

**PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of  
Hong Kong)**

**Annual Report and Financial Statements**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **CONTENTS**

	Pages
MANAGEMENT AND ADMINISTRATION	1
REPORT OF THE MANAGER TO THE UNITHOLDERS	2 - 3
REPORT OF THE TRUSTEE TO THE UNITHOLDERS	4
INDEPENDENT AUDITOR'S REPORT	5 - 7
AUDITED FINANCIAL STATEMENTS	
Statement of financial position	8
Statement of comprehensive income	9
Statement of changes in net assets attributable to unitholders	10
Statement of cash flows	11
Notes to the financial statements	12 - 30
INVESTMENT PORTFOLIO (UNAUDITED)	31
MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)	32
INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)	33
PERFORMANCE RECORD (UNAUDITED)	34

### **IMPORTANT:**

**The report is available in English only.**

**For more information about the fund, please refer to the explanatory memorandum of the fund which is available at our website: <https://asset.pingan.com.hk/>**

**PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**MANAGEMENT AND ADMINISTRATION**

**MANAGER**

Ping An of China Asset Management (Hong Kong)  
Company Limited  
Suites 2301, 23/F  
Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

**DIRECTORS OF THE MANAGER**

Tsui Siu Kay Gordon  
Tung Hoi  
Wang Xinyi

**SOLICITORS TO THE MANAGER**

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

**TRUSTEE AND REGISTRAR**

BOCI-Prudential Trustee Limited  
Suites 1501-1507&1513-1516,15/F,  
1111 King's Road,  
Taikoo Shing,  
Hong Kong

**AUDITOR**

PricewaterhouseCoopers  
22/F, Prince's Building  
Central, Hong Kong

**CUSTODIAN**

Bank of China (Hong Kong) Limited  
14/F, Bank of China Tower  
1 Garden Road  
Hong Kong

**PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**Report of the manager to the unitholders****Introduction**

Ping An Stable Fund (“the Sub-Fund”) is a sub-fund of the Ping An of China Select Investment Fund Series, an open-ended unit trust established as an umbrella fund pursuant to the trust deed dated 11 April 2011, as amended (the “Trust Deed”) between Ping An of China Asset Management (Hong Kong) Company Limited and BOCI – Prudential Trustee Limited and governed by the laws of Hong Kong. The Sub-Fund aims to provide stable income by mainly investing in money market instruments and debt securities. It seeks to achieve a return in US Dollar in line with prevailing money market rates. The Sub-Fund has been authorized by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104 of the SFO.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**Report of the manager to the unitholders (continued)****Performance of the Sub-Fund**

As at 30 June 2024 (the “last valuation date”), a summary of the performance of the Sub-Fund is set forth below:

The NAV of Class A USD per unit was USD 103.01 on 30 June 2024. The total number of units issued was 50,000.

Total return performance (As at 30 June 2024)	1-month	3-month	6-month	12-month	Since Inception 4 September 2023
Ping An Stable Fund - Class A USD	0.27%	0.90%	1.83%	-	3.01%

The NAV of Class A RMB (Hedged) per unit was RMB 100.29 on 30 June 2024. The total number of units issued was 1,000.

Total return performance (As at 30 June 2024)	1-month	3-month	6-month	12-month	Since Inception 22 March 2024
Ping An Stable Fund - Class A RMB (Hedged)	0.47%	0.29%	-	-	0.29%

## Notes:

1. Past performance figures shown are not indicative of the future performance of the Sub-Fund.
2. Returns are calculated on a NAV-to-NAV basis, with dividend reinvested.
3. SFC authorization is not a recommendation or endorsement of the Sub-Fund nor does it guarantee the commercial merits of the Sub-Fund or its performance. It does not mean the Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Ping An of China Asset Management (Hong Kong) Company Limited  
30 October 2024

**PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**Report of the trustee to the unitholders**

We hereby confirm that, in our opinion, the Manager, Ping An of China Asset Management (Hong Kong) Company Limited, has, in all material respects, managed Ping An Stable Fund (a sub-fund of Ping An of China Select Investment Fund Series) for the period from 4 September 2023 (date of establishment) to 30 June 2024 in accordance with the provisions of the Trust Deed dated 11 April 2011, as amended by supplemental deeds dated 11 April 2011, 4 February 2014, 7 March 2014, 25 April 2014, 21 July 2016, 31 December 2019, 24 April 2020, 25 February 2021, 5 July 2023 and 9 February 2024 (together the "Trust Deed").

On behalf of  
BOCI-Prudential Trustee Limited, the Trustee

---

30 October 2024

**Independent Auditor’s Report**  
**To the Unitholders of Ping An Stable Fund**  
**(a sub-fund of Ping An of China Select Investment Fund Series,**  
**an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

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

**Opinion**

*What we have audited*

The financial statements of Ping An Stable Fund (the “Sub-Fund”), a sub-fund of Ping An of China Select Investment Fund Series, which are set out on pages 8 to 30, comprise:

- the statement of financial position as at 30 June 2024;
- the statement of comprehensive income for the period from 4 September 2023 (date of establishment) to 30 June 2024;
- the statement of changes in net assets attributable to unitholders for the period from 4 September 2023 (date of establishment) to 30 June 2024;
- the statement of cash flows for the period from 4 September 2023 (date of establishment) to 30 June 2024; 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 Sub-Fund as at 30 June 2024, and of its financial transactions and its cash flows for the period then ended in accordance with IFRS Accounting Standards.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). 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 Sub-Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

**Other information**

The Trustee and the Manager (the “Management”) of the Sub-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.

**Independent Auditor's Report (Continued)**  
**To the Unitholders of Ping An Stable Fund**  
**(a sub-fund of Ping An of China Select Investment Fund Series,**  
**an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**Other information (Continued)**

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 Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards, 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 Sub-Fund is responsible for assessing the Sub-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 Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-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 11 April 2011, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

**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 ISAs 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 Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

**Independent Auditor's Report (Continued)**  
**To the Unitholders of Ping An Stable Fund**  
**(a sub-fund of Ping An of China Select Investment Fund Series,**  
**an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Sub-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 Sub-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 Sub-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 and Appendix E of the SFC Code**

In our opinion, the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 30 October 2024

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**STATEMENT OF FINANCIAL POSITION****As at 30 June 2024**

	Notes	2024
		USD
<b>ASSETS</b>		
Financial assets at fair value through profit or loss	5	1,977,780
Interest receivable on financial assets at fair value through profit or loss		7,365
Interest receivable on deposits with banks	11	28,058
Management fee rebate receivables	11	572
Prepayment		193
Deposit with bank	6	1,000,000
Cash and cash equivalents	7	2,135,804
<b>TOTAL ASSETS</b>		<b>5,149,772</b>
<b>LIABILITIES</b>		
Management fee payable	3	9,112
Trustee fee payable	3	8,014
Accrued expenses and other payables		23,268
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<b>40,394</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b> (calculated in accordance with IFRS Accounting Standards)	8	<b>5,109,378</b>
Represented by:		
<b>NET ASSETES ATTRIBUTABLE TO UNITHOLDERS</b> (calculated in accordance with Sub-Fund's Explanatory Memorandum)		<b>5,164,377</b>
Adjustment for fund set up fee	8	(54,999)

Approved and authorised for issue by the Trustee and the Manager on 30 October 2024.

.....  
For and on behalf of Ping An of China Asset Management (Hong Kong) Company Limited,  
as the Manager

.....  
For and on behalf of BOCI-Prudential Trustee Limited,  
as the Trustee

The notes on pages 12 to 30 are an integral part of these financial statements.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**STATEMENT OF COMPREHENSIVE INCOME**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

	Notes	Period from 4 September 2023 (date of establishment) to 30 June 2024
		USD
<b>INCOME</b>		
Interest income on financial assets at fair value through profit or loss		23,663
Interest income on bank deposits	11	155,773
Net gains on financial assets at fair value through profit or loss and derivative financial instruments	9	49,680
Management fee rebate	11	572
Net gains on foreign exchange		155
<b>TOTAL INCOME</b>		<u>229,843</u>
<b>EXPENSES</b>		
Management fee	3	(14,367)
Trustee fee	3	(24,800)
Legal and professional fee		(2,604)
Custodian fee	3	(441)
Audit fee		(20,425)
Transaction fee		(607)
Fund set up fee	8	(66,045)
Other operating expenses		(4,951)
<b>TOTAL EXPENSES</b>		<u>(134,240)</u>
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u><u>95,603</u></u>

The notes on pages 12 to 30 are an integral part of these financial statements.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

2024

USD

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT  
THE BEGINNING OF THE PERIOD

-

Proceeds on issue of units

5,013,775

Payment on redemption of units

-

Net increase from unit transactions

5,013,775

Increase in net assets attributable to unitholders

95,603

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT  
THE PERIOD END

8

5,109,378

Number of  
Units  
Class A  
USD

Number of  
Units  
Class A  
RMB (Hedge)

At 4 September 2023 (date of establishment)

-

-

Issue of units

50,000

1,000

Redemption of units

-

-

At 30 June 2024

50,000

1,000

The notes on pages 12 to 30 are an integral part of these financial statements.

**PING AN STABLE FUND****(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)****STATEMENT OF CASH FLOWS****For the period from 4 September 2023 (date of establishment) to 30 June 2024**

	Notes	Period from 4 September 2023 (date of establishment) to 30 June 2024
		USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets attributable to unitholders		95,603
Adjustments for:		
Interest income on financial assets at fair value through profit or loss and derivative financial instruments		(23,663)
Interest income on bank deposits		(155,773)
Increase in financial assets at fair value through profit or loss		(1,977,780)
Increase in management fee rebate receivables		(572)
Increase in prepayment		(193)
Increase in deposit with bank		(1,000,000)
Increase in management fee payable		9,112
Increase in trustee fee payable		8,014
Increase in accrued expenses and other payables		23,268
Cash used in operations		(3,021,984)
Interest received		144,013
Net cash flows used in operating activities		(2,877,971)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of units		5,013,775
Net cash flows from financing activities		5,013,775
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,135,804</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>7</b>	<b>2,135,804</b>

The notes on pages 12 to 30 are an integral part of these financial statements.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **1. General Information**

Ping An of China Select Investment Fund Series (the "Trust") was constituted as an open-ended unit trust established as an umbrella fund under the laws of Hong Kong pursuant to a trust deed dated 11 April 2011, as amended (the "Trust Deed") between Ping An of China Asset Management (Hong Kong) Company Limited (the "Manager") and BOCI-Prudential Trustee Limited (the "Trustee") (collectively referred to as the "Management").

Ping An Stable Fund (the "Sub-Fund") was constituted as a separate sub-fund of the Trust on 4 September 2023. The initial Class A USD Units of the Sub-Fund was launched on 4 September 2023. with Class A RMB (Hedged) Units was subsequently launched on 22 March 2024. The Sub-Fund is an open-ended unit trust and is authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the "SFC Code"). Authorisation by the SFC does not imply official approval or recommendation. The Sub-Fund was launched and incepted on 4 September 2023.

The Sub-Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its net asset value ("NAV")) in a broad range of USD-denominated money market instruments and debt securities which are issued by governments, quasi-governments, international organisations, financial institutions and corporate issuers. The money market instruments and debt securities that the Sub-Fund invests in may include but are not limited to short-term deposits, government bills, time deposit, certificates of deposit, commercial papers, bankers' acceptances, bonds, notes and money market funds managed by a third party, the Manager, or its connected persons.

The Sub-Fund offers monthly dealing of units on the fifth business day before month end in each month.

#### **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 the period presented, unless otherwise stated.

##### **2.1 Basis of Preparation**

The financial statements have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)

The financial statements are presented in United States Dollar ("USD") and all values are rounded to the nearest USD except where otherwise indicated.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

## **2. Summary of material accounting policies (Continued)**

### **2.1 Basis of Preparation (Continued)**

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Trustee and Manager (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies.

*(a) Standards and amendments to existing standards effective for annual periods beginning on 4 September 2023*

The following amendments to standards have been adopted by the Sub-Fund for the first time for the financial period beginning on 4 September 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8

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

*(b) New standards, amendments and interpretations that have been issued and are effective for annual periods beginning after 4 September 2023 and have not been early adopted*

There are no standards, interpretations or amendments that are effective for financial period beginning after 4 September 2023 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Fund.

## **2.2 Financial assets and liabilities at fair value through profit or loss**

**(i) Classification**

The Sub-Fund classifies its investments based on both the Sub-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 Sub-Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The contractual cash flows of the Sub-Fund’s debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **2. Summary of material accounting policies (Continued)**

##### **2.2 Financial assets and liabilities at fair value through profit or loss (Continued)**

###### **(ii) Recognition, derecognition and measurement**

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Fund commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund had transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of “financial assets or financial liabilities at fair value through profit or loss” category are presented in the statement of comprehensive income within change in unrealised gains/losses in value of financial assets at fair value through profit or loss in the period in which they arise.

###### **(iii) 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 (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both listed financial assets and liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the management will determine the point within the bid-ask spread that is most representative of fair value.

Debt securities are fair valued based on quoted prices. The fair value of debt securities not quoted in an active market may be determined by the Sub-Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Sub-Fund would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Sub-Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Refer to note 10 for the details of valuation techniques used.

###### **(iv) 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.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **2. Summary of material accounting policies (Continued)**

##### **2.3 Derivative financial instruments**

Derivatives are measured at fair value through profit or loss. Changes in fair value are recognized in the statements of comprehensive income.

Derivatives are initially recognized at fair value on the date the derivative contract is entered into and are subsequently re-measured at fair value. Fair value is obtained from quoted market prices in active markets, including recent market transactions, and through the use of valuation techniques, as appropriate. All derivatives are carried as assets when fair value is positive and liabilities when fair value is negative.

##### **2.4 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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Fund or the counterparty.

##### **2.5 Interest income**

Interest income is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities

##### **2.6 Other receivables and payables**

Other receivables and payables are recognised initially at fair value, and subsequently stated at amortised costs using the effective interest method.

At each reporting date, the Sub-Fund shall measure the loss allowance on other receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that amounts may be credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

##### **2.7 Transaction fee**

Transactions fee is a cost incurred to acquire financial assets or liabilities at fair value through profit or loss. It includes fees and commissions paid to agents, brokers and dealers. Transaction fee, when incurred, is immediately recognised in statement of comprehensive income as an expense.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **2. Summary of material accounting policies (Continued)**

##### **2.8 Expenses**

Expenses are accounted for on an accrual basis.

##### **2.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

##### **2.10 Foreign currencies translation**

###### Functional and presentation currency

The performance of the Sub-Fund is measured and reported to the unitholders in USD. The Manager considers USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Sub-Fund's 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 currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included 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 gains/losses on foreign exchange".

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 financial assets at fair value through profit or loss".

##### **2.11 Redeemable units**

The Sub-Fund has one class of redeemable unit under two currencies: Class A USD Units and Class A RMB (Hedged) Units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Sub-Fund at any dealing date for cash equal to a proportionate unit of the Sub-Fund's net asset value attributable to the unit class.

Redeemable units are issued and redeemed at the holder's option at prices based on the Sub-Fund's net asset value per unit at the time of issue or redemption. The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units with the total number of outstanding redeemable units for each respective class.

In accordance with the Explanatory Memorandum of the Sub-Fund, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for creations and redemptions of the Sub-Fund.

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **2. Summary of material accounting policies (Continued)**

##### **2.12 Taxation**

The Sub-Fund is exempt from Hong Kong profit tax on profits arising from authorised activities under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income.

#### **3. Fees**

##### Management fee

The Manager is entitled to receive, on an annual basis, a management fee from the Sub-Fund, at a rate of 0.35% for Class A per annum with respect to the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears. The management fee for the period from 4 September 2023 (date of establishment) to 30 June 2024 was USD14,367. At 30 June 2024, management fee of USD9,112 was payable to the Manager.

##### Trustee fee

The Trustee is entitled to receive, on an annual basis, a trustee fee which is calculated at annual rate up to 0.15% on NAV of the Sub-Fund and accrued on each dealing day and is paid monthly in arrears. The trustee fee for the period from 4 September 2023 (date of establishment) to 30 June 2024 was USD24,800. At 30 June 2024, trustee fee of USD8,014 was payable to the Trustee.

##### Custodian fee

The Custodian is entitled to receive, on an annual basis, a custodian fee from the Sub-Fund, at a rate up to 0.03% per annum of the net asset value of the Sub-Fund calculated and is paid monthly in arrears. The custodian fee for the period from 4 September 2023 (date of establishment) to 30 June 2024 was USD441. At 30 June 2024, there were no payables to the Custodian.

#### **4. Taxation**

##### **Hong Kong**

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

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**5. Financial assets at fair value through profit or loss**

	2024 USD
Listed debt security, at fair value	1,977,780
Total financial assets at fair value through profit or loss	<u>1,977,780</u>

The following table summarises the exposure of the Sub-Fund to the place of incorporation of the issuers of the debt securities:

	2024	
	Fair Value (USD)	% of Net Assets Value
Hong Kong	995,690	19.49%
Japan	496,230	9.71%
British Virgin Islands	485,860	9.51%
	<u>1,977,780</u>	<u>38.71%</u>

The following table disclosed the debt securities of the Sub-Fund by industrial sectors:

	2024	
	Fair Value (USD)	% of Net Assets Value
Electric Utilities	496,230	9.71%
Specialized Finance	986,620	19.31%
Trading Companies and Distributors	494,930	9.69%
	<u>1,977,780</u>	<u>38.71%</u>

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**6. Deposit with bank**

Deposit is held with bank with original maturities of three months or more.

**7. Cash and cash equivalents**

	2024 USD
Bank balance	
Current account	1,135,804
Short term deposit with original maturities of three months or less	1,000,000
	<hr/>
	2,135,804
	<hr/> <hr/>

The amount is held in interest-bearing accounts with the banks.

**8. Net assets attributable to unitholders**

A reconciliation of the net assets attributable to unitholders as reported in the statement of financial position to the net assets attributable to unitholders determined for the purposes of processing unit subscriptions and redemptions is provided below:

	2024 USD
Net assets attributable to unitholders (calculated in accordance with Sub-Fund's Explanatory Memorandum)	5,164,377
Recognition of fund set up fee	(54,999)
	<hr/>
Net assets attributable to unitholders (calculated in accordance with IFRS Accounting Standards)	5,109,378
	<hr/> <hr/>

Note: The net assets are calculated in accordance with the Explanatory Memorandum where fund set up fee is capitalised and to be amortised over the first five years of the operation of the Sub-Fund, while the net assets as reported in the audited financial statements, the fund set up fee is expensed as incurred, as required under IFRS Accounting Standards.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**8. Net assets attributable to unitholders (Continued)**

The net asset value is calculated by determining the value of the assets attributable to the Sub-Fund, including accrued income, and deducting all its liabilities at 30 June 2024. The resultant sum is divided by the total number of units in issue at 30 June 2024 to give the net asset value per unit and adjusting the resultant sum to 4 decimal places.

The published net assets attributable to unitholders is calculated in accordance with the Sub-Fund's Explanatory Memorandum while the net assets attributable to unitholders as reported in the statement of financial position included recognition of all fund set up fee.

	30 June 2024	
	Unit price (per financial statements)	Published unit price
Net asset value per unit (Class A - USD)	USD 101.9147	USD 103.0117
Net asset value per unit (Class A - RMB (Hedged))	<u>CNY 99.2205</u>	<u>CNY 100.2886</u>

24 June 2024 is the last dealing date for the period from 4 September 2023 (date of establishment) to 30 June 2024.

As at 30 June 2024, there is 1 unitholder with more than 10% interest in the Sub-Fund and 99.7% of the NAV of the Sub-Fund is held by the nominee accounts of this 1 unitholder.

**9. Net gains on financial assets at fair value through profit or loss and derivative financial instruments**

	2024 USD
Net gains/(losses) recognised in relation to fair value through profit or loss and derivative financial instruments:	
- realised gains on fair value through profit or loss	42,837
- realised losses on derivative financial instruments	(110)
- unrealised gains on fair value through profit or loss	6,953
	<u>49,680</u>

## **PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

#### **10. Financial risk and management objective and policies**

##### Capital management

The Sub-Fund's objectives for managing capital are to invest the capital in investments in order to achieve its investment objective while maintaining sufficient liquidity to meet the expenses of the Sub-Fund, and to meet redemption requests as they arise.

Investment in the Sub-Fund is subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The value of investments and the income from them fluctuate and therefore the value of the redeemable participating units can fall as well as rise.

The Sub-Fund's objective is to provide stable income by mainly investing in money market instruments and debt securities. The Sub-Fund seeks to achieve a return in USD in line with prevailing money market rates.

##### **Market risk**

The performance of the Sub-Fund will be affected by a number of risk factors, including the following:

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market movement may therefore result in substantial fluctuation in the net asset value per redeemable unit of the Sub-Fund.

The Sub-Fund's activities expose it to a variety of financial risk: market price risk, currency risk, interest rate risk, credit and counterparty risk and liquidity risk. The risks and the respective risk management policies employed by the Sub-Fund to manage these risks are disclosed below:

##### Price risk

The Sub-Fund's market price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals. The table below summarises the overall market exposures of the Sub-Fund by market and the impact of increases/decreases from the Sub-Fund's financial assets at fair value through profit or loss on the Sub-Fund's net asset value at 30 June 2024. The analysis is based on the assumption that the underlying investments increased/decreased by a reasonable possible shift, with all other variables held constant. The Manager has used its view of what would be a "reasonable possible shift" in each key market to estimate the change in the sensitivity analysis below. However, this does not represent a prediction of the future movement in the corresponding key markets.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

**10. Financial risk and management objective and policies (Continued)**

***Market risk (Continued)***

*Price risk (Continued)*

	Carrying value of financial assets at fair value through profit or loss USD	% of net assets %	Reasonable possible shift in underlying securities %	Estimated possible change in net asset value USD +/-
<b>At 30 June 2024</b>				
Financial assets at fair value through profit or loss	1,977,780	38.71	5	98,889

*Interest rate risk*

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of interest-bearing assets and future cash flow.

As the Sub-Fund has invested in debt securities whose values are driven significantly by changes in interest rates, the Sub-Fund is subject to interest rate risk. The Manager regularly assesses the economic condition, monitor changes in interest rates outlook and takes appropriate measures accordingly to control the impact of interest rate risk. In a rising interest rate environment, the Sub-Fund will acquire debts with a shorter maturity profile to minimise the negative impact to the portfolio.

The Sub-Fund also has interest-bearing bank deposits.

The Manager and Trustee monitor the interest rate risks by quantifying (a) market exposure in percentage terms; and (b) exposure in duration terms by different countries. At 30 June 2024, the Sub-Fund has invested in interest-bearing securities of USD1,977,780 and the portfolio weighted average modified duration of the Sub-Fund is 0.18.

As at 30 June 2024, should the relevant interest rates have increased/decreased by 50 basis points with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the period from 4 September 2023 (date of establishment) to 30 June 2024 would amount to approximately USD1,780 arising from the increase/decrease in market values of debt securities.

As at 30 June 2024, should the relevant interest rates have increased/decreased by 50 basis points with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the period from 4 September 2023 (date of establishment) to 30 June 2024 would amount to approximately USD10,000 arising from the increase/decrease in bank deposits.

## PING AN STABLE FUND

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

### NOTES TO THE FINANCIAL STATEMENTS

For the period from 4 September 2023 (date of establishment) to 30 June 2024

#### 10. Financial risk and management objective and policies (Continued)

##### *Market risk (Continued)*

##### Interest rate risk (Continued)

The table below summarises the Sub-Fund's exposure to interest rate risk at the reporting date. Included in the table are the Fund's interest bearing assets and liabilities categorised by the earlier of contractual repricing or maturity dates.

<b>At 30 June 2024</b>	Maturity up to 3 months USD'000	Maturity between 3 months to 6 months USD'000	Maturity over 6 months USD'000	Total USD'000
<u>Assets</u>				
Cash at banks	2,136	-	-	2,136
Deposit with bank	-	1,000	-	1,000
Financial assets at fair value through profit or loss*	991	501	486	1,978
Total interest sensitivity gap	<u>3,127</u>	<u>1,501</u>	<u>486</u>	<u>5,114</u>

\* The coupon rate of the financial assets at fair value through profit or loss ranged between 1.25% p.a. – 2.75% p.a..

##### Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Sub-Fund holds assets and liabilities mainly denominated in USD, the functional currency of the Sub-Fund. The Manager considers the Sub-Fund is not exposed to significant currency risk and therefore no sensitivity analysis is presented.

##### *Liquidity risk*

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash and resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Sub-Fund.

For the USD denominated debt securities in which the Sub-Fund invests are not listed on a stock exchange or a securities market, trading is conducted on a regular basis. There is also no guarantee that market making arrangements will be in place to make a market and quote a price for all USD denominated debt securities. In the absence of an active secondary market, the Sub-Fund may need to hold the USD denominated debt securities until their maturity date. If sizeable redemption requests are received, the Sub-Fund may need to liquidate its investments at a substantial discount in order to satisfy such requests and the Sub-Fund may suffer losses in trading such instruments. Even if a secondary market is developed, the price at which the USD denominated debt securities are traded may be higher or lower than the initial subscription price due to many factors including the prevailing interest rates.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**10. Financial risk and management objective and policies (Continued)*****Liquidity risk (Continued)***

Further, the bid and offer spread of the price of USD denominated debt securities may be high, and the Sub-Fund may therefore incur significant trading costs and may even suffer losses when selling such investments. The Manager seeks to control the liquidity risk of the investment portfolio by a series of internal management measures in order to meet unitholders' redemption requests.

***Financial liabilities***

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Sub-Fund can be required to pay.

***Financial assets***

The Manager manages the Sub-Fund's liquidity risk by investing in investments that the Manager expects to liquidate normally within 1 month to meet the total financial liabilities. Analysis of debt securities at fair value through profit or loss into maturity groupings is based on the date of maturity. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

The following table summarises the maturity profile of the Sub-Fund's financial assets and financial liabilities. Balances due within 1 year equal their carrying amounts, as the impact of discounting is insignificant.

<b>At 30 June 2024</b>	On demand USD'000	Less than 1 month USD'000	1 month to 3 months USD'000	3 months to 6 months USD'000	More than 6 months USD'000	Total USD'000
<b>Assets</b>						
Total financial assets	1,136	1,027	2,000	501	486	5,150
<b>Liabilities</b>						
<b>At 30 June 2024</b>	On demand USD'000	Less than 1 month USD'000	1 month to 3 months USD'000	3 months to 6 months USD'000	More than 6 months USD'000	Total USD'000
Management fee payable	-	9	-	-	-	9
Trustee fee payable	-	8	-	-	-	8
Accrued expenses and other payables	-	23	-	-	-	23
Net assets attributable to unitholders	-	-	5,109	-	-	5,109
Total financial liabilities	-	40	5,109	-	-	5,149

## PING AN STABLE FUND

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

### NOTES TO THE FINANCIAL STATEMENTS

For the period from 4 September 2023 (date of establishment) to 30 June 2024

#### 10. Financial risk and management objective and policies (Continued)

##### *Credit and counterparty risk*

The Sub-Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

If the issuer of any of the fixed interest securities in which the Sub-Fund's assets invested are default, the performance of the Sub-Fund will be adversely affected.

All transactions in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment.

Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodian. The table below summarises the Sub-Fund's assets placed with banks and the custodian:

	Financial assets* USD	Interest receivables** USD	Credit rating	Source of credit rating
<b>At 30 June 2024</b>				
<u>Banks</u>				
Bank of China (Hong Kong)	343,254	-	A+	S&P
China Construction Bank	25,711	89	A	S&P
Industrial Bank Co.	1,000,000	1,705	Baa2	Moody's
Qatar National Bank	1,000,000	24,512	A+	S&P
United Overseas Bank	766,839	1,752	AA-	S&P
<u>Custodian</u>				
Bank of China (Hong Kong)	1,977,780	7,365	A+	S&P

\*Financial assets represent financial assets at fair value through profit or loss, deposit with bank and cash and cash equivalents

\*\*Interest receivables represent interest receivable on financial assets at fair value through profit or loss and interest receivables on deposits with banks

## PING AN STABLE FUND

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

### NOTES TO THE FINANCIAL STATEMENTS

For the period from 4 September 2023 (date of establishment) to 30 June 2024

#### 10. Financial risk and management objective and policies (Continued)

##### *Credit and counterparty risk (Continued)*

The table below summarizes the credit rating of the debt securities as at 30 June 2024:

		2024 % of net assets
S&P	Moody's	
A3	A-	29.01%
BBB	Baa2	9.42%
		<u>38.43%</u>

The derivative financial instrument represents outstanding forward foreign exchange contract as disclosed in Note 6. The table below summarises the counterparties of the forward foreign exchange contract as at 30 June 2024.

	Credit rating	Source of credit rating
Bank of China (Hong Kong)	A+	S&P

The manager has assessed the credit quality of the bond based on the credit quality of the issuer and the historical information about the issuer's default rates.

The maximum exposure to credit risk is represented by the carrying amount of the financial asset in the statement of financial position.

The Sub-Fund measure credit risk and expected credit losses using probability of default, exposure at default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. As at 30 June 2024, interest receivable on financial assets at fair value through profit or loss, deposit with bank, management fee rebate receivables and cash and cash equivalents can be realized within three months. Applying the requirements of IFRS 9, the expected credit loss (ECL) is immaterial for the Sub-Fund and, as such, no ECL has been recognised within the financial statements.

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

## PING AN STABLE FUND

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

### NOTES TO THE FINANCIAL STATEMENTS

For the period from 4 September 2023 (date of establishment) to 30 June 2024

#### 10. Financial risk and management objective and policies (Continued)

##### *Fair value estimation (Continued)*

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

The following tables illustrate the fair value measurement hierarchy of the Sub-Fund’s financial instruments measured at fair value at 30 June 2024.

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>As at 30 June 2024</b>				
Assets				
Financial assets at fair value through profit or loss				
Debt securities	1,977,780	-	-	1,977,780

There were no transfers between levels for the period from 4 September 2023 (date of establishment) to 30 June 2024.

#### 11. Transactions with the Trustee, the Manager and their Connected Persons

In addition to the transactions disclosed in Note 3, the following is a summary of significant related party transactions entered into during the period between the Sub-Fund and its related parties including the Manager, the Investment delegate, Trustee/Custodian, and their Connected Persons. Connected persons of the Manager and Trustee are those as defined in the SFC Code. All transactions entered into during the period between the Sub-Fund and the Manager were carried out in the normal course of business and on normal commercial terms.

##### Bank deposits and investments held by the Trustee’s affiliates

Bank deposits and investments were held by the Trustee’s affiliates, Bank of China (Hong Kong) Limited. Bank deposits, investment held under custodian as at 30 June 2024 and interest income accrued on bank deposits during the period from 4 September 2023 (date of establishment) to 30 June 2024 amounted to USD343,254, USD1,977,780 and USD321 respectively.

##### Bank charges and investment fees paid to the Trustee and its Connected Persons

Bank charges and investment handling fees pertains to the amount charged by Bank of China (Hong Kong) Limited and the Trustee to Sub-Fund. The bank charge, the transaction fees and the registrar fee for the period from 4 September 2023 (date of establishment) to 30 June 2024 were USD23, USD607 and USD3,867 respectively.

FATCA service fee of USD517 was incurred for the year ended 30 June 2024, with a payable amount of USD303 paid to the Trustee of the Sub-Fund.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**11. Transactions with the Trustee, the Manager and their Connected Persons (Continued)**Transaction with the Connected Persons of the Trustee

During period from 4 September 2023 (date of establishment) to 30 June 2024, purchases and sales of derivative financial instruments transactions (the “derivative financial instruments transactions”) with the Connected Persons of the Trustee are set out below:

	Aggregate value of derivative financial instruments transactions USD	% of the Sub- Fund's total aggregate value of derivative financial instruments transactions %	Commission paid USD	Average commission rate %
<b>Period from 4 September 2023 (date of establishment) to 30 June 2024</b>				
Bank of China (Hong Kong)	82,799	100	-	-

Investment holdings of the Connected Person of Trustee

The Sub-Fund invests in the debt securities issued by the group company of the Trustee, i.e. Bank of China Limited and these balances are summarised below:

	Holding as at 4 September 2023 (date of establishment)	Addition	Disposal	Holding as at 30 June 2024	Market Value as at 30 June 2024 USD
<u>2024</u>					
BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS	-	480,000	(480,000)	-	-

During the period from 4 September 2023 (date of establishment) to 30 June 2024, the Sub-Fund earned net gains and interest income of USD5,712 and USD2,232 from debt securities issued by the group company of the Trustee, Bank of China Limited, respectively. As at 30 June 2024, there was no interest income receivable from the debt securities.

**PING AN STABLE FUND**

(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

**NOTES TO THE FINANCIAL STATEMENTS**

For the period from 4 September 2023 (date of establishment) to 30 June 2024

**11. Transactions with the Trustee, the Manager and their Connected Persons (Continued)**Investment holdings of the Connected Person of Manager

The Sub-Fund invests in the collective investment scheme issued by the related party of the Manager, i.e. China Ping An Insurance Overseas Holding Limited and these balances are summarised below:

	Holding as at 4 September 2023 (date of establishment)	Addition	Disposal	Holding as at 30 June 2024	Market Value as at 30 June 2024
<u>2024</u>					
PING AN OF CHINA SELECT INVESTMENT FUND SERIES-PING AN MONEY MARKET FUND-I USD	-	18,534	(18,534)	-	-

During the period from 4 September 2023 (date of establishment) to 30 June 2024, the Sub-Fund has invested into an investee fund that is managed by the Manager. The Manager has fully rebated the management fee charged to the Sub-Fund. The Sub-Fund earned net gains and management fee rebate of USD32,479 and USD572 from collective investment scheme issued by the related party of the Manager, China Ping An Insurance Overseas Holding Limited, respectively. As at 30 June 2024, there was USD572 of management fee rebate receivable from the debt securities.

Subscription and Redemption of Units by the Connected Persons of Manager

China Ping An Insurance Overseas (Holdings) Limited and Ping An Flexible Treasury SPC - Ping An Flexible Treasury Fund SP, which are the connected persons of the Manager, hold units in the Sub-Fund. The movements in the holdings of the Sub-Fund during the period from 4 September 2023 (date of establishment) to 30 June 2024 are as follows:

	Holding as at 4 September 2023 (date of establishment)	Issue of units	Redemption of units	Holding as at 30 June 2024
<u>2024</u>				
<i>Class A RMB (Hedged)</i>				
China Ping An Insurance Overseas (Holdings) Limited	-	1,000	-	1,000
<i>Class A USD</i>				
Ping An Flexible Treasury SPC - Ping An Flexible Treasury Fund SP*	-	50,000	-	50,000

\*The fund is managed by the Manager of the Sub-Fund, which invests into the Sub-Fund through nominee account.

**PING AN STABLE FUND**

**(a sub-fund of Ping An of China Select Investment Fund Series,  
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period from 4 September 2023 (date of establishment) to 30 June 2024**

**12. Soft dollar arrangements**

The Manager and its connected persons may enter into soft dollar arrangements with brokers under which certain goods and services used to support investment decision making will be received. The Manager and its connected persons will not make direct payment for these services but will transact an agreed amount of business with the brokers on behalf of the Sub-Fund and commission will be paid on these transactions.

The goods and services must be of demonstrable benefit to the Sub-Fund and may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis and data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications.

Since the inception of the Sub-Fund, the Manager (and its Connected Persons) had not received any soft dollar commission or participated in any soft dollar arrangements in respect of the management of the Sub-Fund. The Manager (and its Connected Persons) has not retained any cash rebates from any broker or dealer.

**13. Approval of the financial statements**

The financial statements were approved and authorized for issue by the Trustee and the Manager on 30 October 2024.

**PING AN STABLE FUND****(a sub-fund of PING AN OF CHINA SELECT INVESTMENT FUND SERIES, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)****Investment portfolio (Unaudited)****30 June 2024**

	Nominal value	Fair Value	% of net assets
<b><u>Financial assets at fair value through profit or loss</u></b>			
<b>Listed debt securities</b>			
<b>Denominated in USD</b>			
<i>British Virgin Islands</i>			
VIGOROUS CHAMPION INTL LTD 2.75% S/A 02JUN2025	500,000	485,860	9.51
<i>Hong Kong</i>			
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 3M L+1.075% Q 10DEC2024	500,000	500,760	9.80
CMB INTL LEASING MANAGEMENT LTD 1.25% S/A 16SEP2024	500,000	494,930	9.69
<i>Japan</i>			
KANSAI ELECTRIC POWER CO INC 2.55% S/A 17SEP2024	500,000	496,230	9.71
Total of financial assets at fair value through profit or loss (Cost: USD1,970,827)		<u>1,977,780</u>	<u>38.71</u>
Other net assets		<u>3,131,598</u>	<u>61.29</u>
Total net assets		<u>5,109,378</u>	<u>100.00</u>

Note: Investments are accounted for on a trade-date basis.

**PING AN STABLE FUND****(a sub-fund of PING AN OF CHINA SELECT INVESTMENT FUND SERIES, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)****Movements in investment portfolio (Unaudited)****For the period from 4 September 2023 (date of establishment) to 30 June 2024**

	<u>Movements in nominal value</u>			As at 30 June 2024
	Holding as at 4 September 2023 (date of establishment)	Additions	Disposals	
<b><u>Financial assets at fair value through profit or loss</u></b>				
<b>Listed debt securities</b>				
<b>Denominated in USD</b>				
BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS	-	480,000	(480,000)	-
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 3M L+1.075% Q 10DEC2024	-	500,000	-	500,000
CCBL CAYMAN 1 CORP LTD 3.5% S/A 16MAY2024	-	300,000	(300,000)	-
CMB INTL LEASING MANAGEMENT LTD 1.25% S/A 16SEP2024	-	500,000	-	500,000
CNAC HK FINBRIDGE CO LTD 3.375% S/A 19JUN2024	-	300,000	(300,000)	-
KANSAI ELECTRIC POWER CO INC 2.55% S/A 17SEP2024	-	500,000	-	500,000
SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY INVESTMENT CO SARL 4.65% S/A 30OCT2023	-	450,000	(450,000)	-
VIGOROUS CHAMPION INTL LTD 2.75% S/A 02JUN2025	-	500,000	-	500,000
<b>Quoted debt securities</b>				
<b>Denominated in USD</b>				
GOLDMAN SACHS GROUP INC S+1.39% Q 15MAR2024	-	500,000	(500,000)	-
HYUNDAI CAPITAL AMERICA 0.875% S/A 14JUN2024 REGS	-	500,000	(500,000)	-
<b>Collective investment Scheme</b>				
PING AN OF CHINA SELECT INVESTMENT FUND SERIES-PING AN MONEY MARKET FUND-I USD	-	18,534	(18,534)	-

**PING AN STABLE FUND**

**(a sub-fund of PING AN OF CHINA SELECT INVESTMENT FUND SERIES, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

**Information on exposure arising from financial derivative instruments (Unaudited)**

The lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Sub-Fund's total net asset value during the period from 4 September 2023 (date of establishment) to 30 June 2024.

For the period from 4 September 2023 (date of establishment) to 30 June 2024	% of NAV
Lowest gross exposure	0.00
Highest gross exposure	0.31
Average gross exposure	0.04

The lowest, highest and average net exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Sub-Fund's total net asset value during the period from 4 September 2023 (date of establishment) to 30 June 2024.

For the period from 4 September 2023 (date of establishment) to 30 June 2024	% of NAV
Lowest net exposure	0.00
Highest net exposure	0.00
Average net exposure	0.00

**PING AN STABLE FUND****(a sub-fund of PING AN OF CHINA SELECT INVESTMENT FUND SERIES, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)****Performance record (Unaudited)**Net asset value attributable to unitholders

(Calculated in accordance with the Sub-Fund's Trust Deed)

	Net asset value per unit USD	Total net asset value USD
As at 30 June 2024 <sup>1</sup>		
Class A – USD	USD103.0117	5,150,609
Class A – RMB (Hedged)	CNY100.2886	13,768

Highest issue price and lowest redemption price per unit

	Highest issue price per unit	Lowest redemption price per unit
For the period from 4 September 2023 (date of establishment) to 30 June 2024		
Class A – USD	USD103.0117	USD100.0000
Class A – RMB (Hedged)	CNY100.2886	CNY99.8196

---

<sup>1</sup> 24 June 2024 is the last dealing date for the period from 4 September 2023 (date of establishment) to 30 June 2024.