

ChinaAMC ESG OFC

ChinaAMC Asia ESG Bond Fund

Unaudited Semi-Annual Report

For the period from
1 January 2024 to 30 June 2024



华夏基金
ChinaAMC

UNAUDITED SEMI-ANNUAL REPORT

ChinaAMC ESG OFC

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

CHINAAMC ESG OFC

FOR THE PERIOD FROM 1 JANUARY 2024 to 30 JUNE
2024

CHINAAMC ASIA ESG BOND FUND

FOR THE PERIOD FROM 1 JANUARY 2024 to 30 JUNE
2024

(a Sub-Fund of ChinaAMC ESG OFC)

CHINAAMC ESG OFC

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IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and is subject to change. For more information about the Sub-Fund, please refer to the prospectus of the Sub-Fund which is available at our website: (<https://www.chinaamc.com.hk/product/chinaamc-asia-esg-bond-fund/>)

Investors should not rely on the information contained in this report for their investment decisions.

CHINAAMC ESG OFC

MANAGEMENT AND ADMINISTRATION

MANAGER

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

DIRECTORS OF THE COMPANY

Gan Tian
Chow Hok Lim

DIRECTORS OF THE MANAGER

Li Yimei
Sun Liqiang
Gan Tian
Li Fung Ming
Yang Kun

REGISTRAR & ADMINISTRATOR

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road
Central, Hong Kong

CUSTODIAN

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road
Central, Hong Kong

AUDITOR

Ernst & Young
27/F, One Taikoo Place
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LEGAL ADVISOR

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

CHINAAMC ESG OFC

REPORT OF THE MANAGER TO THE SHAREHOLDERS

We maintain a resolute, long-term strategic orientation regarding environmental, social, and governance (ESG) investment frameworks and principles. With growing acknowledgement of the importance of ESG investment practices among both governmental entities and corporates across regions and sectors, an increasing number of companies and institutions implement comprehensive measures to strengthen their ESG-aligned policies, procedures, and disclosure standards. Furthermore, with respect to sustainability-linked, green, social, and sustainability (GSS) labeled bonds, we have observed that many such GSS-labeled instruments have been trading closely to comparable traditional bonds on a duration and issuer-adjusted basis, which presents attractive valuation for investors with ESG allocation objectives. Looking ahead, we anticipate a favorable macroeconomic, regulatory, and market environment materializing to support the continued growth, diversification, and mainstream adoption of ESG-integrated investment vehicles and solutions.

China Asset Management (Hong Kong) Limited
23 August 2024

CHINAAMC ESG OFC

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

	ChinaAMC ESG OFC	
	30 June 2024 (Unaudited) USD	31 December 2023 (Audited) USD
ASSETS		
Financial assets at fair value through profit or loss	-	-
Interest receivable	-	-
Amount due from the Manager	-	-
Amount due from a broker	-	-
Cash and cash equivalents	-	-
TOTAL ASSETS	-	-
LIABILITIES		
Management fee payable	-	-
Administration fee payable	-	-
Other payables and accruals	-	-
TOTAL LIABILITIES	-	-
EQUITY		
Net asset value attributable to shareholders	-	-
TOTAL LIABILITIES AND EQUITY	-	-
Number of shares in issue	-	-
Net asset value per share	-	-

Note: The semi-annual report of the company and the sub-fund has been prepared in accordance with the same accounting policies adopted in the 2023 annual financial statements.

CHINAAMC ESG OFC**STATEMENT OF FINANCIAL POSITION (UNAUDITED) (continued)**

As at 30 June 2024

	ChinaAMC Asia ESG Bond Fund	
	30 June 2024	31 December 2023
	(Unaudited)	(Audited)
	USD	USD
ASSETS		
Financial assets at fair value through profit or loss	5,967,533	5,230,216
Interest receivable	77,033	72,605
Amount due from the Manager	-	9,036
Amount due from a broker	38,392	38,392
Cash and cash equivalents	106,244	888,163
TOTAL ASSETS	6,189,202	6,238,412
LIABILITIES		
Management fee payable	3,037	3,159
Administration fee payable	2,951	3,057
Other payables and accruals	78,974	89,327
TOTAL LIABILITIES	84,962	95,543
EQUITY		
Net asset value attributable to shareholders	6,104,240	6,142,869
TOTAL LIABILITIES AND EQUITY	6,189,202	6,238,412
Number of shares in issue	585,108	598,466
Net asset value per share	10.4327	10.2644

CHINAAMC ESG OFC

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period from 1 January 2024 to 30 June 2024

	ChinaAMC ESG OFC	
	Period from	For the period from
	1 January 2024	1 November 2022
	to 30 June 2024	(date of
	(Unaudited)	incorporation) to
	USD	30 June 2023
		(Unaudited)
		USD
INCOME		
Interest income from banks	-	-
Interest income from financial assets at fair value through profit or loss	-	-
Net losses on investments	-	-
Net gain on foreign exchange	-	-
Other income	-	-
	-	-
EXPENSES		
Management fee	-	-
Administration fee	-	-
Safe custody and bank charges	-	-
Formation costs	-	-
Auditor's remuneration	-	-
Other operating expenses	-	-
	-	-
	-	-
Increase in net assets attributable to shareholders	-	-

CHINAAMC ESG OFC

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) (continued)

For the period from 1 January 2024 to 30 June 2024

	ChinaAMC Asia ESG Bond Fund	
	Period from 1 January 2024 to 30 June 2024 (Unaudited) USD	Period from 9 February 2023 (date of inception) to 30 June 2023 (Unaudited) USD
INCOME		
Interest income from banks	3,138	4,876
Interest income from financial assets at fair value through profit or loss	216,607	102,678
Net losses on investments	(53,864)	(13,526)
Net losses on foreign exchange	(92)	(1,100)
Other income	3,547	10,160
	169,336	103,088
EXPENSES		
Management fee ²	(18,186)	(12,570)
Administration fee ¹	(17,902)	(1,257)
Safe custody and bank charges ¹	(487)	(258)
Formation costs	-	(106,410)
Auditor's remuneration	(9,752)	(8,677)
Legal and professional fees	(1,765)	-
Other operating expenses ¹	(9,731)	(14,333)
	(57,823)	(143,505)
Increase/(decrease) in net assets attributable to shareholders	111,513	(40,417)

¹ During the period from 1 January 2024 to 30 June 2024 and the period from 9 February 2023 (date of inception) to 30 June 2023, administration fee and safe custody and bank charges incurred were paid to the Custodian or its connected person. Other respective amounts paid to the Custodian or its connected person were as follows:

	Period from 1 January 2024 to 30 June 2024 (Unaudited) USD	Period from 9 February 2023 (date of inception) to 30 June 2023 (Unaudited) USD
Other operating expenses	9,735	10,669

² During the period from 1 January 2024 to 30 June 2024 and the period from 9 February 2023 (date of inception) to 30 June 2023, other than management fees that paid to the Manager, no other amounts paid to the Manager or its connected persons.

CHINAAMC ESG OFC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (UNAUDITED)

For the period from 1 January 2024 to 30 June 2024

	ChinaAMC ESG OFC	
	For the period from 1 January 2024 to 30 June 2024 (Unaudited) USD	For the period from 1 November 2022 (date of incorporation) to 30 June 2023 (Unaudited) USD
Balance at the beginning of the period	-	-
Issue of shares	-	-
Total comprehensive income	-	-
Balance at the end of the period	-	-
	Shares	Shares
Number of shares in issue at the beginning of the period	-	-
Number of shares issued during the period	-	-
Number of shares in issue at the end of the period	-	-
	ChinaAMC Asia ESG Bond Fund	
	For the period from 1 January 2024 to 30 June 2024 (Unaudited) USD	For the period from 9 February 2023 (date of inception) to 30 June 2023 (Unaudited) USD
Balance at the beginning of the period	6,142,869	-
Issue of shares	4,000,000	6,000,000
Redemption of shares	(4,150,142)	-
Total comprehensive income/(loss)	111,513	(40,417)
Balance at the end of the period	6,104,240	5,959,583
	Shares	Shares
Number of shares in issue at the beginning of the period	598,466	-
Number of shares issued during the period	385,108	598,466
Number of shares redeemed during the period	(398,466)	-
Number of shares in issue at the end of the period	585,108	598,466

CHINAAMC ESG OFC**STATEMENT OF CASH FLOWS (UNAUDITED)**

For the period from 1 January 2024 to 30 June 2024

	ChinaAMC ESG OFC	
	Period from 1 January 2024 to 30 June 2024 (Unaudited) USD	Period from 1 November 2022 (date of incorporation) to 30 June 2023 (Unaudited) USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/Decrease in net assets attributable to shareholders	-	-
Adjustments for:	-	-
Interest income	-	-
Operating loss before working capital changes	-	-
Increase in financial assets at fair value through profit or loss	-	-
Increase in margin deposits	-	-
Increase amounts receivable on sale of investments	-	-
Increase in amount due from the manager	-	-
Increase in financial liabilities at fair value through profit or loss	-	-
Increase in management fee payable	-	-
Net increase in amounts payable on purchase of investments	-	-
Net increase in administration fee payable	-	-
Increase in other payables and accruals	-	-
Cash used in operations	-	-
Interest income received	-	-
Net cash used in operating activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Net cash generated from financing activities	-	-
INCREASE IN CASH AND CASH EQUIVALENTS	-	-
Cash and cash equivalents at the beginning of the period	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	-	-
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at bank	-	-

CHINAAMC ESG OFC

STATEMENT OF CASH FLOWS (UNAUDITED) (continued)

For the period from 1 January 2024 to 30 June 2024

	ChinaAMC Asia ESG Bond Fund	
	Period from 1 January 2024 to 30 June 2024 (Unaudited) USD	Period from 9 February 2023 (date of inception) to 30 June 2023 (Unaudited) USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase/(decrease) in net assets attributable to shareholders	111,513	(40,417)
Adjustments for:		
Interest income	(219,745)	(107,554)
Operating loss before working capital changes	(108,232)	(147,971)
Increase in financial assets at fair value through profit or loss	(737,317)	(5,712,415)
Increase in margin deposits	-	(40,988)
Increase amounts receivable on sale of investments	-	(199,508)
Decrease/(increase) in amount due from the manager	9,036	(5,910)
Increase in financial liabilities at fair value through profit or loss	-	2,523
(Decrease)/increase in management fee payable	(122)	2,992
Increase in amounts payable on purchase of investments	-	649,342
(Decrease)/increase in administration fee payable	(106)	299
(Decrease)/Increase in other payables and accruals	(10,353)	79,370
Cash used in operations	(847,094)	(5,372,266)
Interest income received	215,317	44,817
Net cash used in operating activities	(631,777)	(5,327,449)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	4,000,000	6,000,000
Payment from redemption of shares	(4,150,142)	-
Net cash (used in)/generated from financing activities	(150,142)	6,000,000
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	888,163	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	106,244	672,551
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at bank	106,244	672,551

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

INVESTMENT PORTFOLIO (UNAUDITED)
As at 30 June 2024

	Holdings	Fair value USD	% of Net Assets
Quoted Investments (97.76%)			
Quoted Bonds (97.76%)			
Australia (3.16%)			
Macquarie Group Ltd Ser Regs (Reg S) Var 21Jun2028	200,000	192,993	3.16
		<u>192,993</u>	<u>3.16</u>
Bermuda (4.62%)			
China Water Affairs Grp (Reg) (Reg S) 4.85% 18May2026	300,000	281,794	4.62
		<u>281,794</u>	<u>4.62</u>
Chile (3.34%)			
Inversiones Cmpc Sa Ser Regs (Reg S) 6.125% 23Jun2033	200,000	203,750	3.34
		<u>203,750</u>	<u>3.34</u>
China (16.61%)			
China Resources Land Ltd Ser Emtn (Reg) (Reg S) 4.125% 26Feb2029	200,000	187,539	3.07
Contempry Ruidng Develop (Reg) (Reg S) 1.875% 17Sep2025	340,000	325,449	5.33
Fujian Zhonglong Group Ser Emtn (Reg) (Reg S) 4.8% 20Jun2025	200,000	197,845	3.24
Lenovo Group Ltd Ser Regs (Reg S) 5.831% 27Jan2028	300,000	303,053	4.97
		<u>1,013,886</u>	<u>16.61</u>
France (3.76%)			
BPCE Sa Ser Regs (Reg S) Var 19Oct2027	250,000	229,577	3.76
		<u>229,577</u>	<u>3.76</u>
Hong Kong (3.28%)			
ICBCIL Finance Co Ltd Ser Emtn (Reg) (Reg S) Frn 20Nov2024	200,000	200,366	3.28
		<u>200,366</u>	<u>3.28</u>
India (8.16%)			
Diamond li Ltd Ser Regs (Reg S) 7.95% 28Jul2026	200,000	202,785	3.32
Greenko Wind Projects Mu Ser Regs (Reg S) 5.5% 06Apr2025	300,000	295,515	4.84
		<u>498,300</u>	<u>8.16</u>
Indonesia (3.30%)			
Krakatau Posco Pt (Reg) (Reg S) 6.375% 11Jun2027	200,000	201,152	3.30
		<u>201,152</u>	<u>3.30</u>

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

INVESTMENT PORTFOLIO (UNAUDITED) (continued)
As at 30 June 2024

	Holdings	Fair value USD	% of Net Assets
Quoted Investments (97.76%) (continued)			
Quoted Bonds (97.76%) (continued)			
Japan (14.84%)			
Aozora Bank (Reg S) 5.9% 08Sep2026	300,000	297,034	4.87
Sumitomo Mitsui Finl Grp (Reg) Frn 13Jul2026	300,000	304,258	4.98
Sumitomo Mitsui Tr Bk Lt Ser Regs (Reg S) 5.5% 09Mar2028	300,000	304,521	4.99
		<hr/> 905,813	<hr/> 14.84
Korea (16.53%)			
Doosan Enerbility (Reg) (Reg S) 5.5% 17Jul2026	200,000	200,539	3.29
Kodit Global 2024-1 Ser Regs (Reg S) 5.357% 29May2027	200,000	200,629	3.29
Mirae Asset Securities (Reg) (Reg S) 6% 26Jan2029	200,000	202,290	3.31
SK Hynix Inc Ser Regs (Reg S) 6.375% 17Jan2028	200,000	205,848	3.37
SK On Co Ltd (Reg) (Reg S) 5.375% 11May2026	200,000	199,829	3.27
		<hr/> 1,009,135	<hr/> 16.53
Philippines (3.28%)			
Rizal Commercial Banking Ser Emtn (Reg) (Reg S) 5.5% 18Jan2029	200,000	200,454	3.28
		<hr/> 200,454	<hr/> 3.28
Singapore (6.25%)			
DBS Group Holdings Ltd Ser Gmtn (Reg) (Reg S) Var Perp 31Dec2049	200,000	196,350	3.22
United Overseas Bank Ltd Ser Regs (Reg) (Reg S) Var 14Oct2031	200,000	184,930	3.03
		<hr/> 381,280	<hr/> 6.25
United States (10.63%)			
Aes Corp/The 5.45% 01Jun2028	200,000	199,610	3.27
Enbridge Inc 5.7% 08Mar2033	250,000	252,091	4.13
Verizon Communications (Reg) 5.05% 09May2033	200,000	197,332	3.23
		<hr/> 649,033	<hr/> 10.63
Total bonds		<hr/> 5,967,533	<hr/> 97.76
Total investments, at fair value		<hr/> 5,967,533	<hr/> 97.76
Other net assets		<hr/> 136,707	<hr/> 2.24
Net assets attributable to shareholders at 30 June 2024		<hr/> <hr/> 6,104,240	<hr/> <hr/> 100.00
Total investments, at cost		<hr/> <hr/> 5,895,385	

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
For the period from 1 January 2024 to 30 June 2024

	Holdings as at 1 January 2024	Additions	Disposals	Corporate Actions	Holdings as at 30 June 2024
Quoted Investments					
Quoted Bonds					
Australia					
Macquarie Group Ltd Ser Regs (Reg S) Var 21Jun2028	200,000	-	-	-	200,000
Bermuda					
China Water Affairs Grp (Reg) (Reg S) 4.85% 18May2026	300,000	-	-	-	300,000
Chile					
Inversiones Cmpc Sa Ser Regs (Reg S) 6.125% 23Jun2033	200,000	-	-	-	200,000
China					
Baidu Inc (Reg) 4.875% 14Nov2028	200,000	-	(200,000)	-	-
Bank Of China Ser Regs 5% 13Nov2024	200,000	-	(200,000)	-	-
Bluestar Fin Holdings (Reg) (Reg S) Var Perp 31Dec2049	200,000	-	(200,000)	-	-
China Resources Land Ltd Ser Emtn (Reg) (Reg S) 4.125% 26Feb2029	-	200,000	-	-	200,000
Contempry Ruidng Develop (Reg) (Reg S) 1.875% 17Sep2025	340,000	-	-	-	340,000
Fujian Zhanglong Group Ser Emtn (Reg) (Reg S) 4.8% 20Jun2025	-	200,000	-	-	200,000
Lenovo Group Ltd Ser Regs (Reg S) 5.831% 27Jan2028	300,000	-	-	-	300,000
France					
BPCE SA Ser Regs (Reg S) Var 19Oct2027	-	250,000	-	-	250,000
Hong Kong					
Airport Authority Hk Ser Regs (Reg) (Reg S) 4.75% 12Jan2028	300,000	-	(300,000)	-	-
ICBCIL Finance Co Ltd Ser Emtn (Reg) (Reg S) Frn 20Nov2024	200,000	-	-	-	200,000
India					
Diamond li Ltd Ser Regs (Reg S) 7.95% 28Jul2026	200,000	-	-	-	200,000
Greenko Wind Projects Mu Ser Regs (Reg S) 5.5% 06Apr2025	300,000	-	-	-	300,000
India Green Energy Hldng Ser Regs (Reg S) 5.375% 29Apr2024	250,000	-	(250,000)	-	-

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (continued)
For the period from 1 January 2024 to 30 June 2024

	Holdings as at 1 January 2024	Additions	Disposals	Corporate Actions	Holdings as at 30 June 2024
Quoted Investments (continued)					
Quoted Bonds (continued)					
Indonesia					
Krakatau Posco Pt (Reg S) 6.375% 11Jun2027	-	200,000	-	-	200,000
Japan					
Aozora Bank (Reg S) 5.9% 08Sep2026	300,000	-	-	-	300,000
Sumitomo Mitsui Finl Grp (Reg) Frn 13Jul2026	300,000	-	-	-	300,000
Sumitomo Mitsui Tr Bk Lt Ser Regs (Reg S) 5.5% 09Mar2028	300,000	-	-	-	300,000
Korea					
Doosan Enerbility (Reg) (Reg S) 5.5% 17Jul2026	200,000	-	-	-	200,000
Kodit Global 2024-1 Ser Regs (Reg S) 5.357% 29May2027	-	200,000	-	-	200,000
Mirae Asset Securities (Reg) (Reg S) 6% 26Jan2029	-	200,000	-	-	200,000
SK Hynix Inc Ser Regs (Reg S) 6.375% 17Jan2028	-	200,000	-	-	200,000
SK On Co Ltd (Reg) (Reg S) 5.375% 11May2026	200,000	-	-	-	200,000
Philippines					
Rizal Commercial Banking Ser Emtn (Reg) (Reg S) 5.5% 18Jan2029	-	200,000	-	-	200,000
Singapore					
DBS Group Holdings Ltd Ser Gmtn (Reg) (Reg S) Var Perp 31Dec2049	200,000	-	-	-	200,000
United Overseas Bank Ltd Ser Regs (Reg) (Reg S) Var 14Oct2031	200,000	-	-	-	200,000

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (continued)
For the period from 1 January 2024 to 30 June 2024

	Holdings as at 1 January 2024	Additions	Disposals	Corporate Actions	Holdings as at 30 June 2024
Quoted Investments (continued)					
Quoted Bonds (continued)					
United States					
Aes Corp/The 5.45% 01Jun2028	-	200,000	-	-	200,000
Enbridge Inc 5.7% 08Mar2033	-	250,000	-	-	250,000
Nextera Energy Capital (Reg) 6.051% 01Mar2025	200,000	-	(200,000)	-	-
Verizon Communications (Reg) 5.05% 09May2033	200,000	-	-	-	200,000

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

PERFORMANCE RECORD (UNAUDITED)

For the period from 1 January 2024 to 30 June 2024

1. Net Asset Value

	Total net asset value USD	Net asset value per share USD
As at:		
30 June 2024 (Unaudited)	6,104,240	10.4327
31 December 2023 (Audited)	6,142,869	10.2644

2. Highest issue and lowest redemption prices per share

	Highest issue share price USD	Lowest redemption share price USD
During the period ended:		
Period from 1 January 2024 to 30 June 2024	10.5788	10.3616
Period from 9 February 2023 (date of inception) to 31 December 2023	10.4109	9.9452

CHINAAMC ASIA ESG BOND FUND
(a Sub-Fund of ChinaAMC ESG OFC)

DISTRIBUTION DISCLOSURE (UNAUDITED)

For the period from 1 January 2024 to 30 June 2024

The Manager did not intend to pay or make any distributions or dividends during the period from 1 January 2024 to 30 June 2024.

