



嘉實國際資產管理

Harvest Global Investments

# HARVEST FUNDS SERIES (HONG KONG) ETF OFC

(A PUBLIC UMBRELLA OPEN-ENDED FUND COMPANY  
INCORPORATED IN HONG KONG)

# HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF

(A SUB-FUND OF HARVEST FUNDS SERIES (HONG KONG)  
ETF OFC)

ANNUAL REPORT

For the period from 23 September 2022 (date of inception) to  
31 December 2022

HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
(A public umbrella open-ended fund company incorporated in Hong Kong)

FOR THE PERIOD FROM 3 AUGUST 2022 (DATE OF  
INCORPORATION) TO 31 DECEMBER 2022

HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF  
(A Sub-Fund of Harvest Funds Series (Hong Kong) ETF OFC)

FOR THE PERIOD FROM 23 SEPTEMBER 2022 (DATE OF  
INCEPTION) TO 31 DECEMBER 2022

**REPORTS AND FINANCIAL STATEMENTS**

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**CONTENTS**

	<b>Page</b>
Report of the Manager to the Shareholders	1
Report of the Custodian to the Shareholders	2
Independent Auditor's report	3 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Net Assets Attributable to Shareholders	10
Statement of Cash Flows	11
Notes to the Annual Financial Statements	12 - 31
Investment Portfolio (Unaudited)	32 - 33
Statement of Movements in Investment Portfolio (Unaudited)	34 - 36
Performance Table (Unaudited)	37
Management and Administration	38

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**REPORT OF THE MANAGER TO THE SHAREHOLDERS**

**Market Overview**

Chinese equities experienced one of the worst years in history amid strict COVID curbs and aggressive U.S. monetary policy tightening. However, with China moving towards a full reopening and U.S. inflationary pressure abating, the Chinese equity market recovered some losses at the end of the year. Harvest China Sustainable Lifestyle Tech Active ETF (“ETF”) was launched on September 26, 2022. By the end of the year, the ETF recorded a positive return of 2.9%, underperforming the benchmark Solactive China Lifestyle Tech Index’s gain of 6.6% in the corresponding period.

Global equity markets went into negative territory due to concerns over aggressive monetary policy tightening in the U.S. and spillover effects – both a commodity shock and geological implications – from the Russia-Ukraine war. Four-decade-high inflationary pressures in the U.S. forced the Federal Reserve to tighten monetary policy aggressively, lifting up rates by a total of 425 basis points between March and December. The sharp liquidity tightening aided the strength of U.S. dollar and fuelled the rally of Treasury yields, intensifying the market downturn of global equity markets. Apart from external headwinds, Chinese equities had their own fights, including fast spreading waves of Omicron and China’s Zero COVID response. Strict pandemic-prevention measures had hurt consumer spending, and hindered China’s ability to achieve an annual GDP growth target of around 5.5%. Pessimism prevailed for most of the year amid stringent COVID restrictions in Shanghai in the spring and rising bond default rates among privately-owned property developers. However, since early November, the dramatic turnaround of China’s COVID and property market policies soon induced a V-shaped market rebound. In response to the more transmissible yet less virulent Omicron variant as well as an increasing demand for easing COVID curbs, China rapidly pivoted to COVID exit with 20 optimized measures and then the announcement of a full reopening in early January 2023. In the property market, the Chinese government rolled out measures to enhance developers’ ability to obtain credit and refinance. Vice Premier Liu He also called the sector as “a pillar of the national economy”. Regarding geopolitics, the Xi-Biden meeting underscored cooperation and soothed tensions between the world’s two largest economies. In addition, Chinese internet companies’ U.S. delisting risks subsided as the U.S. audit watchdog confirmed that it received complete access to inspect U.S.-listed Chinese companies.

**Investment Strategy & Outlook**

Market sentiment has improved after China came through the COVID disruption, the property market deleveraging and regulatory overhaul across sectors in the past several years. At the turn of the year, all major risks considered by global investors when investing in China have been shifting towards a positive direction.

After almost three years’ COVID curbs, the release of pent-up consumer demand in couple with the property market stabilization will lend support to China’s economic recovery. The policy pivots are not only expected to drive China’s GDP growth to around 5% in 2023, but would also help fend off mounting global recession risks for other Asian emerging markets. Higher growth and lower inflation outlooks make Chinese assets more attractive in relative to developed markets, where recession risks loom large. The rebound of the Chinese equity market since year-end 2022 has been primarily driven by multiple expansion. However, market valuations are still below the five-year average and have room to grow. Having said that, earnings recovery, particularly in the domestic consumption-related sectors, will become the main source of share price movements for most of 2023.

Harvest Global Investments Limited  
20 April 2023

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**REPORT OF THE CUSTODIAN TO THE SHAREHOLDERS**

We hereby confirm that, in our opinion, Harvest Global Investments Limited, the Manager of the Harvest Funds Series (Hong Kong) ETF OFC (the “Company”) has, in all material respects, managed the Company, in accordance with the provision of the OFC’s Instrument of Incorporation dated 3 August 2022.

For the period from 3 August 2022 (date of incorporation) to 31 December 2022 then ended:

- Harvest Funds Series (Hong Kong) ETF OFC

For the period from 23 September 2022 (date of inception) to 31 December 2022 then ended:

- Harvest China Sustainable Lifestyle Tech Active ETF  
(A Sub-Fund of Harvest Funds Series (Hong Kong) ETF OFC)

HSBC Institutional Trust Services (Asia) Limited (the “Custodian”)  
Hong Kong, 20 April 2023

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Harvest Funds Series (Hong Kong) ETF OFC and Harvest China Sustainable Lifestyle Tech Active ETF  
(A public umbrella open-ended fund company incorporated in Hong Kong)

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

#### **Opinion**

##### *What we have audited*

The financial statements of Harvest Funds Series (Hong Kong) ETF OFC (the "Company") for the period from 3 August 2022 (date of incorporation) to 31 December 2022 and Harvest China Sustainable Lifestyle Tech Active ETF for the period from 23 September 2022 (date of inception) to 31 December 2022 (the "relevant periods"), a sub-fund of the Company (the "Sub-Fund"), which are set out on pages 8 to 31, comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the relevant periods then ended;
- the statement of changes in net assets attributable to shareholders for the relevant periods then ended;
- the statement of cash flows for the relevant periods then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

##### *Our opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Company and the Sub-Fund as at 31 December 2022, and of each of their financial performance and each of their cash flows for the relevant periods in accordance with International Financial Reporting Standards ("IFRSs").

#### **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 Company and 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.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Harvest Funds Series (Hong Kong) ETF OFC and Harvest China Sustainable Lifestyle Tech Active ETF  
(A public umbrella open-ended fund company incorporated in Hong Kong)

### Key Audit Matters (Continued)

The key audit matter identified in our audit is summarised as follows:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><i>Existence and valuation of investments</i></p> <p>The Sub-Fund's investments mainly comprised of listed equities valued at HK\$25,380,221.</p> <p>We focused on the existence and valuation of the investments because the investments represented the principal element of the Sub-Fund's net assets attributable to shareholders as at 31 December 2022.</p> <p>Refer to Note 4 to the financial statements.</p>	<ol style="list-style-type: none"><li>1. Our work included an assessment of the key controls over the existence and valuation of the investments, which included the following:<ul style="list-style-type: none"><li>• We developed an understanding of the control objectives and related controls relevant to our audit of the Sub-Fund by obtaining the service organisation internal control reports provided by the custodian setting out the controls in place, and the independent service auditor's assurance report over the design and operating effectiveness of those controls.</li><li>• We evaluated the tests undertaken by the service auditor, the results of the tests undertaken and the opinions formed by the service auditor on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Sub-Fund.</li></ul></li><li>2. We tested the existence of investments by obtaining direct confirmations from the custodians and agreeing the Sub-Fund's holdings of investments to the confirmations.</li><li>3. We tested the valuation of the Sub-Fund's investments by comparing the pricing used by the Sub-Fund to external pricing sources as at 31 December 2022.</li></ol> <p>Based on the procedures we performed, we found no material exceptions from our testing.</p>

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Harvest Funds Series (Hong Kong) ETF OFC and Harvest China Sustainable Lifestyle Tech Active ETF  
(A public umbrella open-ended fund company incorporated in Hong Kong)

### **Other Information**

The directors and the Manager of the Company and 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.

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 Directors and Manager for the Financial Statements**

The directors and the Manager of the Company and the Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the directors and the Manager determine 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 directors and the Manager are responsible for assessing the Company's and 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 directors and the Manager either intend to liquidate the Company and the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the directors and the Manager are required to ensure that the financial statements of the Company and the Sub-Fund have been properly prepared in accordance with the relevant disclosure provisions of the Instrument of Incorporation of Harvest Funds Series (Hong Kong) ETF OFC dated 3 August 2022 (the "Instrument of Incorporation"), Part 7 of the Securities and Futures (Open-ended Fund Companies) Rules ("OFC Rules"), Appendix E of the Code on Unit Trusts and Mutual Funds ("UT Code") and Chapter 9 of the Code on Open-Ended Fund Companies ("OFC Code") issued by the Hong Kong Securities and Futures Commission.

### **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, in accordance with Section 153 of the OFC Rules, 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 Company and the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Instrument of Incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Harvest Funds Series (Hong Kong) ETF OFC and  
Harvest China Sustainable Lifestyle Tech Active ETF  
(A public umbrella open-ended fund company incorporated in 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 Company's and 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 directors and the Manager.
- Conclude on the appropriateness of the directors' and the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and 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 Company and 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 directors and the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors and the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors and the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Harvest Funds Series (Hong Kong) ETF OFC and  
Harvest China Sustainable Lifestyle Tech Active ETF  
(A public umbrella open-ended fund company incorporated in Hong Kong)

**Report on Matters under the Relevant Disclosure Provisions of the Instrument of Incorporation, Part 7 of the  
OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code**

In our opinion, the financial statements of the Company and the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Instrument of Incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Li Lien.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 20 April 2023

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2022*

	<i>Notes</i>	Harvest Funds Series (Hong Kong) ETF OFC 31 December 2022 <i>HK\$</i>	Harvest China Sustainable Lifestyle Tech Active ETF 31 December 2022 <i>HK\$</i>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Investments	<i>4(b), 9(f)</i>	-	25,380,221
Management fee rebate receivable	<i>9(a)</i>	-	610,291
Interest receivable		-	834
Cash and cash equivalents	<i>9(f)</i>	-	710,186
		<hr/>	<hr/>
<b>Total assets</b>		-	26,701,532
		<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Management fee payable	<i>9(a)</i>	-	79,639
Other accounts payable		-	2,438,714
		<hr/>	<hr/>
<b>Liabilities</b>		-	2,518,353
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
Net assets attributable to shareholders	<i>3</i>	-	24,183,179
		<hr/> <hr/>	<hr/> <hr/>

*The notes on pages 12 to 31 form an integral part of these financial statements.*

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF COMPREHENSIVE INCOME**

*For the period ended 31 December 2022*

		Harvest Funds Series (Hong Kong) ETF OFC For period from 3 August 2022 (date of incorporation) to 31 December 2022 HK\$	Harvest China Sustainable Lifestyle Tech Active ETF For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
	<i>Notes</i>		
<b>INCOME</b>			
Dividend income		-	39,155
Interest income	9(f)	-	1,450
Net losses on investments	5	-	(449,245)
Net foreign exchange losses		-	(22,265)
Management fee rebate income	9(a)	-	659,462
Other income		-	118,842
		<hr/>	<hr/>
<b>Total net income</b>		-	347,399
		<hr/>	<hr/>
<b>EXPENSES</b>			
Management fee	9(a)	-	(87,985)
Transaction cost on investments	7	-	(71,804)
Broker commission	8	-	(38,325)
Audit fee		-	(256,431)
Establishment costs	3	-	(1,874,628)
Other operating expenses		-	(391,157)
		<hr/>	<hr/>
<b>Total operating expenses</b>		-	(2,720,330)
		<hr/>	<hr/>
Net operating losses before tax		-	(2,372,931)
<b>TAXATION</b>			
Taxation	6	-	(1,620)
		<hr/>	<hr/>
<b>Total comprehensive loss for the period</b>		-	(2,374,551)
		<hr/> <hr/>	<hr/> <hr/>

*The notes on pages 12 to 31 form an integral part of these financial statements.*

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

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

*For the period ended 31 December 2022*

		Harvest Funds Series (Hong Kong) ETF OFC For period from 3 August 2022 (date of incorporation) to 31 December 2022 HK\$	Harvest China Sustainable Lifestyle Tech Active ETF For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
	<i>Notes</i>		
<b>Net assets attributable to shareholders at the beginning of the period</b>		-	-
Issue of shares during the period	3	-	40,000,000
Redemption of shares during the period	3	-	(13,442,270)
Net issues of shares		-	26,557,730
Total comprehensive loss for the period		-	(2,374,551)
<b>Net assets attributable to shareholders at the end of the period</b>		-	24,183,179
		Shares	Shares
<b>Number of shares in issue at the beginning of the period</b>		-	-
Issue of shares during the period		-	1,000,000
Redemption of shares during the period		-	(350,000)
<b>Number of shares in issue at the end of the period</b>		-	650,000

*The notes on pages 12 to 31 form an integral part of these financial statements.*

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF CASH FLOWS**

*For the period ended 31 December 2022*

	For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
<b>OPERATING ACTIVITIES</b>	
Payment for purchase of investments	(47,442,030)
Proceeds from sale of investments	21,612,564
Dividend received	39,155
Interest received	616
Other income received	118,842
Management fee rebate received	49,171
Management fee paid	(8,346)
Transaction costs paid	(71,804)
Broker commission paid	(38,325)
Taxation paid	(1,620)
Other operating expenses paid	(83,502)
<b>Net cash used in operating activities</b>	<b>(25,825,279)</b>
<b>Cash flows from financing activities</b>	
Proceeds from issue of shares	40,000,000
Payments on redemption of shares	(13,442,270)
<b>Net cash generated from financing activities</b>	<b>26,557,730</b>
Increase in cash and cash equivalents	732,451
Cash and cash equivalents at the beginning of the period	-
Net foreign exchange losses	(22,265)
<b>Cash and cash equivalents at the end of the period</b>	<b>710,186</b>
<b>Analysis of balances of cash and cash equivalents</b>	
Cash at bank	710,186

*The notes on pages 12 to 31 form an integral part of these financial statements.*

# HARVEST FUNDS SERIES (HONG KONG) ETF OFC HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Harvest Funds Series (Hong Kong) ETF OFC (the “Company”) is a public umbrella open-ended fund company with variable capital with limited liability, which was incorporated in Hong Kong under the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) on 3 August 2022. The Company is constituted by way of its Instrument of Incorporation filed to the Companies Registry of Hong Kong on, and effective as of, 3 August 2022.

The Company is registered with the Securities and Futures Commission of Hong Kong (the “SFC”) under Section 112D of the SFO. The Company is authorised as a collective investment scheme by the SFC under Section 104 of the SFO and each sub-fund falls within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds (the “SFC Code”) issued by the SFC.

Harvest China Sustainable Lifestyle Tech Active ETF, a sub-fund of the Company (the “Sub-Fund”), commenced trading under the stock code 3155 on the Stock Exchange of Hong Kong Limited (“SEHK”) on 26 September 2022. The Sub-Fund commenced its operation on 23 September 2022 (date of inception).

The statement of cash flows has not been presented by the Company as the Company does not operate a bank or cash account or hold any cash equivalents and has had no cash transactions during the period from 3 August 2022 (date of incorporation) to 31 December 2022. Accordingly, the directors and the Manager have considered not to present the statement of cash flows of the Company.

#### *Harvest China Sustainable Lifestyle Tech Active ETF*

The Sub-Fund is actively managed. The investment objective of the Sub-Fund is to achieve long term capital growth by primarily investing in companies which are directly or indirectly involved in the provision of lifestyle technology products and/or services (“Lifestyle Tech”) consistent with the principles of environmental, social and governance (“ESG”) focused investing. There is no assurance that the Sub-Fund will achieve its investment objective.

The Sub-Fund will invest primarily (i.e. at least 70% of its Net Asset Value) in equities and/or equity-equivalent Securities listed in Mainland China, Hong Kong and/or the US, which are issued by companies (i) headquartered or incorporated in Mainland China, Hong Kong or Macau, (ii) directly or indirectly involved in the provision of Lifestyle Tech products and/or services (the “Lifestyle Tech Requirement”) and (iii) which are ESG leaders with sustainable practices, namely companies that are ranked top 1/3 within the investment universe in one or more of the following: overall ESG score, climate change score or social equality score as determined under the sub-section “ESG selection” below (the “ESG Leaders”). The Sub-Fund will invest in A-Shares directly in the domestic securities markets in Mainland China through the Qualified Foreign Institutional Investors/ RMB Qualified Foreign Institutional Investors (Hereinafter referred to as, “QFII”/ “RQFII”) status of the Manager and/or the Stock Connect. The Manager may invest up to 30% of the Net Asset Value of the Sub-Fund through QFII/RQFII and up to 50% of the Net Asset Value of the Sub-Fund through the Stock Connect, including investing in securities listed on the ChiNext market and/or Science and Technology Innovation Board (“STAR Board”). There is no restriction on the market capitalisation of issuers in which the Sub-Fund shall invest. The Sub-Fund may invest in small- and mid-capitalisation companies. However, the Sub-Fund will not invest in A-Shares listed on the Beijing Stock Exchange (“BSE”). For the avoidance of doubt, the Sub-Fund may also from time to time invest up to 20% of its Net Asset Value in equities and/or equity-equivalent Securities that are consistent with the investment objective and the issuers of which satisfy the Lifestyle Tech Requirement and are ESG Leaders, but are (i) listed in markets other than Mainland China, Hong Kong and/or the US; or (ii) headquartered or incorporated in global markets other than Mainland China, Hong Kong and/or Macau.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal 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.

**(a) Basis of preparation**

The financial statements of the Company and the Sub-Fund have been prepared in accordance with International Financial Reporting Standard (“IFRS”) issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires the directors and the Manager to exercise its judgment in the process of applying the Company’s and the Sub-Fund’s accounting policies. The resulting accounting estimate will, by definition, seldom equal the related actual results. However, there are no estimates or assumptions used in these financial statements that the directors and the Manager expect will have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Standards and amendments to existing standards effective 3 August 2022 (date of incorporation of the Company) and 23 September 2022 (date of inception of the Sub-Fund)

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 3 August 2022 (date of incorporation of the Company) and 23 September 2022 (date of inception of the Sub-Fund) that have a material effect on the financial statements of the Company and the Sub-Fund.

New standards, amendments and interpretations effective after 3 August 2022 (date of incorporation of the Company) and 23 September 2022 (date of inception of the Sub-Fund) and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 3 August 2022 (date of incorporation of the Company) and 23 September 2022 (date of inception of the Sub-Fund), 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 Company and the Sub-Fund.

**(b) Financial instruments**

Classification

The Company and the Sub-Fund classify its investments based on both the Company’s and 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 Company and the Sub-Fund are primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Company and the Sub-Fund have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. All investments are measured at fair value through profit or loss.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Financial instruments (Continued)**

Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis - the date on which the Company and the Sub-Fund commit to purchase or sell the investments. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company and the Sub-Fund have transferred substantially all risks and rewards of ownership.

Measurement

Investments are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all investments are measured at fair value through profit or loss. Realised and unrealised gains and losses on investments are recognised in the statement of comprehensive income in the year in which they arise.

Fair value estimation

The fair value of investments that are listed or traded on an exchange is based on quoted market prices at close of trading on reporting date. If quoted market prices are not available on the reporting date, the Manager will assess and determine the fair value, taking into consideration the latest available quoted market prices.

Transfers between levels of the fair value hierarchy

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

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 company or the counterparty.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Other receivable and payable**

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 Company and the Sub-Fund shall measure the loss allowance on other receivable 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 Company and the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. 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.

**(d) Dividend income and interest income**

Dividend income is recognised when the right to receive payment is established with the corresponding foreign withholding taxes recorded as an expense. It is probable that the economic benefits associated with the dividend will flow to the Company and the Sub-Fund, and the amount of the dividend can be measured reliably.

Interest income is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents.

**(e) Other income/expense**

Other income/expense mainly represents the difference between the proceeds received from/paid to participating dealers and cost of investment purchased/sold.

**(f) Transactions costs**

Transactions costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transactions costs, when incurred, are immediately recognised in profit or loss as an expense.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Expenses**

Expenses are accounted for on an accrual basis.

**(h) Cash and cash equivalents**

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

**(i) Foreign currencies translation**

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company and the Sub-Fund operate (the “functional currency”). The performance of the Company and the Sub-Fund are measured and reported to the shareholders in Hong Kong dollar (“HK\$”). The directors and the Manager consider HK\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in HK\$, which is the Company’s and 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 the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net losses on investments”.

**(j) Redeemable shares**

The Company and the Sub-Fund issue redeemable shares which are redeemable at the holder’s option represent puttable financial instruments of the Company and the Sub-Fund. The Company and the Sub-Fund classify its puttable financial instruments as equity in accordance with IAS 32 (Amendment), “Financial instruments: Presentation” as those puttable financial instruments meet all the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net asset value;
- the puttable financial instruments are the most subordinated shares in issue and share features are identical;
- apart from the contractual obligation for the Company and the Sub-Fund to repurchase or redeem the instrument for cash or another financial asset, there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable financial instrument over its life is based substantially on the profit or loss of the Company and the Sub-Fund.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Redeemable shares (Continued)**

Shares are issued and redeemed at the holder's option at prices based on the Company's and the Sub-Fund's net asset value per share at the time of issue or redemption. The Company's and the Sub-Fund's net asset value per share is calculated by dividing the net assets attributable to shareholders with the total number of outstanding shares. In accordance with the Prospectuses of the Company and the Sub-Fund, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per share for subscriptions and redemptions of the Company's and the Sub-Fund's shares.

**(k) Taxation**

The Company and the Sub-Fund currently incurs withholding taxes imposed by the PRC ("People's Republic of China") on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included as taxation in the statement of comprehensive income.

The Company and the Sub-Fund do not make tax provisions on the gains arising from China A-shares, these gains are currently exempt from Corporate Income Tax pursuant to Caishui [2014] No.79 ("Circular 79").

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**(l) Establishment costs**

Establishment costs are recognised as an expense in the period in which they are incurred.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**3. NUMBER OF SHARES IN ISSUE AND NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**

The Sub-Fund's capital is represented by the shares in the Sub-Fund, and shown as "net assets attributable to shareholders" in the statement of financial position. Subscriptions and redemptions of shares of the Sub-Fund during the period from 23 September 2022 (date of inception) to 31 December 2022 are shown in the statement of changes in net assets attributable to shareholders. In order to achieve the investment objectives, the Sub-Fund endeavor to invest its capital in accordance with the investment policies as outlined in Notes 4 and 10, whilst maintaining sufficient liquidity to meet redemption requests. Such liquidity is augmented by the holding of liquid investments.

In accordance with the provisions of the Sub-Fund's Instrument of Incorporation dated 3 August 2022 and the Prospectus dated 15 September 2022, as may be amended and supplemented from time to time, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculations.

As stated in Note 2(j), redeemable shares of the Sub-Fund are classified as equity and they are carried at the redemption amount that would be payable at the reporting date if the shareholder exercised the right to redeem the shares in the Sub-Fund.

The Sub-Fund's objectives and policies for managing its obligations to redeem shares are included in Note 4(h) on capital risk management and Note 4(f) on liquidity risk.

Net assets attributable to shareholders per share of the Sub-Fund are calculated based on the net assets attributable to shareholders divided by the total shares in issue as at 31 December 2022. The detailed breakdowns are as follows:

	2022
	Shares
Number of shares in issue at the end of the period	650,000
	<hr/> <hr/>
	2022
	HK\$
Net assets attributable to shareholders	24,183,179
	<hr/> <hr/>
Net assets attributable to shareholders per shares	37.20
	<hr/> <hr/>

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**3. NUMBER OF SHARES IN ISSUE AND NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (Continued)**

In accordance with the Company's and the Sub-Fund's Instrument of Incorporation, the establishment costs of the Company and the Sub-Fund will be amortised over approximately 5 accounting periods. However, the accounting policy of the Company and the Sub-Fund for the purpose of financial statements preparation in compliance with IFRS is to expense establishment costs in the statement of comprehensive income as incurred. The differences between expensing the establishment costs as incurred in accordance with IFRS and capitalisation and amortisation of the establishment costs indicated in the Company and the Sub-Fund's Instrument of Incorporation resulted in adjustments in the net asset value. As at 31 December 2022, the establishment costs of the Company and the Sub-Fund of HK\$1,772,992 is unamortised with remaining 4 years amortisation.

	31 December 2022
	<i>HK\$</i>
Accounting net assets attributable to shareholders as reported in the Statement of Financial Position	24,183,179
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to shareholders	1,772,992
	<hr/>
Net assets attributable to shareholders (in accordance with the Sub-Fund's Instrument of Incorporation)	25,956,171
	<hr/> <hr/>
	<i>HK\$</i>
Net assets attributable to shareholders per shares (in accordance with the Sub-Fund's Instrument of Incorporation)	39.93
	<hr/> <hr/>

**4. FINANCIAL RISK MANAGEMENT**

**(a) Strategy in using financial instruments**

The investment objective of the Sub-Fund is to achieve long term capital growth by primarily investing in companies which are directly or indirectly involved in the provision of lifestyle technology products and/or services ("Lifestyle Tech") consistent with the principles of environmental, social and governance ("ESG") focused investing. The Sub-Fund's activities may expose it to a variety of risks including but not limited to: market price risk, interest rate risk, currency risk, credit and counterparty risk and liquidity risk which are associated with the markets in which the Sub-Fund invest.

The following is a summary of the main risks and risk management policies.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Market price risk**

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

As at 31 December, the Sub-Fund's investments were concentrated in the following industries in China:

	31 December 2022	
	Fair value HK\$	% of net asset value
<u>Listed equities in China - by industry</u>		
Communication Services	870,781	3.61%
Consumer Discretionary	12,023,183	49.72%
Consumer Staples	2,376,571	9.83%
Financials	182,985	0.76%
Industrials	2,441,696	10.10%
Information Technology	7,220,918	29.85%
Materials	128,778	0.52%
Real Estate	135,309	0.56%
	25,380,221	104.95%
	25,380,221	104.95%

Sensitivity analysis in the event of a possible change in the index by 13% as estimated by the Manager

The analysis is based on the assumptions that the Solactive China Lifestyle Tech Index increased/(decreased) by 13% with all other variables held constant, this would increase/(decrease) the operating profit for the period by approximately HK\$3,318,311. The fair value of the Sub-Fund's portfolio of equity securities moved according to their historical correlation with the Solactive China Lifestyle Tech Index. This represents management's best estimate of a reasonable possible shift in the Solactive China Lifestyle Tech Index, having regard to the historical volatility of the index.

**(c) Interest rate risk**

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31 December 2022, interest rate risk arises only from cash and cash equivalents of HK\$710,186 which are reset monthly. As interest from these interest bearing assets are immaterial, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis has been disclosed for these cash and cash equivalents.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(d) Currency risk**

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

The table below summaries the exposure to currency risks of the Sub-Fund as at 31 December 2022.

**As at 31 December 2022**

	USD <i>HK\$</i>	CNY <i>HK\$</i>	Total <i>HK\$</i>
<b><u>Assets</u></b>			
Non-monetary assets	625,464	7,031,658	7,657,122
<b>Total</b>	<u>625,464</u>	<u>7,031,658</u>	<u>7,657,122</u>

As at 31 December 2022, the Sub-Fund held assets and liabilities which were mainly denominated in United States dollar (“USD”) and Hong Kong dollar except for Chinese Yuan Renminbi (“CNY”) denominated equities. As of Hong Kong dollar is linked currency of United States dollar, the functional currency of the Sub-Fund, the Sub-Fund had no significant exposure to currency risk.

The following table shows the sensitivity to major foreign currencies exposure in respect of both monetary and non monetary net assets of the Sub-Fund with all other variables held constant. Changes in foreign exchange rate are revised annually depending on the Manager's current view of market volatility and other relevant factors.

	2022 Increase/decrease in reasonable possible shift in rate %	Movement in value <i>HK\$</i>
CNY		
- Non-monetary assets	3%	210,950

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(e) Credit and counterparty risk**

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Sub-Fund.

The Sub-Fund limits its exposure to credit risk by transacting the majority of its securities and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings and that the Sub-Fund consider to be well established.

All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made when the broker has received payment. Payment is made on a purchase when 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 concentration of credit risk consist principally of bank deposits and assets held with the custodians.

As at 31 December 2022, the Sub-Fund placed cash and cash equivalents of HK\$710,186 with The Hongkong and Shanghai Banking Corporation Limited. As at 31 December 2022, the credit rating of the Hongkong and Shanghai Banking Corporation Limited is at or above investment grade with reference to the rating agencies.

As at 31 December 2022, the Sub-Fund placed investment of HK\$25,380,221 with HSBC Institutional Trust Services (Asia) Limited, the custodian of the Sub-Fund. As at 31 December 2022, the credit rating of the custodian is at or above investment grade with reference to the rating agencies.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Managements consider both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2022, interest receivables and cash and cash equivalent are held with counterparties with credit rating at or above investment grade and are due to be settled within 1 month. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(f) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in settling its liabilities, including a redemption request.

The Sub-Fund is exposed to redemptions at each dealing day. The Sub-Fund invests the majority of its assets in investments that are traded in an active market and can be readily realisable.

The tables below analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month <i>HK\$</i>	1-3 months <i>HK\$</i>	Over 3 months <i>HK\$</i>
<b>As at 31 December 2022</b>			
Management fee payable	-	79,639	-
Other accounts payable	-	2,438,714	-
	<hr/>	<hr/>	<hr/>
<b>Total financial liabilities</b>	<b>-</b>	<b>2,518,353</b>	<b>-</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Sub-Fund shares are redeemed on demand at the holder's option. However, the Management does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as the holders of these instruments typically retain them for the medium to long term. As at 31 December 2022, no individual investor held more than 10% of the Sub-Fund's redeemable shares.

The Sub-Fund manages its liquidity risk by investing in investments that they expect to be able to liquidate within 1 month or less. The following table illustrates the expected liquidity of assets held:

	Less than 1 month <i>HK\$</i>	1-3 months <i>HK\$</i>	Over 3 months <i>HK\$</i>
<b>As at 31 December 2022</b>			
Total assets	26,701,532	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(g) Fair value estimation**

The fair value of financial assets and liabilities traded in active markets (such as 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 financial assets and liabilities.

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

IFRS 13 requires the Sub-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 that the entity 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 categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

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

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(g) Fair value estimation (Continued)**

The following table analyses within the fair value hierarchy the Sub-Fund investments (by class) measured at fair value at 31 December 2022:

	Level 1 <i>HK\$</i>	Level 2 <i>HK\$</i>	Level 3 <i>HK\$</i>	Total <i>HK\$</i>
<b>As at 31 December 2022</b>				
Financial assets at fair value through profit or loss				
- Listed equities	25,380,221	-	-	25,380,221
	<u>25,380,221</u>	<u>-</u>	<u>-</u>	<u>25,380,221</u>
Total financial investments	<u>25,380,221</u>	<u>-</u>	<u>-</u>	<u>25,380,221</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include actively listed equities. The Sub-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 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. As of 31 December 2022, the Sub-Fund did not hold any investments classified in level 3.

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

As at 31 December 2022, there was no transfer between levels of investments held by the Sub-Fund.

Assets and liabilities included in the statement of financial position, except for investments, are carried at amortized cost; their carrying values are a reasonable approximation of fair value.

There are no other assets and liabilities not at fair value but for which the fair value is disclosed.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**4. FINANCIAL RISK MANAGEMENT (Continued)**

**(h) Capital risk management**

The capital of the Sub-Fund is represented by the net assets attributable to shareholders. The amount of net assets attributable to shareholders can change significantly as the Sub-Fund is subject to subscriptions and redemptions on every business day at the discretion of shareholders. The Sub-Fund objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Fund.

In order to maintain or adjust the capital structure, the Sub-Fund policy is to perform the following:

- monitor the level of subscriptions and redemptions relative to the liquid assets; and
- redeem and issue new shares in accordance with the constitutive documents of the Sub-Fund.

The Manager monitors capital on the basis of the value of net assets attributable to shareholders.

**(i) Financial instruments by category**

As of 31 December 2022, apart from investments which are categorized as fair value through profit or loss disclosed in the statement of financial position, all other financial assets as disclosed in the statement of financial position, including management fee rebate receivable, interest receivable and cash and cash equivalents are carried at amortised cost. All the financial liabilities of the Sub-Fund are carried at amortised cost.

The carrying value of the financial assets and liabilities other than investments are considered by the Manager to approximate their fair values as they are short-term in nature and the effect of discounting is immaterial.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**5. NET LOSSES ON INVESTMENTS**

	Period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
Change in unrealised gain in value of investments	738,199
Net realised loss on sale of investments	(1,187,444)
	<hr/>
	(449,245)
	<hr/> <hr/>

**6. TAXATION**

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

PRC Tax

The Sub-Fund invests in A-Shares stocks traded via QFIIs/RQFIIs/Shanghai-Hong Kong Stock Connect/Shenzhen-Hong Kong Stock Connect is subjected to 10% withholding income tax (“WIT”) on dividend income derived from the shares. WIT was charged on dividend income received from the shares during the period ended 31 December 2022.

The taxation of the Sub-Fund for the period ended represents:

	For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
Withholding tax on dividend income	1,620
	<hr/>
Taxation	1,620
	<hr/> <hr/>

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**6. TAXATION (Continued)**

The movement in provision for taxation during the period is as follows:

	For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
At the beginning of the period	-
Taxation charged to the statement of comprehensive income for the period	1,620
Tax paid	(1,620)
	<hr/>
	-
	<hr/> <hr/>

**7. TRANSACTION COSTS ON INVESTMENTS**

Transactions costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees paid to agents and dealers.

**8. BROKER COMMISSION**

Broker commission are fees incurred to acquire financial assets or liabilities at fair value through profit or loss. They include commissions paid to brokers.

**9. TRANSACTIONS AND BALANCES WITH THE CUSTODIAN, THE MANAGER AND THEIR CONNECTED PERSONS**

Related parties of the Sub-Fund also include the Custodian and the Manager of the Sub-Fund and their connected person. Connected persons of the Manager and the Custodian are those as defined in the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong. All transactions entered into during the period between the Sub-Fund and the Custodian, the Manager and their Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of Manager's knowledge, the Sub-Fund did not have any other transactions with the Custodian, the Manager and their Connected Persons except for those disclosed below.

**(a) Management fee**

The Manager is entitled to receive a management fee of up to 2% per annum of the net asset value of the Sub-Fund. The current management fee is 0.99% per annum of the net asset value of the Sub-Fund and is accrued daily and calculated as at each dealing day and payable monthly in arrears.

According to the Sub-Fund's Product Key Facts sheet, the aggregate expenses over 2% of the average net asset value in respect of the Sub-Fund will be reimbursed by the Manager from 23 September 2022 (date of inception) to 31 December 2022 onwards.

During the period from 23 September 2022 (date of inception) to 31 December 2022, the Manager was entitled to management fee of HK\$87,985. As at 31 December 2022, a management fee of HK\$79,639 was payable to the Manager by the Sub-Fund.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**9. TRANSACTIONS AND BALANCES WITH THE CUSTODIAN, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)**

**(a) Management fee (Continued)**

Expenses reimbursement by the Manager to the Sub-Fund for the period from 23 September 2022 (date of inception) to 31 December 2022 amount to HK\$659,462 of which HK\$610,291 was outstanding as at 31 December 2022.

**(b) Custodian fee**

The Custodian is entitled to receive a custodian fee of up to 1% per annum of the net asset value of the Sub-Fund. The current custodian fee is calculated as a percentage per annum of the net asset value of the Sub-Fund at a rate of 0.1% per annum of the net asset value. The custodian fee will be accrued daily and calculated as at each Dealing Day and payable monthly in arrears.

Included in the custodian fee is the fees payable to the HSBC Institutional Trust Services (Asia) Limited, (the “Custodian”) and HSBC Bank (China) Company Limited (the “PRC Custodian”).

For the year ended 31 December 2022, the Custodian was entitled to custodian fees of HK\$2,549 from the Sub-Fund.

**(c) Transaction handling and registrar fees**

The Custodian is also entitled to transaction handling fee per transaction for the Sub-Fund. For the period ended 31 December 2022, the Custodian was entitled to transaction handling fees of HK\$5,208.

The Custodian, acting as the registrar, is also entitled to a fee of HK\$120 per participating dealer per transaction for updating of the register record of the Sub-Fund. For the period ended 31 December 2022, the Custodian was entitled to the registrar fees of HK\$120.

**(d) Accounting and professional fees**

During the period ended 31 December 2022, the Sub-Fund has incurred accounting and professional fees amounting to HK\$46,624 paid to the Custodian.

**(e) Administration fees**

During the period ended 31 December 2022, the Sub-Fund has incurred administration fees amounting to HK\$5,332 paid to the Custodian.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**9. TRANSACTIONS AND BALANCES WITH THE CUSTODIAN, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)**

(f) Investments and cash and cash equivalents of the Sub-Fund held with related parties of the Custodian are:

	For period from 23 September 2022 (date of inception) to 31 December 2022 HK\$
<b>Investments</b>	
HSBC Institutional Trust Services (Asia) Limited	25,380,221
<b>Cash and cash equivalents</b>	
The Hongkong and Shanghai Banking Corporation Limited	710,186

For the period ended 31 December 2022, bank interest income amounted to HK\$1,450 have been earned from the related parties of the Custodian for the Sub-Fund.

(g) Investment transactions with the Custodian or connected persons of the Custodian

During the period ended 31 December 2022, certain investment transactions of the Sub-Fund were executed through the connected persons of the Custodian who act as the brokers of the Sub-Fund. The investment transactions with connected persons of the Custodian during the period ended 31 December 2022 were as follows:

	Aggregate value of purchase and sales of securities HK\$	Total commission paid HK\$	% of Sub-Fund's total transactions during the period %	Average commission %
<b>2022</b>				
The Hong Kong and Shanghai Banking Corporation Limited	40,759,686	20,222	59%	0.05%

**10. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE**

Pursuant to the SFC's Code on Unit Trusts and Mutual Funds, the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the underlying index, except where the weightings are exceeded as a result of changes in the composition of the underlying index and the excess is only transitional and temporary in nature.

The directors and the Manager have confirmed that the Sub-Fund has complied with the investment limitation under the SFC Code for the period ended 31 December 2022.

There were no constituent securities that individually accounted for more than 10% of net asset value of the Sub-Fund and its respective weightings of the Solactive China Lifestyle Tech Index for the Sub-Fund as at 31 December 2022.

There were no constituent securities that as a Group accounted for more than 20% of net asset value of the Sub-Fund and its respective weightings of the Solactive China Lifestyle Tech Index for the Sub-Fund as at 31 December 2022.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC  
HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)**

**10. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (Continued)**

For the period ended 31 December 2022, the Solactive China Lifestyle Tech Index increased by 6.57% while the net asset value per share of the Sub-Fund increased by 2.67%.

**11. SOFT COMMISSION ARRANGEMENTS**

During the period ended 31 December 2022, the Manager confirms that there have been no soft commission arrangements with brokers relating to dealing in the assets of the Sub-Fund.

**12. SEGMENT INFORMATION**

The Manager makes the strategic resource allocations on behalf of the Sub-Fund and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that the Sub-Fund has a single operating segment which is investing in securities. The investment objective of the Sub-Fund is to achieve long term capital growth by primarily investing in companies which are directly or indirectly involved in the provision of Lifestyle Tech consistent with the principles of ESG focused investing. The Sub-Fund is domiciled in Hong Kong. For the period from 23 September 2022 (date of inception) to 31 December 2022, the Sub-Fund's income, is derived from investments in PRC securities which are directly or indirectly involved in the provision of Lifestyle Tech.

The internal financial information used by the Manager for the Sub-Fund's assets, liabilities and performance is the same as that disclosed in the statement of financial position and statement of comprehensive income.

The Sub-Fund has a diversified portfolio of investments and no single investment accounts for more than 10% of the Sub-Fund's net asset value for the period from 23 September 2022 (date of inception) to 31 December 2022.

**13. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved for issue by the directors and the Manager of the Company and the Sub-Fund on 20 April 2023.

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2022

	Holdings	Fair value HK\$	% of net assets
<b>Listed equities (104.95%)</b>			
<b>CHINA (104.95%)</b>			
ALIBABA GROUP HOLDING LTD ORD USD.000003125	27,650	2,384,812	9.86
BAIDU INC ORD USD.000000625	2,439	272,436	1.13
BYD CO LTD H SHRS ORD CNY1	4,030	776,178	3.21
CHINA MENGNIU DAIRY CO LTD ORD HKD0.1	15,609	552,559	2.28
CHINA RESOURCES BEER HOLDINGS CO LTD ORD NPV	8,464	461,711	1.91
CHINA TOURISM GROUP DUTY FREE CORP LTD ORD CNY1 CC	700	170,588	0.71
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD ORD CNY1 SZHK	1,200	532,567	2.20
EAST MONEY INFORMATION CO LTD ORD CNY1 SZHK	16,100	352,342	1.46
EVE ENERGY CO LTD ORD CNY1 SZHK	2,600	257,809	1.07
FOXCONN INDUSTRIAL INTERNET CO LTD ORD CNY1 CC	118,000	1,221,971	5.05
GEELY AUTOMOBILE HOLDINGS LTD ORD HKD0.02	33,000	376,200	1.56
GUANGZHOU AUTOMOBILE GROUP CO LTD H SHR ORD CNY1	121,661	639,937	2.65
H WORLD GROUP LIMITED ORD USD.00001	9,365	315,132	1.30
HAIDILAO INTERNATIONAL HOLDING LTD ORD USD0.000005	12,495	279,888	1.16
HANGZHOU CHANG CHUAN TECHNOLOGY CO LTD ORD CNY1 SZHK	9,300	467,691	1.93
HUATAI SECURITIES CO LTD H SHRS ORD NPV	11,596	103,552	0.43
JD.COM INC ORD NPV	10,283	2,264,317	9.36
KE HOLDINGS INC ORD USD.00002	3,657	135,309	0.56
KUAISHOU TECHNOLOGY ORD USD.0000053	4,001	284,271	1.18
KWEICHOW MOUTAI CO LTD ORD CNY1 CC	400	779,271	3.22
LEGEND HOLDINGS CORP H SHRS ORD CNY1	71,431	596,449	2.47
LENOVO GROUP LTD ORD NPV	221,838	1,421,982	5.88
LI AUTO INC A SHRS ORD USD.0001	8,350	641,280	2.65
LI NING CO LTD ORD HKD0.1	6,039	409,142	1.69
LUFAX HOLDING LTD ADR (1 ADR REPS 0.5 ORD SHRS)	5,246	79,433	0.33
MEITUAN ORD USD0.00001	2,711	473,612	1.96
MING YANG SMART ENERGY GROUP LTD ORD CNY1 CC	10,900	310,596	1.28
NARI TECHNOLOGY DEVELOPMEN ORD CNY 1 CC	12,400	341,309	1.41
NAVINFO CO LTD ORD CNY1 SZHK	8,500	105,666	0.44
NETEASE INC ORD USD.0001	2,743	314,074	1.30
NINGBO TUOPU GROUP CO LTD ORD CNY1 CC	2,300	151,989	0.63
SAIC MOTOR CORP LTD ORD CNY 1 CC	86,401	1,404,491	5.81
SHANGHAI FUDAN MIROELECTRONICS COMPANY LTD-H SHARES ORD CNY0.1	8,400	247,800	1.02
SHANGHAI PUTAILAI NEW ENERGY TECHNOLOGY CO LTD ORD CNY1 CC	2,200	128,778	0.53
SHENZHOU INTERNATIONAL GROUP ORD HKD0.1	1,600	140,480	0.58
SUNGROW POWER SUPPLY CO LT ORD CNY1 SZHK	1,200	151,342	0.63
SUPER HI INTERNATIONAL HOLDING LTD ORD USD.000005	1,549	15,397	0.06
TCL TECHNOLOGY GROUP CORP ORD CNY1 SZHK	93,000	390,267	1.61

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**

*As at 31 December 2022*

	<b>Holdings</b>	<b>Fair value HK\$</b>	<b>% of net assets</b>
<b>Listed equities (104.95%) (Continued)</b>			
<b>CHINA (104.95%) (Continued)</b>			
TENCENT HOLDINGS LTD ORD HKD0.00002	5,773	1,928,182	7.97
VIPSHOP HOLDINGS LTD-ADR COM 0.0001 USD	5,129	546,031	2.26
WEICHAI POWER CO LTD H SHRS ORD CNY1	80,923	848,073	3.51
WH GROUP LTD ORD USD0.0001	70,055	318,050	1.31
WULIANGYE YIBIN CO LTD A SHRS ORD CNY1 SZHK	1,300	264,980	1.10
XIAOMI CORP CLASS B ORD USD0.0000025	89,991	984,502	4.07
YUM CHINA HOLDINGS INC ORD USD.01	1,225	537,775	2.22
		<hr/>	<hr/>
Total investments		25,380,221	104.95
Other net assets		(1,197,042)	(4.95)
		<hr/>	<hr/>
Net assets attributable to shareholders at 31 December 2022		24,183,179	100.00
		<hr/> <hr/>	<hr/> <hr/>
Total cost of investments		24,642,022	
		<hr/> <hr/>	

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**

For the period from 23 September 2022 (date of inception) to 31 December 2022

	<b>Holdings</b>				
	<b>23 September 2022 (date of inception)</b>	<b>Additions</b>	<b>Corporate action</b>	<b>Disposals</b>	<b>31 December 2022</b>
<b>Investments</b>					
<b>Listed equities</b>					
ALIBABA GROUP HOLDING LTD ORD USD.000003125	-	47,224	-	19,574	27,650
BAIDU INC ORD USD.000000625	-	3,441	-	1,002	2,439
BYD CO LTD H SHRS ORD CNY1	-	8,536	-	4,506	4,030
CHANGZHOU XINGYU AUTOMOTIVE LI ORD CNY 1 CC	-	3,800	-	3,800	-
CHINA MENGNIU DAIRY CO LTD ORD HKD0.1	-	25,092	-	9,483	15,609
CHINA RESOURCES BEER HOLDINGS CO LTD ORD NPV	-	12,078	-	3,614	8,464
CHINA TOURISM GROUP DUTY FREE CORP LTD ORD CNY1 CC	-	1,600	-	900	700
CHONGQING CHANGAN AUTOMOBILE CO LTD ORD CNY1 SZHK	-	36,400	-	36,400	-
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD ORD CNY1 SZHK	-	2,900	-	1,700	1,200
EAST MONEY INFORMATION CO LTD ORD CNY1 SZHK	-	25,300	-	9,200	16,100
EVE ENERGY CO LTD ORD CNY1 SZHK	-	3,400	-	800	2,600
FOXCONN INDUSTRIAL INTERNET CO LTD ORD CNY1 CC	-	191,100	-	73,100	118,000
GEELY AUTOMOBILE HOLDINGS LTD ORD HKD0.02	-	43,000	-	10,000	33,000
GUANGZHOU AUTOMOBILE GROUP CO LTD H SHR ORD CNY1	-	179,733	-	58,072	121,661
H WORLD GROUP LIMITED ORD USD.00001	-	13,773	-	4,408	9,365
H Aidilao INTERNATIONAL HOLDING LTD ORD USD0.000005	-	32,193	-	19,698	12,495

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)**

For the period from 23 September 2022 (date of inception) to 31 December 2022

	<b>Holdings</b>				
	<b>23 September 2022 (date of inception)</b>	<b>Additions</b>	<b>Corporate action</b>	<b>Disposals</b>	<b>31 December 2022</b>
<b>Investments (Continued)</b>					
<b>Listed equities (Continued)</b>					
HANGZHOU CHANG					
CHUAN TECHNOLOGY					
CO LTD ORD CNY1 SZHK	-	14,400	-	5,100	9,300
HUATAI SECURITIES CO					
LTD H SHRS ORD NPV	-	26,846	-	15,250	11,596
JD.COM INC ORD NPV					
KE HOLDINGS INC ORD	-	17,398	-	7,115	10,283
USD.00002	-	4,857	-	1,200	3,657
KUAISHOU TECHNOLOGY					
ORD USD.0000053	-	6,131	-	2,130	4,001
KWEICHOW MOUTAI CO					
LTD ORD CNY1 CC	-	500	-	100	400
LEGEND HOLDINGS CORP					
H SHRS ORD CNY1	-	280,931	-	209,500	71,431
LENOVO GROUP LTD ORD					
NPV	-	358,569	-	136,731	221,838
LI AUTO INC A SHRS ORD					
USD.0001	-	11,050	-	2,700	8,350
LI NING CO LTD ORD					
HKD0.1	-	9,089	-	3,050	6,039
LUFAX HOLDING LTD ADR					
(1 ADR REPS 0.5 ORD					
SHRS)	-	6,990	-	1,744	5,246
LUZHOU LAOJIAO CO LTD					
ORD CNY1 SZHK	-	900	-	900	-
MEITUAN ORD USD0.00001					
MING YANG SMART	-	11,340	-	8,629	2,711
ENERGY GROUP LTD					
ORD CNY1 CC	-	18,600	-	7,700	10,900
NARI TECHNOLOGY					
DEVELOPMEN ORD CNY					
1 CC	-	18,200	-	5,800	12,400
NAVINFO CO LTD ORD					
CNY1 SZHK	-	13,400	-	4,900	8,500
NETEASE INC ORD					
USD.0001	-	4,200	-	1,457	2,743
NINGBO TUOPU GROUP CO					
LTD ORD CNY1 CC	-	8,500	-	6,200	2,300

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)**

For the period from 23 September 2022 (date of inception) to 31 December 2022

	<b>Holdings</b>				
	<b>23 September 2022 (date of inception)</b>	<b>Additions</b>	<b>Corporate action</b>	<b>Disposals</b>	<b>31 December 2022</b>
<b>Investments (Continued)</b>					
<b>Listed equities (Continued)</b>					
NIO INC ORD USD.00025	-	5,532	-	5,532	-
SAIC MOTOR CORP LTD ORD CNY 1 CC	-	193,501	-	107,100	86,401
SG MICRO CORP ORD CNY1 SZHK	-	1,400	-	1,400	-
SHANGHAI FUDAN MIROELECTRONICS COMPANY LTD-H SHARES ORD CNY0.1	-	28,262	-	19,862	8,400
SHANGHAI PUTAILAI NEW ENERGY TECHNO LOGY CO LTD ORD CNY1 CC	-	5,600	-	3,400	2,200
SHENZHOU INTERNATIONAL GROUP ORD HKD0.1	-	2,000	-	400	1,600
SUNGROW POWER SUPPLY CO LT ORD CNY1 SZHK	-	4,400	-	3,200	1,200
SUPER HI INTERNATIONAL HOLDING LTD ORD USD.000005	-	1,549	-	-	1,549
TCL TECHNOLOGY GROUP CORP ORD CNY1 SZHK	-	165,000	-	72,000	93,000
TENCENT HOLDINGS LTD ORD HKD0.00002	-	9,536	-	3,763	5,773
VIPSHOP HOLDINGS LTD- ADR COM 0.0001 USD (1 RECEIPT=0.2 SHS)	-	8,097	-	2,968	5,129
WEICHAI POWER CO LTD H SHRS ORD CNY1	-	106,923	-	26,000	80,923
WH GROUP LTD ORD USD0.0001	-	170,230	-	100,175	70,055
WULIANGYE YIBIN CO LTD A SHRS ORD CNY1 SZHK	-	1,900	-	600	1,300
XIAOMI CORP CLASS B ORD USD0.0000025	-	138,181	-	48,190	89,991
YUM CHINA HOLDINGS INC ORD USD.01	-	1,791	-	566	1,225

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**PERFORMANCE TABLE**

**Net asset value**

	Dealing net asset value of the Sub-Fund* <i>HK\$</i>	Dealing net asset value per unit <i>HK\$</i>
At the end of financial period		
31 December 2022	25,956,171	39.93

**Highest and lowest net asset value per shares**

	Highest net asset value per unit <i>HK\$</i>	Lowest net asset value per unit <i>HK\$</i>
Financial period		
For the period from 23 September 2022 (date of inception) to 31 December 2022	49.49	32.14

*\*The dealing net asset value of the Sub-Fund disclosed is calculated in accordance with the Prospectus.*

**HARVEST FUNDS SERIES (HONG KONG) ETF OFC**  
**HARVEST CHINA SUSTAINABLE LIFESTYLE TECH ACTIVE ETF**

**MANAGEMENT AND ADMINISTRATION**

**Manager and QFII/RQFII Holder**

Harvest Global Investments Limited  
31/F, One Exchange Square  
8 Connaught Place  
Central, Hong Kong

**Custodian**

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

**The Administrator and Registrar**

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

**PRC Custodian**

HSBC Bank (China) Company Limited  
33/F, HSBC Building  
Shanghai ifc, 8 Century Avenue;  
Pudong, Shanghai 200120, China

**Directors of the Company**

KWAN Chi Wang, Thomas  
CHOW Wai Ling, Kerry

**Legal Counsel to the Manager**

Simmons & Simmons  
13/F, One Pacific Place  
979 King's Road  
Hong Kong

**Auditor**

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor  
22/F, Edinburgh Tower  
15 Queen's Road Central  
Hong Kong

**Investment Adviser**

China Renaissance Securities (Hong Kong) Limited  
Units 8107-08, Level 81  
International Commerce Centre  
1 Austin Road West, Kowloon  
Hong Kong

**Conversion Agent or Service Agent**

HK Conversion Agency Services Limited  
8th Floor, Two Exchange Square  
8 Connaught Place  
Central, Hong Kong