution per Unit (sen)	Nil	Nil	38.00
Total Expense Ratio (%) ¹	0.70	0.73	1.13
Portfolio Turnover Ratio (times) ²	0.38	0.91	0.75
Tracking Error	1.19	1.17	2.42

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 TER 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 lower than the previous year due to lower trading activities of the Fund for the financial year.

MANAGER'S REPORT

Income Distribution / Unit Split

No distribution or unit split were declared for the financial year ended 31 December 2022.

Performance Review

For the period 1 January 2022 to 31 December 2022 the Fund registered a -19.23% return compared to the benchmark return of -19.65%. The Fund thus outperformed the Benchmark by 0.42%. The Net Asset Value (NAV) of the Fund as at 31 December 2022 was HKD93,151,048.75 (HKD8.9858 per unit) while the NAV as at 31 December 2021 was HKD90,280,223.93 (HKD11.1251 per unit).

Since commencement, the Fund has registered a return of -7.91% compared to the benchmark return of -5.39%, underperforming by 2.52%.

Table 1: Performance of the Fund

	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	Since Commencement (24/1/19 - 31/12/22)
Fund	(19.23%)	(20.18%)	(7.91%)
Benchmark	(19.65%)	(19.39%)	(5.39%)
Outperformance	0.42%	(0.79%)	(2.52%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/1/22 - 31/12/22)	3 Years (1/1/20 - 31/12/22)	Since Commencement (24/1/19 - 31/12/22)
Fund	(19.23%)	(7.23%)	(2.07%)
Benchmark	(19.65%)	(6.93%)	(1.40%)
Outperformance	0.42%	(0.30%)	(0.67%)

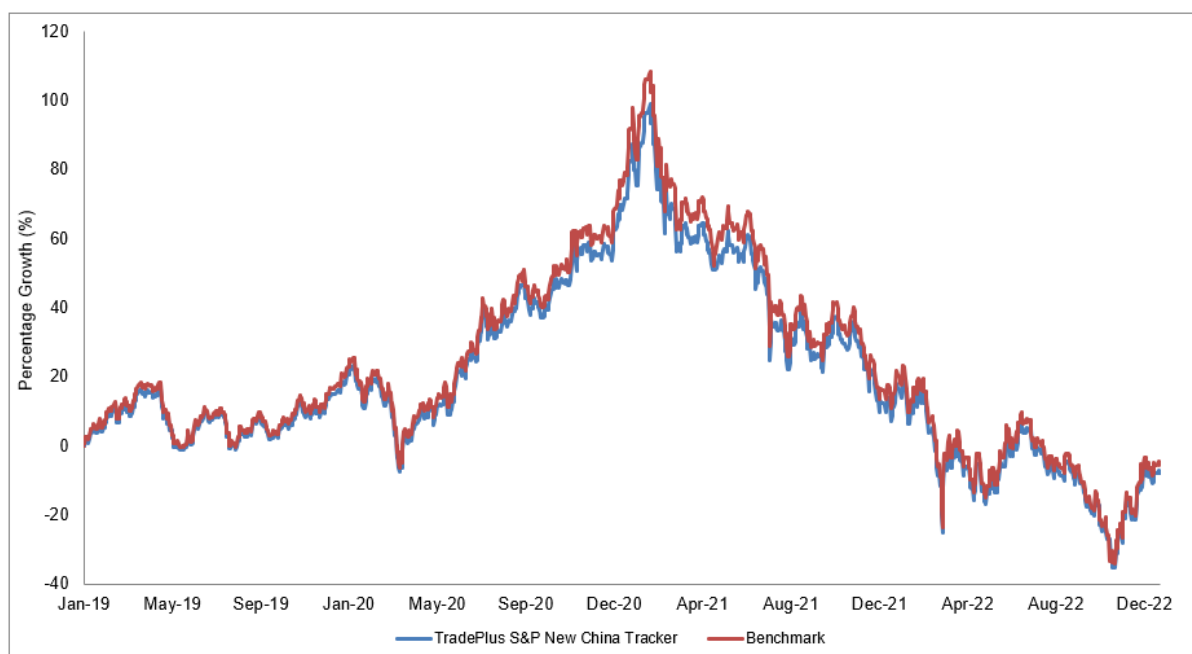
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/1/22 - 31/12/22)	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	(19.23%)	(29.84%)	40.85%	15.37%
Benchmark	(19.65%)	(30.14%)	43.60%	17.37%
Outperformance	0.42%	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 AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) 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 2022, the ETF's asset allocation stood at 99.95% 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 2022, the Fund's Assets under management (AUM) stood at HKD93.151 million, with 99.95% of the Fund's NAV invested into equities.

Market Review

Major asset classes rose over the final quarter of 2022, although growing recession fears saw sentiment wane in December. During the month equity and bond market performance reflected some market disappointment at major central banks reiterating plans to tighten monetary policy, even as inflation showed signs of peaking. Developed market equities fell to 5.0%. European equity markets were down 3.1%, while US equities decreased 5.9% in December. Japanese equities were down 5.2%. Emerging markets decreased 1.4%. In currencies, the Euro appreciated by 3.7% relative to the United States Dollar (USD), while the British Pound Sterling appreciated by 1.0% relative to the USD.

The US Federal Reserve (Fed) slowed the pace of rate hikes by increasing the Fed funds rate by only 50 basis points (bps) in December compared to 75bps in November. However, the Fed published a new set of interest rate projections. Annualised third quarter of 2022 (Q3) gross domestic product (GDP) for the US was

confirmed at 3.2% in December. Total nonfarm payroll employment increased by 223,000 in December, and the unemployment rate edged down to 3.5 percent. The latest Consumer Price Index (CPI) print for November showed inflation slowed to 0.1% month-on-month versus October. Inflation remains elevated however, at 7.1% year on year. The European Central Bank (ECB) raised interest rates by 50 bps in December. Christine Lagarde signalled that future rate increases would be higher than expected and painted a bleak economic picture. The ECB also announced that quantitative tightening will begin in March 2023 to shrink the bond holdings on their balance sheet. Eurozone consumer prices rose by 10.1% in November. Data showed that the eurozone economy grew by 0.3% quarter-on-quarter in Q3. The composite Purchasing Manager's Index for December was 48.8, up from 47.8 in November. Falling gas prices, amid unusually mild weather for much of the period, helped to alleviate some cost pressures. The Bank of England raised interest rates by 50bps in December and signalled further monetary tightening ahead in 2023. The annual inflation rate in the UK eased to 10.7% in November from previous month.

In Asia, the broader Morgan Stanley Capital International (MSCI) Asia ex-Japan closed flat at -0.4% as a weakening US dollar saw foreign investors ploughing back into the region. The MSCI China index soared 5.2% as China shifts away from its strict zero-COVID policy and unwind its restrictions. China's path to reopening is expected to be riddled with volatility as infections surge and hospitalisations rise. However, it is unlikely that China would embark on any policy U-turn in its reopening plans with clear policy directions from the top. As China fully reopens, we expect the country to be a strong source of growth especially for Asia due to strong pent-up demand and resumption of outbound tourism.

On the domestic front, the benchmark FTSE Bursa Malaysia KLCI edged 0.5% higher as the new unity government implemented several new policy measures. These include a decision by the government to reduce energy subsidies for high voltage users. Some of the affected industries include steel, cement and rubber. The move is expected to result in over RM5.0 billion in savings for the government as it rationalises its hefty subsidy bill. Other policy measures include a proposal by the Ministry of Communications and Digital to reduce the prices of services by telco companies. While the move is not yet confirmed, there is a risk that the government may embark on other more overzealous socialistic policies that comes at the expense of growth.

Global bond markets performed negatively compared to the previous month. Government bond yields were broadly higher. US 10-year yields rose from 3.7% to 3.83%, with the two-year increasing from 4.37% to 4.40%. Germany's 10-year yield rose from 1.95% to 2.56%. The UK 10-year yield increased from 3.16% to 3.67% and 2-year rose from 3.28% to 3.71%. Both US and European high yield and investment grade showed negative performance. Emerging market debt performed negatively in local currency terms but positively in USD terms. Commodities had mixed performance. Crude oil fell by 0.6%, while gold appreciated by 3.6%.

Asia credit market posted a positive return in December. The treasury curve shifted upwards over the month with Fed delivering a 50bp hike as expected and Fed Chair Powell left open the possibility of a smaller hike of 25bp in February. Overall, two-year yields were up 12 bps while 10-year yields were up 27bps. High yield bonds outperformed investment grade bonds over the month as the overall spreads narrowed to a larger extent in the former, amid Chinese authorities announced optimization of zero covid policies which lifted market sentiment. From a credit spread perspective, investment grade bonds tightened over the month with sovereign bonds overall tightened as rate sensitive parts of the market fared well. The best performers were Philippine sovereigns and Thailand quasi-sovereigns while Malaysia sovereigns and quasi-sovereigns underperformed. Meanwhile, spreads of IG corporate bonds generally tightened. The Singapore real estate sector was top contributor as a logistic company strongly rebounded. In addition, Taiwanese financials and the China property sector were also the better performers.

On local fixed income, the 10-year Malaysian Government Securities (MGS) yield fell 7 bps to settle at 4.04%. Malaysia's headline inflation print climbed 4% y-o-y in November with food inflation continuing to be the main driver. Demand for Malaysian bonds is expected to pick-up on the back of expectations of a less aggressive pace of Fed tightening that should also lead to the USD strength topping out.

Investment Outlook

Markets are set to remain challenging as the global economy waddles through several turbulent changes. A recession is widely anticipated in US and Europe. Over the past year, the US Federal Reserve (Fed) and the European Central Bank (ECB) have embarked on a series of rapid and synchronised tightening to tamp down on inflation. The effects of tighter monetary conditions will now be felt in 2023 as businesses cope with higher borrowing costs and shrinking liquidity. While the timing of the recession is not certain because monetary policy works with a lag effect, economic indicators have begun to show signs of deteriorating as new orders and manufacturing activity gauges fall. There is also anecdotal news of businesses now having to slash prices aggressively to clear out items which they stocked-up earlier on due to fear of supply shortages. As operating environments become tougher, we could see more downside to earnings in developed markets (DMs) that could put pressure on stock prices.

The 'good' news is that a deluge of economic data showing growth weakening as well as fractures in the labour market will bring the Fed closer to the end of its tightening cycle. Greater slack in the labour market and a fall in consumption which makes up to 70% of US GDP may put downward pressure on inflation, thereby allowing the Fed to ease up on tightening. This may set the scene for a recovery towards the year as the Fed pivots to a pause in tightening. There are already signs of inflation peaking with Consumer Price Index (CPI) gauges showing a broad-based moderation in price pressures that should continue moving forward. Expectations of a slower pace in tightening could lead to a peak in US Dollar strength which would be a boost for equities especially for emerging markets (EMs) which has historically moved inversely against the greenback.

Global recovery will also be supported by China's reopening as authorities shifts away from its strict zero-COVID policy. In an abrupt announcement last December, Beijing announced that it will be unwinding all its COVID restrictions as well as lift its border closures to allow for international travel. Given extensive pent-up demand, a consumption-led recovery will provide an uplift to growth coupled with the resumption of outbound tourism. Given Asia's proximity and extensive trade ties, the region is seen to be the biggest beneficiary as China fully reopens. However, its path of reopening is unlikely to be smooth sailing as infections surge. But, once investors are prepared to look past the volatility and the country reaches its peak of COVID, China is expected to be a strong source of growth and returns for Asia. Global recovery will also be supported by China's reopening as authorities shifts away from its strict zero-COVID policy. In an abrupt announcement last December, Beijing announced that it will be unwinding all its COVID restrictions as well as lift its border closures to allow for international travel.

Against a backdrop of benign inflation and the US dollar strength topping out, Asian equity markets is expected to perform better compared to the US on a relative basis. US earnings projections still appears too optimistic with EPS forecasts for 2023 only cut by 7%, while Asian markets were revised downwards by over 24%. Tailwinds from China's reopening could also provide a lift to the region as earnings cuts find an earlier bottom. However, it will be important to monitor how deep or shallow the global slowdown will be as the impact of higher interest rates begin to bite and chip away at growth. There is also a need for more catalysts in order for Asian markets to deliver stronger upside potential.

In contrast to the expected slowdown in the US economy, Malaysia's economic fundamentals remain strong with the gross domestic product (GDP) expected to be one of the strongest in ASEAN this year. Moreover, corporate earnings is forecasted to rebound sharply, after it was dampened by a one-off prosperity tax last year. From a fund flow perspective, domestic funds are sitting on high cash levels with foreign positioning at near all-time lows. With the return of political stability and a compelling growth story, foreign inflows that could drive markets higher. In every year between 2010 to 2021, whenever there is net foreign buying, our market has been driven positively higher.

Bond investors may also see some relief this year after enduring a painful 2022 which saw rates volatility reaching unprecedented highs. The US 10-Year Treasury Yield moved within a range of up to 260 bps last year compared to historical averages of 150-200 bps. In 2023, volatility in rates is expected to temper down as we see a slower pace of adjustment in rates. In addition, a slower growth outlook is beneficial for rates.

On the credit side, valuations are also turning attractive especially with higher yields which give long-term investors an attractive entry point to rebuild exposure. After massive outflows in the fixed income space, we also expect technical to be more favourable given limited downside risks. A weaker USD environment would also be beneficial for Asian credits as the Fed slows down its pace of rate hikes.

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

Soft commissions received from brokers/dealers may be retained by the management company only if the :-

- (i) goods and services provided are of demonstrable benefit to Unit holders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assist in the decision-making process.

During the financial year under review, the Fund has received soft commissions from brokers/dealers who have also executed trades for other funds managed by AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad). The soft commissions were utilised for goods and services in the form of research materials, data and quotation services, investment-related publications, market data feed, industry benchmarking agencies and investment-related publications to assist the Manager in the investment decision-making process. The soft commission received were for the benefit of the fund and there were no churning of trades.

Cross Trade

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

Securities Financing Transactions

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

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's Prospectus during the financial year under review.

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><u>Current</u></p> <p>Founder & Managing Director of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)</p> <p><u>Past</u></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 Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	None
Details of other Directorship in public companies and listed issuers	Director 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	7/7

Name	General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Designation	Chairman, Independent Non-Executive Director
Age	74
Gender	Male
Nationality	Malaysian
Qualification	General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) holds a Master of Science Degree in Defence and Strategic Studies from the Quaid-I-Azam University, Islamabad, Pakistan and had attended the Senior Executive Programme in Harvard University, United States of America, Command and General Staff College Philippines, Joint Services Staff College Australia and National Defence College Pakistan.
Working Experience and Occupation	<p>General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) ("Tan Sri Zahidi") had a distinguished career in the Malaysian Armed Forces for 38 years 11 months, before retiring from the Force on 30 April 2005. During the period as a professional military officer, he served 6 years 4 months as the Malaysian Chief of Defence Forces from 1 January 1999 and as the Chief of the Malaysian Army for one year from 1 January 1998.</p> <p>Tan Sri Zahidi is presently the Group Chairman of Cahya Mata Sarawak Berhad and the Chairman of Genting Plantations Berhad. He is also a Director of Genting Malaysia Berhad and Only World Group Berhad. He also sits on the Board of several Private Limited Companies in Malaysia.</p> <p>Tan Sri Zahidi was made a Member of Dewan Negara Perak by DYMM Paduka Seri Sultan Perak on 25 November 2006 and is a Director / Trustee for Board of Trustee of Yayasan Sultan Azlan Shah. On 23 April 2013, Tan Sri Zahidi was appointed as Orang Kaya Bendahara Seri Maharaja Perak Darul Ridzuan by DYMM Paduka Seri Sultan Perak and the Dewan Negara Perak Darul Ridzuan.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	None
Details of other Directorship in public companies and listed issuers	<ul style="list-style-type: none"> • Group Chairman of Cahya Mata Sarawak Berhad • Chairman of Genting Plantations Berhad • Genting Malaysia Berhad • Only World Group Holdings 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	2/2

year	
Name	Eleanor Seet Oon Hui (Xue Enhui Eleanor)
Designation	Non-Independent Non-Executive Director
Age	47
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 Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	<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	7/7

Name	Faridah Binti Iskandar
Designation	Independent Non-Executive Director
Age	43
Gender	Female
Nationality	Malaysian
Qualification	Ms Faridah Binti Iskandar (“Ms Iskandar”) has a BA(Hons) and MA in Natural Sciences from University of Cambridge, and an MSc in Forensic Science from University of Strathclyde.
Working Experience and Occupation	<p>Ms. Iskandar spent six years as a scientist before transitioning to analytical postings in the UK government’s Ministry of Justice. During this time, she gained invaluable exposure to processes around policy proposals and reviews, cross-ministerial/ departmental relationship building and stakeholder management. She then entered management consulting with Capgemini Consulting in London (now Capgemini Invent), primarily working on analytics and organisational focused projects, before returning to Malaysia.</p> <p>In Malaysia, Ms. Iskandar joined Boston Consulting Group in Kuala Lumpur. During her time there she led and delivered multiple strategy and implementation engagements for clients in Southeast Asia, across public sector, GLCs, energy and real estate. She managed diverse teams to develop and deliver tangible insights and outcomes, leading client engagements and advising senior management and Board of Directors.</p> <p>In her current role as Head of Southeast Asia for Copperleaf Technologies, a global software company that specialises in decision analytics, Ms Iskandar leads all regional business development and growth activities and oversees cross-functional teams. As a member of the senior leadership team within the rapidly growing Asia Pacific & Japan business of Copperleaf, Ms Iskandar is involved in all business-critical activities from strategy and operating model evolution, recruitment and people development, product enhancement, business growth strategies to brand awareness and marketing.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	<ul style="list-style-type: none"> • Member of Board Audit Committee • Chairman 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	2/2

Name	Alvin Lim Chiaw Beng
Designation	Non-Independent Non-Executive Director
Age	51
Gender	Male
Nationality	Singapore
Qualification	Mr. Alvin Lim graduated with a BSc Economics degree from the London School of Economics specialising in Accounting and Finance and he is also a qualified Chartered Financial Analyst.
Working Experience and Occupation	<p>Mr. Alvin Lim began his career with the Corporate Finance division of Coopers and Lybrand before joining the Asian M&A team at Schroders International Merchant Bankers (“Schroders”) in Singapore. He subsequently moved to London, UK with Schroders and became part of the Citigroup Investment Banking team when it acquired Schroders in 2000.</p> <p>In the UK, Mr. Alvin Lim worked on a variety of European cross border transactions before returning to Singapore in 2004 to join Ascott Singapore for a brief stint as Vice President of Business Development. He then joined the Investment Banking division of HSBC where he headed the Southeast Asian team before he left in 2016. At HSBC, he was also part of the Singapore Executive Committee and looked after the entire Southeast Asian operations ranging from regulatory, risk and strategy functions.</p> <p>In his current role at CVC, Mr. Alvin Lim is responsible for all activities within Singapore and Malaysia. He led the investment into Munchy’s in 2018 and successfully exited with the sale to URC in 2021. He was a member of the Board of Directors at Munchy’s driving value creation at the company.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	<ul style="list-style-type: none"> • Chairman of Board Audit Committee • Member of Board Compliance and Risk Management Committee • Member of Group Board Nomination and Remuneration 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	2/2

Name	Mr. Xuan Wang
Designation	Non-Independent Non-Executive Director
Age	35
Gender	Male
Nationality	Chinese
Qualification	Mr. Xuan Wang holds a Bachelor's Degree in Political Economy from Georgetown University, USA.
Working Experience and Occupation	<p>Mr. Xuan Wang started his career with UBS AG's investment banking department in Hong Kong in 2009, focusing on helping leading banks and insurance companies in the region to raise capital and pursue mergers and acquisition transactions.</p> <p>Mr. Xuan Wang joined CVC Asia Pacific Limited in 2012, based in Hong Kong and Singapore. He focuses on private equity investment across Southeast Asia. He was a director on the board of SPi Global, a leading outsourced digital services company headquartered in the Philippines, from 2015 to 2017 and a director on the board of Ngern Tid Lor, a leading non-bank lender and insurance broker in Thailand, from 2019 to 2020.</p>
Date appointed to the Board	29 July 2022
Details of membership of any Board Committee in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	<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	2/2

Director's Training

The Board acknowledges the importance of continuing education for its Directors. During the Financial Year Ended 2022, 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	Helping Clients Stay the Course: Applying Portfolio Management Concepts and Overcoming Behavioral Biases
FMTCS Sdn Bhd	Investment Products for Decarbonization: Carbon Markets & Electric Vehicles
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Governance, Risks and Controls
Vision Business Solutions Sdn Bhd	AML/CFT & TFS : Compliance A Need To Protect Business

GENERAL DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)

Organiser	Name of Programme
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Governance, Risks and Controls
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	AML Program 2022 : Prevention, Detection & Collaboration in Fronting Compliance
Bursa Malaysia via Genting Malaysia	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers
Cahaya Mata Sarawak Berhad	ESG and Corporate Governance by Rita Benoy Bushon
Genting Malaysia Berhad	Global Minimum Tax by Deloitte Malaysia
Genting Malaysia Berhad	2022 Genting Malaysia Senior Managers' Conference: Customer Centricity For A More Resilient Organisation
Bursa Malaysia	CG Advocacy Programme: Bursa Malaysia Immersive Experience: The Board "Agender"
Genting Malaysia Berhad	39th Management Conference of Genting Plantations Berhad: <ul style="list-style-type: none">• Managing Operational Challenges during Covid-19 Era• Revolutionizing Plantation Operations• Controlled Environment Agriculture• Revolutionizing Farming through the Power of Data and AgTech• Aligning Mindsets Towards Digital Transformation

SEET OON HUI ELEANOR (XUE ENHUI ELEANOR)

Organiser	Name of Programme
PNB	PNB Public Markets Dialogue 2022.
IMAS & Bloomberg	The Evolution of Human Capital.
IMAS & Bloomberg	IMAS-Bloomberg Investment Conference 2022: Stewarding Capital Towards New Horizons: Investing for a Greener Future.
IMAS	IMAS Digital Summit 2022: Digitalisation in Asset Management: How far have we come?
Bloomberg	Bloomberg Women's Buy-Side Network (BWBN)
IBF MAS	Singapore Financial Forum - Opportunities and Challenges Ahead
IBF MAS	Singapore Financial Forum - The Rise of APAC Wealth (Keys to Unlock Growth Opportunities) Sustainable Finance Hub 2030 (A Greener Future for Finance)
AHAM	Governance, Risks & Controls
AHAM	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Milken Asia Summit Singapore	ESG in the Asia-Pacific and Why it Matters
Milken Asia Summit Singapore	How Technology Can Accelerate Sustainable Finance
Milken Asia Summit Singapore	Asset Management - Are We at an Inflection Point?
Milken Asia Summit Singapore	The Long and Short of Patient Capital
Milken Asia Summit Singapore	Rethinking Health Care in the Post-Pandemic Era
Milken Asia Summit Singapore	Market Opportunities in Asia

FARIDAH BINTI ISKANDAR

Organiser	Name of Programme
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Securities Industry Development Corporation (SIDC)	Capital Market Director Programme (CMDP)
SIDC	How to be an Effective NED in a Disruptive World

ALVIN LIM CHIAW BENG

Organiser	Name of Programme
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Securities Industry Development Corporation (SIDC)	Capital Market Director Programme (CMDP)

XUAN WANG

Organiser	Name of Programme
Institute of Corporate Directors Malaysia (ICDM)	Bursa Malaysia Mandatory Accreditation Programme (MAP)
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	AML Program 2022: Prevention, Detection & Collaboration in Fronting Compliance
Securities Industry Development Corporation (SIDC)	Capital Market Director Programme (CMDP)

During the Financial Year Ended 2022, 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 (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 31 December 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

We have also ensured the following:

1. Limitations imposed on the investment powers of the management company under the Deed, securities laws and the Guidelines on Exchange-traded Funds;
2. Valuation and pricing is carried out in accordance with the Deed; and
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

For TMF Trustees Malaysia Berhad
(Company No.: (200301008392 [610812-W])

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
15 February 2023

TRADEPLUS S&P NEW CHINA TRACKER

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

TRADEPLUS S&P NEW CHINA TRACKER

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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TRADEPLUS S&P NEW CHINA TRACKER

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	<u>2022</u> HKD	<u>2021</u> HKD
INVESTMENT LOSS			
Dividend income		1,144,480	647,650
Net loss on foreign currency exchange		(5,324)	(9,372)
Net loss on financial asset at fair value through profit or loss	8	(17,128,102)	(34,421,463)
		<u>(15,988,946)</u>	<u>(33,783,185)</u>
EXPENSES			
Management fee	4	(442,557)	(432,399)
Trustee fee	5	(35,405)	(34,592)
Auditors' remuneration		(42,000)	(42,000)
Tax agent's fee		(7,000)	(7,000)
Transaction and custody fee		(144,745)	(262,796)
Licence fee	6	(68,527)	(92,338)
Other expenses		(79,493)	(52,830)
		<u>(819,727)</u>	<u>(923,955)</u>
NET LOSS BEFORE TAXATION		(16,808,673)	(34,707,140)
Taxation	7	(141,915)	-
NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR		<u>(16,950,588)</u>	<u>(34,707,140)</u>
Net loss after taxation is made up of the following:			
Realised amount		(8,068,171)	(8,668,314)
Unrealised amount		(8,882,417)	(26,038,826)
		<u>(16,950,588)</u>	<u>(34,707,140)</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 2022

	<u>Note</u>	<u>2022</u> HKD	<u>2021</u> HKD
ASSETS			
Cash and cash equivalents		191,060	669,281
Financial assets at fair value through profit or loss	8	93,108,598	89,717,838
Dividend receivables		7,128	3,552
TOTAL ASSETS		<u>93,306,786</u>	<u>90,390,671</u>
LIABILITIES			
Amount due to Manager			
- management fee		39,460	39,099
Amount due to Trustee		3,157	3,128
Auditors' remuneration		43,701	42,861
Tax agent's fee		8,701	7,924
License fee		213	10,176
Other payables and accruals		7,081	7,259
Tax payable		53,424	-
TOTAL LIABILITIES		<u>155,737</u>	<u>110,447</u>
NET ASSET VALUE OF THE FUND		<u>93,151,049</u>	<u>90,280,224</u>
EQUITY			
Unitholders' capital		132,916,422	113,095,009
Accumulated losses		(39,765,373)	(22,814,785)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>93,151,049</u>	<u>90,280,224</u>
NUMBER OF UNITS IN CIRCULATION	9	<u>10,366,500</u>	<u>8,115,000</u>
NET ASSET VALUE PER UNIT (HKD)		<u>8.9858</u>	<u>11.1251</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 2022

	Unitholders' <u>capital</u> HKD	(Accumulated <u>losses</u>)/ <u>retained</u> <u>earnings</u> HKD	<u>Total</u> HKD
Balance as at 1 January 2022	113,095,009	(22,814,785)	90,280,224
Total comprehensive loss for the financial year	-	(16,950,588)	(16,950,588)
Movement in unitholders' capital:			
Creation of units arising from applications	28,539,135	-	28,539,135
Cancellation of units	(8,717,722)	-	(8,717,722)
Balance as at 31 December 2022	<u>132,916,422</u>	<u>(39,765,373)</u>	<u>93,151,049</u>
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>

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 2022

	<u>2022</u> HKD	<u>2021</u> HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	19,385,044	37,274,492
Purchase of investments	(40,009,984)	(111,653,020)
Dividends received	1,096,516	617,037
Management fee paid	(442,196)	(411,541)
Trustee fee paid	(35,376)	(32,923)
License fee paid	(78,490)	28
Payment for other fees and expenses	(121,333)	(334,596)
Net realised gain/(loss) on foreign currency exchange	2,354	(13,985)
Tax paid	(88,491)	-
	<hr/>	<hr/>
Net cash flows used in operating activities	(20,291,956)	(74,554,508)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	28,539,135	72,105,975
Payments for cancellation of units	(8,717,722)	-
	<hr/>	<hr/>
Net cash flows generated from financing activities	19,821,413	72,105,975
	<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(470,543)	(2,448,533)
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(7,678)	4,613
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	669,281	3,113,201
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	191,060	669,281
	<hr/> <hr/>	<hr/> <hr/>

Cash and cash equivalents as at 31 December 2022 and 31 December 2021 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 2022

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 in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

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

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

The adoption of the above 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 101 ‘Classification of liabilities as current or non-current’ (effective 1 January 2024) clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). In addition, the amendments clarify that when a liability could be settled by the transfer of an entity’s own equity instruments (e.g. a conversion option in a convertible bond), conversion option meeting the definition of an equity instrument in MFRS 132 ‘Financial Instruments: Presentation’ does not impact the current or non-current classification of the convertible instrument.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed after the reporting date.

The adoption of the above amendments to standards 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 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 2022 (CONTINUED)

D 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.

E 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.

F 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.

G 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 2022 (CONTINUED)

G 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 de-recognised 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 currency exchange 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 2022 (CONTINUED)

G 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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

G 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.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances which is subject to an insignificant risk of changes in value.

I 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.

J 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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

K 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.

L 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 2022

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 AHAM Asset Management Berhad (formerly known as 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. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on 15 February 2023.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		191,060	-	191,060
Dividend receivables		7,128	-	7,128
Quoted equities	8	-	93,108,598	93,108,598
Total		<u>198,188</u>	<u>93,108,598</u>	<u>93,306,786</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		39,460	-	39,460
Amount due to Trustee		3,157	-	3,157
Auditor's remuneration		43,701	-	43,701
Tax agent's fee		8,701	-	8,701
License fee		213	-	213
Other payables and accruals		7,081	-	7,081
Total		<u>102,313</u>	<u>-</u>	<u>102,313</u>
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents		669,281	-	669,281
Dividend receivables		3,552	-	3,552
Quoted equities	8	-	89,717,838	89,717,838
Total		<u>672,833</u>	<u>89,717,838</u>	<u>90,390,671</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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>2021</u> (continued)				
<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>

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>2022</u> HKD	<u>2021</u> HKD
Quoted investments		
Quoted equities	<u>93,108,598</u>	<u>89,717,838</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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 loss and net asset value ("NAV") to movements in prices of its benchmark index. The analysis is based on the assumption that the benchmark index fluctuates by 47.09% (2021: 29.76%), which is the annualised standard deviation as at 31 December 2022. 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> <u>loss</u> <u>after tax/NAV</u> HKD
<u>2022</u>		
-47.09%	49,263,759	(43,844,839)
0%	93,108,598	-
+47.09%	136,953,437	43,844,839
<u>2021</u>		
-29.76%	63,017,809	(26,700,029)
0%	89,717,838	-
+29.76%	116,417,867	26,700,029

(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 2022 (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>2022</u>			
<u>Financial assets</u>			
United States Dollar	6,169,167	166,934	6,336,101
	<u> </u>	<u> </u>	<u> </u>
		<u>Other liabilities*</u> HKD	<u>Total</u> HKD
<u>2022</u>			
<u>Financial liabilities</u>			
Malaysian Ringgit		52,402	52,402
		<u> </u>	<u> </u>

*Other liabilities consist of auditors' remuneration and tax agent's fee.

	<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>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (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: (continued)

	<u>Other liabilities*</u> HKD	<u>Total</u> HKD
<u>2021</u> (continued)		
<u>Financial liabilities</u>		
Malaysian Ringgit	50,785	50,785

*Other liabilities consist of auditors' remuneration and tax agent's fee.

The table below summarises the sensitivity of the Fund's loss 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 each currency's respective 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 each currency's respective 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 after tax/NAV</u> HKD
<u>2022</u>		
United States Dollar	+/- 0.78	+/- 49,422
Malaysian Ringgit	+/- 4.77	+/- 2,500
<u>2021</u>		
United States Dollar	+/- 0.44	+/- 34,532
Malaysian Ringgit	+/- 3.45	+/- 1,752

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

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.

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

	Cash and cash equivalents HKD	Dividend receivables HKD	Total HKD
<u>2022</u>			
Financial Services - AAA	191,060	-	191,060
Consumer Goods - NR	-	7,128	7,128
	<u>191,060</u>	<u>7,128</u>	<u>198,188</u>
<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>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

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.

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 one month HKD</u>	<u>Between one month to to one year HKD</u>	<u>Total HKD</u>
<u>2022</u>			
Amount due to Manager			
- management fee	39,460	-	39,460
Amount due to Trustee	3,157	-	3,157
Auditor's remuneration	-	43,701	43,701
Tax agent's fee	-	8,701	8,701
License fee	-	213	213
Other payables and accruals	-	7,081	7,081
	<u>42,617</u>	<u>59,696</u>	<u>102,313</u>
<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>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

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.

3 FAIR VALUE ESTIMATION

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

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 financial year 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 and financial liabilities 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.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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.

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>2022</u>				
Financial asset at fair value through profit or loss:				
- quoted equities	<u>93,108,598</u>	<u>-</u>	<u>-</u>	<u>93,108,598</u>
<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>

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.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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 2022, management fee is recognised at a rate of 0.50% (2021: 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.

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 2022, the Trustee fee is recognised at a rate of 0.04% (2021: 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 2022, the license fee is recognised at minimum of USD10,000 (2021: USD10,000) per annum or 0.05% (2021: 0.05%) of the average daily asset under management, whichever is higher.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

7 TAXATION

	<u>2022</u> HKD	<u>2021</u> HKD
Current taxation	141,915	-

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

	<u>2022</u> HKD	<u>2021</u> HKD
Net loss before taxation	(16,808,673)	(34,707,140)
Tax at Malaysian statutory rate of 24% (2021: 24%)	(4,034,082)	(8,329,714)
Tax effects of:		
Investment loss not brought to tax	3,962,800	8,107,964
Expenses not deductible for tax purposes	79,961	210,316
Restriction on tax deductible expenses for Exchange-Traded Funds	116,774	11,434
Foreign income subject to different tax rate	16,462	-
Tax expense	141,915	-

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2022</u> HKD	<u>2021</u> HKD
Financial assets at fair value through profit or loss:		
- quoted equities – foreign	93,108,598	89,717,838
Net loss on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(8,253,363)	(8,378,024)
- unrealised loss on changes in fair value	(8,874,739)	(26,043,439)
	<u>(17,128,102)</u>	<u>(34,421,463)</u>

(a) Quoted equities – foreign

(i) Quoted equities – foreign as at 31 December 2022 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>				
Air China Ltd	22,000	137,848	152,900	0.16
Alibaba Group Holding Ltd	105,500	16,007,098	9,099,375	9.77
ANTA Sports Products Ltd	11,800	1,277,517	1,207,140	1.29
BYD Co Ltd	8,900	1,869,274	1,714,140	1.84
Chow Tai Fook Jewellery Group Ltd	23,000	361,111	366,160	0.39
Galaxy Entertainment Group Ltd	21,600	1,160,704	1,114,560	1.20
Geely Automobile Holdings Ltd	52,500	1,030,459	598,500	0.64
Great Wall Motor Co Ltd	35,100	643,516	356,616	0.38
Guangzhou Automobile Group Co Ltd	33,200	238,342	174,300	0.19
Haidilao International Holding	12,000	242,400	268,800	0.29
Haier Smart Home Co Ltd	27,000	675,677	716,850	0.77
JD.com Inc	26,350	7,111,244	5,797,000	6.22
Kingsoft Corp Ltd	10,600	392,140	276,660	0.30
Li Auto Inc.	11,200	1,031,854	860,160	0.92
Li Ning Company Ltd	27,200	1,607,155	1,842,800	1.98
NetEase Inc	21,800	3,342,790	2,493,920	2.68
New Oriental Education & Technology Group	17,000	484,500	483,650	0.52
NIO Inc	13,000	1,181,050	1,019,200	1.09
Sands China Ltd	24,800	700,877	642,320	0.69
Shenzhen Intl Group Holdings	8,100	1,098,421	708,750	0.76
Trip.com Group Ltd	5,650	1,006,905	1,544,710	1.66
XPeng Inc.	9,200	1,117,899	352,820	0.38

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2022 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 Discretionary (continued)</u>				
Zhongsheng Group Holdings Ltd	6,400	351,760	256,960	0.28
	<u>533,900</u>	<u>43,070,541</u>	<u>32,048,291</u>	<u>34.40</u>
<u>Consumer Staples</u>				
Alibaba Health Information Tec	34,000	251,260	225,760	0.24
China Feihe Ltd	34,500	519,079	229,080	0.25
China Mengniu Dairy Co Ltd	34,500	1,338,680	1,221,300	1.31
China Resources Beer Holdings	18,000	917,300	981,900	1.05
JD Health International Inc	10,450	642,578	745,607	0.80
Nongfu Spring Co Ltd	20,900	938,410	920,645	0.99
Sinopharm Group Co Ltd	14,200	301,116	281,728	0.30
Smooere International Holdings	19,100	865,876	231,110	0.25
Tingyi (Cayman Islnds) Holding Corp	20,900	291,155	287,166	0.31
Tsingtao Brewery Co Ltd	4,800	338,620	370,080	0.40
WH Group Ltd	90,600	540,990	411,324	0.44
	<u>301,950</u>	<u>6,945,064</u>	<u>5,905,700</u>	<u>6.34</u>
<u>Energy</u>				
China Longyuan Power Group Corp Ltd	41,200	486,313	392,224	0.42
<u>Financial Services</u>				
AIA Group Ltd	109,400	9,420,184	9,495,920	10.19
China Life Insurance Co. Ltd	84,300	1,246,152	1,127,934	1.21
China Pacific Insurance Group	26,600	658,385	462,308	0.50
New China Life Insurance Co Ltd	9,500	233,172	181,450	0.19
People's Insurance Co Group CN	90,000	233,100	232,200	0.25

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2022 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 (continued)</u>				
PICC Property & Casualty Co Ltd	81,700	583,798	604,580	0.65
Ping An Insurance Group Co of China Ltd	67,900	4,729,605	3,507,035	3.77
	<u>469,400</u>	<u>17,104,396</u>	<u>15,611,427</u>	<u>16.76</u>
<u>Health Care</u>				
BeiGene Ltd	9,800	1,397,973	1,313,200	1.41
CanSino Biologics Inc.	1,000	71,450	66,750	0.07
CSPC Pharmaceutical Group Ltd	109,640	916,190	899,048	0.97
Genscript Biotech Corp	12,000	371,450	298,200	0.32
Hangzhou Tigermed Consulting Co Ltd	1,200	177,615	108,240	0.12
Innovent Biologics Inc	14,500	719,124	485,750	0.52
Pharmaron Beijing Co Ltd	1,950	177,180	105,592	0.11
Shandong Weigao Group Medical Polymer Co Ltd	28,800	348,119	368,640	0.40
Shanghai Fosun Pharmaceutical Group Co Ltd	5,900	215,050	147,205	0.16
Shanghai Junshi Biosciences Co Ltd	2,400	86,710	116,400	0.12
Sino Biopharmaceutical Ltd	117,100	707,827	535,147	0.57
WuXi AppTec Co Ltd	3,900	475,355	321,165	0.34
Wuxi Biologics Cayman Inc	38,700	3,155,334	2,316,195	2.49
	<u>346,890</u>	<u>8,819,377</u>	<u>7,081,532</u>	<u>7.60</u>
<u>Industrials</u>				
Fuyao Glass Industry Group Co Ltd	6,900	291,033	225,975	0.24
JD Logistics Inc	20,000	306,400	302,000	0.33
MTR Corp Ltd	18,089	773,775	747,076	0.80
ZTO Express (Cayman) Inc	4,000	840,000	845,600	0.91
	<u>48,989</u>	<u>2,211,208</u>	<u>2,120,651</u>	<u>2.28</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2022 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	23,350	3,117,933	2,605,860	2.80
Bilibili Inc	2,120	706,851	395,592	0.42
Kingdee Intl Software Group Co Ltd	28,700	658,474	479,864	0.51
Kuaishou Technology	19,500	2,078,018	1,384,500	1.49
Meituan Inc	45,500	10,140,848	7,944,300	8.53
Tencent Holdings Ltd	28,800	12,917,651	9,619,200	10.33
	<u>147,970</u>	<u>29,619,775</u>	<u>22,429,316</u>	<u>24.08</u>
<u>Telecommunications</u>				
China Tower Corp Ltd	536,000	610,074	444,880	0.48
HKT Trust & HKT Ltd	41,000	425,115	392,370	0.42
	<u>577,000</u>	<u>1,035,189</u>	<u>837,250</u>	<u>0.90</u>
<u>Utilities</u>				
China Resources Power Holdings Co Ltd	22,000	442,255	351,120	0.38
Huaneng Power International Inc.	44,000	189,449	161,920	0.17
	<u>66,000</u>	<u>631,704</u>	<u>513,040</u>	<u>0.55</u>
<u>United States</u>				
<u>Consumer Discretionary</u>				
Huazhu Group Ltd	1,528	507,342	505,434	0.54
Pinduoduo Inc	5,798	3,894,796	3,686,994	3.96
TAL Education Group	5,800	364,001	318,850	0.34
Vipshop Holdings Ltd	3,617	524,204	384,710	0.41
	<u>16,743</u>	<u>5,290,343</u>	<u>4,895,988</u>	<u>5.25</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 31 December 2022 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>				
Legend Biotech Corporation	600	229,805	233,231	0.25
Zai Lab Ltd	1,000	233,848	239,314	0.26
	<u>1,600</u>	<u>463,653</u>	<u>472,545</u>	<u>0.51</u>
<u>Industrials</u>				
Kanzhun Ltd	<u>2,300</u>	<u>340,919</u>	<u>365,333</u>	<u>0.39</u>
<u>Technology</u>				
Tencent Music Entertainment Group	<u>6,742</u>	<u>650,861</u>	<u>435,301</u>	<u>0.47</u>
Total quoted equities – foreign	<u>2,560,684</u>	<u>116,669,343</u>	<u>93,108,598</u>	<u>99.95</u>
Accumulated unrealised loss on quoted equities – foreign		<u>(23,560,745)</u>		
Total quoted equities – foreign		<u>93,108,598</u>		

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

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

<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</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 Ltd	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
Shenzhen 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 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) 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> (continued)				
<u>Consumer Discretionary</u> (continued)				
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
Smoores International Holdings	16,300	866,703	646,295	0.72
Tingyi (Cayman Islnds) Holdings Corp	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 Corp Ltd	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 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) 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 Group Co of China Ltd	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 Polymer Co Ltd	22,000	281,941	213,840	0.24
Shanghai Fosun Pharmaceutical Group Co Ltd	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 Co Ltd	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>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) 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>Industrials</u>				
Fuyao Glass Industry Group 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>
<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 Group Co Ltd	24,700	597,977	591,565	0.66
Kuaishou Technology	13,200	1,686,955	950,400	1.05
Meituan Inc	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 International 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 Co Ltd	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 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) 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 & Technology Group	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 Group	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 2022 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) 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>
Total quoted equities – foreign	<u>2,115,771</u>	104,403,844	<u>89,717,838</u>	<u>99.38</u>
Accumulated unrealised loss on quoted equities – foreign		<u>(14,686,006)</u>		
Total quoted equities – foreign		<u>89,717,838</u>		

9 NUMBER OF UNITS IN CIRCULATION

	<u>2022</u> No. of units	<u>2021</u> No. of units
At the beginning of the year	8,115,000	3,335,000
Creation of units arising from applications	3,190,000	4,780,000
Cancellation of units	<u>(938,500)</u>	<u>-</u>
At the end of the financial year	<u>10,366,500</u>	<u>8,115,000</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

10 TRANSACTIONS WITH BROKERS

(i) Details of transactions with brokers for the financial year ended 31 December 2022 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> %
CLSA Ltd	17,568,121	29.61	29,947	28.23
AllianceBernstein (Singapore) Ltd	15,027,949	25.33	24,620	23.21
Macquarie Capital Securities Ltd	14,636,379	24.67	25,834	24.35
J.P. Morgan Securities (Asia Pacific) Ltd	8,414,927	14.18	16,715	15.76
China International Capital Corp Hong Kong Securities Ltd	3,683,524	6.21	8,962	8.45
	<u>59,330,900</u>	<u>100.00</u>	<u>106,078</u>	<u>100.00</u>

(ii) 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> %
J.P. Morgan Securities (Asia Pacific) Ltd	31,833,902	21.38	18,599	21.62
AllianceBernstein (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 Hong Kong 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 2022 (CONTINUED)

11 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>Relationship</u>
CVC Capital Partners Asia V L.P., CVC Capital Partners Investment Asia L.P. and CVC Capital Partners Asia V Associates L.P. (collectively known as "CVC Asia V")	Ultimate holding companies of the Manager
CVC Capital Partners Asia V Limited	General Partner of the ultimate holding companies
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn. Bhd.	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Directors of the Manager

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

11 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:

	2022		2021	
The Manager:	No. of units	HKD	No. of units	HKD
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held beneficially for seeding purpose)	500,000	4,492,888	500,000	5,562,550
	500,000	4,492,888	500,000	5,562,550

Other than the above, there were no units held by the Directors or parties related to the Manager.

12 TOTAL EXPENSE RATIO ("TER")

	2022	2021
	%	%
TER	0.70	0.73
	0.70	0.73

TER is derived from the following calculation:

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

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 2022 calculated on a daily basis was HKD88,514,362 (2021: HKD86,449,980).

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2022</u>	<u>2021</u>
PTR (times)	0.38	0.91

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 = HKD39,937,191 (2021: HKD111,653,020)
total disposal for the financial year = HKD27,671,692 (2021: HKD45,652,516)

14 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 2022, there was 1 (2021: 1) unitholders who held more than 10% of the Fund’s NAV. The unitholders’ holdings were 55.67% (2021: 54.79%)

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 2022 (CONTINUED)

15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in corporate shareholding of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)

On 28 January 2022, Affin Bank Berhad announced that funds advised by CVC Capital Partners, a leading global private equity and investment advisory firm with approximately US\$125 billion of assets under management, has agreed to acquire approximately 68% of the equity interest in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad).

The Acquisition has been approved by Securities Commissions Malaysia on 1 July 2022, and upon completion of the Acquisition on 29 July 2022, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has ceased to be a subsidiary of Affin Hwang Investment Bank Berhad.

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, **AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)**, do hereby state that in the opinion as the Manager, the financial statements set out on pages 1 to 39 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 2022 and of its financial performance, changes in equity and cash flows for the financial year ended 31 December 2022 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AHAM ASSET MANAGEMENT BERHAD
(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD)

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
15 February 2023

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 2022, and of its financial performance and its cash flows for the financial year then ended 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 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 39.

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’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT
TO THE 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 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 G, Note 3 and Note 8 to the financial statements.</p> <p>The investment portfolio at the year-end comprised quoted equities valued at HKD93,108,598.</p> <p>We focused on the valuation and existence of investments because investments represent the most significant element of the net asset 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 obtaining independent confirmation from the custodian of the investment portfolio held as at 31 December 2022 .</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 to terminate 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 skepticism 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 of the Fund 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, actions taken to eliminate threats or safeguards applied.

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 financial 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.

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

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

LIEW CHI MIN
03529/09/2024J
Chartered Accountants

Kuala Lumpur
15 February 2023

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