



SEMI-ANNUAL REPORT
30 June 2023

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 [610812-W])

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TRADEPLUS S&P NEW CHINA TRACKER

Semi-Annual Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 30 June 2023

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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 (610812-W)

Registered & Business Address:

10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee,
50250 Kuala Lumpur
Tel. No.: 03 – 2382 4288
Fax No.: 03 – 2026 1451

TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)

Registered & Business Address:

10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee,
50250 Kuala Lumpur
Tel. No.: 03 – 2382 4288
Fax No.: 03 – 2026 1451
E-mail: fundserviceskl@tmf-group.com
Website: www.tmf-group.com

TRUSTEE'S DELEGATE

(Custodian)

Registered & Business Address:

Standard Chartered Bank Malaysia Berhad
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)
3rd 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)
3rd Floor, Menara Boustead,
69 Jalan Raja Chulan
50200 Kuala Lumpur
Tel. No.: 03 – 2142 3700
Fax No.: 03 – 2142 3799

FUND INFORMATION

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

FUND PERFORMANCE DATA

Category	As at 30 Jun 2023	As at 30 Jun 2022	As at 30 Jun 2021
Portfolio composition (%)			
Quoted equities – foreign			
- Health Care	6.21	6.41	10.67
- Consumer Discretionary	41.01	38.82	40.22
- Consumer Staples	5.79	6.87	4.78
- Energy	0.4	0.56	0.28
- Financial services	17.59	16.21	0.16
- Industrials	2.5	2.02	10.08
- Insurance	-	-	4.91
- Real Estate	-	-	1.20
- Technology	24.17	24.24	25.87
- Telecommunications	0.9	1.07	0.95
- Utilities	1.08	1.09	-
Total quoted equities – foreign (%)	99.65	97.29	99.12
Cash & cash equivalent (%)	0.35	2.71	0.88
Total (%)	100.00	100.00	100.00
Country Allocation (%)			
Hong Kong	6.86	91.2	80.95
United States	92.79	6.09	18.17
Cash	0.35	2.71	0.88
Total (%)	100.00	100.00	100.00
Total NAV (HKD 'million)	89.877	98.660	96.228
NAV per Unit (in HKD)	8.2453	10.1346	15.6341
Unit in Circulation (million)	10.901	9.735	6.155
Highest NAV per unit	10.4958	11.6592	19.4069
Lowest NAV per unit	7.9377	7.3052	14.7353
Return of the Fund (%)	-8.24	-8.90	-1.40
- Capital Growth (%)	-8.24	-8.90	-1.40
- Income Distribution (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Total Expense Ratio (%) ¹	0.35	0.35	0.35
Portfolio Turnover Ratio (times) ²	0.12	0.21	0.63
Tracking Error	2.52	0.48	0.97

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

¹ The Fund's TER was unchanged during the financial period.

² The Fund's PTR was lower than previous year due to lower trading activities of the Fund during the financial period.

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit split were declared for the financial period ended 30 June 2023.

Fund Performance

Performance Review (1 January 2023 to 30 June 2023)

For the period 1 January 2023 to 30 June 2023 the Fund registered a -8.24% return compared to the benchmark return of -9.25%. The Fund thus outperformed the Benchmark by 1.01%. The Net Asset Value ("NAV") of the Fund as at 30 June 2023 was HKD89,877,482.47 (HKD8.2453 per unit) while the NAV as at 31 December 2022 was HKD93,151,048.75 (HKD8.9858 per unit).

Since commencement, the Fund has registered a return of -15.50% compared to the benchmark return of -14.15%, underperforming by 1.35%.

Table 1: Performance of the Fund

	6 Months (1/1/23 - 30/6/23)	1 Year (1/7/22 - 30/6/23)	3 Years (1/7/20 - 30/6/23)	Since Commencement (24/1/19 - 30/6/23)
Fund	(8.24%)	(18.64%)	(32.23%)	(15.50%)
Benchmark	(9.25%)	(19.43%)	(32.47%)	(14.15%)
Outperformance	1.01%	0.79%	0.24%	(1.35%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/7/22 - 30/6/23)	3 Years (1/7/20 - 30/6/23)	Since Commencement (24/1/19 - 30/6/23)
Fund	(18.64%)	(12.16%)	(3.73%)
Benchmark	(19.43%)	(12.27%)	(3.38%)
Outperformance	0.79%	0.11%	(0.35%)

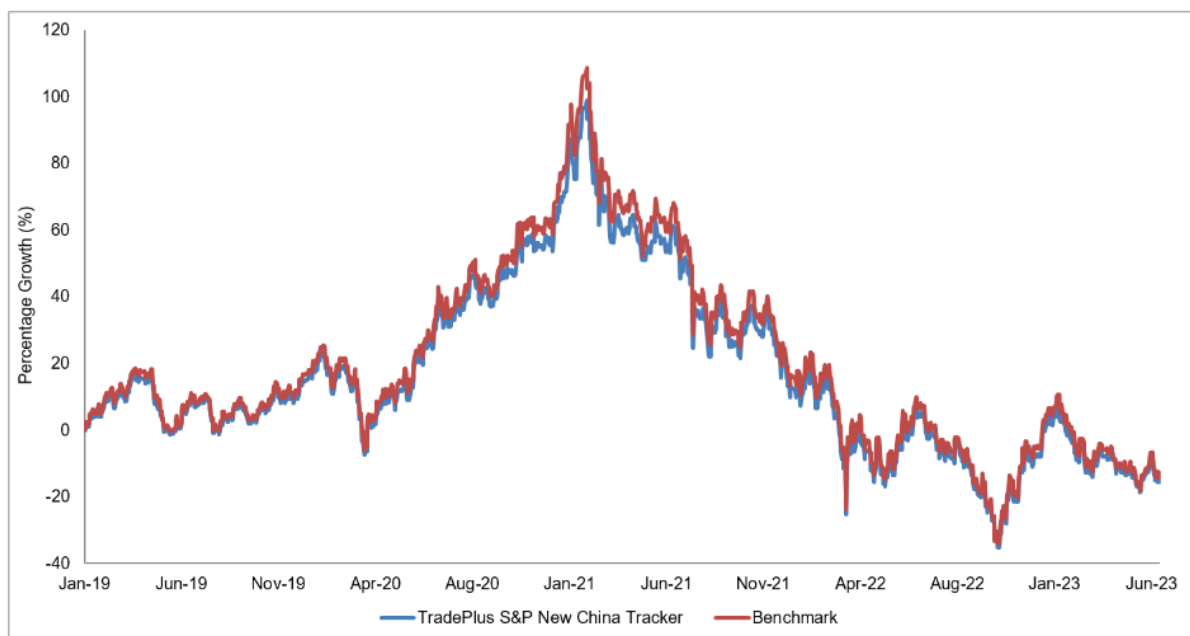
Source of Benchmark: Bloomberg

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 30 June 2023, the ETF's asset allocation stood at 99.65% 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 30 June 2023, the Fund's AUM stood at HKD89.877 million, with 99.65% of the Fund's NAV invested into equities.

Market Review

Market volatility continued over the period as macro events and policy rate increases across the global economy affected stock and bond markets. Over the period under review, the S&P500 returned 15.91% while the MSCI AC World index returned 13.99%. Specific to the Asian region, MSCI AC Asia ex Japan Index was up 1.84% while the FTSE Bursa Malaysia was down 7.94%. The Bloomberg Barclays Global Aggregate Index returned 1.43%, while local bond markets saw edge higher with the benchmark 10-year MGS yield closing at 3.85%.

The confluence of unprecedented events that unfolded globally continue to affect markets. The Russia-Ukraine conflict casted a shadow of geopolitical instability, heightening risk sentiments and increasing volatility and although Covid cases have started to trend downward since a year ago, the market continues to grapple with the ongoing effects of the pandemic. Temporary closure of factories and logistical facilities created disruptions in the flow of goods and services resulted in supply chain bottlenecks and delayed deliveries. Now that supply have started to normalise, and goods and services are readily available,

consumer spending is returning to pre-pandemic levels and in order to regulate consumer spending driven by stimulus over the lock-down period to rein in inflation, central banks globally embarked on a series of policy rates increases.

The US Federal Reserve raised their policy rates in each monetary policy committee meetings since March last year, to of 5.25% in May 2023 and pausing for the first time in 15 months in June. The sharp pace of policy tightening raised concerns in the financial markets of an over-tightening that could lead to a growth slowdown, or even a potential recession. Further signs of tension in the economy were also visible in March this year as the fallout of Silicon Valley Bank and the emergency rescue of Credit Suisse triggered concerns of contagion to other vulnerable banks. However, despite the Fed's effort in policy tightening, economic indicators continue to remain positive. In addition to fractures in the banking sector, other notable events over the year included the concern over the US approaching its debt ceiling in January, failing which to reach a consensus to suspend or raise the limit could result in a catastrophic default. However, investors heaved a sigh of relief after lawmakers passed a bill to raise the debt ceiling, in a deal that included concessions on spending expected to have limited effect on economic growth.

US equities was volatile throughout the period but ended the month of June in positive territory following a bull market as fervour from enthusiasm over new developments in artificial intelligence (AI) and hopes of a Fed paused fuelled market gains. There was, however, a stark difference between recent performance of the sectors. Technology stocks were boosted by enthusiasm over new developments in generative AI as mentioned before while energy and utilities stocks were among the weaker performers. The recent US consumer price index (CPI) came below expectations, with an increase of just 0.1% month on month. Core inflation remained sticky rising 0.4% in June 2023 and 5.3% from a year ago. Following the CPI print, the Fed held interest rates unchanged at its Federal Open Market Committee (FOMC) meeting as mentioned previously. In his press conference, Fed Chair Jerome Powell suggests that there could potentially be 2 more rate hikes this year.

In Asia, the broader MSCI Asia ex-Japan index fell over the period. Despite starting off 2023 strong, Chinese equity trended downwards following the country's reopening after the pandemic started to cool. Factory output in China declined from the lacklustre consumer spending and weak demand for exports following trade tensions and interest rate rises in US and Europe. The effect of China's cooling economy also weakened sentiment towards Hong Kong stocks. India on the other hand showed gains driven by steady earnings and foreign inflows. The development in AI also helped boost Taiwan and South Korea's technology stocks.

Major macro events also had a notable effect on the domestic market. The local market was subdued with the benchmark KLCI closing 4.67% lower in comparison to a year ago as persistent foreign selling put pressure on the index. A weaker Ringgit and political uncertainty also dampened market sentiment as investors opted to stay on the side lines. Due to Malaysia's close trade relation to China, the Ringgit weakened considerably year to date. In a statement, Bank Negara Malaysia (BNM) believes that the depreciation of the Ringgit is not fundamentally driven and that global headwinds are driving investors to seek safe haven assets like the US dollar. Significant developments in the political landscape were present as all 6 outstanding states have recently announced the dissolution of their respective State Assembly paving the way for state polls. The Election Commission (EC) recently announced that polling date would fall on the 12 August. On local fixed income, the 10-year MGS yield closed at 3.85%. Malaysia's inflation eased further with the consumer price index (CPI) slowing to 2.8% from 3.3%. A sustained decline in inflationary pressure may put less pressure on Bank Negara Malaysia (BNM) to raise the Overnight Policy Rate (OPR) as it also weighs movements of the Ringgit.

A year ago, we saw bonds selling off sharply with yields markedly higher amid elevated inflation data and hawkish tones from central banks. However, with markets starting to stabilise by the second half of 2023, government bond yields were on the rise again, although with some bifurcation. Higher-than-expected inflation and persistence to combat inflation resulted in underperformance within UK and Australia. On a separate note, the improving sentiment for global growth effected in weaker performance for lower yielding Japanese Yen while the sterling performed well, backed by higher interest rates.

Investment Outlook

Global equity markets still remain susceptible to shifting sentiment towards geopolitical tensions, inflation, economic growth and ultimately corporate earnings. Valuations have already significantly adjusted to reflect a change in the market environment, and we believe reflect realistic expectations for inflation, rates and risk premia. Consequently, the source of risk has now shifted from valuation to earnings in light of the softer growth and prospects for a recession, which appears increasingly likely.

The Chinese equities as well as credit market took a breather from February onwards after strong rally in the prior months. Market sentiment was dampened by the re-intensifying geopolitical tensions between US-China which arose from the balloon controversies and the plan to expand US troops in Taiwan for military training. On the other hand, macro and economic front continued to deliver encouraging data. Consumption to recover in February, stronger and at a faster pace than expected, albeit with more encouraging signs in the services sector over consumer goods. Signs of the rebound were evident over the Chinese New Year holiday, and domestic tourism recorded the strongest visitor and revenue levels since the pandemic. China's official manufacturing PMI rose to 52.6 in February from 50.1 in January, however has dipped slightly to 51.9 in March. Non-manufacturing PMI on the other hand rose to 58.2 in March, the highest since May 2011. The supportive stance continued into 2023 and was recently validated by the 2 sessions that took place in early March. The general positive tone on economic recovery and consumption stimulus remains, alongside with the announcement of the new cabinet and securing of President Xi's third term.

In contrast to the expected slowdown in the developed market economy, Malaysia's economic fundamentals continues to remain strong. Within the financial period under review, the government unveiled its revised budget, focusing on sustainable economic growth, institutional reforms and reducing social inequality. The benchmark KLCI edged lower as market reaction to Budget 2023 was neutral. The absence of any prosperity tax is a huge relief to the market that should augur well for corporate earnings. Notwithstanding macro noises, Malaysia economy is primarily domestic driven and therefore more insulated against external shocks.

Bond investors may continue to see some relief this year after enduring a painful 2022 which saw rates volatility reaching unprecedented highs. 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 local fixed income, credit rating agencies are likely to maintain the sovereign ratings of Malaysia bonds. Rates volatility will be driven by external development.

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 assists in the decision making process.

During the financial period under review, no soft commission was received by the Management on behalf of the Fund.

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 period under review.

Changes Made To the Fund's Prospectus

There were no changes made to the Fund's prospectus during the financial period under review.

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 UNIT HOLDERS OF TRADEPLUS S&P NEW CHINA TRACKER (“Fund”)

We have acted as Trustee of the Fund for the financial period ended 30 June 2023 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 period covered by these financial statements in accordance with 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 August 2023

TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

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TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

	<u>Note</u>	6 months financial period ended <u>30.6.2023</u> HKD	6 months financial period ended <u>30.6.2022</u> HKD
INVESTMENT LOSS			
Dividend income		756,893	738,728
Net gain on foreign currency exchange		2,613	509
Net loss on financial asset at fair value through profit or loss	8	(8,738,060)	(7,224,231)
		<u>(7,978,554)</u>	<u>(6,484,994)</u>
EXPENSES			
Management fee	4	(240,971)	(224,550)
Trustee fee	5	(19,278)	(17,964)
Auditors' remuneration		(20,055)	(21,535)
Tax agent's fee		(1,902)	(3,589)
Transaction and custody fee		(34,928)	(77,960)
Licence fee	6	(38,680)	(25,366)
Other expenses		(56,685)	(49,838)
		<u>(412,499)</u>	<u>(420,802)</u>
NET LOSS BEFORE TAXATION		(8,391,053)	(6,905,796)
Taxation	7	(123,656)	(28,848)
NET LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD		<u>(8,514,709)</u>	<u>(6,934,644)</u>
Net loss after taxation is made up of the following:			
Realised amount		(2,663,691)	(3,530,391)
Unrealised amount		(5,851,017)	(3,404,253)
		<u>(8,514,709)</u>	<u>(6,934,644)</u>

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

TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	<u>Note</u>	<u>2023</u> HKD	<u>2022</u> HKD
ASSETS			
Cash and cash equivalents		157,363	2,525,475
Dividend receivables		365,027	211,108
Financial asset at fair value through profit or loss	8	89,562,779	95,986,423
Prepayment of license fee		44,311	42,947
TOTAL ASSETS		<u>90,129,480</u>	<u>98,765,953</u>
LIABILITIES			
Amount due to Manager - management fee		38,000	39,404
Amount due to Trustee		3,040	3,152
Auditors' remuneration		24,105	23,237
Tax agent's fee		10,604	11,513
Tax provision		169,168	20,490
Other payables and accruals		7,081	8,285
TOTAL LIABILITIES		<u>251,998</u>	<u>106,081</u>
NET ASSET VALUE OF THE FUND		<u>89,877,482</u>	<u>98,659,872</u>
EQUITY			
Unitholders' capital		138,157,564	128,409,301
Accumulated losses		(48,280,082)	(29,749,429)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>89,877,482</u>	<u>98,659,872</u>
NUMBER OF UNITS IN CIRCULATION	9	<u>10,900,500</u>	<u>9,735,000</u>
NET ASSET VALUE PER UNIT (HKD)		<u>8.2453</u>	<u>10.1346</u>

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

TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

	Unitholders' <u>capital</u> HKD	Accumulated <u>losses</u> HKD	<u>Total</u> HKD
Balance as at 1 January 2023	132,916,422	(39,765,373)	93,151,049
Total comprehensive loss for the financial period	-	(8,514,709)	(8,514,709)
Movement in unitholders' capital:			
Creation of units arising from applications	9,434,650	-	9,434,650
Cancellation of units	(4,193,508)	-	(4,193,508)
Balance as at 30 June 2023	<u>138,157,564</u>	<u>(48,280,082)</u>	<u>89,877,482</u>
Balance as at 1 January 2022	113,095,009	(22,814,785)	90,280,224
Total comprehensive loss for the financial period	-	(6,934,644)	(6,934,644)
Movement in unitholders' capital:			
Creation of units arising from applications	23,002,285	-	23,002,285
Cancellation of units	(7,687,993)	-	(7,687,993)
Balance as at 30 June 2022	<u>128,409,301</u>	<u>(29,749,429)</u>	<u>98,659,872</u>

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

TRADEPLUS S&P NEW CHINA TRACKER

UNAUDITED SEMI-ANNUAL STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

	6 months financial period ended <u>30.6.2023</u> HKD	6 months financial period ended <u>30.6.2022</u> HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	7,898,808	10,281,304
Purchase of investments	(13,097,778)	(23,807,920)
Dividends received	398,994	531,172
Management fee paid	(242,431)	(224,245)
Trustee fee paid	(19,395)	(17,940)
License fee paid	(83,204)	(78,489)
Net realised gain on foreign currency exchange	9,449	34,678
Tax paid	(7,912)	(8,358)
Payment for other fees and expenses	(131,263)	(167,931)
	<hr/>	<hr/>
Net cash flows used in operating activities	(5,274,732)	(13,457,729)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	9,434,650	23,002,285
Payments for cancellation of units	(4,193,508)	(7,687,993)
	<hr/>	<hr/>
Net cash flows generated from financing activities	5,241,142	15,314,292
	<hr/>	<hr/>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(33,590)	1,856,563
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(107)	(369)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	191,060	669,281
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>157,363</u>	<u>2,525,475</u>

Cash and cash equivalents as at 30 June 2023 and 30 June 2022 comprise of bank balances.

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

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

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

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 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 standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

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

- Amendments to MFRS 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.

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 and standards is not expected to have a material effect on the financial statements of the Fund.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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, 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.

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 period.

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 recognized, 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.

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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.

The contractual cash flows of the Fund's debt securities are solely payments of 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 and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, dividend receivables and prepayment of license fee 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 and other payables and accruals as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

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

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

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

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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 period 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.

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 unlikeliness 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 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (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 period.

H CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise 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 ("NAV");
- 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 period if unitholder exercises the right to put the unit back to the Fund.

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

TRADEPLUS S&P NEW CHINA TRACKER

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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.

K CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts 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 Fund.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023

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 August 2023.

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	<u>Note</u>	At amortised <u>cost</u> HKD	At fair value through <u>profit or loss</u> HKD	<u>Total</u> HKD
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		157,363	-	157,363
Dividend receivables		365,027	-	365,027
Quoted equities	8	-	89,562,779	89,562,779
Prepayment of license fee		44,311	-	44,311
		<hr/>	<hr/>	<hr/>
Total		566,701	89,562,779	90,129,480
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

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

	<u>Note</u>	At amortised cost HKD	At fair value through profit or loss HKD	<u>Total HKD</u>
<u>2023 (continued)</u>				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		38,000	-	38,000
Amount due to Trustee		3,040	-	3,040
Auditors' remuneration		24,105	-	24,105
Tax agent's fee		10,604	-	10,604
Other payables and accruals		7,081	-	7,081
Total		<u>82,830</u>	<u>-</u>	<u>82,830</u>
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		2,525,475	-	2,525,475
Dividend receivables		211,108	-	211,108
Quoted equities	8	-	95,986,423	95,986,423
Prepayment of license fee		42,947	-	42,947
Total		<u>2,779,530</u>	<u>95,986,423</u>	<u>98,765,953</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		39,404	-	39,404
Amount due to Trustee		3,152	-	3,152
Auditors' remuneration		23,237	-	23,237
Tax agent's fee		11,513	-	11,513
Other payables and accruals		8,285	-	8,285
Total		<u>85,591</u>	<u>-</u>	<u>85,591</u>

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate 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.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

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>2023</u> HKD	<u>2022</u> HKD
Quoted investments		
Quoted equities	89,562,779	95,986,423
	<u> </u>	<u> </u>

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 19.18% (2022: 36.61%) and decreased by 19.18% (2022: 36.61%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

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 after</u> <u>tax/NAV</u> HKD
<u>2023</u>		
-19.18%	72,384,638	(17,178,141)
0%	89,562,779	-
+19.18%	106,740,920	17,178,141
	<u> </u>	<u> </u>
<u>2022</u>		
-36.61%	60,845,794	(35,140,629)
0%	95,986,423	-
+36.61%	131,127,052	35,140,629
	<u> </u>	<u> </u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

Market risk (continued)

(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.

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>Other assets*</u> HKD	<u>Total</u> HKD
<u>2023</u>				
<u>Financial assets</u>				
Chinese Yuan	-	-	26,923	26,923
United States Dollar	6,161,940	35,812	-	6,197,752
	<u>6,161,940</u>	<u>35,812</u>	<u>26,923</u>	<u>6,224,675</u>
<u>2022</u>				
<u>Financial assets</u>				
Chinese Yuan	-	-	52,832	52,832
United States Dollar	5,993,149	2,350,324	2,253	8,345,726
	<u>5,993,149</u>	<u>2,350,324</u>	<u>55,085</u>	<u>8,398,558</u>

* Other assets consist of dividend receivables.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

Market risk (continued)

(b) Currency risk (continued)

The table below summarises the sensitivity of the Fund's loss after taxation and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2022: 10%), 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 approximately 10% (2022: 10%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in rate</u> %	Impact on loss after <u>tax/NAV</u> HKD
<u>2023</u>		
Chinese Yuan	+/- 10	+/- 2,692
United States Dollar	+/- 10	+/- 619,775
<u>2022</u>		
Chinese Yuan	+/- 10	+/- 5,283
United States Dollar	+/- 10	+/- 834,573

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES 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.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Exchange-traded Funds.

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

	Cash and cash <u>equivalents</u> HKD	Dividend <u>receivables</u> HKD	<u>Total</u> HKD
<u>2023</u>			
Consumer Discretionary			
- NR	-	43,046	43,046
Consumer Staples			
- NR	-	74,064	74,064
Energy			
- NR	-	4,653	4,653
Financial Services			
- AAA	157,363	-	157,363
- NR	-	192,521	192,521
Health Care			
NR	-	9,528	9,528
Industrials			
- NR	-	15,654	15,654
Telecommunications			
- NR	-	17,289	17,289
Utilities			
- NR	-	8,272	8,272
Total	<u>157,363</u>	<u>365,027</u>	<u>522,390</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

Credit risk (continued)

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

	Cash and cash <u>equivalents</u> HKD	Dividend <u>receivables</u> HKD	<u>Total</u> HKD
<u>2022</u>			
Consumer Discretionary			
- NR	-	73,262	73,262
Consumer Staples			
- NR	-	32,863	32,863
Financial Services			
- AAA	2,525,475	17,340	2,542,815
Health Care			
NR	-	37,640	37,640
Industrials			
- NR	-	720	720
Technology			
- NR	-	16,378	16,378
Telecommunications			
- NR	-	32,905	32,905
Total	<u>2,525,475</u>	<u>211,108</u>	<u>2,736,583</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of cash to meet anticipated payments for operating expenses and cancellation of units by unitholders.

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

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

Liquidity risk (continued)

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

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

	Within <u>one month</u> HKD	Between one month to <u>one year</u> HKD	<u>Total</u> HKD
<u>2023</u>			
Amount due to Manager			
- management fee	38,000	-	38,000
Amount due to Trustee	3,040	-	3,040
Auditor's remuneration	-	24,105	24,105
Tax agent's fee	-	10,604	10,604
Other payables and accruals	-	7,081	7,081
	<u>41,040</u>	<u>41,790</u>	<u>82,830</u>
<u>2022</u>			
Amount due to Manager			
- management fee	39,404	-	39,404
Amount due to Trustee	3,152	-	3,152
Auditor's remuneration	-	23,237	23,237
Tax agent's fee	-	11,513	11,513
Other payables and accruals	-	8,285	8,285
	<u>42,556</u>	<u>43,035</u>	<u>85,591</u>

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and accumulated losses. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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 period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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

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

(i) Fair value hierarchy

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

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

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>2023</u>				
Financial asset at fair value through profit or loss				
- quoted equities	89,562,779	-	-	89,562,779

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

2022

Financial asset at fair value

through profit or loss

- quoted equities	95,986,423	-	-	95,986,423
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Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments.

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

4 MANAGEMENT FEE

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

For the 6 months financial period ended 30 June 2023, management fee is recognised at a rate of 0.50% (2022: 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 6 months financial period ended 30 June 2023, the Trustee fee is recognised at a rate of 0.04% (2022: 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 recognized above.

6 LICENSE FEE

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

For the 6 months financial period ended 30 June 2023, the license fee is recognised at minimum of USD10,000 (2022: USD10,000) per annum or 0.05% (2022: 0.05%) of the average daily asset under management, whichever is higher.

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

7 TAXATION

	6 months financial period ended <u>30.6.2023</u> HKD	6 months financial period ended <u>30.6.2022</u> HKD
Current taxation	123,656	28,848

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

	6 months financial period ended <u>30.6.2023</u> HKD	6 months financial period ended <u>30.6.2022</u> HKD
Net loss before taxation	(8,391,053)	(6,934,644)
Tax at Malaysian statutory rate of 24% (2022: 24%)	(2,013,853)	(1,664,314)
Tax effects of:		
Investment loss exempted from tax	1,914,854	1,556,398
Expenses not deductible for tax purposes	36,203	48,705
Restriction on tax deductible expenses for Exchange-Traded Fund	62,796	59,211
Foreign investment income subject to different tax rate	123,656	20,490
Withholding tax	-	8,358
Tax expense	123,656	28,848

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u> HKD	<u>2022</u> HKD
Financial assets at fair value through profit or loss:		
- quoted equities – foreign	89,562,779	95,986,423
Net loss on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(2,887,150)	(3,820,347)
- unrealised loss on changes in fair value	(5,850,910)	(3,403,884)
	(8,738,060)	(7,224,231)

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign

(i) Quoted equities – foreign as at 30 June 2023 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>				
Air China Ltd	26,000	161,168	144,820	0.16
Alibaba Group Holding Ltd	109,200	16,004,437	8,867,040	9.87
ANTA Sports Products Ltd	15,200	1,557,158	1,216,760	1.35
BYD Co Ltd	10,400	2,263,774	2,597,920	2.89
China Tourism Group Duty Free	800	103,200	84,720	0.09
Chow Tai Fook Jewellery Group	28,200	438,906	396,492	0.44
Galaxy Entertainment Group Ltd	24,600	1,320,904	1,222,620	1.36
Geely Automobile Holdings Ltd	60,500	1,088,503	578,380	0.64
Great Wall Motor Co Ltd	27,600	506,013	247,296	0.28
Guangzhou Automobile Gp Co Ltd	35,200	247,623	164,032	0.18
H World Group Limited	16,100	534,520	486,220	0.54
Haier Smart Home Co Ltd	28,200	704,082	693,720	0.77
JD.com Inc	27,800	7,172,080	3,680,720	4.10
Kingsoft Corp Ltd	11,600	425,304	357,280	0.40
Li Auto Inc.	13,200	1,319,040	1,788,600	1.99
Li Ning Company Limited	26,700	1,564,975	1,124,070	1.25
NetEase Inc	21,800	3,342,406	3,324,500	3.70
New Oriental Education & Tech	17,500	503,930	537,250	0.60
NIO Inc	17,840	1,509,114	1,351,380	1.50
Sands China Ltd	28,400	804,723	758,280	0.84
Shenzhou Intl Group Holdings	9,500	1,180,528	710,125	0.79
Trip.com Group Limited	6,400	1,240,552	1,742,080	1.94
XPeng Inc.	13,400	1,257,128	670,000	0.75
	<u>576,140</u>	<u>45,250,068</u>	<u>32,744,305</u>	<u>36.43</u>
<u>Consumer Staples</u>				
China Mengniu Dairy Co Ltd	37,500	1,433,180	1,106,250	1.23
China Resources Beer Holdings	18,000	917,300	927,900	1.03
JD Health International Inc	12,800	759,320	632,320	0.70
Nongfu Spring Co Ltd	22,100	990,970	955,825	1.07
Sinopharm Group Co Ltd	17,000	368,954	415,650	0.46
Tingyi (Cayman Islnds) Hldg Co	22,900	315,555	278,464	0.31
Tsingtao Brewery Co Ltd	6,800	478,620	483,480	0.54

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 30 June 2023 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 Staples (continued)</u>				
WH Group Ltd	97,600	562,764	404,064	0.45
	<u>234,700</u>	<u>5,826,663</u>	<u>5,203,953</u>	<u>5.79</u>
<u>Energy</u>				
China Longyuan Power Group	44,200	507,869	356,694	0.40
<u>Financial Services</u>				
AIA Group Ltd	114,000	9,768,703	9,017,400	10.03
China Life Insurance Co. Ltd	93,300	1,360,963	1,218,498	1.36
China Pacific Insurance Group	28,600	690,577	577,720	0.64
New China Life Insurance Co Lt	10,800	258,069	223,020	0.25
People's Insurance Co Group CN	103,000	274,150	292,520	0.33
PICC Property & Casualty Co Ltd	85,700	625,787	746,447	0.83
Ping An Insurance Grp Co China	74,900	5,018,161	3,730,020	4.15
	<u>510,300</u>	<u>17,996,410</u>	<u>15,805,625</u>	<u>17.59</u>
<u>Health Care</u>				
BeiGene Ltd	11,000	1,526,058	1,181,400	1.31
CSPC Pharmaceutical Group Ltd	109,640	908,532	746,648	0.83
Hangzhou Tigermed Consulting	1,800	206,895	80,280	0.09
Innovent Biologics Inc	15,000	735,924	444,000	0.49
Pharmaron Beijing Co Ltd	2,550	192,810	61,583	0.07
Shandong Weigao Group Medical	30,800	366,830	315,392	0.35
Sino Biopharmaceutical Ltd	125,100	725,834	425,340	0.47
WuXi AppTec Co Ltd	5,300	564,341	330,985	0.37
Wuxi Biologics Cayman Inc	43,700	3,263,517	1,638,750	1.82
	<u>344,890</u>	<u>8,490,741</u>	<u>5,224,378</u>	<u>5.80</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 30 June 2023 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>				
JD Logistics Inc	24,700	364,610	301,834	0.34
MTR Corp Ltd	19,089	807,587	687,204	0.76
	<u>43,789</u>	<u>1,172,197</u>	<u>989,038</u>	<u>1.10</u>
<u>Technology</u>				
Baidu Inc	26,550	3,585,118	3,525,840	3.92
Bilibili Inc	3,240	854,803	378,108	0.42
Kingdee Intl Software Grp Co	32,700	702,874	342,042	0.38
Kuaishou Technology	23,000	2,226,378	1,230,500	1.37
Meituan	55,180	11,502,888	6,742,996	7.50
Tencent Holdings Ltd	27,400	11,650,221	9,085,840	10.11
	<u>168,070</u>	<u>30,522,282</u>	<u>21,305,326</u>	<u>23.70</u>
<u>Telecommunications</u>				
China Tower Corp Ltd	584,000	645,084	508,080	0.57
ZTE Corporation	9,400	290,930	295,160	0.33
	<u>593,400</u>	<u>936,014</u>	<u>803,240</u>	<u>0.90</u>
<u>Utilities</u>				
CGN Power Co Ltd	140,000	264,600	264,600	0.30
China Resources Power Holdings	22,000	442,255	388,520	0.43
Huadian Power Intl Corp Ltd	22,000	84,040	89,760	0.10
Huaneng Power Intl Inc.	46,000	198,769	225,400	0.25
	<u>230,000</u>	<u>989,664</u>	<u>968,280</u>	<u>1.08</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(i) Quoted equities – foreign as at 30 June 2023 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>				
PDD Holdings Inc	6,267	4,080,669	3,394,575	3.77
TAL Education Group	5,536	347,433	258,562	0.29
Vipshop Holdings Ltd	3,610	522,293	466,781	0.52
	<u>15,413</u>	<u>4,950,395</u>	<u>4,119,918</u>	<u>4.58</u>
<u>Health Care</u>				
Legend Biotech Corporation	675	270,392	365,144	0.41
<u>Industrials</u>				
Kanzhun Limited	2,430	357,737	286,402	0.32
ZTO Express Cayman Inc	4,931	1,026,115	968,749	1.08
	<u>7,361</u>	<u>1,383,852</u>	<u>1,255,151</u>	<u>1.40</u>
<u>Technology</u>				
Tencent Music Entertainment Gp	7,302	677,887	421,727	0.47
Total quoted equities - foreign	<u>2,776,240</u>	<u>118,974,434</u>	<u>89,562,779</u>	<u>99.65</u>
Accumulated unrealised loss on quoted equities – foreign		<u>(29,411,655)</u>		
Total quoted equities – foreign		<u>89,562,779</u>		

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 June 2022 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 Discretionery</u>				
Air China Ltd	18,000	115,280	122,580	0.12
Alibaba Group Holding Ltd	89,700	14,715,858	10,037,430	10.17
ANTA Sports Products Ltd	12,000	1,340,732	1,156,800	1.17
Brilliance China Automotive	18,000	127,227	130,140	0.13
BYD Co Ltd	7,900	1,581,474	2,480,600	2.51
Chow Tai Fook Jewellery Group	24,200	379,504	357,192	0.36
Galaxy Entertainment Group Ltd	21,600	1,184,326	1,009,800	1.02
Geely Automobile Holdings Ltd	59,500	1,182,707	1,060,290	1.08
Great Wall Motor Co Ltd	31,600	614,431	510,024	0.52
Guangzhou Automobile Gp Co Ltd	29,200	216,983	221,628	0.22
Haier Smart Home Co Ltd	27,600	698,708	800,400	0.81
JD.com Inc	21,000	5,960,904	5,308,800	5.38
Kingsoft Corp Ltd	9,200	359,450	281,520	0.29
Li Auto Inc.	5,000	541,715	764,000	0.77
Li Ning Company Limited	25,200	1,495,605	1,830,780	1.86
NetEase Inc	24,000	3,754,673	3,456,000	3.50
Pop Mart International Grp Ltd	6,600	293,048	249,480	0.25
Sands China Ltd	25,200	746,312	471,240	0.48
Shenzhou Intl Group Holdings	9,600	1,301,832	912,480	0.93
Trip.com Group Limited	5,500	980,160	1,218,800	1.24
XPeng Inc.	6,800	1,022,259	858,840	0.87
Zhongsheng Group Holdings Ltd	6,400	351,760	354,240	0.36
	<u>483,800</u>	<u>38,964,948</u>	<u>33,593,064</u>	<u>34.04</u>
<u>Consumer Staples</u>				
China Feihe Ltd	31,500	504,439	284,130	0.29
China Mengniu Dairy Co Ltd	33,500	1,310,880	1,311,525	1.33
China Resources Beer Holdings	16,000	834,300	935,200	0.95
Hengan Intl. Grp Co Ltd	6,800	346,719	250,240	0.25
JD Health International Inc	10,700	659,891	658,585	0.67
Nongfu Spring Co Ltd	20,300	913,240	913,500	0.93
Sinopharm Group Co Ltd	14,200	321,079	270,084	0.27
Smoores International Holdings	18,100	856,836	437,115	0.44

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 June 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 Staples (continued)</u>				
Tingyi (Cayman Islds) Hldg Co	22,900	319,017	307,776	0.31
Tsingtao Brewery Co Ltd	4,800	338,620	391,680	0.40
Want Want China Holdings Ltd	73,000	536,550	497,130	0.50
WH Group Ltd	86,100	541,498	520,905	0.53
	<u>337,900</u>	<u>7,483,069</u>	<u>6,777,870</u>	<u>6.87</u>
<u>Energy</u>				
China Longyuan Power Group	36,200	435,068	548,792	0.56
<u>Financial Services</u>				
AIA Group Ltd	118,000	10,362,841	10,030,000	10.17
China Life Insurance Co. Ltd	78,300	1,216,211	1,068,012	1.08
China Pacific Insurance Group	27,800	734,794	533,204	0.54
New China Life Insurance Co Ltd	7,600	207,711	167,580	0.17
PICC Property & Casualty Co Ltd	73,700	523,678	600,655	0.61
Ping An Insurance Grp Co China	67,400	4,946,726	3,595,790	3.64
	<u>372,800</u>	<u>17,991,961</u>	<u>15,995,241</u>	<u>16.21</u>
<u>Health Care</u>				
BeiGene Ltd	7,800	1,176,115	767,910	0.78
CSPC Pharmaceutical Group Ltd	91,640	772,288	713,876	0.72
Genscript Biotech Corp	12,000	371,450	341,400	0.35
Hangzhou Tigermed Consulting	1,200	177,615	108,840	0.11
Innovent Biologics Inc	11,000	621,996	383,900	0.39
Pharmaron Beijing Co Ltd	1,950	177,180	152,880	0.15
Shandong Weigao Group Medical	27,200	326,469	247,792	0.25
Shanghai Fosun Pharmaceutical	5,900	215,050	171,395	0.17
Shanghai Junshi Biosciences Co	1,000	45,230	42,050	0.04
Shanghai Pharmaceuticals Hdgs	10,000	132,952	130,000	0.13
Sino Biopharmaceutical Ltd	113,100	718,697	559,845	0.57

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 June 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>Health Care (continued)</u>				
WuXi AppTec Co Ltd	3,900	475,355	407,550	0.41
Wuxi Biologics Cayman Inc	32,200	2,844,333	2,311,960	2.34
	<u>318,890</u>	<u>8,054,730</u>	<u>6,339,398</u>	<u>6.41</u>
<u>Industrials</u>				
Fuyao Glass Industry Co Ltd	6,100	266,793	242,475	0.25
MTR Corp Ltd	17,000	744,189	697,000	0.71
	<u>23,100</u>	<u>1,010,982</u>	<u>939,475</u>	<u>0.96</u>
<u>Technology</u>				
Baidu Inc	26,000	3,533,029	3,861,000	3.91
Bilibili Inc	1,940	674,667	389,940	0.40
GDS Holdings Ltd	10,800	665,328	355,860	0.36
Kingdee Intl Software Grp Co	29,700	681,417	546,480	0.55
Kuaishou Technology	15,000	1,752,718	1,311,000	1.33
Meituan	43,000	9,745,499	8,350,600	8.46
Tencent Holdings Ltd	25,000	11,823,171	8,860,000	8.98
	<u>151,440</u>	<u>28,875,829</u>	<u>23,674,880</u>	<u>23.99</u>
<u>Telecommunications</u>				
China Tower Corp Ltd	460,000	552,274	460,000	0.47
HKT Trust & HKT Ltd	42,000	439,320	442,680	0.45
ZTE Corporation	7,900	159,924	144,254	0.15
	<u>509,900</u>	<u>1,151,518</u>	<u>1,046,934</u>	<u>1.07</u>

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

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

(a) Quoted equities – foreign (continued)

(ii) Quoted equities – foreign as at 30 June 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>Utilities</u>				
CGN Power Co Ltd	108,000	233,940	204,120	0.21
China Power Intl Devlpmt Ltd	100,000	485,600	497,000	0.50
China Resources Power Holdings	16,000	374,300	259,200	0.26
Huaneng Power Intl Inc.	30,000	140,620	117,300	0.12
	<u>254,000</u>	<u>1,234,460</u>	<u>1,077,620</u>	<u>1.09</u>
<u>United States</u>				
<u>Consumer Discretionery</u>				
Huazhu Group Ltd	1,452	507,954	434,126	0.44
NIO Inc	12,130	3,339,073	2,068,859	2.10
Pinduoduo Inc	3,900	2,745,989	1,891,797	1.92
Vipshop Holdings Ltd	4,009	581,016	311,059	0.32
	<u>21,491</u>	<u>7,174,032</u>	<u>4,705,841</u>	<u>4.78</u>
<u>Industrials</u>				
ZTO Express Cayman Inc	4,836	1,055,266	1,041,831	1.06
<u>Technology</u>				
Tencent Music Entertainment Gp	6,233	644,450	245,477	0.25
Total quoted equities - foreign	<u>2,520,590</u>	<u>114,076,313</u>	<u>95,986,423</u>	<u>97.29</u>
Accumulated unrealised loss on quoted equities – foreign		<u>(18,089,890)</u>		
Total quoted equities – foreign		<u>95,986,423</u>		

TRADEPLUS S&P NEW CHINA TRACKER

NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

9 NUMBER OF UNITS IN CIRCULATION

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial period	10,366,500	8,115,000
Creation of units arising from applications during the financial period	1,000,000	2,440,000
Cancellation of units during the financial period	(466,000)	(820,000)
At the end of the financial period	<u>10,900,500</u>	<u>9,735,000</u>

10 TRANSACTIONS WITH BROKERS

(i) Details of transactions with the top brokers for the 6 months financial period ended 30 June 2023 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> HKD	Percentage of total trade %	Brokerage fees HKD	Percentage of total brokerage %
Macquarie Capital Securities Ltd	9,142,478	43.52	4,130	38.23
JP Morgan Securities (Asia Pacific) Ltd	7,421,215	35.33	4,453	41.21
CLSA Ltd	2,801,799	13.34	1,401	12.97
Alliance Bernstein (Singapore) Ltd	1,640,133	7.81	820	7.59
	<u>21,005,625</u>	<u>100.00</u>	<u>10,804</u>	<u>100.00</u>

(ii) Details of transactions with the top brokers for the 6 months financial period ended 30 June 2022 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> HKD	Percentage of total trade %	Brokerage fees HKD	Percentage of total brokerage %
CLSA Ltd	10,900,860	31.95	5,450	22.73
Alliance Bernstein (Singapore) Ltd	7,403,424	21.70	3,702	15.44
Macquarie Capital Securities Ltd	7,050,380	20.66	2,820	11.76
JP Morgan Securities (Asia Pacific) Ltd	5,084,864	14.90	3,051	12.72
China International Capital Corp HK Securities Ltd	3,683,524	10.79	8,955	37.35
	<u>34,123,052</u>	<u>100.00</u>	<u>23,978</u>	<u>100.00</u>

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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (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 Asia V”)	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera (“LTAT”)	Former ultimate holding corporate body of the Manager and substantial shareholder of the Manager
Affin Bank Berhad (“ABB”)	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former immediate 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 (“NAMI”)	Former substantial shareholder of the Manager
Nikko Asset Management Co., Ltd (“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 company 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

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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (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 period are as follows:

	2023		2022	
	No. of units	HKD	No. of units	HKD
<u>The Manager:</u>				
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held beneficially)	500,000	4,122,650	500,000	5,067,300

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

12 TOTAL EXPENSE RATIO (“TER”)

	6 months financial period ended <u>30.6.2023</u> %	6 months financial period ended <u>30.6.2022</u> %
TER	0.35	0.35

TER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	License 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 6 months financial period calculated on a daily basis was HKD97,185,561 (2022: HKD90,575,021).

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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended 30.6.2023	6 months financial period ended 30.6.2022
PTR (times)	0.12	0.21

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = HKD13,097,778 (2022: HKD23,807,920)

total disposal for the financial period = HKD10,792,687 (2022: HKD14,135,451)

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 China, Hong Kong and United States.

The Fund has a diversified unitholder population. However, as at 30 June 2023, there were 2 unitholders (2022: 1 unitholders) who held more than 10% of the Fund’s NAV. The unitholders’ holdings were 55.40% and 10.38% (2022: 57.96%).

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

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 IRFS.

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NOTES TO THE UNAUDITED SEMI-ANNUAL FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

15 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

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 (formerly known as Affin Hwang Asset Management Berhad) Berhad has ceased to be a subsidiary of Affin Hwang Investment Bank Berhad.

Change in substantial shareholders of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)

On 19 April 2023, Nikko Asset Management International Limited ("NAMI") has divested all its equity interest of 27% in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) to Nikko Asset Management Co., Ltd ("NAM") for 20% and remaining 7% of the equity interest to Lembaga Tabung Angkatan Tentera ("LTAT") resulting in both NAM and LTAT becoming substantial shareholders of the Manager.

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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 of the Manager, the financial statements set out on pages 1 to 34 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 30 June 2023 and of its financial performance, changes in equity and cash flows for the financial period ended 30 June 2023 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 August 2023

DIRECTORY OF SALES OFFICE

HEAD OFFICE

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AHAM Asset Management Berhad

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