



Unaudited Semi-Annual Report – 31 December 2024

JPMorgan SAR HK\$ Bond Fund

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This report does not constitute an offer of any units in the fund forming the subject matter of this document (the "Fund"). Subscriptions are only valid if made on the basis of the current explanatory memorandum (or equivalent), supplemented by the most recent financial report.

**Statement of Financial Position
As at 31 December 2024 (Unaudited)**

	Notes	31.12.2024 HKD	30.6.2024 HKD
Assets			
Current assets			
Cash at banks		44,584,109	94,087,535
Amounts receivable on allotment		1,420,955	417,831
Investments		2,047,887,537	2,160,743,925
Total assets		<u>2,093,892,601</u>	<u>2,255,249,291</u>
Liabilities			
Current liabilities			
Amounts due to brokers		-	22,052,772
Amounts payable on redemption		4,966,644	23,325,378
Other accounts payable		445,338	624,025
Liabilities (excluding net assets attributable to holders of redeemable units)		<u>5,411,982</u>	<u>46,002,175</u>
Net assets attributable to holders of redeemable units	3	<u>2,088,480,619</u>	<u>2,209,247,116</u>

The notes on pages 5 to 7 form part of these financial statements.

**Statement of Comprehensive Income
For the period ended 31 December 2024 (Unaudited)**

	Notes	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Income			
Net gains on investments	4	55,861,323	76,923,235
Interest on deposits		818,792	559,746
Net foreign currency exchange (losses)/gains		(98,904)	109,446
Other income		1,711	452
		<u>56,582,922</u>	<u>77,592,879</u>
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Expenses			
Management fee	5(a)	1,825,512	1,855,201
Trustee's fee	5(b)	322,776	295,364
Auditor's fee		182,186	62,420
Safe custody and bank charges	5(a)	163,144	138,140
Registrar's fee	5(a)	79,114	73,609
Valuation fee	5(a)	67,500	66,420
Legal and professional expenses		24,750	58,109
Transaction costs	5(a)	16,456	5,610
Printing and publication expenses		1,590	400
Other operating expenses		8,706	9,018
		<u>2,691,734</u>	<u>2,564,291</u>
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Increase in net assets attributable to holders of redeemable units and total comprehensive income		<u>53,891,188</u>	<u>75,028,588</u>

The notes on pages 5 to 7 form part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended 31 December 2024 (*Unaudited*)

	Notes	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Net assets attributable to holders of redeemable units at the beginning of the period		2,209,247,116	2,157,253,960
Allotment of redeemable units	3	316,706,361	173,785,882
Redemption of redeemable units	3	(491,364,046)	(396,161,468)
Net redemption		(174,657,685)	(222,375,586)
		2,034,589,431	1,934,878,374
Increase in net assets attributable to holders of redeemable units and total comprehensive income		53,891,188	75,028,588
Net assets attributable to holders of redeemable units at the end of the period		2,088,480,619	2,009,906,962

The notes on pages 5 to 7 form part of these financial statements.

**Statement of Cash Flows
For the period ended 31 December 2024 (Unaudited)**

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Operating activities		
Purchase of investments	(571,679,704)	(156,350,909)
Proceeds from disposal of investments	718,344,643	381,346,605
Interest received	818,792	559,746
Transaction costs paid	(19,560)	(6,044)
Registrar's fee paid	(162,767)	(154,878)
Trustee's fee paid	(318,767)	(301,321)
Management fee paid	(1,848,514)	(1,922,243)
Others	(607,823)	(299,601)
Net cash inflow from operating activities	<u>144,526,300</u>	<u>222,871,355</u>
Financing activities		
Receipts on allotment of redeemable units	315,703,237	173,895,580
Payments on redemption of redeemable units	(509,722,780)	(397,579,519)
Net cash outflow from financing activities	<u>(194,019,543)</u>	<u>(223,683,939)</u>
Decrease in cash and cash equivalents	(49,493,243)	(812,584)
Cash and cash equivalents at the beginning of the period	94,087,535	56,373,390
Exchange losses on cash and cash equivalents	(10,183)	(7,388)
Cash and cash equivalents at the end of the period	<u>44,584,109</u>	<u>55,553,418</u>
Analysis of balances of cash and cash equivalents:		
Cash at banks	<u>44,584,109</u>	<u>55,553,418</u>

The notes on pages 5 to 7 form part of these financial statements.

Notes to the Financial Statements

1 The Fund

JPMorgan SAR HK\$ Bond Fund (the "Fund") was established under a Trust Deed dated 16 September 1998, as amended (the "Trust Deed") and is governed by the laws of Hong Kong. The Fund is authorized by the Securities and Futures Commission of Hong Kong (the "SFC").

The investment policy of the Fund is to provide investors with long-term capital growth in Hong Kong dollar terms through a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

The Fund has been approved under section 6 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation") as an Approved Pooled Investment Fund since 31 October 2000. The Fund is also required to comply with the Schedule of Conditions for Approval of Pooled Investment Funds issued by the Mandatory Provident Fund Schemes Authority (the "MPFA") to the Fund dated 31 October 2000.

The Fund is established with different classes of units to cater for different categories of investors. Currently, the Fund offers three classes of units. The three classes of units are:

Class A - Available to collective investment schemes, pension plans, segregated portfolios or other types of investment vehicles to which units of Class B are not made available.

Class B - Available to any schemes registered under the General Regulation for investment purpose only and collective investment schemes which are authorized by the SFC, pension plans, segregated portfolios or other types of investment vehicles where the Manager or its associated party acts as the manager or the investment manager of such scheme, plan, portfolio or vehicle and a management fee or investment management fee is being charged by them.

Class C - Available to any schemes registered under the General Regulation for investment purpose only, designated collective investment schemes, pension plans, segregated portfolios or other types of investment vehicles as determined by the Manager.

All unitholders' rights with regard to the convening, voting or otherwise acting at any meeting of unitholders are the same.

2 Summary of material accounting policies

(a) Accounting policies of interim financial statements

The accounting policies and methods of computation used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the annual financial statements for the year ended 30 June 2024.

(b) Investments

Classification

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.

As such, the Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

Recognition, derecognition and measurement

Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognized at fair value and are subsequently re-measured at fair value. Realized and unrealized gains and losses on investments are recognized in the Statement of Comprehensive Income. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on last traded prices. When trading in the securities of an investee company is suspended, the investment is valued at the Manager's estimate of its fair value.

Debt securities are fair valued based on quoted prices inclusive of accrued interest.

(c) Foreign currency translation*Functional and presentation currency*

The Fund has adopted Hong Kong dollar as its functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of assets and liabilities denominated in foreign currencies at period/year end exchange rates are recognized in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within "Net foreign currency exchange gains/losses". Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net gains/losses on investments".

(d) Proceeds and payments on allotment and redemption of units

The net asset value per unit is computed for each dealing day. The price at which units are allotted or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day in accordance with the provisions of the Trust Deed which may be different from the accounting policies stated in the financial statements.

Units of the Fund are redeemable at the option of the holders of redeemable units and are classified as a financial liability in the Statement of Financial Position which represents the net assets attributable to holders of redeemable units (or "net asset value" or "net assets" or "NAV") and is carried at the redemption amount that would be payable at the Statement of Financial Position date if the holders of redeemable units exercised the right to redeem units of the Fund.

3 Number of units in issue and net assets attributable to holders of redeemable units (per unit)1.7.2024 to 31.12.2024

	Class A Units	Class B Units	Class C Units
Number of units in issue:			
At the beginning of the period	3,521,059.643	47,416,532.985	79,307,039.801
Total allotments	235,878.663	11,245,259.891	-
Total redemptions	(426,992.273)	(10,106,831.156)	(18,232,706.661)
At the end of the period	<u>3,329,946.033</u>	<u>48,554,961.720</u>	<u>61,074,333.140</u>

1.7.2023 to 31.12.2023

	Class A Units	Class B Units	Class C Units
Number of units in issue:			
At the beginning of the period	6,758,674.776	48,684,822.384	75,142,405.832
Total allotments	239,799.049	6,624,898.681	-
Total redemptions	(245,641.919)	(7,858,235.128)	(18,723,654.992)
At the end of the period	<u>6,752,831.906</u>	<u>47,451,485.937</u>	<u>56,418,750.840</u>

	31.12.2024 HKD	30.6.2024 HKD
Net assets attributable to holders of redeemable units		
Class A	77,567,099	80,344,056
Class B	1,338,059,612	1,274,795,301
Class C	672,853,908	854,107,759
	<u>2,088,480,619</u>	<u>2,209,247,116</u>
Net assets attributable to holders of redeemable units (per unit)		
Class A	<u>23.29</u>	<u>22.82</u>
Class B	<u>27.56</u>	<u>26.89</u>
Class C	<u>11.02</u>	<u>10.77</u>

4 Net gains on investments

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Change in unrealized gains/losses in value of investments	39,020,605	68,141,424
Realized gains on sale of investments	16,840,718	8,781,811
	<u>55,861,323</u>	<u>76,923,235</u>

5 Transactions with the Trustee, the Manager and their Associates/Connected Persons

(a) During the periods ended 31 December 2024 and 2023, respective amounts paid to the Manager, JPMorgan Asset Management (Asia Pacific) Limited, and its Associates/Connected Persons were as follows:

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Management fee	1,825,512	1,855,201
Safe custody and bank charges	116,875	109,637
Registrar's fee	79,114	73,609
Valuation fee	67,500	66,420
Transaction costs	16,456	5,610
	<u>2,155,257</u>	<u>2,160,477</u>

(b) During the periods ended 31 December 2024 and 2023, respective amounts paid to the Trustee, Cititrust Limited, were as follows:

	1.7.2024 to 31.12.2024 HKD	1.7.2023 to 31.12.2023 HKD
Trustee's fee	<u>322,776</u>	<u>295,364</u>

6 Distribution

No distribution was made during the period (31 December 2023: nil).

Investment Portfolio
As at 31 December 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
Listed/Quoted Investments (98.1%)			
(I) Convertibles (4.7%)			
Hong Kong Dollar (1.6%)			
Link CB Ltd (Reg) (Reg S) 4.5% Conv 12Dec2027	HKD21,000,000	21,209,512	1.0
Zhongsheng Group (Reg) (Reg S) 0% Conv 21May2025	HKD10,000,000	11,500,000	0.6
United States Dollar (3.1%)			
LG Chem Ltd (Reg) (Reg S) 1.25% Conv 18Jul2028	USD1,900,000	14,484,729	0.7
Meituan (Reg) (Reg S) 0% Conv 27Apr2027	USD3,100,000	23,755,556	1.1
Meituan (Reg) (Reg S) 0% Conv 27Apr2028	USD2,800,000	20,679,060	1.0
Xiaomi Best Time Intl (Reg) (Reg S) 0% Conv 17Dec2027	USD800,000	6,962,973	0.3
		98,591,830	4.7
(II) Debt Securities (93.4%)			
Hong Kong Dollar (77.9%)			
AIA 3.78% 10Sep2029	HKD10,000,000	9,781,914	0.5
Airport Authority HK 1.55% 30Oct2027	HKD8,000,000	7,551,119	0.4
Airport Authority HK 1.85% 23Jun2027-RegS	HKD21,000,000	20,049,984	1.0
Airport Authority HK 1.95% 11May2027	HKD10,000,000	9,612,497	0.5
Airport Authority HK 1.95% 16Jun2027-RegS	HKD20,000,000	19,155,646	0.9
Airport Authority HK 1.95% 20Nov2030-RegS	HKD15,000,000	13,462,753	0.6
Airport Authority HK 2.3% 24Apr2030	HKD10,000,000	9,264,614	0.4
Airport Authority HK 2.33% 29Apr2030	HKD10,000,000	9,274,280	0.4
ANZ Banking Grp 3.055% 30Jan2026	HKD15,000,000	15,289,822	0.7
ASB Finance Ltd 1.4% 02Aug2028	HKD30,000,000	27,385,459	1.3
Ascendas REIT 3.66% 16May2025	HKD9,000,000	9,176,486	0.4
Ausnet Serv Hldgs 3.2% 20Aug2027	HKD5,000,000	4,838,193	0.2
Ausnet Serv Hldgs 3.45% 06Mar2034	HKD21,000,000	19,288,553	0.9
BK of Comm HK Ser EMTN (Reg) (Reg S) 4.5% 28Feb2025	HKD11,000,000	11,181,508	0.5
BNP Paribas Ser EMTN (Reg S) (Br) 4.8% 28Jun2028	HKD6,000,000	6,359,789	0.3
BOC Aviation 3.25% 27Jul2027-RegS	HKD12,000,000	11,875,901	0.6
Canadian Imperial Bank Ser GMTN (Reg S) (Br) 4.5% 10Jun2032	HKD20,000,000	20,335,879	1.0
Capitaland Ascendas REIT 3.57% 20Mar2029	HKD17,000,000	16,674,080	0.8
Champion MTN 2.85% 23Jun2025-RegS	HKD19,000,000	19,034,441	0.9
Champion MTN 3.73% 06Apr2028-RegS	HKD16,000,000	15,421,896	0.7
China Overs Fin VIII 2.9% 15Jan2025-RegS	HKD34,000,000	34,438,136	1.7
CK Property Fin 2.69% 01Sep2027-RegS	HKD18,000,000	17,274,626	0.8
CLP Power HK Fin 3.25% 04Dec2026-RegS	HKD20,000,000	19,800,943	1.0
CLP Power HK Fin 3.45% 01Mar2027	HKD10,000,000	9,893,306	0.5
CLP Power HK Fin 3.6% 13Sep2030	HKD10,000,000	9,835,938	0.5
CMT MTN Pte Ltd 2.5% 27Nov2030-RegS	HKD7,000,000	6,360,828	0.3
CMT MTN Pte Ltd 2.53% 01Feb2033-RegS	HKD10,000,000	8,699,947	0.4
CMT MTN Pte Ltd 2.71% 07Jul2026	HKD40,000,000	39,688,046	1.9
CMT MTN Pte Ltd 3.836% 20Nov2025-RegS	HKD10,000,000	9,987,075	0.5
Commonwealth Bank Aust 2.505% 21Sep2026-RegS	HKD4,000,000	3,907,227	0.2
First Abu Dhabi Bank PJS 1.45% 27Apr2026-RegS	HKD15,000,000	14,590,610	0.7
First Abu Dhabi Bank PJS 1.51% 26Oct2025	HKD6,000,000	5,872,310	0.3
First Abu Dhabi Bank PJS 2.17% 11Jun2025	HKD13,000,000	13,019,158	0.6
HK Electric Fin 2.4% 08Mar2030-RegS	HKD20,000,000	18,622,387	0.9
HK Electric Fin 2.55% 01Aug2028-RegS	HKD27,000,000	26,140,362	1.3
HK Electric Fin 3.4% 16Jul2027	HKD5,000,000	4,977,323	0.2
HK Govt Bd 1.25% 29Jun2027	HKD27,000,000	25,694,064	1.2
HK Govt Bd 1.68% 21Jan2026	HKD36,000,000	35,625,617	1.7
HK Govt Bd 1.89% 02Mar2032	HKD29,800,000	26,971,711	1.3
HK Govt Bd 2.02% 07Mar2034	HKD43,000,000	37,913,575	1.8
HK Govt Infra Bond Prog 2.89% 25Oct2027	HKD5,000,000	4,954,231	0.2

Investment Portfolio (Continued)
As at 31 December 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
Hong Kong Dollar (Continued)			
HKCG Finance 1.98% 21Aug2030-RegS	HKD15,000,000	13,453,104	0.6
HKCG Finance 2.25% 22Jul2026	HKD5,000,000	4,880,704	0.2
HKCG Finance 2.3% 17Jun2026	HKD10,000,000	9,747,482	0.5
HKCG Finance 2.35% 01Apr2025	HKD4,000,000	4,007,092	0.2
HKCG Finance 2.65% 03Jul2027-RegS	HKD2,000,000	1,953,462	0.1
HKCG Finance 2.69% 10Feb2030-RegS	HKD6,000,000	5,641,477	0.3
HKCG Finance 2.8% 25Feb2025-RegS	HKD11,000,000	11,010,745	0.5
HKCG Finance 2.85% 10Nov2025-RegS	HKD10,000,000	9,912,812	0.5
HKCG Finance 3.25% 11May2030-RegS	HKD4,000,000	3,859,398	0.2
HKCG Finance 3.6% 02Nov2026	HKD10,000,000	1,997,848	0.1
HKCG Finance 5% 12Jan2050	HKD6,000,000	6,636,091	0.3
HKCG Finance Ltd Ser EMTN (Reg S) (Br) 3.6% 15Aug2029	HKD5,000,000	4,930,556	0.2
HLP Finance Ltd 2.28% 05Mar2027-RegS	HKD5,000,000	4,742,172	0.2
Hong Kong (Govt of) 2.48% 28Feb2029	HKD12,700,000	12,400,300	0.6
Hong Kong (Govt) 1.51% 24Feb2027	HKD10,000,000	9,674,603	0.5
Hong Kong Mortgage Corp 1.57% 04Sep2029-RegS	HKD2,000,000	1,817,844	0.1
Hong Kong Mortgage Corp 2.98% 02Apr2049-RegS	HKD5,000,000	3,987,572	0.2
Hong Kong Mortgage Corp 3.15% 19Mar2049-RegS	HKD5,000,000	4,062,874	0.2
Hong Kong Mortgage Corp 3.88% 15Feb2034-RegS	HKD10,000,000	10,319,827	0.5
Hong Kong Mortgage Corp Ser EMTN (Reg) (Reg S) 3.45% 17Oct2029	HKD16,000,000	15,909,673	0.8
Hong Kong Mortgage Corp Ser EMTN (Reg) (Reg S) 3.55% 17Oct2026	HKD42,000,000	41,989,050	2.0
Hong Kong Mortgage Corp Ser EMTN (Reg) (Reg S) 4.25% 28Feb2026	HKD10,000,000	10,383,515	0.5
Hong Kong Mortgage Corp Ser EMTN (Reg) (Reg S) 4.68% 12Sep2025	HKD7,000,000	7,135,134	0.3
Hong Kong Mortgage Corp Ser GMTN (Reg) (Reg S) 4.2% 28Feb2034	HKD12,000,000	12,579,313	0.6
Hongkong Electric Fin 3% 26Jan2031	HKD5,000,000	4,864,900	0.2
Hongkong Land Notes 1.957% 12Aug2031-RegS	HKD10,000,000	8,558,613	0.4
Hongkong Land Notes 2.65% 18Aug2035	HKD10,000,000	8,228,495	0.4
Hongkong Land Notes 3.83% 05Nov2028-RegS	HKD10,000,000	9,900,151	0.5
Hongkong Land Notes 4% 15Feb2027	HKD10,000,000	10,014,472	0.5
Hongkong Land Notes 4.11% 13Sep2030-RegS	HKD5,000,000	4,972,482	0.2
Hongkong Land Notes Ser MTN 3.15% 10May2028	HKD5,000,000	4,855,107	0.2
HSBC Bank Plc Ser EMTN (Reg S) (Br) 4.5% 07Mar2026	HKD3,000,000	3,110,018	0.2
HSBC Holdings Plc Ser EMTN (Br) 1.55% 03Jun2027	HKD1,000,000	933,802	0.0
Hysan (MTN) 2.73% 17Feb2027-RegS	HKD12,000,000	11,563,440	0.6
Hyundai Capital Services Ser GMTN (Reg) (Reg S) 4.44% 02Jul2027	HKD5,000,000	5,038,010	0.2
IFC Development 2.67% 08Apr2030	HKD46,000,000	42,826,336	2.1
Ind & Comm Bk Chn/Tokyo Ser Cd. 0% Cd 25Nov2025	HKD5,000,000	4,822,950	0.2
Korea Expressway Corp Ser GMTN (Br) 5.11% 08Nov2030	HKD5,000,000	5,259,725	0.3
Korea Hydro & Nuclear Po Ser EMTN 3.35% 13Mar2028	HKD2,000,000	1,963,817	0.1
Link Finance Cayman 2009 1.48% 15Oct2026	HKD5,000,000	4,798,544	0.2
Link Finance Cayman 3.55% 28Jun2027	HKD17,000,000	16,758,311	0.8
Mitsubishi HC Cap UK Plc Ser EMTN (Reg S) (Br) 4.65% 02Jul2026	HKD6,000,000	6,135,835	0.3
Morgan Stanley Fin Lic Ser EMTN (Reg) (Reg S) 4.19% 21Sep2025	HKD5,000,000	5,052,332	0.2
MTR Corp 2.25% 04Dec2025-RegS	HKD9,000,000	8,880,476	0.4
MTR Corp 2.65% 09Apr2025-RegS	HKD11,000,000	11,042,461	0.5
MTR Corp 2.83% 06Sep2047-RegS	HKD5,000,000	3,825,531	0.2
MTR Corp 2.95% 26Apr2047-RegS	HKD7,000,000	5,562,728	0.3
MTR Corp 2.98% 17Jul2047-RegS	HKD18,000,000	14,259,261	0.7
MTR Corp 4% 04Mar2029-RegS	HKD15,000,000	15,564,067	0.7
MTR Corp 4.2% 30Apr2031-RegS	HKD14,000,000	14,687,510	0.7
MTR Corp Ltd Ser EMTN (Reg S) 4.2% 01Mar2034	HKD20,000,000	20,774,179	1.0
National Australia Bank Ser EMTN (Reg S) Var 06Jun2033	HKD3,000,000	3,089,396	0.2
National Grid Na Inc Ser EMTN (Reg) (Reg S) 2.62% 09Jun2025	HKD6,000,000	6,026,585	0.3
Nationwide Bldg Society Ser EMTN (Br) (Regs) 2.83% 20Apr2026	HKD10,000,000	10,012,377	0.5
NWD MTN 3.8% 21May2029-RegS	HKD9,000,000	4,985,766	0.2
PSA Treasury Pte Ltd 2.6597% 25Feb31	HKD4,000,000	3,765,046	0.2
QNB Finance Ltd 1.4% 01Sep2025-RegS	HKD17,000,000	16,758,919	0.8
QNB Finance Ltd 1.95% 30Sep2028	HKD5,000,000	4,560,117	0.2
QNB Finance Ltd 2.322% 08Sep2031	HKD5,000,000	4,239,321	0.2
Standard Chartered Bank 3.5% 13Jun2025-RegS	HKD10,000,000	10,171,719	0.5

Investment Portfolio (Continued)
As at 31 December 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
Hong Kong Dollar (Continued)			
Standard Chartered Bank Ser EMTN (Reg S) (Br) 3.875% 05May2026	HKD5,000,000	5,120,439	0.2
Standard Chartered Bank Ser EMTN (Regs) (Br) 4.08% 26Sep2025	HKD6,000,000	6,067,666	0.3
State Grid Overseas Investment 2.85% 17Apr2029-RegS	HKD32,000,000	30,998,889	1.5
Sun Hung Kai Prop 1.89% 17Jan2028-RegS	HKD10,000,000	9,364,879	0.5
Sun Hung Kai Prop 1.9% 03Jun2028-RegS	HKD17,000,000	15,743,336	0.8
Sun Hung Kai Prop 2.28% 25Aug2026-RegS	HKD1,500,000	1,461,058	0.1
Sun Hung Kai Prop 2.32% 26Jul2026	HKD5,000,000	4,876,283	0.2
Sun Hung Kai Prop 2.56% 15Apr2026	HKD8,000,000	7,897,121	0.4
Sun Hung Kai Prop 2.68% 27Feb2030-RegS	HKD11,000,000	10,219,466	0.5
Sun Hung Kai Prop 2.7% 26Jun2029-RegS	HKD3,000,000	2,893,240	0.1
Sun Hung Kai Prop 2.75% 16Mar2026-RegS	HKD5,000,000	4,932,620	0.2
Sun Hung Kai Prop 3.21% 01Mar2029-RegS	HKD3,000,000	2,883,150	0.1
Sun Hung Kai Prop 3.38% 18Jan2029	HKD10,000,000	14,597,643	0.7
Sun Hung Kai Prop 3.55% 06Sep2028-RegS	HKD10,500,000	10,275,497	0.5
Sun Hung Kai Prop 3.92% 22Jun2026	HKD15,000,000	14,995,737	0.7
Sun Hung Kai Prop Cap 2.05% 06Aug2027	HKD10,000,000	9,493,687	0.5
Swire Pacific MTN 2.35% 25Jan2031-RegS	HKD2,000,000	1,786,537	0.1
Swire Pacific MTN 2.59% 17Jul2026	HKD5,000,000	4,919,467	0.2
Swire Pacific MTN 3.01% 28May2029-RegS	HKD8,000,000	7,609,891	0.4
Swire Pacific MTN 3.9% 05Nov2030	HKD18,000,000	17,610,415	0.8
Swire Prop MTN Fin 2.65% 03Jun2026-RegS	HKD9,000,000	8,769,672	0.4
Swire Prop MTN Fin 2.8% 26Mar2025-RegS	HKD8,000,000	7,975,633	0.4
Swire Prop MTN Fin 2.9% 23Jan2025-RegS	HKD8,000,000	8,037,497	0.4
Swire Prop MTN Fin 3% 07Apr2027-RegS	HKD5,000,000	4,885,425	0.2
Swire Prop MTN Fin 3% 19Mar2025-RegS	HKD20,000,000	19,966,980	1.0
Total Energies Capital International Ser EMTN (Regs) 2.92% 11Apr2025	HKD4,000,000	3,995,798	0.2
Toyota Motor Finance 4.77% 28May2026	HKD10,000,000	10,369,368	0.5
Toyota Motor Finance Ser EMTN (Br) 4.59% 23Feb2027	HKD5,000,000	5,255,962	0.3
Unibail-Rodamco Se 3.28% 26Mar2025	HKD10,000,000	10,216,100	0.5
Urban Renewal Authority Ser EMTN (Reg) (Reg S) 3.35% 27Aug2027	HKD38,000,000	37,945,514	1.8
Urban Renewal Authority Ser EMTN (Reg) (Reg S) 3.55% 27Aug2034	HKD18,000,000	17,699,167	0.9
Volkswagen Fin 3.52% 14Apr2025-RegS	HKD1,000,000	1,022,596	0.1
Wells Fargo 5% Company Ser EMTN (Reg) (Reg S) 3% 05Jun2025	HKD11,000,000	11,131,118	0.5
Westpac Banking 3.18% 03Apr2028	HKD16,000,000	15,890,707	0.8
Westpac Sec Nz/London Ser EMTN (Reg) (Reg S) 2.4% 09Feb2029	HKD13,000,000	12,403,597	0.6
Wharf REIC Finance 1.5% 02Mar2026	HKD2,000,000	1,934,577	0.1
Wharf REIC Finance 2.1% 16Mar2027-RegS	HKD24,000,000	22,892,929	1.1
Wharf REIC Finance 2.55% 16Apr2025	HKD9,000,000	9,016,992	0.4
Wharf REIC Finance 2.68% 13Feb2027	HKD9,000,000	8,920,199	0.4
Wharf REIC Finance 2.69% 20Feb2030-RegS	HKD13,000,000	12,003,775	0.6
Wharf REIC Finance 2.8% 23Jan2030-RegS	HKD5,000,000	4,768,030	0.2
Wharf REIC Finance 3.07% 22Jan2028	HKD5,000,000	4,977,059	0.2
Wharf REIC Finance 3.1% 26Jan28	HKD10,000,000	9,961,206	0.5
Wharf REIC Finance 3.3% 17Apr2028-RegS	HKD12,000,000	11,724,153	0.6
United States Dollar (15.5%)			
AIA Group Ltd Ser Regs (Reg) (Reg S) 3.2% 16Sep2040	USD500,000	2,936,003	0.1
Aust & NZ Banking Group Ser Regs (Reg S) VAR 22Jul2030	USD300,000	2,329,285	0.1
Azure Orbit IV 4% 25Jan2028-RegS	USD800,000	6,147,172	0.3
Bank Bukopin Pt 5.658% 30Oct2027	USD635,000	4,932,294	0.2
Bank Negara Indonesia Ser EMTN (Reg S) 5.28% 05Apr2029	USD356,000	2,791,553	0.1
Bank of East Asia Ltd VRN 27Jun2034-RegS	USD295,000	2,290,452	0.1
Bank of East Asia Ltd VRN 29May2030-RegS	USD250,000	1,932,864	0.1
Barclays Plc VAR 09May2027	USD1,500,000	11,877,485	0.6
CDB Financial Leasing (Reg) (Reg S) Var 28Sep2030	USD200,000	1,538,889	0.1
China Cinda 2020 I MNGMN Ser EMTN (Reg) (Reg S) 5.75% 28May2029	USD597,000	4,711,528	0.2
Chinalco Capital Holding (Reg) (Reg S) 4.75% 14Feb2028	USD368,000	2,887,018	0.1
CK Hutchison Intntl 21 Ser Regs (Reg S) 3.125% 15Apr2041	USD300,000	1,750,630	0.1
CMB International Leasing 2.75% 12Aug2030-RegS	USD400,000	2,802,717	0.1
DAH Sing Bank Ltd Ser EMTN (Reg) (Reg S) Var 02Nov2031	USD800,000	5,941,749	0.3

Investment Portfolio (Continued)
As at 31 December 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
United States Dollar (Continued)			
Far East Horizon Ltd Ser EMTN (Reg) (Reg S) 4.25% 26Oct2026	USD400,000	3,040,309	0.1
First Abu Dhabi Bank PJS 5% 28Feb2029	USD884,000	6,988,348	0.3
Foxconn Far East 2.5% 28Oct2030-RegS	USD800,000	5,431,727	0.3
Freeport Indonesia 5.315% 14Apr2032-RegS	USD300,000	2,297,280	0.1
Freeport Indonesia PT Ser Regs (Reg) (Reg S) 6.2% 14Apr2052	USD500,000	3,897,030	0.2
GOHL Capital Ltd 4.25% 24Jan2027	USD300,000	2,312,104	0.1
Goldman Sachs VAR 09Dec2026	USD600,000	4,503,257	0.2
Hyundai Card Co Ltd (Reg) (Reg S) 5.75% 24Apr2029	USD200,000	1,593,183	0.1
Jinan URB Const Intl Inv 2.4% 23Sep2026-RegS	USD500,000	3,728,213	0.2
JMH Co Ltd (Reg) (Reg S) 2.5% 09Apr2031	USD500,000	3,337,925	0.2
KB Capital Co Ltd (Reg) (Reg S) 1.5% 28Oct2025	USD1,500,000	11,339,193	0.5
KB Securities Co Ltd (Reg) (Reg S) 2.125% 01Nov2026	USD1,200,000	8,889,670	0.4
Korea East-West Power Co (Reg) (Reg S) 4.875% 12Jul2028	USD490,000	3,866,128	0.2
Korea Rehab & Resource (Reg) (Reg S) 5.125% 08May2029	USD684,000	5,350,636	0.3
Lloyds Banking Group Plc (Reg) Var 05Jun2030	USD500,000	3,966,618	0.2
Macquarie Bank Ltd 4.875% 10Jun2025	USD300,000	2,334,944	0.1
Macquarie Bank Ltd Ser Regs (Reg S) Var 03Mar2036	USD1,400,000	9,415,897	0.4
Macquarie Group Ltd Ser Regs (Reg S) Var 07Dec2034	USD200,000	1,637,405	0.1
Macquarie Group Ltd Ser Regs (Reg S) Var 23Jun2032	USD400,000	2,642,458	0.1
Meiji Yasuda Life Insura Ser Regs (Reg S) Var 11Sep2054	USD1,167,000	9,258,660	0.4
Meituan Ser Regs 4.625% 02Oct2029	USD469,000	3,567,482	0.2
Metropolitan Bank & Trust Ser EMTN (Reg S) 5.5% 06Mar2034	USD284,000	2,237,882	0.1
Minejesa Capital Bv Ser Regs (Reg) (Reg S) 5.625% 10Aug2037	USD900,000	6,659,392	0.3
Mirae Asset Securities (Reg) (Reg S) 5.5% 31Jul2027	USD1,000,000	7,972,363	0.4
Mirae Asset Securities (Reg) (Reg S) 6.875% 26Jul2026	USD250,000	2,043,030	0.1
Mitsubishi HC Fin Amer Ser Regs (Reg S) 5.807% 12Sep2028	USD700,000	5,653,329	0.3
Nanshan Life Pte Ltd (Reg) (Reg S) 5.45% 11Sep2034	USD700,000	5,356,650	0.3
Nanyang Commercial Bank (Reg) (Reg S) Var 06Aug2034	USD400,000	3,191,325	0.2
National Australia Bank Ser Regs (Reg) (Reg S) Var 02Aug2034	USD659,000	4,868,363	0.2
National Australia Bank Ser Regs (Reg) (Reg S) Var 12Jan2037	USD700,000	4,765,881	0.2
Newcastle Coal Infrastru Ser Regs (Reg) (Reg S) 4.581% 12May2031	USD600,000	4,267,167	0.2
Perusahaan Listrik Negar 4% 30Jun2050-RegS	USD1,000,000	5,415,404	0.3
Philippine National Bank Ser EMTN (Reg S) 4.85% 23Oct2029	USD937,000	7,175,575	0.3
Prosus NV Ser Regs (Reg S) 4.027% 03Aug2050	USD200,000	1,073,029	0.1
Prosus NV Ser Regs (Reg) (Reg S) 3.832% 08Feb2051	USD700,000	3,600,084	0.2
Prudential Funding (Asia) Plc (Reg) (Reg S) Var 03Nov2033	USD400,000	2,845,253	0.1
Prudential Funding Asia (Reg) 3.125% 14Apr2030	USD300,000	2,130,513	0.1
Pt Pelabuhan Indo li Ser Regs (Regs) 5.375% 05/05/2045	USD300,000	2,167,766	0.1
Sands China Ltd (Reg) 3.25% 08Aug2031	USD900,000	6,081,849	0.3
Sands China Ltd Ser WI (Reg) 4.375% 18Jun2030	USD300,000	2,179,551	0.1
Santos Finance Ltd Ser Regs (Reg S) 6.875% 19Sep2033	USD200,000	1,680,738	0.1
Scentre Mgmt Ltd/Re1 Ltd Ser Regs (Reg) 3.75% 23Mar2027	USD1,500,000	11,464,706	0.5
Shinhan Card Co Ltd (Reg) (Reg S) 2.5% 27Jan2027	USD300,000	2,242,808	0.1
Shinhan Card Co Ltd (Reg) (Reg S) 5.5% 12Mar2029	USD925,000	7,346,146	0.4
SK Hynix Inc Ser Regs (Reg) (Reg S) 2.375% 19Jan2031	USD200,000	1,319,954	0.1
SMRC Automotive Holdings Ser Regs (Reg) (Reg S) 5.625% 11Jul2029	USD385,000	3,071,118	0.1
Standard Chartered Plc Ser Regs (Reg S) 7.018% 08Feb2030	USD400,000	3,378,527	0.2
Sumitomo Life Insur Ser Regs (Reg S) Perpetual 5.875% 31Dec2049	USD500,000	3,970,268	0.2
Tencent Holdings Ltd Ser Regs (Reg) (Reg S) 3.68% 22Apr2041	USD600,000	3,676,547	0.2
Tencent Music Ent Grp 2% 03Sep2030-RegS	USD1,000,000	6,587,098	0.3
US Treasury 4.25% 15Nov2034	USD700,000	5,326,274	0.3
US Treasury 4.5% 15/05/2038	USD1,500,000	11,539,956	0.6
Weibo Corp (Reg) 3.375% 08Jul2030	USD600,000	4,253,804	0.2
Westpac Banking (Reg) Var 15Nov2035	USD400,000	2,656,033	0.1
Westpac Banking Corp (Reg) Var 18Nov2036	USD700,000	4,622,497	0.2
Woodside Finance Ltd Ser Regs (Reg S) 4.5% 04Mar2029	USD300,000	2,294,564	0.1
Woori Bank Ser Regs (Reg) (Reg S) Perpetual 6.375% 31Dec2049	USD1,000,000	8,093,420	0.4

**Investment Portfolio (Continued)
As at 31 December 2024 (Unaudited)**

	Holding	Fair value HKD	% of net assets
United States Dollar (Continued)			
Yunda Hldg Inv 2.25% 19Aug2025-RegS	USD800,000	6,129,981	0.3
		<u>1,949,295,707</u>	<u>93.4</u>
		-----	-----
Total Listed/Quoted Investments		2,047,887,537	98.1
Other net assets		40,593,082	1.9
		<u>2,088,480,619</u>	<u>100.0</u>
		=====	=====
Total investments, at cost		2,110,334,338	
		<u>=====</u>	

**Statement of Movements in Portfolio Holdings
For the period ended 31 December 2024 (Unaudited)**

	% holdings of net assets	
	31.12.2024	30.6.2024
Listed/Quoted Investments		
Convertibles		
Hong Kong Dollar	1.6	-
United States Dollar	3.1	-
Debt Securities		
Hong Kong Dollar	77.9	78.5
United States Dollar	15.5	19.3
Total Listed/Quoted Investments	<u>98.1</u>	<u>97.8</u>
Other net assets	1.9	2.2
Net assets attributable to holders of redeemable units	<u>100.0</u>	<u>100.0</u>



Audited Annual Report – 30 June 2024

JPMorgan SAR HK\$ Bond Fund

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This report does not constitute an offer of any units in the fund forming the subject matter of this document (the "Fund"). Subscriptions are only valid if made on the basis of the current explanatory memorandum (or equivalent), supplemented by the most recent financial report.

Investment Report

Investment Policy

The investment policy of the JPMorgan SAR HK\$ Bond Fund (the "Fund") is to provide investors with long-term capital growth in Hong Kong dollar terms through a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

The proposed asset allocation of the Fund is as follows:

70-100%	net asset value in Hong Kong dollar denominated bonds
0-30%	net asset value in US dollar denominated bonds

During this financial period, there has been no change in the Fund's investment policy.

Commentary by the Manager

Market Review

The Fund printed a return of +5.59% gross of fees over the period, underperforming the benchmark by 7 bps.

Risk sentiment weakened in the third quarter 2023 due to a global bond market sell-off and concerns over fiscal sustainability. As growth and inflation moderated, central banks were expected to hold rates steady, with a "higher for longer" outlook. Optimism for a soft landing emerged late in the year, leading to market anticipation of rate cuts in early 2024. Strong economic data in early 2024 bolstered investor sentiment, despite persistent inflation concerns. By mid-2024, economic momentum continued, but sticky inflation tempered expectations for significant rate cuts.

Over the period, US Treasury yield curve steepened as short-end of the curve fell whereas the long-end of the curve rose as Federal Reserve (Fed) struck a hawkish tone at its June conference with all but one cut being removed from the 2024 projections, the 2-year treasury fell by 14 bps and 10-year treasury yield increased by 56 bps to 4.75% and 4.40% respectively.

On the monetary policy front, during the period the Fed raised the target rate once by 25 bps in the July 2023 meeting, however have paused since then at the target range of 5.25% to 5.50%. The Fed struck a hawkish tone at its June 2024 conference as the dot plot signaled only one cut for rest of 2024.

Performance Review

The Fund continues to dynamically adjust its duration and yield curve positioning, over the period the portfolio have maintained duration at 3.8 years and are slightly overweight in duration against the benchmark. We have also increased our USD exposure from 13.5% to ~19.4%.

During the period, the HK government bond (HKGB) yield curve steepened as the yields in the short-end fell more than long-end of the curve. Both the 3-year HK government bond (HKGB) and 5-year HKGB yield curve fell by 33 bps and 16 bps to 3.46% and 3.38% respectively. In terms of yield curve positioning, our underweight allocation in long-end (6+ years) of the curve was the key detractor from the performance. Our security selection and overweight allocation in corporate contributed to the performance.

Outlook

In the latest Investment Quarterly strategy meeting (Jun 2024), we left our scenario expectations unchanged. A soft landing scenario is our base case, with Sub Trend Growth/Soft Landing with 70% probability as disinflation trend appeared entrenched to us, corporate in America had stabilized, with EBITDA improving as many industries were benefiting from the support of various fiscal programs still distributing cash and mixed picture in the labor market. The tail risks also remain equally balanced. The 15% left tail risk - Recession (10%) and Crisis (5%) - reminds us that a policy error from the central banks would come with considerable downside, given the magnitude of rate hikes since 2022. The 15% right tail risk - Above Trend Growth (15%) - recognizes that businesses and households may have done a better job absorbing the monetary policy tightening than we think.

We expect a steady China growth backdrop in 2024 with potentially lower deflation, albeit still with challenges as consumer and risk-asset sentiment remains weaker than expected. Fiscal in driver seat to support GDP coupled with stable monetary backdrop.

While Asia economies are expanding, Asia credit should remain relatively more resilient. We think Asia growth and corporate fundamentals remain healthy into 2024. After a sizable rally in rates and spreads, we think value could be found in selective new issue opportunities. Portfolio is neutral in duration and we continue to remain defensive and maintain decent carry.

Commentary by the Trustee

The Trustee confirmed that based on the information received from the Manager, to the best of the knowledge and belief of the Trustee, the investment policy for the Fund was complied with during the year. There was no change to the investment policy during the year.

	2024 HKD	2023 HKD	2022 HKD
Increase/(decrease) in net assets attributable to holders of redeemable units and total comprehensive income/(loss) before net gains/(losses) on investments and net foreign currency exchange gains/(losses)	(3,738,547)	(4,932,979)	(6,708,286)
Capital appreciation/(depreciation) ¹	55,731,703	(76,833,152)	(584,013,950)
Net assets attributable to holders of redeemable units	2,209,247,116	2,157,253,960	2,239,020,091

[¹Capital appreciation/(depreciation) represents the aggregate of net redemption and net gains/(losses) on investments and net foreign currency exchange gains/(losses)]

Report of the Trustee to the Unitholders

We hereby confirm that, in our opinion, the Manager of the Fund has in all material respects, managed the Fund in accordance with the provisions of the Trust Deed dated 16 September 1998, as amended, for the year ended 30 June 2024.

We hereby confirm that we have not become aware of any failures by the Custodian, the Manager and their delegates to comply with the obligations imposed on them for the year ended 30 June 2024.

We are not aware of any events of a significant nature relating to the Fund that occurred for the year ended 30 June 2024 which have not been reported to the Mandatory Provident Fund Schemes Authority (the "MPFA").

We hereby confirm that provisions of the Trust Deed dated 16 September 1998, as amended, the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong, the Mandatory Provident Fund Schemes Ordinance, the Mandatory Provident Fund Schemes (General) Regulation, the Code on MPF Investment Funds and other relevant guidelines issued by the MPFA have been complied with in all material respects during the year.

We confirm that there are no material changes (including changes of the Custodian, the Manager and the delegates of the Manager) which have not been reported to the MPFA during the year.

We declare that we have supervised and exercised proper control over all persons appointed or engaged for the purposes of the Fund for the year ended 30 June 2024

For and on behalf of Cititrust Limited, Trustee

Director

Director

28 October 2024

Independent Auditor's Report

To the Trustee of JPMorgan SAR HK\$ Bond Fund (the "Fund")

Report on the Audit of the Financial Statements**Opinion**

What we have audited

The financial statements of JPMorgan SAR HK\$ Bond Fund, which are set out on pages 6 to 19, comprise:

- the Statement of Financial Position as at 30 June 2024;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 30 June 2024, and of its financial transactions and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKASs") and with reference to Practice Note 860.1 (Revised), "The Audit of Retirement Schemes" issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The Trustee and the Manager (the "Management") of the Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Management of the Fund is responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 16 September 1998, as amended (the "Trust Deed"), the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "Ordinance"), the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), the Code on MPF Investment Funds (the "MPF Code"), Guidelines II.5 issued by the Mandatory Provident Fund Schemes Authority (the "MPF Guideline") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Independent Auditor's Report (Continued)

To the Trustee of JPMorgan SAR HK\$ Bond Fund (the "Fund")

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed, the Ordinance, the General Regulation, the MPF Code, the MPF Guideline and Appendix E of the SFC Code.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed, the Ordinance, the General Regulation, the MPF Code, the MPF Guideline and Appendix E of the SFC Code

(a) In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed, the Ordinance, the General Regulation, the MPF Code, the MPF Guideline and Appendix E of the SFC Code; and

(b) We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 28 October 2024

**Statement of Financial Position
As at 30 June 2024**

	Notes	2024 HKD	2023 HKD
Assets			
Current assets			
Cash at banks		94,087,535	56,373,390
Amounts due from brokers		-	1,577,342
Amounts receivable on allotment		417,831	685,035
Investments	4(l)(a)	2,160,743,925	2,112,450,029
Total assets		<u>2,255,249,291</u>	<u>2,171,085,796</u>
Liabilities			
Current liabilities			
Amounts due to brokers		22,052,772	9,473,262
Amounts payable on redemption		23,325,378	3,703,817
Other accounts payable		624,025	654,757
Liabilities (excluding net assets attributable to holders of redeemable units)		<u>46,002,175</u>	<u>13,831,836</u>
Net assets attributable to holders of redeemable units	3	<u>2,209,247,116</u>	<u>2,157,253,960</u>

Approved by the Trustee and the Manager on 28 October 2024

Signed by:

For and on behalf of Cititrust Limited, Trustee

Director

Director

For and on behalf of JPMorgan Asset Management (Asia Pacific) Limited, Manager

Director

**Statement of Comprehensive Income
For the year ended 30 June 2024**

	Notes	2024 HKD	2023 HKD
Income			
Net gains on investments	5	108,763,361	17,037,641
Interest on deposits	7(h)	1,647,095	1,001,076
Net foreign currency exchange gains/(losses)		85,137	(257,965)
Other income		1,108	1,313
		<u>110,496,701</u>	<u>17,782,065</u>
Expenses			
Management fee	7(d)	3,754,760	4,354,592
Trustee's fee	7(f)	602,511	642,135
Safe custody and bank charges	7(h)	329,596	320,795
Registrar's fee	7(g)	311,619	324,591
Valuation fee	7(d)	131,760	132,840
Auditor's fee		124,208	113,603
Legal and professional expenses		105,283	28,881
Transaction costs	7(h)	16,648	9,301
Printing and publication expenses		957	1,405
Other operating expenses		9,408	7,225
		<u>5,386,750</u>	<u>5,935,368</u>
		<u>105,109,951</u>	<u>11,846,697</u>
Increase in net assets attributable to holders of redeemable units and total comprehensive income			

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Units
For the year ended 30 June 2024**

	Notes	2024 HKD	2023 HKD
Net assets attributable to holders of redeemable units at the beginning of the year		2,157,253,960	2,239,020,091
Allotment of redeemable units	3	634,378,784	391,606,815
Redemption of redeemable units	3	(687,495,579)	(485,219,643)
Net redemption		(53,116,795)	(93,612,828)
		2,104,137,165	2,145,407,263
Increase in net assets attributable to holders of redeemable units and total comprehensive income		105,109,951	11,846,697
Net assets attributable to holders of redeemable units at the end of the year		2,209,247,116	2,157,253,960

The notes on pages 10 to 19 form part of these financial statements.

**Statement of Cash Flows
For the year ended 30 June 2024**

	2024 HKD	2023 HKD
Operating activities		
Purchase of investments	(606,430,436)	(402,525,944)
Proceeds from disposal of investments	681,056,753	473,469,752
Interest received	1,647,095	1,001,076
Transaction costs paid	(14,240)	(9,007)
Registrar's fee paid	(309,235)	(326,773)
Trustee's fee paid	(604,825)	(644,187)
Management fee paid	(3,790,782)	(4,373,746)
Others	(567,400)	(863,344)
Net cash inflow from operating activities	<u>70,986,930</u>	<u>65,727,827</u>
Financing activities		
Receipts on allotment of redeemable units	634,645,988	391,373,098
Payments on redemption of redeemable units	(667,874,018)	(488,891,333)
Net cash outflow from financing activities	<u>(33,228,030)</u>	<u>(97,518,235)</u>
Increase/(decrease) in cash and cash equivalents	37,758,900	(31,790,408)
Cash and cash equivalents at the beginning of the year	56,373,390	88,168,774
Exchange losses on cash and cash equivalents	(44,755)	(4,976)
Cash and cash equivalents at the end of the year	<u>94,087,535</u>	<u>56,373,390</u>
Analysis of balances of cash and cash equivalents:		
Cash at banks	<u>94,087,535</u>	<u>56,373,390</u>

The notes on pages 10 to 19 form part of these financial statements.

Notes to the Financial Statements

1 The Fund

JPMorgan SAR HK\$ Bond Fund (the "Fund") was established under a Trust Deed dated 16 September 1998, as amended (the "Trust Deed") and is governed by the laws of Hong Kong. The Fund is authorized by the Securities and Futures Commission of Hong Kong (the "SFC").

The investment policy of the Fund is to provide investors with long-term capital growth in Hong Kong dollar terms through a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

The Fund has been approved under section 6 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation") as an Approved Pooled Investment Fund since 31 October 2000. The Fund is also required to comply with the Schedule of Conditions for Approval of Pooled Investment Funds issued by the Mandatory Provident Fund Schemes Authority (the "MPFA") to the Fund dated 31 October 2000.

The Fund is established with different classes of units to cater for different categories of investors. Currently, the Fund offers three classes of units. The three classes of units are:

Class A - Available to collective investment schemes, pension plans, segregated portfolios or other types of investment vehicles to which units of Class B are not made available.

Class B - Available to any schemes registered under the General Regulation for investment purpose only and collective investment schemes which are authorized by the SFC, pension plans, segregated portfolios or other types of investment vehicles where the Manager or its associated party acts as the manager or the investment manager of such scheme, plan, portfolio or vehicle and a management fee or investment management fee is being charged by them.

Class C - Available to any schemes registered under the General Regulation for investment purpose only, designated collective investment schemes, pension plans, segregated portfolios or other types of investment vehicles as determined by the Manager.

All unitholders' rights with regard to the convening, voting or otherwise acting at any meeting of unitholders are the same.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation of financial statements

The financial statements of the Fund have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Manager and the Trustee (the "Management") to exercise their judgment in the process of applying the Fund's accounting policies.

New Standards and amendments to existing standards effective from 1 July 2023

The Fund has applied the following standards and amendments for the first time for the financial year beginning 1 July 2023:

- Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to HKAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to HKAS 12

The amendments listed above did not have any significant impact on the amounts recognized in the current or prior periods and are not expected to significantly affect the future periods.

New standards, amendments and interpretations effective after 1 July 2023 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

(b) Investments*Classification*

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.

As such, the Fund classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

Recognition, derecognition and measurement

Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognized at fair value and are subsequently re-measured at fair value. Realized and unrealized gains and losses on investments are recognized in the Statement of Comprehensive Income. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on last traded prices. When trading in the securities of an investee company is suspended, the investment is valued at the Manager's estimate of its fair value.

Debt securities are fair valued based on quoted prices inclusive of accrued interest.

Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

(d) Income and expense

Interest income on investments is accounted for as part of net gains/losses on investments in the Statement of Comprehensive Income.

Interest income on cash at banks and short-term deposits is accounted for in the Statement of Comprehensive Income on an effective interest basis.

Expenses are accounted for in the Statement of Comprehensive Income on an accrual basis.

(e) Transaction costs

Transaction costs are costs incurred to acquire/dispose of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

(f) Foreign currency translation*Functional and presentation currency*

The Fund has adopted Hong Kong dollar as its functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within "Net foreign currency exchange gains/losses". Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net gains/losses on investments".

(g) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and bank deposits with maturity of three months or less from the date of placing the deposits, net of certain short-term bank loans which the Fund usually undertakes as overnight bank borrowings.

(h) Amounts due from/to brokers

Amounts due from/to brokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled by the end of the year.

These amounts are recognized initially at fair value and subsequently measured at amortized cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganization and default in payments are all considered indicators that a loss allowance may be required.

(i) Proceeds and payments on allotment and redemption of units

The net asset value per unit is computed for each dealing day. The price at which units are allotted or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day in accordance with the provisions of the Trust Deed which may be different from the accounting policies stated in the financial statements.

Units of the Fund are redeemable at the option of the holders of redeemable units and are classified as a financial liability in the Statement of Financial Position which represents the net assets attributable to holders of redeemable units (or "net asset value" or "net assets" or "NAV") and is carried at the redemption amount that would be payable at the Statement of Financial Position date if the holders of redeemable units exercised the right to redeem units of the Fund.

3 Number of units in issue and net assets attributable to holders of redeemable units (per unit)

2024

	Class A Units	Class B Units	Class C Units
Number of units in issue:			
At the beginning of the year	6,758,674.776	48,684,822.384	75,142,405.832
Total allotments	433,731.548	13,544,379.037	25,691,312.083
Total redemptions	<u>(3,671,346.681)</u>	<u>(14,812,668.436)</u>	<u>(21,526,678.114)</u>
At the end of the year	<u>3,521,059.643</u>	<u>47,416,532.985</u>	<u>79,307,039.801</u>
	HKD	HKD	HKD
Net assets attributable to holders of redeemable units	<u>80,344,056</u>	<u>1,274,795,301</u>	<u>854,107,759</u>
Net assets attributable to holders of redeemable units (per unit)	<u>22.82</u>	<u>26.89</u>	<u>10.77</u>

2023

	Class A Units	Class B Units	Class C Units
Number of units in issue:			
At the beginning of the year	7,433,013.683	50,144,584.333	79,553,501.750
Total allotments	463,016.896	13,757,475.853	3,533,506.752
Total redemptions	(1,137,355.803)	(15,217,237.802)	(7,944,602.670)
At the end of the year	<u>6,758,674.776</u>	<u>48,684,822.384</u>	<u>75,142,405.832</u>
	HKD	HKD	HKD
Net assets attributable to holders of redeemable units	<u>147,291,766</u>	<u>1,240,199,676</u>	<u>769,762,518</u>
Net assets attributable to holders of redeemable units (per unit)	<u>21.79</u>	<u>25.47</u>	<u>10.24</u>

4 Financial risk management**(l) Financial risk factors**

The Fund's activities expose it to a variety of financial risks: market risk (including market price risk, interest rate risk and currency risk), credit risk and liquidity risk.

(a) Market risk**(i) Market price risk**

The Fund primarily invests in debt securities which are subject to interest rate risk. Refer to Note 4(l)(a)(ii) for interest rate risk.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flow will fluctuate due to changes in market interest rates. The Fund is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its investments and cash deposits.

The table below summarizes the Fund's financial assets and liabilities as at 30 June which expose it to the risk associated with the effects of fluctuations in the prevailing levels of market interest rates, categorized by remaining maturity dates.

	Less than 1 year HKD	1-5 years HKD	Over 5 years HKD	Total HKD
<u>2024</u>				
Cash at banks	94,087,535	-	-	94,087,535
Investments (Note*)	<u>340,364,707</u>	<u>1,132,050,578</u>	<u>688,328,640</u>	<u>2,160,743,925</u>
Total interest sensitivity gap	<u>434,452,242</u>	<u>1,132,050,578</u>	<u>688,328,640</u>	<u>2,254,831,460</u>

	Less than 1 year HKD	1-5 years HKD	Over 5 years HKD	Total HKD
<u>2023</u>				
Cash at banks	56,373,390	-	-	56,373,390
Investments (Note*)	183,128,616	1,144,128,565	785,192,848	2,112,450,029
Total interest sensitivity gap	<u>239,502,006</u>	<u>1,144,128,565</u>	<u>785,192,848</u>	<u>2,168,823,419</u>

Note:

* The coupon rate of the investments ranged between 0.00% p.a. - 7.78% p.a. (2023: 0.88% p.a. - 6.38% p.a.).

As at 30 June, the Fund's fair value of investments were as follows:

	2024		2023	
	Fair value of investments HKD	% of net assets	Fair value of investments HKD	% of net assets
Listed/Quoted Investments				
<u>Assets</u>				
Debt Securities				
- Hong Kong Dollar	1,734,102,086	78.5	1,818,192,709	84.3
- United States Dollar	426,641,839	19.3	294,257,320	13.6
Total Listed/Quoted Investments	<u>2,160,743,925</u>	<u>97.8</u>	<u>2,112,450,029</u>	<u>97.9</u>

The Manager monitors the Fund's interest rate risk sensitivity primarily through the modified duration of the Fund on a regular basis. The modified duration measures the sensitivity of the price of a bond relative to the change in interest rate. As at 30 June 2024, the Manager estimates that the Fund has a modified duration of 3.73 (2023: 3.84). For the purpose of disclosing relevant sensitivities, the percentage of reasonable possible change in interest rate adopted is 25 basis points and does not include remote or "worst case" scenarios or "stress tests" nor represent the Manager's forecast of the Fund's future returns. If the interest rates were to rise by 25 basis points with all other variables that may impact the net asset value of the Fund held constant, this would result in a decrease in net asset value of the Fund by approximately HKD20,601,229 (2023: HKD20,709,638). If the interest rates were to fall by 25 basis points, this would result in an increase in the net asset value of the Fund by the same amount.

(iii) Currency risk

The Fund holds assets and liabilities denominated in a number of currencies. HKFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not currency risk. However, the Manager monitors the exposure to currency risk on all foreign currency denominated assets and liabilities including both monetary and non-monetary assets and liabilities.

The table below summarizes the Fund's exposure to currency risk as at 30 June together with the percentage of reasonable possible change in foreign currencies and the estimated impact on net asset value of the Fund.

	HKD equivalent	% of reasonable possible change against HKD (Note**)	Estimated impact on net asset value HKD
Net currency exposures (Note*)			
<u>2024</u>			
Euro	2,775	-2.1	(58)
United States Dollar	427,620,392	-0.4	(1,710,482)
	<u>427,623,167</u>		<u>(1,710,540)</u>

	HKD equivalent	% of reasonable possible change against HKD (Note**)	Estimated impact on net asset value HKD
Net currency exposures (Note*)			
<u>2023</u>			
Euro	1,704	+4.2	72
United States Dollar	298,122,226	-0.1	(298,122)
	<u>298,123,930</u>		<u>(298,050)</u>

If the foreign currency fluctuations were to move in the opposite direction, this would result in an opposite movement in the net asset value of the Fund by the same amount, assuming all other variables that may impact the net asset value of the Fund are held constant.

Note:

* Net currency exposures on assets and liabilities include both monetary and non-monetary assets and liabilities.

** % of reasonable possible change is based on the actual historical change in the respective currencies against the functional currency of the Fund in the past 12 months and does not include remote or "worst case" scenarios or "stress tests" nor represent the Manager's forecast of the Fund's future returns.

(b) Credit risk

Credit risk is the risk that a counterparty will not be able to pay amounts in full when due.

The Manager monitors credit risk with reference to a number of factors including history of default and the credit rating of counterparties. The Manager considers the credit risk of other receivables such as amounts receivable on allotment or amounts due from brokers, to be insignificant as the Fund has no default history on such receivables in the past 5 years. Overall, the Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the Fund's counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses.

The maximum exposure to credit risk as at 30 June 2024 and 2023 is the carrying amount of the financial assets as shown in the Statement of Financial Position.

All transactions in listed/quoted investments are settled on a delivery versus payment basis using approved brokers. The risk of default is considered minimal, as delivery of investments sold is only made when the Fund's custodian bank has received payment. For a purchase, payment is made once the investments have been received by the Fund's custodian bank. The trade will fail if either party fails to meet the obligation.

The Fund's investments are predominantly in debt securities and therefore the Fund is exposed to credit risk that the issuers may not be able to repay the principal amount and interest at maturity. Credit risk derived from debt securities is managed and monitored on an on-going basis by making reference to the credit rating and credit outlook provided by credit rating agencies, if available, and internal credit analysis.

The table below summarizes the debt securities by credit rating as at 30 June.

	2024 % of net assets	2023 % of net assets
S&P(AAA)/Moody's(Aaa)/FITCH(AAA)	1.8	1.5
S&P(AA)/Moody's(Aa)/FITCH(AA)	26.4	29.3
S&P(A)/Moody's(A)/FITCH(A)	51.3	50.0
S&P(BBB)/Moody's(Baa)/FITCH(BBB)	10.2	8.0
Unrated	8.1	9.1
	<u>97.8</u>	<u>97.9</u>

The table below summarizes the unrated debt securities as stated in the table above by their issuers' credit rating as at 30 June.

	2024 % of net assets	2023 % of net assets
S&P(AA)/Moody's(Aa)/FITCH(AA)	6.8	7.1
S&P(A)/Moody's(A)/FITCH(A)	0.2	0.5
Unrated	1.1	1.5
	<u>8.1</u>	<u>9.1</u>

In order to monitor the credit quality of the unrated underlying debt securities, the Manager, on the basis of internal research, prepares its own proprietary ratings for the debt securities for which publicly available credit ratings are not available. The Manager reviews the key financial metrics of the issue and structural features of the debt securities in order to calculate the implied ratings for each of the debt securities.

The table below summarizes the credit rating of the banks/custodian which the Fund has placed the financial assets as at 30 June.

	2024 Exposure to Counterparties HKD	2023 Exposure to Counterparties HKD
Bank balances		
S&P(AA)/Moody's(Aa)/FITCH(AA)	27,189,102	8,351,264
S&P(A)/Moody's(A)/FITCH(A)	66,898,433	48,022,126
Investment balances with custodian		
S&P(AA)/Moody's(Aa)/FITCH(AA)	<u>2,160,743,925</u>	<u>2,112,450,029</u>

(c) Liquidity risk

The Fund is exposed to daily redemption of units, the majority of its assets in investments are traded in an active market which can be readily disposed of. The Manager may also limit the total number of units redeemed for the Fund on any dealing day to 10% or more of the units in issue on any dealing day.

The table below summarizes the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at 30 June to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	2024 Less than 1 month HKD	2023 Less than 1 month HKD
Amounts due to brokers	22,052,772	9,473,262
Amounts payable on redemption	23,325,378	3,703,817
Other accounts payable	624,025	654,757
Net assets attributable to holders of redeemable units	<u>2,209,247,116</u>	<u>2,157,253,960</u>
Total financial liabilities	<u>2,255,249,291</u>	<u>2,171,085,796</u>

The Manager manages the Fund's liquidity risk by investing in investments that the Manager expects to liquidate normally within 1 month and making short-term bank borrowing to meet the total financial liabilities.

(II) Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable units which is subject to allotments and redemptions of redeemable units. The Fund's objective for capital management is to provide returns and long-term capital growth for unitholders.

In order to maintain the capital structure, the Management performs the following:

- Monitor allotment and redemption activities relative to the liquid assets.
- To protect the interest of unitholders and in exceptional circumstances, the Manager may also limit the total number of units redeemed for the Fund on any dealing day to 10% or more of the units in issue on any dealing day.
- Monitor fund investment guidelines and restrictions, in accordance with the constitutional documents, to maintain sufficient liquidity through diversification.

(III) Fair value estimation

As at 30 June 2024 and 2023, the Management considers that the carrying values of assets and liabilities were reasonable approximations of their fair value.

HKFRS 13 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets 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 or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The table below summarizes the Fund's investments (by class) within the fair value hierarchy measured at fair value as at 30 June:

Listed/Quoted Investments	Level 1 HKD	Level 2 HKD	Level 3 HKD	Total HKD
<u>2024</u>				
<u>Assets</u>				
Debt Securities	- 2,160,743,925		- 2,160,743,925	
Total financial assets at fair value through profit and loss	- 2,160,743,925		- 2,160,743,925	
<u>2023</u>				
<u>Assets</u>				
Debt Securities	- 2,112,450,029		- 2,112,450,029	
Total financial assets at fair value through profit and loss	- 2,112,450,029		- 2,112,450,029	

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer/broker quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

There were no transfers between levels for the years ended 30 June 2024 and 2023.

For assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value as at 30 June 2024 and 2023.

5 Net gains on investments

	2024 HKD	2023 HKD
Change in unrealized gains/losses in value of investments	73,217,486	(30,352,150)
Realized gains on sale of investments	35,545,875	47,389,791
	108,763,361	17,037,641

6 Taxation

No provision for Hong Kong profits tax has been made as the Fund was authorized as a collective investment scheme under Section 104 of the Securities and Futures Ordinance and is therefore exempt from profits tax under Section 26A(1A) of the Inland Revenue Ordinance.

7 Transactions with the Trustee, the Manager and their Associates/Connected Persons

The following is a summary of significant related party transactions entered into during the year between the Fund and the Trustee, the Manager and their Associates/Connected Persons. Associates and Connected Persons of the Trustee and the Manager are those as defined in the Mandatory Provident Fund Schemes Ordinance and the Code on Unit Trusts and Mutual Funds established by the SFC. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) Investment transactions with Associates/Connected Persons of the Trustee and the Manager are set out below:

Name of company	Aggregate value of purchases and sales of investments HKD	% of the Fund's total aggregate value of transactions	Commission paid HKD	% of the Fund's total commission paid in the year	Average commission rate %
<u>2024</u>					
Citigroup Global Markets Ltd	95,214,170	8.89	-	-	-
<u>2023</u>					
Citigroup Global Markets Ltd	43,375,063	8.08	-	-	-

Note: No commission was paid by the Fund during the years ended 30 June 2024 and 2023

(b) Balances with the Trustee, the Manager and their Associates/Connected Persons as at year end:

	2024 HKD	2023 HKD
Cash at banks	27,189,102	8,351,265
Amounts payable	(11,568,683)	(538,970)

As at 30 June 2024, the Fund's investment balance of HKD2,160,743,925 (2023: HKD2,112,450,029) represents the investments held by the custodian, JPMorgan Chase Bank, N.A., an Associate/Connected Person of the Manager.

(c) During the years ended 30 June 2024 and 2023, there was no income accruing to the Manager relating to allotments and redemptions in the Fund.

(d) Management fee for Class A of 0.8% per annum, Class B of 0% per annum and Class C of 0.4% per annum of the net asset value of the Fund is paid to JPMorgan Asset Management (Asia Pacific) Limited. Management fee is accrued based on the net asset value attributable to each class of units on each dealing day and is payable monthly in arrears.

The Manager also receives a valuation fee of HKD310 per valuation if the Fund's net asset value is larger than HKD77.5 million but smaller than HKD155 million, or HKD540 per valuation if the Fund's net asset value is larger than HKD155 million

- (e) The Fund allows the Trustee, the Manager and their Associates/Connected Persons to subscribe for, and redeem, units of the Fund.
- (f) Trustee's fee for Class A of 0.0295% per annum, Class B of 0.0295% per annum and Class C of 0.0295% per annum of the net asset value of the Fund is paid to the Trustee. Trustee's fee is accrued based on the net asset value attributable to each class of units on each dealing day and is payable monthly in arrears.
- (g) JPMorgan Funds (Asia) Limited, the registrar agent and also an Associate/Connected Person of the Manager, receives a registrar's fee which will vary depending on the number of unitholders in the Fund and the number of transactions which occur. The range agreed with the Trustee is between 0.015% and 0.5% per annum of the Fund's net asset value. The registrar's fee is payable quarterly in arrears.
- (h) During the years ended 30 June 2024 and 2023, in addition to the management fee, valuation fee and registrar's fee as disclosed in Note 7(d) and 7(g), respective amounts received from/(paid to) the Manager, JPMorgan Asset Management (Asia Pacific) Limited, and its Associates/Connected Persons were as follows:

	2024 HKD	2023 HKD
Interest on deposits	470,788	165,142
Transaction costs	(16,648)	(9,301)
Safe custody and bank charges	(255,656)	(276,929)
	<u> </u>	<u> </u>

8 Soft dollar arrangements/Commission sharing arrangements

During the years ended 30 June 2024 and 2023, the Manager and its Associates/Connected Persons did not enter into any soft dollar arrangements/commission sharing arrangements in connection with directing transactions of the Fund through a broker or dealer.

9 Distribution

No distribution was made during the year (2023: nil).

Investment Portfolio
As at 30 June 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
Listed/Quoted Investments (97.8%)			
Debt Securities (97.8%)			
Hong Kong Dollar (78.5%)			
Airport Authority HK 1.55% 30Oct2027	HKD8,000,000	7,406,835	0.3
Airport Authority HK 1.85% 23Jun2027-RegS	HKD21,000,000	19,722,944	0.9
Airport Authority HK 1.95% 11May2027	HKD10,000,000	9,459,063	0.4
Airport Authority HK 1.95% 16Jun2027-RegS	HKD20,000,000	18,857,239	0.9
Airport Authority HK 1.95% 20Nov2030-RegS	HKD15,000,000	13,285,483	0.6
Airport Authority HK 2.3% 24Apr2030	HKD10,000,000	9,177,349	0.4
Airport Authority HK 2.33% 29Apr2030	HKD10,000,000	9,188,066	0.4
ANZ Banking Grp 3.055% 30Jan2026	HKD15,000,000	14,898,838	0.7
ASB Finance Ltd 1.4% 02Aug2028	HKD30,000,000	27,063,089	1.2
ASB Finance Ltd 2.457% 25Sep2024-RegS	HKD12,000,000	11,953,313	0.5
Ascendas REIT 3.57% 20Mar2029	HKD17,000,000	16,508,237	0.7
Ascendas REIT 3.66% 16May2025	HKD9,000,000	8,953,273	0.4
Ausnet Serv Hldgs 2.62% 24Mar2028-RegS	HKD10,000,000	9,393,740	0.4
Ausnet Serv Hldgs 3.2% 20Aug2027	HKD5,000,000	4,807,778	0.2
Ausnet Serv Hldgs 3.45% 06Mar2034	HKD25,000,000	22,958,981	1.0
Barclays Bank Plc Ser EMTN (Br) 3.8% 25Jul2024	HKD5,000,000	5,173,381	0.2
BK of Comm HK Ser EMTN (Reg) (Reg S) 4.5% 28Feb2025	HKD11,000,000	11,143,964	0.5
BNP Paribas Ser EMTN (Reg S) (Br) 4.8% 28Jun2028	HKD6,000,000	5,959,467	0.3
BOC Aviation 3.25% 27Jul2027-RegS	HKD12,000,000	11,935,548	0.5
Bocom Leasing Mgmt 1.07% 27Sep2024	HKD31,000,000	30,974,815	1.4
Canadian Imperial Bank Ser GMTN (Reg S) (Br) 4.5% 10Jun2032	HKD20,000,000	19,840,281	0.9
Champion MTN 2.85% 23Jun2025-RegS	HKD19,000,000	18,529,276	0.8
Champion MTN 3.73% 06Apr2028-RegS	HKD16,000,000	15,319,002	0.7
China Overs Fin VIII 2.9% 15Jan2025-RegS	HKD34,000,000	34,438,199	1.6
CK Property Fin 2.69% 01Sep2027-RegS	HKD18,000,000	17,104,240	0.8
CLP Power HK Fin 3.25% 04Dec2026-RegS	HKD20,000,000	19,515,692	0.9
CLP Power HK Fin 3.45% 01Mar2027	HKD10,000,000	9,780,816	0.4
CLP Power HK Fin 3.6% 13Sep2030	HKD10,000,000	9,939,705	0.5
CMT MTN Pte Ltd 2.5% 27Nov2030-RegS	HKD7,000,000	6,266,055	0.3
CMT MTN Pte Ltd 2.53% 01Feb2033-RegS	HKD10,000,000	8,609,259	0.4
CMT MTN Pte Ltd 2.71% 07Jul2026	HKD40,000,000	39,603,411	1.8
CMT MTN Pte Ltd 3.836% 20Nov2025-RegS	HKD10,000,000	9,893,010	0.5
Commonwealth Bank Aust 2.505% 21Sep2026-RegS	HKD4,000,000	3,852,107	0.2
DBS Bank Ltd/Hong Kong Ser GMTN (Reg S) 3.47% 25Jul2024	HKD10,000,000	10,145,648	0.5
Export-Import Bank Korea Ser EMTN (Reg) (Reg S) 2.05% 26Sep2024	HKD2,000,000	2,019,391	0.1
Export-Import BK India 1.55% 07Nov2024-RegS	HKD5,000,000	4,947,439	0.2
First Abu Dhabi Bank PJS 1.45% 27Apr2026-RegS	HKD15,000,000	14,221,834	0.6
First Abu Dhabi Bank PJS 1.51% 26Oct2025	HKD6,000,000	5,810,959	0.3
First Abu Dhabi Bank PJS 2.17% 11Jun2025	HKD13,000,000	12,678,914	0.6
HK Electric Fin 2.4% 08Mar2030-RegS	HKD20,000,000	18,233,481	0.8
HK Electric Fin 2.55% 01Aug2028-RegS	HKD27,000,000	25,947,084	1.2
HK Electric Fin 3.4% 16Jul2027	HKD5,000,000	4,906,902	0.2
HK Exchange Fund 1.59% 04Mar2036	HKD10,000,000	8,186,218	0.4
HK Exchange Fund 2.07% 26Aug2026	HKD10,000,000	9,752,753	0.4
HK Govt Bd 1.25% 29Jun2027	HKD37,000,000	34,681,330	1.6
HK Govt Bd 1.68% 21Jan2026	HKD58,000,000	56,549,937	2.6
HK Govt Bd 1.89% 02Mar2032	HKD28,800,000	26,284,620	1.2
HK Govt Bd 1.97% 17Jan2029	HKD17,000,000	16,169,830	0.7
HK Govt Bd 2.02% 07Mar2034	HKD33,000,000	29,243,419	1.3
HK Govt Bond Programme 2.13% 16Jul2030	HKD46,000,000	43,512,710	2.0
HKCG Finance 1.98% 21Aug2030-RegS	HKD15,000,000	12,970,659	0.6
HKCG Finance 2.25% 22Jul2026	HKD5,000,000	4,792,320	0.2
HKCG Finance 2.3% 17Jun2026	HKD10,000,000	9,601,022	0.4
HKCG Finance 2.35% 01Apr2025	HKD4,000,000	3,957,742	0.2
HKCG Finance 2.65% 03Jul2027-RegS	HKD2,000,000	1,904,232	0.1
HKCG Finance 2.69% 10Feb2030-RegS	HKD6,000,000	5,469,008	0.3
HKCG Finance 2.8% 25Feb2025-RegS	HKD11,000,000	10,903,117	0.5
HKCG Finance 2.85% 10Nov2025-RegS	HKD10,000,000	9,822,028	0.4

**Investment Portfolio (Continued)
As at 30 June 2024 (Unaudited)**

	Holding	Fair value HKD	% of net assets
Hong Kong Dollar (Continued)			
HKCG Finance 3.25% 11May2030-RegS	HKD4,000,000	3,748,500	0.2
HKCG Finance 3.6% 02Nov2026	HKD2,000,000	1,967,434	0.1
HKCG Finance 5% 12Jan2050	HKD6,000,000	6,321,160	0.3
HLP Finance Ltd 2.28% 05Mar2027-RegS	HKD5,000,000	4,656,877	0.2
Hong Kong (Govt of) 2.24% 27Aug2029	HKD14,000,000	13,355,786	0.6
Hong Kong (Govt of) 2.48% 28Feb2029	HKD17,200,000	16,679,626	0.8
Hong Kong (Govt) 1.51% 24Feb2027	HKD10,000,000	9,542,541	0.4
Hong Kong Government Bond 2.39% 20Aug2025	HKD12,000,000	11,875,077	0.5
Hong Kong Government Bond 3.3% 26May2042	HKD8,000,000	7,389,123	0.3
Hong Kong Mortgage Corp 1.57% 04Sep2029-RegS	HKD2,000,000	1,781,553	0.1
Hong Kong Mortgage Corp 2.98% 02Apr2049-RegS	HKD5,000,000	3,885,217	0.2
Hong Kong Mortgage Corp 3.15% 19Mar2049-RegS	HKD5,000,000	4,019,464	0.2
Hong Kong Mortgage Corp 3.54% 24Sep2024	HKD6,000,000	6,147,847	0.3
Hong Kong Mortgage Corp 3.88% 15Feb2034-RegS	HKD10,000,000	10,032,833	0.5
Hong Kong Mortgage Corp Ser EMTN (Reg) (Reg S) 4.68% 12Sep2025	HKD7,000,000	7,267,780	0.3
Hong Kong Mortgage Corp Ser GMTN (Reg) (Reg S) 4.2% 28Feb2034	HKD12,000,000	12,371,124	0.6
Hongkong Electric Fin 3% 26Jan2031	HKD5,000,000	4,721,101	0.2
Hongkong Land Notes 1.957% 12Aug2031-RegS	HKD10,000,000	8,394,857	0.4
Hongkong Land Notes 2.65% 18Aug2035	HKD10,000,000	8,249,043	0.4
Hongkong Land Notes 3.83% 05Nov2028-RegS	HKD10,000,000	9,792,677	0.4
Hongkong Land Notes 4% 15Feb2027	HKD10,000,000	9,938,056	0.5
Hongkong Land Notes 4.11% 13Sep2030-RegS	HKD5,000,000	5,028,635	0.2
Hongkong Land Notes Ser MTN 3.15% 10May2028	HKD5,000,000	4,789,863	0.2
HSBC Holdings Plc Ser EMTN (Br) 1.55% 03Jun2027	HKD1,000,000	908,620	0.0
Hysan (MTN) 2.73% 17Feb2027-RegS	HKD12,000,000	11,338,143	0.5
Hysan (MTN) 3.1% 04Apr2029-RegS	HKD16,000,000	14,774,441	0.7
Hyundai Capital Services Ser GMTN (Reg) (Reg S) 4.44% 02Jul2027	HKD5,000,000	4,942,642	0.2
Hyundai Capital Services Ser GMTN (Reg) 5% 06Jul2025	HKD3,000,000	3,138,893	0.1
IFC Development 2.67% 08Apr2030	HKD46,000,000	42,017,373	1.9
Korea Development Bank Ser GMTN 3.615% 28Jul2024	HKD5,000,000	5,164,385	0.2
Korea Expressway Corp Ser GMTN (Br) 5.11% 08Nov2030	HKD5,000,000	5,367,625	0.2
Korea Gas Corp Ser GMTN (Br) 5.28% 29Nov2024	HKD15,000,000	15,489,868	0.7
Korea Hydro & Nuclear Po Ser EMTN 3.35% 13Mar2028	HKD2,000,000	1,943,528	0.1
Korea Land & Housing Cor Ser EMTN (Reg S) (Br) 2.43% 28Sep2024	HKD5,000,000	4,968,221	0.2
Link Finance Cayman 2009 1.48% 15Oct2026	HKD5,000,000	4,660,478	0.2
Link Finance Cayman 3.55% 28Jun2027	HKD17,000,000	16,481,921	0.7
Mitsubishi HC Cap UK Plc Ser EMTN (Reg S) (Br) 4.65% 02Jul2026	HKD6,000,000	5,988,804	0.3
Morgan Stanley Fin Llc Ser EMTN (Reg) (Reg S) 4.19% 21Sep2025	HKD5,000,000	5,127,278	0.2
MTR Corp 2.25% 04Dec2025-RegS	HKD9,000,000	8,739,566	0.4
MTR Corp 2.25% 28Dec2024-RegS	HKD7,000,000	7,001,262	0.3
MTR Corp 2.65% 09Apr2025-RegS	HKD11,000,000	10,909,443	0.5
MTR Corp 2.83% 06Sep2047-RegS	HKD5,000,000	3,910,025	0.2
MTR Corp 2.95% 26Apr2047-RegS	HKD7,000,000	5,479,455	0.2
MTR Corp 2.98% 17Jul2047-RegS	HKD18,000,000	14,560,177	0.7
MTR Corp 3% 09Nov2045-RegS	HKD10,000,000	8,213,227	0.4
MTR Corp 4% 04Mar2029-RegS	HKD15,000,000	14,990,116	0.7
MTR Corp 4.2% 30Apr2031-RegS	HKD14,000,000	14,333,119	0.7
National Australia Bank Ser EMTN (Reg S) Var 06Jun2033	HKD3,000,000	3,068,120	0.1
Nationwide Bldg Society Ser EMTN (Br) (Regs) 2.83% 20Apr2026	HKD10,000,000	9,764,084	0.4
NWD MTN 3.8% 21May2029-RegS	HKD14,000,000	10,699,059	0.5
PSA Treasury Pte Ltd 2.6597% 25Feb31	HKD4,000,000	3,669,699	0.2
QNB Finance Ltd 1.13% 01Sep2024	HKD5,000,000	5,014,723	0.2
QNB Finance Ltd 1.4% 01Sep2025-RegS	HKD17,000,000	16,454,577	0.7
QNB Finance Ltd 1.95% 30Sep2028	HKD5,000,000	4,441,554	0.2
QNB Finance Ltd 2.322% 08Sep2031	HKD5,000,000	4,217,065	0.2
Standard Chartered Bank 3.5% 13Jun2025-RegS	HKD10,000,000	9,905,370	0.5
Standard Chartered Bank Ser EMTN (Reg S) (Br) 3.875% 05May2026	HKD5,000,000	4,947,635	0.2
Standard Chartered Bank Ser EMTN (Regs) (Br) 4.08% 26Sep2025	HKD6,000,000	6,127,328	0.3
State Grid Overseas Investment 2.85% 17Apr2029-RegS	HKD32,000,000	30,172,789	1.4
Sun Hung Kai Prop 1.89% 17Jan2028-RegS	HKD10,000,000	9,192,331	0.4
Sun Hung Kai Prop 1.9% 03Jun2028-RegS	HKD17,000,000	15,437,777	0.7
Sun Hung Kai Prop 2.28% 25Aug2026-RegS	HKD1,500,000	1,434,735	0.1
Sun Hung Kai Prop 2.32% 26Jul2026	HKD5,000,000	4,802,663	0.2
Sun Hung Kai Prop 2.56% 15Apr2026	HKD8,000,000	7,782,880	0.4

Investment Portfolio (Continued)
As at 30 June 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
Hong Kong Dollar (Continued)			
Sun Hung Kai Prop 2.68% 27Feb2030-RegS	HKD11,000,000	10,069,266	0.5
Sun Hung Kai Prop 2.7% 26Jun2027-RegS	HKD3,000,000	2,854,831	0.1
Sun Hung Kai Prop 2.75% 16Mar2026-RegS	HKD5,000,000	4,863,594	0.2
Sun Hung Kai Prop 3.21% 01Mar2029-RegS	HKD3,000,000	2,850,168	0.1
Sun Hung Kai Prop 3.38% 18Jan2029	HKD15,000,000	14,444,612	0.7
Sun Hung Kai Prop 3.55% 06Sep2028-RegS	HKD10,500,000	10,173,214	0.5
Sun Hung Kai Prop 3.92% 22Jun2026	HKD15,000,000	14,872,401	0.7
Sun Hung Kai Prop Cap 2.05% 06Aug2027	HKD10,000,000	9,335,897	0.4
Swire Pacific MTN 2.35% 25Jan2031-RegS	HKD2,000,000	1,758,687	0.1
Swire Pacific MTN 2.59% 17Jul2026	HKD5,000,000	4,823,720	0.2
Swire Pacific MTN 3.01% 28May2029-RegS	HKD8,000,000	7,495,971	0.3
Swire Pacific MTN 3.9% 05Nov2030	HKD18,000,000	17,447,161	0.8
Swire Prop MTN Fin 2.65% 03Jun2026-RegS	HKD9,000,000	8,715,473	0.4
Swire Prop MTN Fin 2.8% 26Mar2025-RegS	HKD8,000,000	7,903,444	0.4
Swire Prop MTN Fin 2.9% 23Jan2025-RegS	HKD8,000,000	7,971,342	0.4
Swire Prop MTN Fin 3% 07Apr2027-RegS	HKD5,000,000	4,834,128	0.2
Swire Prop MTN Fin 3% 19Mar2025-RegS	HKD20,000,000	19,793,586	0.9
Swire Prop MTN Fin 3.1% 24Oct2024-RegS	HKD3,000,000	3,004,666	0.1
Swire Prop MTN Fin 3.55% 17Jul2024-RegS	HKD9,000,000	9,062,573	0.4
Total Energies Capital International Ser EMTN (Regs) 2.92% 11Apr2025	HKD4,000,000	4,006,820	0.2
Toyota Motor Finance 4.77% 28May2026	HKD10,000,000	10,091,523	0.5
Toyota Motor Finance Ser EMTN (Br) 4.59% 23Feb2027	HKD10,000,000	10,230,357	0.5
Volkswagen Fin 3.52% 14Apr2025-RegS	HKD1,000,000	996,246	0.0
Wells Fargo y Company Ser EMTN (Reg) (Reg S) 3% 05Jun2025	HKD11,000,000	10,828,746	0.5
Westpac Banking 3.18% 03Apr2028	HKD16,000,000	15,530,296	0.7
Westpac Sec Nz/London Ser EMTN (Reg) (Reg S) 2.4% 09Feb2029	HKD13,000,000	11,872,676	0.5
Wharf REIC Finance 1.5% 02Mar2026	HKD2,000,000	1,908,040	0.1
Wharf REIC Finance 2.1% 16Mar2027-RegS	HKD24,000,000	22,541,087	1.0
Wharf REIC Finance 2.55% 16Apr2025	HKD19,000,000	18,787,962	0.9
Wharf REIC Finance 2.68% 13Feb2027	HKD9,000,000	8,697,115	0.4
Wharf REIC Finance 2.69% 20Feb2030-RegS	HKD13,000,000	11,822,497	0.5
Wharf REIC Finance 2.8% 23Jan2030-RegS	HKD5,000,000	4,629,652	0.2
Wharf REIC Finance 3.07% 22Jan2028	HKD5,000,000	4,839,668	0.2
Wharf REIC Finance 3.1% 26Jan28	HKD10,000,000	9,686,447	0.4
Wharf REIC Finance 3.3% 17Apr2028-RegS	HKD12,000,000	11,595,994	0.5
United States Dollar (19.3%)			
ABJA Invest Co (Regs) (Reg) 5.95% 31Jul2024	USD500,000	4,000,432	0.2
Alibaba Group Holding (Reg) 4.2% 06Dec2047	USD600,000	3,724,311	0.2
Aust & NZ Banking Group Ser Regs (Reg S) 6.742% 08Dec2032	USD2,000,000	16,712,441	0.8
Aust & NZ Banking Group Ser Regs (Reg S) VAR 22Jul2030	USD300,000	2,299,895	0.1
Azure Orbit IV 4% 25Jan2028-RegS	USD1,000,000	7,641,558	0.3
Bank Negara Indonesia Ser EMTN (Reg S) 5.28% 05Apr2029	USD556,000	4,357,693	0.2
Bank of America Corp Ser MTN (Reg) Var 01Oct2025	USD600,000	4,688,263	0.2
Bank of Communication HK Var 08Jul2031-RegS	USD590,000	4,375,421	0.2
Bank of East Asia Ltd VRN 27Jun2034-RegS	USD2,950,000	2,287,924	0.1
Bank of East Asia Ltd VRN 29May2030-RegS	USD250,000	1,916,962	0.1
Barclays Plc VAR 09May2027	USD1,500,000	11,832,523	0.5
Cathaylife Singapore (Reg) (Reg S) 5.95% 05Jul2034	USD301,000	2,347,010	0.1
China Cinda 2020 I MNGMN Ser EMTN (Reg) (Reg S) 5.75% 28May2029	USD597,000	4,692,157	0.2
CMB International Leasing 2% 04Feb2026-RegS	USD200,000	1,491,337	0.1
CMB International Leasing 2.75% 12Aug2030-RegS	USD700,000	4,849,536	0.2
Commonwealth Bank Aust Ser Regs (Reg S) 5.837% 13Mar2034	USD1,000,000	7,938,962	0.4
ENN Energy 2.625% 17Sep2030-RegS	USD300,000	2,054,581	0.1
Export-Import BK Thailand 5.354% 16May2029-RegS	USD784,000	6,182,821	0.3
First Abu Dhabi Bank PJS 5% 28Feb2029	USD884,000	6,992,902	0.3
Foxconn Far East 2.5% 28Oct2030-RegS	USD800,000	5,389,761	0.2
Freeport Indonesia 5.315% 14Apr2032-RegS	USD300,000	2,299,756	0.1
Freeport Indonesia PT Ser Regs (Reg) (Reg S) 6.2% 14Apr2052	USD500,000	3,908,557	0.2
GOHL Capital Ltd 4.25% 24Jan2027	USD300,000	2,293,151	0.1
Goldman Sachs VAR 09Dec2026	USD600,000	4,383,692	0.2

Investment Portfolio (Continued)
As at 30 June 2024 (Unaudited)

	Holding	Fair value HKD	% of net assets
United States Dollar (Continued)			
HDFC Bank Ltd Ser EMTN (Reg) (Reg S) 5.18% 15Feb2029	USD450,000	3,563,778	0.2
Hongkong Land Finance Ser EMTN (Reg) (Reg S) 5.25% 14Jul2033	USD400,000	3,176,149	0.1
Hyundai Assan Otomotiv (Reg) (Reg S) 1.625% 12Jul2026	USD700,000	5,107,027	0.2
Hyundai Card Co Ltd (Reg) (Reg S) 5.75% 24Apr2029	USD400,000	3,180,085	0.1
Hyundai Motor Manu Indo Ser EMTN (Reg) (Reg S) 1.75% 06May2026	USD500,000	3,663,277	0.2
Indian Railway Finance Ser Regs (Reg) (Reg S) 2.8% 10Feb2031	USD600,000	4,064,680	0.2
Jinan URB Const Intl Inv 2.4% 23Sep2026-RegS	USD500,000	3,641,248	0.2
JMH Co Ltd (Reg) (Reg S) 2.5% 09Apr2031	USD500,000	3,317,831	0.1
KB Capital Co Ltd (Reg) (Reg S) 1.5% 28Oct2025	USD1,500,000	11,113,002	0.5
KB Kookmin Card Co Ltd (Reg) (Reg S) 4% 09Jun2025	USD800,000	6,170,207	0.3
KB Securities Co Ltd (Reg) (Reg S) 2.125% 01Nov2026	USD600,000	4,351,848	0.2
Korea East-West Power Co (Reg) (Reg S) 4.875% 12Jul2028	USD490,000	3,874,594	0.2
Korea Hydro & Nuclear Po Ser Regs (Reg) (Reg S) 4.25% 27Jul2027	USD500,000	3,873,337	0.2
Korea Land & Housing Cor (Reg) (Reg S) 5.75% 06Oct2025	USD700,000	5,559,090	0.2
Korea National Oil Corp Ser Regs (Reg) (Reg S) 4.875% 03Apr2029	USD373,000	2,916,019	0.1
Korea Rehab & Resource (Reg) (Reg S) 5.125% 08May2029	USD684,000	5,329,897	0.2
LG Energy Solution Ser Regs (Reg S) 5.375% 02Jul2027	USD1,120,000	8,704,812	0.4
Lloyds Banking Group Plc (Reg) Var 05Jun2030	USD500,000	3,952,894	0.2
Macquarie Bank Ltd Ser Regs (Reg S) Var 03Mar2036	USD1,400,000	9,182,445	0.4
Macquarie Group Ltd Ser Regs (Reg S) Var 07Dec2034	USD200,000	1,623,862	0.1
Macquarie Group Ltd Ser Regs (Reg S) Var 23Jun2032	USD400,000	2,591,507	0.1
Metropolitan Bank & Trust Ser EMTN (Reg S) 5.5% 06Mar2034	USD484,000	3,830,927	0.2
Metropolitan Bank & Trust Ser EMTN (Reg) (Reg S) 5.375% 06Mar2029	USD261,000	2,077,746	0.1
Mitsubishi HC Fin Amer Ser Regs (Reg S) 5.658% 28Feb2033	USD500,000	4,028,294	0.2
Mitsubishi HC Fin Amer Ser Regs (Reg S) 5.807% 12Sep2028	USD700,000	5,650,099	0.3
National Australia Bank Ser Regs (Reg) (Reg S) 4.875% 02Aug2034	USD1,000,000	7,302,392	0.3
NBN Co Ltd Ser Regs (Reg S) 2.625% 05May2031	USD800,000	5,403,947	0.2
Perusahaan Listrik Negar 4% 30Jun2050-RegS	USD1,200,000	6,754,401	0.3
Posco Ser Regs (Reg) (Reg S) 4.5% 04Aug2027	USD300,000	2,327,636	0.1
Prosus NV Ser Regs (Reg S) 4.027% 03Aug2050	USD200,000	1,085,713	0.0
Prosus NV Ser Regs (Reg) (Reg S) 3.832% 08Feb2051	USD700,000	3,647,330	0.2
Prudential Funding (Asia) Plc (Reg) (Reg S) Var 03Nov2033	USD400,000	2,792,403	0.1
Prudential Funding Asia (Reg) (Reg S) 3.125% 14Apr2030	USD300,000	2,114,542	0.1
Sands China Ltd (Reg) 3.75% 08Aug2031	USD900,000	6,015,494	0.3
Sands China Ltd Ser WI (Reg) 4.375% 18Jun2030	USD300,000	2,163,096	0.1
Scentre Mgmt Ltd/Re1 Ltd Ser Regs (Reg) 3.75% 23Mar2027	USD1,500,000	11,346,602	0.5
Security Bank Corp Ser EMTN (Reg S) 5.5% 14May2029	USD464,000	3,658,156	0.2
SF Hldng Investment 2021 3% 17Nov2028-RegS	USD700,000	5,044,635	0.2
Shinhan Card Co Ltd (Reg) (Reg S) 2.5% 27Jan2027	USD300,000	2,206,111	0.1
Shinhan Card Co Ltd (Reg) (Reg S) 5.5% 12Mar2029	USD925,000	7,351,912	0.3
SK Broadband Co Ltd (Reg) (Reg S) 4.875% 28Jun2028	USD300,000	2,319,795	0.1
SK Hynix Inc Ser Regs (Reg) (Reg S) 2.375% 19Jan2031	USD200,000	1,303,581	0.1
Standard Chartered Plc Ser Regs (Reg S) 6.296% 06Jul2034	USD660,000	5,474,226	0.2
Standard Chartered Plc Ser Regs (Reg S) 7.018% 08Feb2030	USD400,000	3,441,180	0.1
Standard Chartered Plc Ser Regs (Reg S) Var 16Nov2025	USD1,000,000	7,936,577	0.4
Standard Chartered Plc Ser Regs (Reg S) Var 18Feb2036	USD200,000	1,334,099	0.1
Sunny Express 3% 23Oct2029-RegS	USD700,000	5,008,983	0.2
Tencent Holdings Ltd Ser Regs (Reg) (Reg S) 3.595% 19Jan2028	USD800,000	6,034,724	0.3
Tencent Music Ent Grp 2% 03Sep2030-RegS	USD1,000,000	6,531,172	0.3
Thaioil Treasury 2.5% 18Jun2030-RegS	USD500,000	3,302,818	0.1
US Treasury 2.875% 15May2032	USD1,500,000	10,586,651	0.5
US Treasury 3.375% 15May2033	USD500,000	3,631,866	0.2
US Treasury 3.625% 15Feb2053	USD600,000	4,042,759	0.2
US Treasury 3.625% 15May2053	USD700,000	4,668,358	0.2
US Treasury 4% 15Feb2034	USD1,800,000	13,842,196	0.6
US Treasury 4.125% 15Aug2053	USD300,000	2,214,079	0.1
US Treasury Bill 0% 11Jul2024	USD850,000	6,626,618	0.3
US Treasury Bill 0% 26Sep2024	USD1,400,000	10,792,474	0.5
Weibo Corp (Reg) (Reg S) 3.375% 08Jul2030	USD600,000	4,174,242	0.2
Westpac Banking (Reg) Var 15Nov2035	USD400,000	2,592,568	0.1
Woori Bank (Reg S) 5.125% 06Aug2028	USD800,000	6,292,195	0.3
Yunda Hldg Inv 2.25% 19Aug2025-RegS	USD800,000	6,028,656	0.3

**Investment Portfolio (Continued)
As at 30 June 2024 (Unaudited)**

	Holding	Fair value HKD	% of net assets
United States Dollar (Continued)			
Zhongsheng Group 3% 13Jan2026-RegS	USD800,000	6,041,351	0.3
Total Listed/Quoted Investments		<u>2,160,743,925</u>	<u>97.8</u>
Other net assets		48,503,191	2.2
Net assets attributable to holders of redeemable units at 30 June 2024		<u>2,209,247,116</u>	<u>100.0</u>
Total investments, at cost		<u><u>2,262,211,331</u></u>	

**Statement of Movements in Portfolio Holdings
For the year ended 30 June 2024 (Unaudited)**

	% holdings of net assets	
	2024	2023
Listed/Quoted Investments		
Debt Securities		
Hong Kong Dollar	78.5	84.3
United States Dollar	19.3	13.6
Total Listed/Quoted Investments	97.8	97.9
Other net assets	2.2	2.1
Net assets attributable to holders of redeemable units at 30 June	<u>100.0</u>	<u>100.0</u>

Performance Record - Unaudited

Net Asset Values

At financial period ended	Net asset value of the Fund HKD	Net asset value per Class A unit HKD	Net asset value per Class B unit HKD	Net asset value per Class C unit HKD
30/6/24	2,209,247,116	22.82	26.89	10.77
30/6/23	2,157,253,960	21.79	25.47	10.24
30/6/22	2,239,020,091	21.77	25.25	10.19

Fund Expense Ratio

	Class A	Class B	Class C
30/6/24	0.87433%*	0.07883%*	0.47845%*
	HKD	HKD	HKD
Transaction costs for the period from 1 July 2023 to 30 June 2024	960	10,027	5,661

*** Basis of calculation and assumptions used by the Manager**

- The **Fund Expense Ratio** (FER) for the Fund has been calculated to five decimal places.
$$\text{FER} = \text{Total Expenses} / \text{Average Net Asset Value} \times \text{Conversion Factor} / \text{Total no. of days in the period}$$
- Total Expenses** represent the total expenses as set out in the Statement of Comprehensive Income of the Fund for the year ended 30 June 2024 but excluding transaction costs in arriving at total expenses.
- Average Net Asset Value** is the sum of the net asset value (NAV) of the Fund at each of the pricing points divided by the number of pricing points. The NAV at each pricing point is directly extracted from the accounting and valuation system used by the service provider of JPMorgan Asset Management (Asia Pacific) Limited and is unaudited.
- Pricing points represent relevant valuation dates for the Fund which are currently performed on a daily basis by the service provider of the Manager.

Performance Record - Unaudited (Continued)

Net annualized investment returns, highest offer and lowest bid prices

<u>Financial period ended</u>	<u>Net annualized investment return (Note)</u>	<u>Highest offer HKD</u>	<u>Lowest bid HKD</u>
Class A unit			
30/6/24	+4.7%	22.85	21.38
30/6/23	+0.1%	22.24	20.70
30/6/22	-7.6%	23.79	21.45
30/6/21	+1.3%	23.64	23.12
30/6/20	+4.5%	23.30	22.13
30/6/19	+5.9%	22.26	20.87
30/6/18	-1.7%	21.71	20.80
30/6/17	-0.4%	21.62	20.46
30/6/16	+3.6%	21.48	20.54
30/6/15	+4.0%	20.86	19.83
Class B unit			
30/6/24	+5.6%	26.92	25.05
30/6/23	+0.9%	25.96	24.07
30/6/22	-6.8%	27.39	24.87
30/6/21	+2.1%	27.17	26.48
30/6/20	+5.4%	26.53	25.10
30/6/19	+6.7%	25.20	23.49
30/6/18	-0.9%	24.23	23.34
30/6/17	+0.5%	24.04	22.71
30/6/16	+4.4%	23.75	22.59
30/6/15	+4.8%	22.85	21.57
Class C unit			
30/6/24	5.2%	10.78	10.06
30/6/23	+0.5%	10.45	9.70
30/6/22	-7.2%	11.10	10.04
30/6/21	+1.8%	11.02	10.77
30/6/20	+5.0%	10.81	10.25
30/6/19 (Since inception)	+2.8% ¹	10.29	9.98

¹ Return less than 1 year is shown without being annualized.

Note: Net annualized investment return is calculated by the percentage change in unit prices.

Management and Administration

Manager

JPMorgan Asset Management (Asia Pacific) Limited
19/F, Chater House
8 Connaught Road Central
Hong Kong

Administrator and Registrar

JPMorgan Funds (Asia) Limited
19/F, Chater House
8 Connaught Road Central
Hong Kong

Directors of the Manager

as at 28 October 2024
Chloe Louise THOMAS
Christopher David SPELMAN
Daniel James WATKINS
Ka Li NG
Stiofan Seamus DEBURCA
Tsun Kay Edwin CHAN

Trustee

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Auditor

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