



BU Fund Series OFC

For the year ended 31 December 2024

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Custodian's report to the shareholders of BU Fund Series OFC (the "Company")

We hereby confirm that, in our opinion, the Manager of the Company and its Sub-funds has in all material respects managed the Company and its Sub-funds in accordance with the provisions of the Instrument of Incorporation, as amended and restated, during the year ended 31 December 2024.

For and on behalf of BNP Paribas in its capacity as Custodian of BU Fund Series OFC

23 April 2025



Independent auditor's report to the shareholders of BU Fund Series OFC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BU Fund Series OFC and its sub-funds (the "Company and its Sub-funds") set out on pages 6 to 61, which comprise the statement of assets and liabilities as at 31 December 2024, the statement of comprehensive income, the statement of changes in net assets attributable to shareholders/statement of changes in equity and statement of cash flows for the year ended 31 December 2024, and notes to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company and its Sub-funds as at 31 December 2024 and of its financial performance and cash flows for the year ended 31 December 2024 in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and its Sub-funds in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

The Manager and the Directors of the Company and its Sub-funds are responsible for the other information. The other information comprises all 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.



Independent auditor's report to the shareholders of
BU Fund Series OFC (continued)

Report on the Audit of the Financial Statements (continued)

Responsibilities of Manager and Directors and those charged with governance for the financial statements

The Manager and the Directors of the Company and its Sub-funds are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Manager and the Directors 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 Manager and the Directors of the Company and its Sub-funds are responsible for assessing the Company's and its Sub-funds' ability to continue as a going concern and disclosing matters related to going concern. The Manager and the Directors of the Company and its Sub-funds consider that the Company and its Sub-funds are no longer a going concern and have prepared the financial statements on the basis as set out in Note 2(b) thereto.

In addition, the Manager and the Directors of the Company and its Sub-funds are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Company's and its Sub-funds' instrument of incorporation dated 29 April 2020, 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.

Those charged with governance are responsible for overseeing the Company's and its Sub-funds' financial reporting process.

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 is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made 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.



Independent auditor's report to the shareholders of BU Fund Series OFC (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's 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 its Sub-funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Company's and its Sub-funds' instrument of incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its Sub-funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Directors.
- Conclude on the appropriateness of the Manager's and the Directors' judgement that the Company and its Sub-funds have been prepared on a non-going concern based on the audit evidence obtained.



Independent auditor's report to the shareholders of BU Fund Series OFC (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- 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 those charged with governance 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 Company's and its Sub-funds' 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 have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Company's and its Sub-funds' instrument of incorporation, Part 7 of the OFC Rules, Appendix E of the UT Code and Chapter 9 of the OFC Code.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

23 April 2025

Statement of assets and liabilities at 31 December 2024 (Expressed in United States dollars)

| | | BU Fund Series OFC | | BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | | BU Asian Bond Fixed Maturity Fund 2025 | |
|--|------------------------------|--------------------|------|--|------------|---|------------|
| Note | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2023 |
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| Assets | | | | | | | |
| Current assets | | | | | | | |
| Financial assets at fair value through profit or loss | 6,12 | - | - | 23,722,162 | 32,490,015 | 10,318,413 | 13,392,057 |
| Account receivable | | 1 | 1 | - | - | - | - |
| Amounts receivable from foreign currency forward contracts | | - | - | - | 320 | - | 21,583 |
| Interest receivables | | - | - | - | 7,538 | - | 8,724 |
| Amount due from brokers | | - | - | - | - | 32,460 | 23,116 |
| Cash and cash equivalents | 7(f) | - | - | 46,656 | 75,275 | 413,682 | 515,494 |
| Total assets | | 1 | 1 | 23,768,818 | 32,573,148 | 10,764,555 | 13,960,974 |
| Liabilities | | | | | | | |
| Current liabilities | | | | | | | |
| Amount due to brokers | | - | - | - | - | 32,925 | 23,117 |
| Amount payable on redemption | | - | - | - | - | 31,832 | 22,881 |
| Amounts payable for foreign currency forward contracts | | - | - | 659 | - | 10,452 | - |
| Accrued expenses and other payables | 7(a), 7(b), 7(c), 7(d), 7(e) | - | - | 70,040 | 49,503 | 54,013 | 36,735 |
| Total liabilities | | - | - | 70,699 | 49,503 | 129,222 | 82,733 |
| Net assets attributable to shareholders | | | | | | | |
| Financial liabilities | | - | - | 23,698,119 | 32,523,645 | 10,635,333 | 13,878,241 |
| Equity | | 1 | 1 | - | - | - | - |

Approved and authorised for issue by the Directors on 23 April 2025

Director

Director

The accompanying notes form an integral part of these financial statements.

Statement of comprehensive income

For the year ended 31 December 2024

(Expressed in United States dollars)

| | Note | BU Fund Series OFC | | BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | | BU Asian Bond Fixed Maturity Fund 2025 | |
|---|------|--------------------|--------------|--|--------------|---|--------------|
| | | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ |
| Interest income | 7(f) | - | - | 4,964 | 18,127 | 3,919 | 20,599 |
| Net gains from financial assets at fair value through profit or loss | 4 | - | - | 1,138,489 | 2,779,842 | 537,365 | 1,092,525 |
| Net foreign exchange losses | | - | - | (1,914) | (296) | (2,027) | (1,175) |
| Other income | | - | - | 274 | 305 | - | 27,000 |
| Total investment income | | - | - | 1,141,813 | 2,797,978 | 539,257 | 1,138,949 |
| Administration fees | 7(d) | - | - | (9,454) | (12,535) | (3,995) | (6,687) |
| Management fees | 7(a) | - | - | (204,197) | (210,785) | (79,903) | (133,739) |
| Custodian's fees | 7(c) | - | - | (17,445) | (24,480) | (7,461) | (11,156) |
| Auditors' remuneration | | - | - | (10,124) | (9,622) | (8,129) | (7,721) |
| Registrar's fees | 7(b) | - | - | (13,505) | (17,907) | (5,707) | (9,553) |
| Legal and professional fee | | - | - | (10,546) | (12,993) | (1,499) | (1,850) |
| Financial reporting fees | 7(e) | - | - | (5,000) | (5,000) | (5,000) | (5,000) |
| Interest expense | | - | - | (3) | (758) | (9) | (72) |
| Other operating expenses | | - | - | (491) | (374) | (3,074) | (3,151) |
| Total operating expenses | | - | - | (270,765) | (294,454) | (114,777) | (178,929) |
| Profit before distribution to shareholders | | - | - | 871,048 | 2,503,524 | 424,480 | 960,020 |
| Distributions to shareholders | 14 | - | - | (840,795) | (378,227) | (363,548) | (646,447) |
| Profit before taxation | | - | - | 30,253 | 2,125,297 | 60,932 | 313,573 |
| Taxation | 5 | - | - | - | - | - | - |
| Increases in net assets attributable to shareholders and total comprehensive income for the year | | - | - | 30,253 | 2,125,297 | 60,932 | 313,573 |

The accompanying notes form an integral part of these financial statements.

Statement of changes in net assets attributable to shareholders/Statement of changes in equity for the year ended 31 December 2024 (Expressed in United States dollars)

| | <i>BU Fund Series OFC</i> | | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---------------------------|------|---|--------------|---|-------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | US\$ | US\$ | US\$ | US\$ | US\$ | US\$ |
| Balance at the beginning of the year | 1 | 1 | 32,523,645 | 41,185,728 | 13,878,241 | 21,665,953 |
| Increase in net assets attributable to shareholders and total comprehensive income for the year | - | - | 30,253 | 2,125,297 | 60,932 | 313,573 |
| Subscriptions and redemptions by shareholders | | | | | | |
| Subscriptions of shares | - | - | 18,328 | 17,835,236 | - | - |
| Redemptions of shares | - | - | (8,874,107) | (28,622,616) | (3,303,840) | (8,101,285) |
| Net redemptions by shareholders | - | - | (8,855,779) | (10,787,380) | (3,303,840) | (8,101,285) |
| Balance at the end of the year | 1 | 1 | 23,698,119 | 32,523,645 | 10,635,333 | 13,878,241 |

Statement of changes in net assets attributable to shareholders/Statement of changes in equity for the year ended 31 December 2024 (continued) (Expressed in shares)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|--|---|---------------------|---|----------------|
| | 2024 Shares | 2023 Shares | 2024 Shares | 2023 Shares |
| Class I USD (Accumulating) | | | | |
| Balance at the beginning of the year | 1,623,244.16 | 4,406,485.27 | - | - |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | (583,166.30) | (2,783,241.11) | - | - |
| | <u>1,040,077.86</u> | <u>1,623,244.16</u> | <u>-</u> | <u>-</u> |
| Balance at the end of the year | 1,040,077.86 | 1,623,244.16 | - | - |
| Net asset value per share ⁽²⁾ | <u>US\$ 10.39</u> | <u>US\$ 10.03</u> | <u>-</u> | <u>-</u> |
| Class A HKD (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 31,655.97 | - | - | - |
| Shares subscribed during the year | 99.23 | 31,655.97 | - | - |
| Shares redeemed during the year | - | - | - | - |
| | <u>31,755.20</u> | <u>31,655.97</u> | <u>-</u> | <u>-</u> |
| Balance at the end of the year | 31,755.20 | 31,655.97 | - | - |
| Net asset value per share ⁽²⁾ | <u>US\$ 12.54</u> | <u>US\$ 12.94</u> | <u>-</u> | <u>-</u> |
| Class A USD (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 1,554,141.93 | - | - | - |
| Shares subscribed during the year | 328.40 | 1,753,896.02 | - | - |
| Shares redeemed during the year | (293,724.39) | (199,754.09) | - | - |
| | <u>1,260,745.94</u> | <u>1,554,141.93</u> | <u>-</u> | <u>-</u> |
| Balance at the end of the year | 1,260,745.94 | 1,554,141.93 | - | - |
| Net asset value per share ⁽²⁾ | <u>US\$ 9.78</u> | <u>US\$ 10.08</u> | <u>-</u> | <u>-</u> |

Statement of changes in net assets attributable to shareholders/Statement of changes in equity for the year ended 31 December 2024 (continued) (Expressed in shares)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|-------------------|---|-------------------|
| | 2024 Shares | 2023 Shares | 2024 Shares | 2023 Shares |
| Class A RMB (Hedged) (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 10,726.60 | - | - | - |
| Shares subscribed during the year | 988.01 | 10,726.60 | - | - |
| Shares redeemed during the year | - | - | - | - |
| | <u>11,714.61</u> | <u>10,726.60</u> | <u>-</u> | <u>-</u> |
| Balance at the end of the year | 11,714.61 | 10,726.60 | - | - |
| Net asset value per share ⁽²⁾ | <u>US\$ 13.31</u> | <u>US\$ 14.18</u> | <u>-</u> | <u>-</u> |
| Class A1 HKD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 597,396.42 | 837,151.80 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (187,307.59) | (239,755.38) |
| | <u>-</u> | <u>-</u> | <u>410,088.83</u> | <u>597,396.42</u> |
| Balance at the end of the year | - | - | 410,088.83 | 597,396.42 |
| Net asset value per share ⁽²⁾ | <u>-</u> | <u>-</u> | <u>US\$ 9.96</u> | <u>US\$ 9.83</u> |
| Class A1 RMB (Hedged) (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 199,774.12 | 239,496.05 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (85,497.16) | (39,721.93) |
| | <u>-</u> | <u>-</u> | <u>114,276.96</u> | <u>199,774.12</u> |
| Balance at the end of the year | - | - | 114,276.96 | 199,774.12 |
| Net asset value per share ⁽²⁾ | <u>-</u> | <u>-</u> | <u>US\$ 10.47</u> | <u>US\$ 10.69</u> |

Statement of changes in net assets attributable to shareholders/Statement of changes in equity for the year ended 31 December 2024 (continued) (Expressed in shares)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|------------------------|---|------------------------|
| | <i>2024 Shares</i> | <i>2023 Shares</i> | <i>2024 Shares</i> | <i>2023 Shares</i> |
| Class A1 USD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 670,734.77 | 1,323,727.06 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (60,595.50) | (652,992.29) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at the end of the year | - | - | 610,139.27 | 670,734.77 |
| Net asset value per share ⁽²⁾ | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> US\$ 7.73 | <hr/> <hr/> US\$ 7.63 |
| Class A2 HKD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 61,173.54 | 102,979.45 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (9,876.59) | (41,805.91) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at the end of the year | - | - | 51,296.95 | 61,173.54 |
| Net asset value per share ⁽²⁾ | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> US\$ 9.90 | <hr/> <hr/> US\$ 9.78 |
| Class A2 RMB (Hedged) (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 13,430.16 | 22,874.86 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (1,471.60) | (9,444.70) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at the end of the year | - | - | 11,958.56 | 13,430.16 |
| Net asset value per share ⁽²⁾ | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> US\$ 10.46 | <hr/> <hr/> US\$ 10.65 |

⁽¹⁾ Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) were launched on 26 July 2023.

⁽²⁾ The net asset value per unit is rounded down to 2 decimal places in accordance with the Prospectus.

The accompanying notes form an integral part of these financial statements.

Cash flow statement for the year ended 31 December 2024 (Expressed in United States dollars)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|--|---|---------------------|---|--------------------|
| | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ |
| Operating activities | | | | |
| Increase in net assets attributable to shareholders and total comprehensive income for the year | 30,253 | 2,125,297 | 60,932 | 313,573 |
| Adjustments for: | | | | |
| Interest income | (4,964) | (18,127) | (3,919) | (20,599) |
| Distributions to shareholders | 840,795 | 378,227 | 363,548 | 646,447 |
| Net change in unrealised losses/(gains) from financial assets at fair value through profit or loss | 233,252 | (4,309,322) | (301,625) | (1,172,978) |
| Net realised (gains)/losses from financial assets at fair value through profit or loss | <u>(1,371,741)</u> | <u>1,529,480</u> | <u>(235,740)</u> | <u>80,453</u> |
| Operating losses before changes in working capital | (272,405) | (294,445) | (116,804) | (153,104) |
| Purchase of financial assets at fair value through profit or loss | (36,205,111) | (71,722,348) | - | - |
| Proceeds from sale of financial assets at fair value through profit or loss | 46,128,128 | 82,844,321 | 3,711,261 | 8,983,457 |
| Settlement of foreign currency forward contracts | (8,158) | (859) | (59,493) | (159,228) |
| (Increase)/decrease in amount due from brokers | - | - | (9,344) | (23,116) |
| Increase/(decrease) in amount due to brokers | - | - | 9,808 | 23,117 |
| Increase/(decrease) in accrued expenses and other payables | <u>20,537</u> | <u>(3,826)</u> | <u>17,278</u> | <u>(13,150)</u> |
| Net cash generated from operations | 9,662,991 | 10,822,843 | 3,552,706 | 8,657,976 |
| Interest received | <u>4,964</u> | <u>18,127</u> | <u>3,919</u> | <u>20,599</u> |
| Net cash generated from operating activities | <u>9,667,955</u> | <u>10,840,970</u> | <u>3,556,625</u> | <u>8,678,575</u> |
| Financing activities | | | | |
| Proceeds from subscription of shares | 18,328 | 17,835,236 | - | - |
| Payments on redemption of shares | (8,874,107) | (28,622,616) | (3,294,889) | (8,078,404) |
| Distribution paid | <u>(840,795)</u> | <u>(378,227)</u> | <u>(363,548)</u> | <u>(646,447)</u> |
| Cash used in financing activities | <u>(9,696,574)</u> | <u>(11,165,607)</u> | <u>(3,658,437)</u> | <u>(8,724,851)</u> |

Cash flow statement

for the year ended 31 December 2024 (continued)

(Expressed in United States dollars)

| | <i>BU Asia Impact Bond Fund</i> | | <i>BU Asian Bond Fixed Maturity</i> | |
|---|---------------------------------|-----------|-------------------------------------|----------|
| | <i>(formerly known as</i> | | <i>Fund 2025</i> | |
| | <i>BU APAC Bond Fund)</i> | | <i></i> | |
| | 2024 | 2023 | 2024 | 2023 |
| | US\$ | US\$ | US\$ | US\$ |
| Net decrease in cash and cash equivalents | (28,619) | (324,637) | (101,812) | (46,276) |
| Cash and cash equivalents at the beginning of the year | 75,275 | 399,912 | 515,494 | 561,770 |
| Cash and cash equivalents at the end of the year | 46,656 | 75,275 | 413,682 | 515,494 |

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

(Expressed in United States dollars unless otherwise indicated)

1 The Company

BU Fund Series OFC (the “Company”) is an open-ended fund company with variable capital and limited liability regulated under the Hong Kong Securities and Futures Ordinance (“SFO”). The Company is established with an umbrella structure and the sub-fund of the Company have segregated liability. The Company was incorporated pursuant to an Instrument of Incorporation filed to the Companies Registry of Hong Kong on and effective as of 29 April 2020, as amended and restated (the “Instrument”) with business registration number 71817286.

There were two sub-funds (collectively the “Sub-funds”) created under the Company as at 31 December 2024. These sub-funds were launched on the date set out below:

| <i>Name of sub-funds</i> | <i>Launch date</i> |
|---|--------------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 8 June 2020 |
| BU Asian Bond Fixed Maturity Fund 2025 | 21 June 2021 |

The investment objective of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) is to seek medium to long term capital growth and regular income by primarily investing in impact bonds including green, social and sustainability bond instruments in Asia or that are denominated in Asian currencies. The sub-fund is expected to terminate in June 2025.

The investment objective of BU Asian Bond Fixed Maturity Fund 2025 is, on a best effort basis, to seek regular income from the close of the launch period up to the sub-fund’s maturity date and seek to return the capital of the sub-fund by investing primarily in Asian fixed income related securities. The sub-fund is closed for subscriptions after the initial launch period from 7 June 2021 to 21 June 2021, except for re-open period as determined by the Manager at its discretion. The sub-fund is expected to mature on 25 August 2025.

The Sub-funds are authorised by the Hong Kong Securities and Futures Commission (the “SFC”) under section 104 of the SFO. It is governed by the relevant provisions of the Code on Open Ended Fund Companies (the “OFC Code”) and the Code on Unit Trusts and Mutual Funds (the “UT Code”) issued by the SFC.

BEA Union Investment Management Limited (the “Manager”) is jointly owned by The Bank of East Asia, Limited and Union Asset Management Holding AG, and is licensed to carry on Types 1 (Dealing in Securities), 4 (Advising on Securities) and 9 (Asset Management) Regulated Activities under Part V of the SFO.

1 The Company (continued)

The Company has appointed the Manager to manage the assets of the Company (i.e. to carry out investment management functions) and to provide asset valuation and pricing functions in respect of the Company and the Sub-funds, pursuant to the Investment Management Agreement.

The Company has appointed BNP Paribas, acting through its Hong Kong branch (the “Custodian”), as the custodian for the Sub-funds. BNP Paribas, is a Société en commandite par actions (partnership limited by shares) incorporated under the laws of France, acting for the purposes herein through its Hong Kong branch. The Custodian carries on business as an authorised institution in Hong Kong registered under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and has the capacity to provide custodial services.

The Custodian shall act as custodian of the assets of the Sub-funds in respect of which it has been so appointed, pursuant to the Custody Agreement. The Custodian is responsible for the safekeeping of all the investments, cash and other assets forming part of the assets of the Sub-funds, and such assets will be dealt with pursuant to the terms in the Custody Agreement. The Custodian must take reasonable care, skill and diligence to ensure the safekeeping of the relevant sub-funds’ property entrusted to it.

2 Material accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and the relevant disclosure provisions of the OFC Code and the UT Code issued by the SFC. Material accounting policies adopted by the Sub-funds are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Sub-funds. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Sub-funds for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The financial statements of the Sub-funds are presented in United States dollars (“USD”) and rounded to the nearest dollar.

2 Material accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements of BU Asia Impact Bond Fund is the historical cost basis except that financial instruments classified as designated at fair value through profit or loss are stated at their fair value as explained in the accounting policies set out below.

BU Asia Impact Bond Fund (Formerly known as BU APAC Bond Fund) is expected to terminate in June 2025, BU Asian Bond Fixed Maturity Fund 2025 is expected to mature on 25 August 2025 and the Company is expected to terminate subsequently. Accordingly, the going concern basis of preparing the financial statements of the Company and its Sub-funds have not been used. Assets of the Company and its Sub-funds are valued at lower of their carrying amounts and their recoverable amounts and liabilities of the Company and its Sub-funds are measured at their estimated settlement amounts as at 31 December 2024. The financial statements did not include any provision for the future costs except to the extent that such costs were incurred at the end of the reporting date.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Income and expenses

Interest income is recognised as it accrues using effective interest method. Interest on bank deposits is separately disclosed on the face of profit or loss. Interest income on debt securities is included in Net gains from financial assets at fair value through profit or loss. All other income and expenses are accounted for on an accrual basis.

2 Material accounting policies (continued)

(d) Investments

(i) Classification of financial assets

On initial recognition, the Sub-funds classify financial assets as measured at amortised cost or fair value through profit or loss (“FVTPL”).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”).

All other financial assets of the Sub-funds are measured at FVTPL.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Sub-funds considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Sub-funds’ management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Sub-funds’ continuing recognition of the assets.

2 Material accounting policies (continued)

(d) Investments (continued)

(i) Classification of financial assets (continued)

The Sub-funds have determined that it has two business models.

- Held-to-collect business model: this includes amounts due from brokers, interest receivables and cash and cash equivalents. These financial assets are held to collect contractual cash flow.
- Other business model: this includes debt securities. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Sub-funds consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Sub-funds consider:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Sub-funds’ claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for of the time value of money (e.g. periodical reset of interest rates).

The Sub-funds classify its investments based on the business model and contractual cash flows assessment. Accordingly, the Sub-funds classify all its debt securities into financial assets at FVTPL category. Financial assets measured at amortised cost include amounts due from brokers, interest receivables and cash and cash equivalents.

2 Material accounting policies (continued)

(d) Investments (continued)

(i) Classification of financial assets (continued)

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

(ii) Classification of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is a derivative. Financial liabilities at FVTPL are measured at fair value and net gains and losses are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Foreign exchange gains and losses are recognised in profit or loss.

Any gain or loss on derecognition is also recognised in profit or loss.

Accordingly, financial liabilities measured at amortised cost include amount due to brokers, amount payable on redemption and accruals and other payables.

(iii) Recognition

The Sub-funds recognise financial assets and financial liabilities on the date they become a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of HKFRS 9.

(iv) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

2 Material accounting policies (continued)

(d) Investments (continued)

(iv) Measurement (continued)

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

(v) Fair value measurement principles

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 in the principal or, in its absence, the most advantageous market to which the Sub-funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Sub-funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Sub-funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Sub-funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

(vi) Amortised cost measurement

The “amortised cost” of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

2 Material accounting policies (continued)

(d) Investments (continued)

(vii) Impairment

The Sub-funds recognise loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost.

The Sub-funds measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Sub-funds consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Sub-funds’ historical experience and informed credit assessment and including forward-looking information.

The Sub-funds assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Sub-funds consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Sub-funds in full, without recourse by the Sub-funds to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Sub-funds consider a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of ‘investment grade’. The Sub-funds consider this to be Baa3 or higher per Moody’s or BBB- or higher per Standard & Poor’s.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Sub-funds are exposed to credit risk.

2 Material accounting policies (continued)

(d) Investments (continued)

(vii) Impairment (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Sub-funds expect to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Sub-funds assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of assets and liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Sub-funds have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(viii) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Assets held for trading that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Sub-funds commit to sell the assets.

2 Material accounting policies (continued)

(d) Investments (continued)

(viii) Derecognition (continued)

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

(ix) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Sub-funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(e) Foreign currency forward contracts

Outstanding foreign currency forward contracts are valued at the year end date by reference to the forward rate of exchange applicable to the outstanding term of the contracts. Unrealised gains and losses on outstanding contracts and realised gains and losses on closed contracts are included in profit or loss under the heading "Net gains on financial assets at fair value through profit or loss".

(f) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities of the Sub-funds denominated in foreign currencies are translated into USD at the foreign exchange rates ruling at the end of the reporting period. Differences arising on foreign currency translation are recorded in the statement of comprehensive income.

(g) Related parties

- (a) A person, or a close member of that person's family, is related to the Sub-funds if that person:
 - (i) has control or joint control over the Sub-funds;
 - (ii) has significant influence over the Sub-funds; or
 - (iii) is a member of the key management personnel of the Sub-funds or the Sub-funds' parent.

2 Material accounting policies (continued)

(g) Related parties (continued)

- (b) An entity is related to the Sub-funds if any of the following conditions applies:
- (i) The entity and the Sub-funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Sub-funds.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group which it is a part, provides key management personnel services to the Sub-funds or to the Sub-funds' parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(i) Taxation

Taxation for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period. Current tax also includes non-recoverable withholding taxes on investment income, capital gains and share dividends.

2 Material accounting policies (continued)

(i) Taxation (continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable capital gains will be available against which the asset can be utilised, are recognised.

The amounts of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

(j) Shares in issue

The Sub-funds classify capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument is classified as an equity instrument if it has all of the following features:

- It entitles the holder to a pro rata share of the Sub-funds' net assets in the event of the Sub-funds' liquidation.
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The instrument does not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Sub-funds' net assets.
- The total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-funds over the life of the instrument.

In addition to the instrument having all the above features, the Sub-funds must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-funds; and
- The effect of substantially restricting or fixing the residual return to the puttable instrument holders.

2 Material accounting policies (continued)

(j) Shares in issue (continued)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) has two classes of redeemable shares: Class A and Class I while Class A and Class I of the sub-fund has further separated its shares into accumulating shares, distributing shares and distributing hedged shares. Class I USD (Accumulating) shares, Class A HKD (Distributing), Class A USD (Distributing) shares and Class A RMB (Hedged) (Distributing) were in issue.

BU Asian Bond Fixed Maturity Fund 2025 has four classes of redeemable shares in issue: Class A1, A2, A3 and Class I while Class A1, A2, A3 and Class I of the sub-fund has further separated its shares into accumulating shares, distributing shares and distributing hedged shares. Class A1 HKD (Distributing) shares, Class A2 HKD (Distributing) shares, Class A1 RMB (Hedged) (Distributing) shares, Class A2 RMB (Hedged) (Distributing) shares and Class A1 USD (Distributing) shares were in issue.

All redeemable shares issued by the Sub-funds provide the investors with the right to require redemption for cash at a value proportionate to the investor's share in the corresponding Sub-funds' net assets at each daily redemption date and also in the event of the corresponding Sub-funds' liquidation.

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) and BU Asian Bond Fixed Maturity Fund 2025 have created multiple classes of shares, which rank pari passu in all material respects but have different terms and conditions as set out in the Placing Memorandum and Prospectus respectively, which include different currencies, minimum investment amounts, minimum realisation amount and minimum holding amount. The redeemable shares provide shareholders with the right to require redemption for cash at a value proportionate to the shareholders' share in the sub-funds' net assets at each redemption date but also in the event of the sub-funds' liquidation. The redeemable shares of the BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) and the BU Asian Bond Fixed Maturity Fund 2025 are classified as financial liabilities and are measured at the present value of the redemption amounts as at 31 December 2024 and 2023.

The Manager and the Custodian continuously assess the classification of the redeemable shares. If the redeemable shares cease to have all the features or meet all the conditions set out in paragraphs 16A and 16B of HKAS 32, the Manager and the Custodian will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable shares subsequently have all the features and meet the conditions set out in paragraphs 16A and 16B of HKAS 32, the Manager and the Custodian will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

(k) Distributions to holders of redeemable shares

Distributions to holders of redeemable shares classified as financial liabilities are recognised in the statements of comprehensive income as finance costs when they are authorised and no longer at the discretion of the Sub-funds.

2 Material accounting policies (continued)

(I) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as BEA Union Investment Management Limited (“the Manager”).

3 Changes in accounting policies

The HKICPA has issued certain amendments to HKFRSs that are first effective for the current accounting period of the Fund. None of these developments have had a material effect on how the Fund’s result and financial position for the current or prior periods have been prepared or presented.

The Fund has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 22).

4 Net gain on financial assets at fair value through profit or loss

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|------------------|---|------------------|
| | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ |
| Realised gains/(losses) on investments | 1,379,899 | (1,528,621) | 295,233 | 78,775 |
| Realised losses foreign currency forward contracts | (8,158) | (859) | (59,493) | (159,228) |
| Net change in unrealised (losses)/gains on investments | (232,273) | 4,309,002 | 333,660 | 1,158,276 |
| Net change in unrealised (losses)/gains on foreign currency forward contracts | (979) | 320 | (32,035) | 14,702 |
| | <u>1,138,489</u> | <u>2,779,842</u> | <u>537,365</u> | <u>1,092,525</u> |

5 Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the Sub-funds are exempted from taxation under section 26A (1A) of the Hong Kong Inland Revenue Ordinance.

Capital gains, interest and dividend income including share dividend received by the Sub-funds may be subject to non-recoverable withholding tax imposed on the country of origin. Capital gains and investment income are recorded gross of withholding tax in profit or loss.

5 Taxation (continued)

Under the general provisions of the PRC Corporate Income Tax Law and published tax circulars, the Sub-funds would be subject to PRC withholding tax at the rate of 10% in respect of its PRC sourced income earned, including capital gains realised on the sale of PRC listed companies (subject to the special tax treatment under Caishui [2014] No.79 (“Circular 79”) as discussed below), dividend income derived from PRC listed companies and interest income earned in respect of PRC bank deposits and corporate bonds. This withholding taxation basis should apply as it is intended that the Sub-funds would be managed and operated in such a manner that they would not be considered as a tax resident enterprise in China or otherwise as having a taxable establishment in the PRC.

The Sub-funds’ Placing Memorandum or Prospectus gives the Manager the right to provide for withholding tax on such gains or income and withhold the tax for the account of the Sub-funds. Under the current general provisions of the People’s Republic of China (“PRC”) Corporate Income Tax Law and published tax circulars, the Sub-funds would be subject to PRC withholding tax (“WIT”) at the rate of 10% in respect dividend derived from onshore equity securities (including China A Shares acquired through the Stock Connects), if the relevant WIT is not withheld at source. The Manager currently does not intend to make provisions for any Mainland China tax payable by the Sub-funds on interest from debt securities issued in Mainland China during the tax exemption period up to 31 December 2025. Upon expiry of such period, a provision at a rate of 10% will be withheld on the interest income from debt securities issued by Mainland China (if relevant WIT is not withheld at source). No provision will be made on realised capital gain from debt securities issued in Mainland China.

As at 31 December 2024 and 2023, there is no tax charge for BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) and BU Asian Bond Fixed Maturity Fund 2025.

6 Financial assets at fair value through profit or loss

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|-------------------------------|---|-------------------|---|-------------------|
| | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ |
| Debt securities | | | | |
| Certificates of deposit | 199,886 | - | - | - |
| Bonds | 23,522,276 | 32,490,015 | 10,318,413 | 13,392,057 |
| | <u>23,722,162</u> | <u>32,490,015</u> | <u>10,318,413</u> | <u>13,392,057</u> |
| Investments, at cost | 23,408,538 | 31,903,835 | 10,846,793 | 14,226,853 |
| Net unrealised gains/(losses) | 313,624 | 586,180 | (528,380) | (834,796) |
| Investments, at market value | <u>23,722,162</u> | <u>32,490,015</u> | <u>10,318,413</u> | <u>13,392,057</u> |

7 Transactions with Manager and Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Sub-funds, the Manager, the Custodian and their Connected Persons. Connected Persons are those as defined in the UT Code issued by the SFC.

All transactions during the year between the Sub-funds, the Manager, the Custodian and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Manager, the Sub-funds did not have any other transactions with Connected Persons except for those disclosed below. The relevant receivables and payables are unsecured, interest free and repayable on demand.

(a) **Management fees**

The Company appointed BEA Union Investment Management Limited to implement the investment strategy as specified in the Sub-funds' Placing Memorandum or Prospectus. The Manager is entitled to receive a management fee in respect of each class of shares calculated as a percentage of the net asset value of that part of the relevant sub-funds relating to the relevant class of shares as follows:

| | <i>Class A</i> <i>% p.a.</i> | <i>Class I</i> <i>% p.a.</i> |
|---|---------------------------------|---------------------------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 1.0 | 0.5 |
| BU Asian Bond Fixed Maturity Fund 2025 | 0.7 | 0.4 |

The fee is calculated and accrued on each valuation day and payable monthly in arrears. The management fees charged for the year for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the management fees payable for each sub-fund is as below:

| | <i>2024</i> <i>US\$</i> | <i>2023</i> <i>US\$</i> |
|---|----------------------------|----------------------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 16,127 | 21,233 |
| BU Asian Bond Fixed Maturity Fund 2025 | 6,530 | 8,318 |

7 Transactions with Manager and Connected Persons (continued)

(b) Registrar fees

The Company appointed BEA Union Investment Management Limited as the registrar which delegates the transfer agency services to BNP Paribas, acting through its Hong Kong Branch, which is a connected party to the Custodian. The fee is calculated as a percentage of the net asset value of each sub-fund at the following rates, subject to a minimum of US\$3,000 per annum:

| <i>Net Asset Value</i> | <i>% p.a.</i> |
|-----------------------------|---------------|
| First US\$50 million | 0.050% |
| Next US\$10 million | 0.045% |
| Next US\$10 million | 0.040% |
| Next US\$10 million | 0.035% |
| Next US\$10 million | 0.030% |
| Next US\$10 million | 0.025% |
| Excess over US\$100 million | 0.015% |

The registrar fees charged for the year for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the registrar fees payable for each sub-fund is as below:

| | <i>2024</i> | <i>2023</i> |
|---|-------------|-------------|
| | US\$ | US\$ |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 1,044 | 1,404 |
| BU Asian Bond Fixed Maturity Fund 2025 | 466 | 594 |

(c) Custodian fees

The Custodian is entitled to receive a fee which is charged as a percentage of the net asset value of the Sub-funds relating to the relevant class of shares as follows:

| | <i>Class A</i> | <i>Class I</i> |
|---|----------------|----------------|
| | <i>% p.a.</i> | <i>% p.a.</i> |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 0.03 | 0.03 |
| BU Asian Bond Fixed Maturity Fund 2025 | 0.03 | 0.03 |

The fee is calculated and accrued on each valuation day and payable monthly in arrears. The custodian fees charged for the year for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the custodian fees payable for each sub-fund is as below:

| | <i>2024</i> | <i>2023</i> |
|---|-------------|-------------|
| | US\$ | US\$ |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 6,620 | 2,531 |
| BU Asian Bond Fixed Maturity Fund 2025 | 2,807 | 1,250 |

7 Transactions with Manager and Connected Persons (continued)

(d) Administration fees

The administrator of the Company is BNP Paribas, acting through its Singapore branch (the “Administrator”), which is a group company of the Custodian. The Administrator is entitled to receive a fee which is charged as a percentage of the net asset value of the relevant sub-fund on each valuation day.

The fee is calculated and accrued on each valuation day and payable monthly in arrears. The administration fees charged for the year for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the administration fees payable for each sub-fund is as below:

| | 2024 US\$ | 2023 US\$ |
|---|--------------|--------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 9,454 | 2,953 |
| BU Asian Bond Fixed Maturity Fund 2025 | 5,454 | 1,458 |

(e) Financial reporting fees

The Administrator also charged the Company financial reporting fees at each sub-fund an total amount of US\$10,000 (2023: US\$10,000). The financial reporting fees charged for the year for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the financial reporting fees payable for each sub-fund is as below:

| | 2024 US\$ | 2023 US\$ |
|---|--------------|--------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 13,342 | 8,343 |
| BU Asian Bond Fixed Maturity Fund 2025 | 13,342 | 8,343 |

(f) Bank balances

The bank balance of a bank account maintained with the Custodian at each sub-fund, as at 31 December, is as below:

| | 2024 US\$ | 2023 US\$ |
|---|--------------|--------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 46,656 | 75,275 |
| BU Asian Bond Fixed Maturity Fund 2025 | 413,682 | 515,494 |

7 Transactions with Manager and Connected Persons (continued)

(f) Bank balances (continued)

During the year, interest earned at each sub-fund from such bank account is as below:

| | 2024 US\$ | 2023 US\$ |
|---|--------------|--------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | 4,964 | 18,127 |
| BU Asian Bond Fixed Maturity Fund 2025 | 3,919 | 20,599 |

(g) Brokerage fee

During the year ended 31 December 2024, the Sub-Funds have incurred brokerage commission expense paid to the connected persons of the Custodian for its brokerage services. Investment transactions with the Sub-Funds are set out below:

2024

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asian Bond Fixed Maturity Fund 2025</i> |
|---|---|---|
| BNP PARIBAS EQUITIES | | |
| Total aggregate value of purchases and sales of investments | US\$ 2,978,306 | US\$ - |
| % of the Sub-Fund's total aggregate value of transactions during the year | 3.68% | - |
| Total brokerage commission paid | US\$ - | US\$ - |
| Average rate of commission | - | - |
| BNP PARIBAS/BFI BONDS EX | | |
| Total aggregate value of purchases and sales of investments | US\$ 638,790 | US\$ - |
| % of the Sub-Fund's total aggregate value of transactions during the year | 0.79% | -% |
| Total brokerage commission paid | US\$ - | US\$ - |
| Average rate of commission | - | - |

7 Transactions with Manager and Connected Persons (continued)

(g) Brokerage fee (continued)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asian Bond Fixed Maturity Fund 2025</i> |
|---|---|---|
| BNP Paribas Paris | | |
| Total aggregate value of purchases and sales of investments | US\$ 954,722 | US\$ - |
| % of the Sub-Fund's total aggregate value of transactions during the year | 1.18% | - |
| Total brokerage commission paid | US\$ - | US\$ - |
| Average rate of commission | - | - |
| 2023 | | |
| BNP PARIBAS EQUITIES | | |
| Total aggregate value of purchases and sales of investments | US\$ 6,436,612 | US\$ 201,276 |
| % of the Sub-Fund's total aggregate value of transactions during the year | 4.20% | 2.47% |
| Total brokerage commission paid | US\$ - | US\$ - |
| Average rate of commission | - | - |
| BNP PARIBAS/BFI BONDS EX | | |
| Total aggregate value of purchases and sales of investments | US\$ 3,576,161 | US\$ - |
| % of the Sub-Fund's total aggregate value of transactions during the year | 2.33% | - |
| Total brokerage commission paid | US\$ - | US\$ - |
| Average rate of commission | - | - |

7 Transactions with Manager and Connected Persons (continued)

(h) Investments

During the year ended 31 December 2024 and 2023, BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment Asian Strategic Bond Fund and BU China Gateway Fund had invested in BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund). These investment funds were managed by the Manager. Details of the transactions are shown below:

2024

| <i>Name of related shareholders</i> | <i>BEA Union Investment Asia Pacific Multi Income Fund</i> | <i>BEA Union Investment Asian Strategic Bond Fund</i> | <i>BU China Gateway Fund</i> |
|--|---|---|---|
| <i>Name of investee funds</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> |
| Number of shares held as at year end | <u>2,159,311.00</u> | <u>153,736.00</u> | <u>-</u> |
| Market value of shares held as at year end | US\$ <u>21,729,813</u> | US\$ <u>1,596,511</u> | US\$ <u>-</u> |
| Total purchase during the year | US\$ <u>-</u> | US\$ <u>-</u> | US\$ <u>-</u> |
| Total sales during the year | US\$ <u>4,996,360</u> | US\$ <u>3,412,691</u> | US\$ <u>465,056</u> |

7 Transactions with Manager and Connected Persons (continued)

(h) Investments (continued)

2023

| <i>Name of related shareholders</i> | <i>BEA Union Investment Asia Pacific Multi Income Fund</i> | <i>BEA Union Investment Asian Strategic Bond Fund</i> | <i>BU China Gateway Fund</i> |
|--|---|---|---|
| <i>Name of investee funds</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> |
| Number of shares held as at year end | <u>2,647,766.00</u> | <u>494,862.00</u> | <u>47,309.85</u> |
| Market value of shares held as at year end | <u>US\$ 26,703,466</u> | <u>US\$ 4,970,641</u> | <u>US\$ 476,883</u> |
| Total purchase during the year | <u>US\$ 13,633,502</u> | <u>US\$ 3,381,340</u> | <u>US\$ 466,002</u> |
| G3Total sales during the year | <u>US\$ 18,886,060</u> | <u>US\$ 7,726,205</u> | <u>US\$ 2,010,351</u> |

8 Capital management and shares in issue

The Sub-funds' capital at the reporting date is represented by its redeemable shares.

The Sub-funds' objective in managing the capital is to ensure a stable and strong base to achieve long term capital growth, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Sub-funds in accordance with the Sub-funds' investment objectives and policies stated in the Sub-funds' Prospectus.

There were no changes in the policies and procedures during the year with respect to the Sub-funds' approach to its capital management.

The amount and the movement of net assets attributable to shareholders are stated in the statement of changes in net assets attributable to shareholders. As the redeemable share are redeemed on demand at the shareholders' option, the actual level of redemption may differ significantly from historic experience.

8 Capital management and shares in issue (continued)

One management share was issued to the Manager by the Company. Redeemable shares were issued by the Sub-funds and the movement are shown in the table below.

(a) Number of shares in issue

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|---------------------|---|----------------|
| | 2024 Shares | 2023 Shares | 2024 Shares | 2023 Shares |
| Class I USD (Accumulating) | | | | |
| Balance at the beginning of the year | 1,623,244.16 | 4,406,485.27 | - | - |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | (583,166.30) | (2,783,241.11) | - | - |
| Balance at the end of the year | <u>1,040,077.86</u> | <u>1,623,244.16</u> | <u>-</u> | <u>-</u> |
| Class A HKD (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 31,655.97 | - | - | - |
| Shares subscribed during the year | 99.23 | 31,655.97 | - | - |
| Shares redeemed during the year | - | - | - | - |
| Balance at the end of the year | <u>31,755.20</u> | <u>31,655.97</u> | <u>-</u> | <u>-</u> |
| Class A USD (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 1,554,141.93 | - | - | - |
| Shares subscribed during the year | 328.40 | 1,753,896.02 | - | - |
| Shares redeemed during the year | (293,724.39) | (199,754.09) | - | - |
| Balance at the end of the period | <u>1,260,745.94</u> | <u>1,554,141.93</u> | <u>-</u> | <u>-</u> |
| Class A RMB (Hedged) (Distributing) ⁽¹⁾ | | | | |
| Balance at the beginning of the year | 10,726.60 | - | - | - |
| Shares subscribed during the year | 988.01 | 10,726.60 | - | - |
| Shares redeemed during the year | - | - | - | - |
| Balance at the end of the year | <u>11,714.61</u> | <u>10,726.60</u> | <u>-</u> | <u>-</u> |

8 Capital management and shares in issue (continued)

(a) Number of shares in issue (continued)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|----------------|---|-------------------|
| | 2024 Shares | 2023 Shares | 2024 Shares | 2023 Shares |
| Class A1 HKD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 597,396.42 | 837,151.80 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (187,307.59) | (239,755.38) |
| Balance at the end of the year | <u>-</u> | <u>-</u> | <u>410,088.83</u> | <u>597,396.42</u> |
| Class A1 RMB (Hedged) (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 199,774.12 | 239,496.05 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (85,497.16) | (39,721.93) |
| Balance at the end of the year | <u>-</u> | <u>-</u> | <u>114,276.96</u> | <u>199,774.12</u> |
| Class A1 USD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 670,734.77 | 1,323,727.06 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (60,595.50) | (652,992.29) |
| Balance at the end of the year | <u>-</u> | <u>-</u> | <u>610,139.27</u> | <u>670,734.77</u> |
| Class A2 HKD (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 61,173.54 | 102,979.45 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (9,876.59) | (41,805.91) |
| Balance at the end of the year | <u>-</u> | <u>-</u> | <u>51,296.95</u> | <u>61,173.54</u> |
| Class A2 RMB (Hedged) (Distributing) | | | | |
| Balance at the beginning of the year | - | - | 13,430.16 | 22,874.86 |
| Shares subscribed during the year | - | - | - | - |
| Shares redeemed during the year | - | - | (1,471.60) | (9,444.70) |
| Balance at the end of the year | <u>-</u> | <u>-</u> | <u>11,958.56</u> | <u>13,430.16</u> |

(1) Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) were launched on 26 July 2023.

8 Capital management and shares in issue (continued)

(b) Net assets value per share

Different classes of shares may be offered for the Sub-funds. Each class of shares may be denominated in a different class currency or may have different charging structure or class specific liabilities with the result that the net asset value attributable to each class of shares of the Sub-funds may differ. In addition, each class of shares may be subject to different minimum initial subscription amount, minimum subsequent subscription amount, minimum holding amount and minimum redemption amount. At the end of the reporting year, the net asset value per share of each class is as follows:

| | <i>BU Asia Impact Bond Fund</i> (formerly known as <i>BU APAC Bond Fund</i>) | | <i>BU Asian Bond Fixed</i> <i>Maturity Fund 2025</i> | |
|---|---|--------------------|---|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| <i>Class I USD (Accumulating)</i> | | | | |
| At the beginning of the year | US\$ 10.03 | US\$ 9.34 | US\$ - | US\$ - |
| At the end of the year | <u>US\$ 10.39</u> | <u>US\$ 10.03</u> | <u>US\$ -</u> | <u>US\$ -</u> |
| <i>Class A HKD (Distributing) ⁽¹⁾</i> | | | | |
| At the beginning of the year | HK\$ 101.06 | HK\$ - | HK\$ - | HK\$ - |
| At the end of the year | <u>HK\$ 97.48</u> | <u>HK\$ 101.06</u> | <u>HK\$ -</u> | <u>HK\$ -</u> |
| <i>Class A USD (Distributing) ⁽¹⁾</i> | | | | |
| At the beginning of the year | US\$ 10.08 | US\$ - | US\$ - | US\$ - |
| At the end of the year | <u>US\$ 9.78</u> | <u>US\$ 10.08</u> | <u>US\$ -</u> | <u>US\$ -</u> |
| <i>Class A RMB (Hedged) (Distributing) ⁽¹⁾</i> | | | | |
| At the beginning of the year | RMB 101.00 | RMB - | RMB - | RMB - |
| At the end of the year | <u>RMB 97.73</u> | <u>RMB 101.00</u> | <u>RMB -</u> | <u>RMB -</u> |

8 Capital management and shares in issue (continued)

(b) Net assets value per share (continued)

| | <i>BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)</i> | | | | <i>BU Asian Bond Fixed Maturity Fund 2025</i> | |
|---|---|---|------|---|---|--------------|
| | 2024 | | 2023 | | 2024 | 2023 |
| <i>Class A1 HKD (Distributing)</i> | | | | | | |
| At the beginning of the year | HK\$ | - | HK\$ | - | HK\$ 76.79 | HK\$ 74.70 |
| At the end of the year | HK\$ | - | HK\$ | - | HK\$ 77.37 | HK\$ 76.79 |
| | | | | | <u>77.37</u> | <u>76.79</u> |
| <i>Class A1 RMB (Hedged) (Distributing)</i> | | | | | | |
| At the beginning of the year | RMB | - | RMB | - | RMB 76.18 | RMB 74.84 |
| At the end of the year | RMB | - | RMB | - | RMB 76.89 | RMB 76.18 |
| | | | | | <u>76.89</u> | <u>76.18</u> |
| <i>Class A1 USD (Distributing)</i> | | | | | | |
| At the beginning of the year | US\$ | - | US\$ | - | US\$ 7.63 | US\$ 7.43 |
| At the end of the year | US\$ | - | US\$ | - | US\$ 7.73 | US\$ 7.63 |
| | | | | | <u>7.73</u> | <u>7.63</u> |
| <i>Class A2 HKD (Distributing)</i> | | | | | | |
| At the beginning of the year | HK\$ | - | HK\$ | - | HK\$ 76.41 | HK\$ 74.33 |
| At the end of the year | HK\$ | - | HK\$ | - | HK\$ 76.97 | HK\$ 76.41 |
| | | | | | <u>76.97</u> | <u>76.41</u> |
| <i>Class A2 RMB (Hedged) (Distributing)</i> | | | | | | |
| At the beginning of the year | RMB | - | RMB | - | RMB 75.87 | RMB 74.54 |
| At the end of the year | RMB | - | RMB | - | RMB 76.83 | RMB 75.87 |
| | | | | | <u>76.83</u> | <u>75.87</u> |

(1) Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) were launched on 26 July 2023.

9 Establishment costs

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) and BU Asian Bond Fixed Maturity Fund 2025 were commenced on 8 June 2020 and 21 June 2021 respectively. Establishment costs for establishing the sub-fund, BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund), were US\$53,952 and were fully expensed during the period from 8 June 2020 (launch date) to 31 December 2020 in accordance with HKFRSs. BU Asian Bond Fixed Maturity Fund 2025, will share the establishment costs with BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) from 21 June 2021 to date of maturity 25 August 2025. There was no unamortised amount as at 31 December 2024 and 2023.

Per the Prospectus of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund), the establishment costs are amortised over the first five accounting periods of the sub-fund and as of 31 December 2024 and 2023, there is no (2023: one year) remaining amortisation period and amount (2023: US\$8,612).

Per the Prospectus of BU Asian Bond Fixed Maturity Fund 2025, the establishment costs are amortised over the first four accounting periods of the sub-fund and as of 31 December 2024 and 2023, the remaining amortisation period and amount is 8 months (2023: one year) and US\$3,949 (2023: US\$9,704).

The differences between expensing the establishment costs as incurred in accordance with HKFRSs and amortisation of the establishment costs indicated in the Sub-funds' Prospectus or Placing Memorandum resulted in adjustments in the net asset value (see note 10).

10 Reconciliation of net asset value

The net asset value presented in the financial statements differs from that quoted for pricing purposes at the year end ("Dealing NAV") are different, as the principles for calculating the Dealing NAV as set out in the Sub-funds' Prospectus are different from those required for financial reporting purposes under HKFRSs. The following reconciliation provides details of the differences:

| | <i>BU Asia Impact Bond Fund</i> <i>(formerly known as</i> <i>BU APAC Bond Fund)</i> | | <i>BU Asian Bond Fixed Maturity</i> <i>Fund 2025</i> | |
|---|---|-------------------|---|-------------------|
| | 2024 US\$ | 2023 US\$ | 2024 US\$ | 2023 US\$ |
| Net asset value as reported in the financial statements as at 31 December | 23,698,119 | 32,523,645 | 10,635,333 | 13,878,241 |
| Adjustments for different basis adopted by the sub-fund in arriving at the Dealing NAV: | | | | |
| Unamortised establishment cost | - | 8,612 | 3,949 | 9,704 |
| Dealing NAV as at 31 December | <u>23,698,119</u> | <u>32,532,257</u> | <u>10,639,282</u> | <u>13,887,945</u> |

11 Financial instruments and associated risks

The investment objective of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) is to seek medium to long term capital growth and regular income by primarily investing in impact bonds including green, social and sustainability bond instruments in Asia or that are denominated in Asian currencies. The sub fund primarily invests in Green, Social and Sustainability Bonds ("Impact bonds") where proceeds will be allocated to well defined projects that contribute to the environment and society. At least 70% of the sub fund's Net Asset Value will be invested in Asia Impact Bonds.

The investment objective of BU Asian Bond Fixed Maturity Fund 2025 is, on a best effort basis, to seek regular income from the close of the launch year up to the sub-fund's maturity date and seek to return the capital of the sub-fund by investing primarily in Asian fixed income related securities. At least 70% of the sub-fund's Net Asset Value will be invested in USD denominated debt securities that are issued or guaranteed by Asian governments or entities incorporated in Asia or have significant operations or assets in, or derive significant portion of revenue or profits from Asia.

The Sub-funds' investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The Manager and the Custodian have set out below the most important types of financial risks inherent in each type of financial instruments. The Manager and the Custodian would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-funds. Shareholders should note that additional information in respect of risks associated with financial instruments in the Sub-funds can be found in the Sub-funds' Prospectus.

The Directors delegate the investment function of the Sub-funds to the Manager.

The nature and extent of the financial instruments outstanding at the end of the reporting year and the risk management policies employed by the Sub-funds are discussed below.

(a) **Market risk**

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and price risk. The Sub-funds' strategies on the management of market risk are driven by the Sub-funds' investment objectives.

The Sub-funds' market risk is managed on a regular basis by the Manager in accordance with policies and procedures in place. The Sub-funds' overall market position is monitored on a yearly basis by the Custodian. Details of the nature of the Sub-funds' investment portfolios at the reporting date are disclosed in the investment report.

(i) **Currency risk**

The Sub-funds hold assets and liabilities denominated in currencies other than their functional currencies and are therefore exposed to currency risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of the Sub-funds' assets and liabilities denominated in currencies other than USD.

11 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset or liability. The Manager monitors all the Sub-funds' foreign currency positions on a regular basis.

Sensitivity analysis

The Sub-funds' net direct exposure to each currency other than USD at the reporting date and their estimated impact to the net assets attributable to shareholders and the change in net assets attributable to shareholders from operations for the year had the USD weakened by 5% are illustrated below.

| | <i>As at 31 December 2024</i> | | <i>As at 31 December 2023</i> | |
|---|------------------------------------|--|------------------------------------|--|
| | <i>Net direct exposure</i> US\$ | <i>Estimated increase had the USD weakened by 5%</i> US\$ | <i>Net direct exposure</i> US\$ | <i>Estimated increase had the USD weakened by 5%</i> US\$ |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | | | | |
| Australian dollar | 1,567 | 78 | 1,710 | 86 |
| Euro | 625 | 31 | 975 | 49 |
| Indonesian rupiah | - | - | 11,894 | 595 |
| Renminbi | 177,063 | 8,853 | 164,818 | 8,241 |
| BU Asian Bond Fixed Maturity Fund 2025 | | | | |
| Euro | 54 | 3 | 57 | 3 |
| Renminbi | 1,351,796 | 67,590 | 2,340,065 | 117,003 |

A 5% appreciation of USD against the above currencies would have resulted in an equal but opposite effect on the financial statements, on the basis that all other variables remain constant.

(ii) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of debt instruments and therefore result in potential gain or loss to the Sub-funds. The Sub-funds' interest rate risk is managed on a regular basis by the Manager.

The following tables illustrates the interest rate risk exposure of the Sub-funds. It includes the Sub-funds' interest rate sensitivity gaps and the year in which the interest bearing assets and liabilities reprice (the earlier of contractual re-pricing or maturity) as at year end.

11 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

As at 31 December 2024

| | <i>Up to 1 year US\$</i> | <i>1 - 5 years US\$</i> | <i>Over 5 years US\$</i> | <i>Non-interest bearing US\$</i> | <i>Total US\$</i> |
|--|----------------------------------|---------------------------------|----------------------------------|--|-----------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Investments | 199,886 | 13,066,568 | 10,455,708 | - | 23,722,162 |
| Cash and cash equivalents | 46,656 | - | - | - | 46,656 |
| | <u>246,542</u> | <u>13,066,568</u> | <u>10,455,708</u> | <u>-</u> | <u>23,768,818</u> |
| Current liabilities | | | | | |
| Liabilities (excluding net assets attributable to shareholders) | | | | | |
| Other liabilities | - | - | - | 70,699 | 70,699 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>70,699</u> | <u>70,699</u> |
| Total interest sensitivity gap | <u>246,542</u> | <u>13,066,568</u> | <u>10,455,708</u> | | |

As at 31 December 2023

| | <i>Up to 1 year US\$</i> | <i>1 - 5 years US\$</i> | <i>Over 5 years US\$</i> | <i>Non-interest bearing US\$</i> | <i>Total US\$</i> |
|--|----------------------------------|---------------------------------|----------------------------------|--|-----------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Investments | 561,020 | 21,997,909 | 9,931,086 | - | 32,490,015 |
| Cash and cash equivalents | 75,275 | - | - | - | 75,275 |
| Other assets | - | - | - | 7,858 | 7,858 |
| | <u>636,295</u> | <u>21,997,909</u> | <u>9,931,086</u> | <u>7,858</u> | <u>32,573,148</u> |
| Current liabilities | | | | | |
| Liabilities (excluding net assets attributable to shareholders) | | | | | |
| Other liabilities | - | - | - | 49,503 | 49,503 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>49,503</u> | <u>49,503</u> |
| Total interest sensitivity gap | <u>636,295</u> | <u>21,997,909</u> | <u>9,931,086</u> | | |

11 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BU Asian Bond Fixed Maturity Fund 2025

As at 31 December 2024

| | Up to 1 year US\$ | 1 - 5 years US\$ | Over 5 years US\$ | Non-interest bearing US\$ | Total US\$ |
|--|-------------------------|------------------------|-------------------------|---------------------------------|-------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Investments | 10,318,413 | - | - | - | 10,318,413 |
| Cash and cash equivalents | 413,682 | - | - | - | 413,682 |
| Other assets | - | - | - | 32,460 | 32,460 |
| Total assets | <u>10,732,095</u> | <u>-</u> | <u>-</u> | <u>32,460</u> | <u>10,764,555</u> |
| Current liabilities | | | | | |
| Liabilities (excluding net assets attributable to shareholders) | | | | | |
| Other liabilities | - | - | - | 129,222 | 129,222 |
| Total interest sensitivity gap | <u>10,732,095</u> | <u>-</u> | <u>-</u> | | |

As at 31 December 2023

| | Up to 1 year US\$ | 1 - 5 years US\$ | Over 5 years US\$ | Non-interest bearing US\$ | Total US\$ |
|--|-------------------------|------------------------|-------------------------|---------------------------------|-------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Investments | - | 13,392,057 | - | - | 13,392,057 |
| Cash and cash equivalents | 515,494 | - | - | - | 515,494 |
| Other assets | - | - | - | 53,423 | 53,423 |
| Total assets | <u>515,494</u> | <u>13,392,057</u> | <u>-</u> | <u>53,423</u> | <u>13,960,974</u> |
| Current liabilities | | | | | |
| Liabilities (excluding net assets attributable to shareholders) | | | | | |
| Other liabilities | - | - | - | 82,733 | 82,733 |
| Total interest sensitivity gap | <u>515,494</u> | <u>13,392,057</u> | <u>-</u> | | |

11 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

At year end, should the relevant market interest rates have been increased by a certain percentage with all other variables held constant, the estimated impact on the net assets attributable to shareholders and the change in net assets attributable to shareholders from operations for the year are shown in the table below:

| | <i>BU Asia Impact Bond Fund</i> | | <i>BU Asian Bond Fixed Maturity</i> | |
|--|---------------------------------|------------------|-------------------------------------|-----------------|
| | <i>(formerly known as</i> | | <i>Fund 2025</i> | |
| | <i>BU APAC Bond Fund)</i> | | <i></i> | |
| | 2024 | 2023 | 2024 | 2023 |
| | US\$ | US\$ | US\$ | US\$ |
| Estimated decrease if interest rate had increased by 50 basis points | <u>(604,032)</u> | <u>(724,712)</u> | <u>(15,241)</u> | <u>(74,045)</u> |

(iii) Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices other than those arising from interest rate risk or currency risk, whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

The breakdown of investments held by the Sub-funds is shown in the investment report.

Each sub-fund's market risk is managed through (i) deliberate securities selection and (ii) diversification of the investment portfolio.

As at 31 December 2024 and 2023, BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) and BU Asian Bond Fixed Maturity Fund 2025 only held debt securities and was not significantly exposed to other price risk.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in investments are settled on a delivery versus payment basis using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made when the Custodian has received payments.

For purchase transactions, payments are made once securities have been received by the Custodian. The trade will fail if either party fails to meet their obligation.

The Manager monitors the Sub-funds' credit position on a regular basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of assets and liabilities.

11 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

Amounts arising from ECL

Impairment on amounts due from brokers, amounts receivable from foreign currency forward contract, interest receivables and cash and cash equivalents have been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Sub-funds consider that these exposures have low credit risk based on the external credit ratings of the counterparties.

The Sub-funds monitor changes in credit risk on these exposures by tracking published external credit ratings of the counterparties. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published ratings, the Sub-funds supplement this by reviewing changes in bond yields, where available and regulatory information about counterparties.

The Manager considers the probability of the counterparties not being able to pay is minimal as they have capacity to meet their contractual obligations in the near term and thus there is no impairment allowance recognised on amounts due from brokers, amounts receivable from foreign currency forward contract, interest receivables and cash and cash equivalents. The amount of the loss allowance did not change during 2024 and 2023.

Credit rating category of debt securities

As at 31 December 2024 and 2023, BU Asia Impact Bond Fund (*formerly known as BU APAC Bond Fund*) and BU Asian Bond Fixed Maturity Fund 2025 invested in debt securities with the following credit ratings equivalent to which provided by Standard & Poor's credit rating services expressed as a percentage of debt securities:

| | 2024 % | 2023 % |
|---|-----------|-----------|
| BU Asia Impact Bond Fund | | |
| (formerly known as BU APAC Bond Fund) | | |
| Portfolio by credit rating category of debt securities | | |
| AAA | 1.50 | - |
| AA+ | 3.46 | 2.55 |
| AA | 6.75 | 4.36 |
| AA- | 5.34 | 11.05 |
| A+ | 20.09 | 26.77 |
| A | 41.68 | 34.63 |
| A- | 4.29 | 3.43 |
| BBB+ | 9.65 | 5.31 |
| BBB | 6.38 | 10.12 |
| BBB- | 0.86 | 1.78 |
| | 100.00 | 100.00 |

11 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

| | 2024 % | 2023 % |
|---|-----------|-----------|
| BU Asian Bond Fixed Maturity Fund 2025 | | |
| Portfolio by credit rating category of debt securities | | |
| AA | 1.91 | 3.53 |
| AA- | 3.36 | 2.51 |
| A+ | 8.15 | 14.16 |
| A | 11.95 | 14.21 |
| A- | 18.71 | 9.26 |
| BBB+ | 5.42 | 10.58 |
| BBB | 22.52 | 21.50 |
| BBB- | 10.20 | 9.13 |
| BB+ | 5.39 | 4.10 |
| BB | 6.44 | 4.89 |
| BB- | 5.95 | 6.13 |
| | 100.00 | 100.00 |
| | 100.00 | 100.00 |

The Sub-funds' investments and cash are held by and deposited with the Custodian. Bankruptcy or insolvency of the Custodian may cause to Sub-funds' execution of their rights with respect to the assets held by the Custodian to be delayed or limited. The Manager monitors the credit quality of the Custodian on an on-going basis.

Other than the outlined above, there were no significant concentrations of credit risk at 31 December 2024 and 2023.

(c) Liquidity risk

Liquidity risk arises from the risk that the Sub-funds may not be able to convert investments into cash to meet liquidity needs in a timely manner. The Sub-funds' exposure to liquidity risk arises because of the possibility that the Sub-funds could be required to pay its liabilities or redeem its shares earlier than expected. The Sub-funds are exposed to daily cash redemption of its redeemable shares. Shares are redeemable at the shareholders' option based on the Sub-funds' net asset value per share at the time of redemption.

The Sub-funds' policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet its liquidity requirements in the short and long-term.

The Sub-funds invest the majority of assets in investments that are traded in an active market and can be readily disposed of. The Manager monitors the Sub-funds' liquidity position on a regular basis.

As at 31 December 2024 and 2023, all the financial liabilities of the Sub-funds are repayable on demand or due within three months.

11 Financial instruments and associated risks (continued)

(d) Specific instruments

As at 31 December 2024 and 2023, the details of foreign currency forward contracts held by the Sub-funds are as follows:

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

2024

| <i>Expiration</i> | <i>Underlying</i> | | <i>Notional amount of contracts outstanding</i> | <i>Fair value US\$</i> |
|-------------------|---|-----|---|------------------------|
| 27 January 2025 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 1,145,810 | (659) |

2023

| <i>Expiration</i> | <i>Underlying</i> | | <i>Notional amount of contracts outstanding</i> | <i>Fair value US\$</i> |
|-------------------|---|-----|---|------------------------|
| 31 January 2024 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 1,083,539 | 320 |

BU Asian Bond Fixed Maturity Fund 2025

2024

| <i>Expiration</i> | <i>Underlying</i> | | <i>Notional amount of contracts outstanding</i> | <i>Fair value US\$</i> |
|-------------------|---|-----|---|------------------------|
| 27 January 2025 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 874,317 | (928) |
| 27 January 2025 | Buy United States dollars/ Sell Chinese Renminbi | USD | 32,376 | 198 |
| 27 January 2025 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 9,160,626 | (9,721) |
| 27 January 2025 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 2,302 | (1) |
| | | | | <u>(10,452)</u> |

11 Financial instruments and associated risks (continued)

(d) Specific instruments (continued)

2023

| <i>Expiration</i> | <i>Underlying</i> | <i>Notional amount of contracts outstanding</i> | | <i>Fair value US\$</i> |
|-------------------|---|---|------------|------------------------|
| 31 January 2024 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 15,470,700 | 20,121 |
| 31 January 2024 | Buy United States dollars/ Sell Chinese Renminbi | USD | 10,525 | (27) |
| 31 January 2024 | Buy United States dollars/ Sell Chinese Renminbi | USD | 4 | - |
| 31 January 2024 | Buy Chinese Renminbi/ Sell United States dollars | RMB | 1,148,161 | 1,493 |
| 31 January 2024 | Buy United States dollars/ Sell Chinese Renminbi | USD | 23,155 | (4) |
| | | | | 21,583 |

12 Fair value information

The Sub-funds' financial instruments are measured at fair value at the reporting date. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. Usually, fair values can be reliably determined within a reasonable range of estimates. For certain other financial instruments including interest receivable and other payables, the carrying amounts approximate fair values due to the immediate or short-term nature of these financial instruments.

Valuation of financial instruments

The Sub-funds' accounting policy on fair value measurements is detailed in material accounting policies in note 2(d)(v).

The Sub-funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

12 Fair value information (continued)

Valuation of financial instruments (continued)

When fair values of listed and quoted investments at the reporting date are based on quoted market prices or binding dealer price quotations in an active market, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy. When fair values of fixed income instruments at the reporting date represent quoted prices on markets that are considered less than active, those fixed income instruments are included within Level 2 of the hierarchy.

Over the counter (“OTC”) derivative contracts include forward contracts related to foreign currencies contracts. Foreign currency forward contracts valued by the Sub-funds using pricing models fall into this category and are categorised with Level 2 of the fair value hierarchy.

The following analyses financial instruments at fair value the end of the reporting year, by the level in the fair value hierarchy into which the fair value measurement is categorised.

| | Level 1 US\$ | Level 2 US\$ | Level 3 US\$ | Total US\$ |
|---|-----------------|-----------------|-----------------|-----------------|
| <i>BU Asia Impact Bond Fund</i> (formerly known as <i>BU APAC Bond Fund</i>) | | | | |
| As at 31 December 2024 | | | | |
| Certificates of deposit | - | 199,886 | - | 199,886 |
| Debt securities | - | 23,522,276 | - | 23,522,276 |
| Foreign currency forward contracts | - | (659) | - | (659) |
| | <u>-</u> | <u>(659)</u> | <u>-</u> | <u>(659)</u> |
| As at 31 December 2023 | | | | |
| Debt securities | - | 32,490,015 | - | 32,490,015 |
| Foreign currency forward contracts | - | 320 | - | 320 |
| | <u>-</u> | <u>320</u> | <u>-</u> | <u>320</u> |
| <i>BU Asian Bond Fixed Maturity Fund 2025</i> | | | | |
| As at 31 December 2024 | | | | |
| Debt securities | - | 10,318,413 | - | 10,318,413 |
| Foreign currency forward contracts | - | (10,452) | - | (10,452) |
| | <u>-</u> | <u>(10,452)</u> | <u>-</u> | <u>(10,452)</u> |
| As at 31 December 2023 | | | | |
| Debt securities | - | 13,392,057 | - | 13,392,057 |
| Foreign currency forward contracts | - | 21,583 | - | 21,583 |
| | <u>-</u> | <u>21,583</u> | <u>-</u> | <u>21,583</u> |

12 Fair value information (continued)

Valuation of financial instruments (continued)

During the year ended 31 December 2024 and 2023, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

13 Critical accounting estimates and assumptions

The Custodian makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of investments

The Sub-funds hold a number of unlisted debt securities that are valued by reference to broker quotes. In determining the fair value of such investments, the Custodian exercises judgments and estimates on the sources of brokers and the quantity and quality of quotes used. Such quotes adopted to fairly value the investments may be indicative only and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded as of 31 December 2024 and 2023. Actual transacted prices may differ from the quotes provided by the brokers. The Custodian considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

14 Distributions

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

| | 2024 US\$ | 2023 US\$ |
|--|--------------------|--------------------|
| Amount available for distribution to shareholders at the beginning of the year | (2,184,025) | - |
| Profit for the year available for distribution* | 1,104,300 | (1,805,798) |
| Distributions to shareholders | (840,795) | (378,227) |
| | <u>(1,920,520)</u> | <u>(2,184,025)</u> |
| Undistributed income carried forward | <u>(1,920,520)</u> | <u>(2,184,025)</u> |

* Profit for the year available for distribution is the adjusted total comprehensive income for the year, for which the calculation basis is in accordance with the dividend record and schedule issued by BEA Union Investment Management Limited.

14 Distributions (continued)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

Distribution history:

2024
US\$

Class A HKD (Distributing) Shares

| | |
|--|--------|
| HK\$0.5370 per share on 31,656 shares on 15 January 2024 | 2,174 |
| HK\$0.5310 per share on 31,755 shares on 15 February 2024 | 2,156 |
| HK\$0.5290 per share on 31,755 shares on 15 March 2024 | 2,148 |
| HK\$0.4990 per share on 31,755 shares on 15 April 2024 | 2,023 |
| HK\$0.5010 per share on 31,755 shares on 16 May 2024 | 2,038 |
| HK\$0.4900 per share on 31,755 shares on 17 June 2024 | 1,993 |
| HK\$0.4940 per share on 31,755 shares on 15 July 2024 | 2,008 |
| HK\$0.4950 per share on 31,755 shares on 15 August 2024 | 2,017 |
| HK\$0.5010 per share on 31,755 shares on 16 September 2024 | 2,043 |
| HK\$0.5050 per share on 31,755 shares on 15 October 2024 | 2,063 |
| HK\$0.5070 per share on 31,755 shares on 15 November 2024 | 2,069 |
| HK\$0.4960 per share on 31,755 shares on 16 December 2024 | 2,026 |
| | 24,758 |
| | 24,758 |

Class A USD (Distributing) Shares

| | |
|---|---------|
| US\$0.0536 per share on 1,469,086 shares on 15 January 2024 | 78,743 |
| US\$0.0529 per share on 1,411,927 shares on 15 February 2024 | 74,691 |
| US\$0.0527 per share on 1,411,927 shares on 15 March 2024 | 74,409 |
| US\$0.0497 per share on 1,411,927 shares on 15 April 2024 | 70,173 |
| US\$0.0499 per share on 1,411,927 shares on 16 May 2024 | 70,455 |
| US\$0.0488 per share on 1,313,505 shares on 17 June 2024 | 64,099 |
| US\$0.0492 per share on 1,260,418 shares on 15 July 2024 | 62,012 |
| US\$0.0494 per share on 1,260,418 shares on 15 August 2024 | 62,265 |
| US\$0.0499 per share on 1,260,418 shares on 16 September 2024 | 62,895 |
| US\$0.0505 per share on 1,260,418 shares on 15 October 2024 | 63,651 |
| US\$0.0509 per share on 1,260,418 shares on 15 November 2024 | 64,155 |
| US\$0.0498 per share on 1,260,746 shares on 16 December 2024 | 62,785 |
| | 810,333 |
| | 810,333 |

14 Distributions (continued)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

Distribution history: (continued)

| | 2024 US\$ |
|---|--------------|
| Class A RMB (Hedged) (Distributing) Shares | |
| RMB0.3310 per share on 10,727 shares on 15 January 2024 | 493 |
| RMB0.3200 per share on 11,715 shares on 15 February 2024 | 520 |
| RMB0.3180 per share on 11,715 shares on 15 March 2024 | 516 |
| RMB0.2900 per share on 11,715 shares on 15 April 2024 | 469 |
| RMB0.2910 per share on 11,715 shares on 16 May 2024 | 470 |
| RMB0.2850 per share on 11,715 shares on 17 June 2024 | 458 |
| RMB0.2870 per share on 11,715 shares on 15 July 2024 | 461 |
| RMB0.288 per share on 11,715 shares on 15 August 2024 | 473 |
| RMB0.2920 per share on 11,715 shares on 16 September 2024 | 485 |
| RMB0.2940 per share on 11,715 shares on 15 October 2024 | 483 |
| RMB0.2750 per share on 11,715 shares on 15 November 2024 | 444 |
| RMB0.2690 per share on 11,715 shares on 16 December 2024 | 432 |
| | 5,704 |
| | 5,704 |

| | 2023 US\$ |
|--|--------------|
| Class A HKD (Distributing) Shares | |
| HK\$0.5420 per share on 31,656 shares on 15 September 2023 | 2,194 |
| HK\$0.5420 per share on 31,656 shares on 16 October 2023 | 2,193 |
| HK\$0.5300 per share on 31,656 shares on 15 November 2023 | 2,152 |
| HK\$0.5250 per share on 31,656 shares on 15 December 2023 | 2,129 |
| | 8,668 |
| | 8,668 |

| | |
|---|---------|
| Class A USD (Distributing) Shares | |
| US\$0.0542 per share on 1,753,896 shares on 15 September 2023 | 95,061 |
| US\$0.0538 per share on 1,753,896 shares on 16 October 2023 | 94,360 |
| US\$0.0527 per share on 1,753,896 shares on 15 November 2023 | 92,430 |
| US\$0.0523 per share on 1,639,757 shares on 15 December 2023 | 85,759 |
| | 367,610 |
| | 367,610 |

14 Distributions (continued)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

Distribution history: (continued)

| | 2023 US\$ |
|---|--------------|
| <i>Class A RMB (Hedged) (Distributing) Shares</i> | |
| RMB0.3340 per share on 10,727 shares on 15 September 2023 | 490 |
| RMB0.3320 per share on 10,727 shares on 16 October 2023 | 486 |
| RMB0.3250 per share on 10,727 shares on 15 November 2023 | 488 |
| RMB0.3230 per share on 10,727 shares on 15 December 2023 | 485 |
| | 1,949 |
| | 1,949 |

BU Asian Bond Fixed Maturity Fund 2025

| | 2024 US\$ | 2023 US\$ |
|--|--------------|--------------|
| Amount available for distribution to shareholders at the beginning of the year | (8,728,890) | (7,869,485) |
| Profit/(loss) for the year available for distribution | 122,855 | (212,958) |
| Distributions to shareholders | (363,548) | (646,447) |
| | (8,969,583) | (8,728,890) |
| Undistributed income carried forward | (8,969,583) | (8,728,890) |

* Profit for the year available for distribution is the adjusted total comprehensive income for the year, for which the calculation basis is in accordance with the dividend record and schedule issued by BEA Union Investment Management Limited.

14 Distributions (continued)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

Distribution history:

| | 2024 US\$ |
|--|--------------|
| <i>Class A1 HKD (Distributing) Shares</i> | |
| HK\$0.225 per share on 596,406 shares on 15 January 2024 | 17,160 |
| HK\$0.225 per share on 466,566 shares on 15 February 2024 | 13,422 |
| HK\$0.225 per share on 466,566 shares on 15 March 2024 | 13,421 |
| HK\$0.225 per share on 466,566 shares on 15 April 2024 | 13,401 |
| HK\$0.225 per share on 466,566 shares on 16 May 2024 | 13,447 |
| HK\$0.225 per share on 441,802 shares on 17 June 2024 | 12,735 |
| HK\$0.225 per share on 431,901 shares on 15 July 2024 | 12,441 |
| HK\$0.225 per share on 427,911 shares on 15 August 2024 | 12,353 |
| HK\$0.225 per share on 425,930 shares on 16 September 2024 | 12,310 |
| HK\$0.225 per share on 422,960 shares on 15 October 2024 | 12,242 |
| HK\$0.225 per share on 410,089 shares on 15 November 2024 | 11,855 |
| HK\$0.225 per share on 410,089 shares on 16 December 2024 | 11,869 |
| | 156,656 |

| | 2024 US\$ |
|---|--------------|
| <i>Class A2 HKD (Distributing) Shares</i> | |
| HK\$0.225 per share on 61,174 shares on 15 January 2024 | 1,760 |
| HK\$0.225 per share on 61,174 shares on 15 February 2024 | 1,760 |
| HK\$0.225 per share on 61,174 shares on 15 March 2024 | 1,760 |
| HK\$0.225 per share on 61,174 shares on 15 April 2024 | 1,757 |
| HK\$0.225 per share on 61,174 shares on 16 May 2024 | 1,763 |
| HK\$0.225 per share on 60,188 shares on 17 June 2024 | 1,735 |
| HK\$0.225 per share on 60,188 shares on 15 July 2024 | 1,734 |
| HK\$0.225 per share on 60,188 shares on 15 August 2024 | 1,737 |
| HK\$0.225 per share on 56,247 shares on 16 September 2024 | 1,625 |
| HK\$0.225 per share on 51,297 shares on 15 October 2024 | 1,485 |
| HK\$0.225 per share on 51,297 shares on 15 November 2024 | 1,483 |
| HK\$0.225 per share on 51,297 shares on 16 December 2024 | 1,485 |
| | 20,084 |

14 Distributions (continued)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

Distribution history: (continued)

| | 2024 US\$ |
|---|--------------|
| <i>Class A1 RMB (Hedged) (Distributing) Shares</i> | |
| RMB0.067 per share on 199,774 shares on 15 January 2024 | 1,857 |
| RMB0.067 per share on 132,728 shares on 15 February 2024 | 1,235 |
| RMB0.067 per share on 132,728 shares on 15 March 2024 | 1,231 |
| RMB0.066 per share on 132,728 shares on 15 April 2024 | 1,209 |
| RMB0.065 per share on 130,253 shares on 16 May 2024 | 1,167 |
| RMB0.066 per share on 130,253 shares on 17 June 2024 | 1,179 |
| RMB0.065 per share on 125,303 shares on 15 July 2024 | 1,118 |
| RMB0.065 per share on 125,303 shares on 15 August 2024 | 1,142 |
| RMB0.064 per share on 125,303 shares on 16 September 2024 | 1,137 |
| RMB0.064 per share on 120,468 shares on 15 October 2024 | 1,081 |
| RMB0.065 per share on 117,346 shares on 15 November 2024 | 1,052 |
| RMB0.065 per share on 117,346 shares on 16 December 2024 | 1,045 |
| | 14,453 |

2024
US\$

Class A2 RMB (Hedged) (Distributing) Shares

| | |
|--|-------|
| RMB0.067 per share on 13,430 shares on 15 January 2024 | 125 |
| RMB0.067 per share on 13,430 shares on 15 February 2024 | 125 |
| RMB0.067 per share on 13,430 shares on 15 March 2024 | 125 |
| RMB0.065 per share on 13,430 shares on 15 April 2024 | 120 |
| RMB0.065 per share on 11,959 shares on 16 May 2024 | 107 |
| RMB0.065 per share on 11,959 shares on 17 June 2024 | 107 |
| RMB0.065 per share on 11,959 shares on 15 July 2024 | 107 |
| RMB0.065 per share on 11,959 shares on 15 August 2024 | 109 |
| RMB0.064 per share on 11,959 shares on 16 September 2024 | 108 |
| RMB0.064 per share on 11,959 shares on 15 October 2024 | 107 |
| RMB0.065 per share on 11,959 shares on 15 November 2024 | 107 |
| RMB0.065 per share on 11,959 shares on 16 December 2024 | 107 |
| | 1,354 |

14 Distributions (continued)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

Distribution history: (continued)

| | 2024 US\$ |
|---|--------------|
| <i>Class A1 USD (Distributing) Shares</i> | |
| US\$0.0225 per share on 670,735 shares on 15 January 2024 | 15,092 |
| US\$0.0225 per share on 649,694 shares on 15 February 2024 | 14,618 |
| US\$0.0225 per share on 639,842 shares on 15 March 2024 | 14,397 |
| US\$0.0225 per share on 639,842 shares on 15 April 2024 | 14,397 |
| US\$0.0225 per share on 639,842 shares on 16 May 2024 | 14,397 |
| US\$0.0225 per share on 639,842 shares on 17 June 2024 | 14,396 |
| US\$0.0225 per share on 639,842 shares on 15 July 2024 | 14,396 |
| US\$0.0225 per share on 639,842 shares on 15 August 2024 | 14,396 |
| US\$0.0225 per share on 610,139 shares on 16 September 2024 | 13,728 |
| US\$0.0225 per share on 610,139 shares on 15 October 2024 | 13,728 |
| US\$0.0225 per share on 610,139 shares on 15 November 2024 | 13,728 |
| US\$0.0225 per share on 610,139 shares on 16 December 2024 | 13,728 |
| | 171,001 |

| | 2023 US\$ |
|--|--------------|
| <i>Class A1 HKD (Distributing) Shares</i> | |
| HK\$0.225 per share on 835,172 shares on 16 January 2023 | 24,014 |
| HK\$0.225 per share on 827,247 shares on 15 February 2023 | 23,726 |
| HK\$0.225 per share on 816,356 shares on 15 March 2023 | 23,409 |
| HK\$0.225 per share on 772,004 shares on 17 April 2023 | 22,104 |
| HK\$0.225 per share on 716,558 shares on 15 May 2023 | 20,625 |
| HK\$0.225 per share on 697,059 shares on 15 June 2023 | 20,037 |
| HK\$0.225 per share on 686,168 shares on 18 July 2023 | 19,763 |
| HK\$0.225 per share on 664,199 shares on 15 August 2023 | 19,065 |
| HK\$0.225 per share on 659,278 shares on 15 September 2023 | 18,966 |
| HK\$0.225 per share on 611,357 shares on 16 October 2023 | 17,581 |
| HK\$0.225 per share on 599,872 shares on 15 November 2023 | 17,314 |
| HK\$0.225 per share on 597,396 shares on 15 December 2023 | 17,211 |
| | 243,815 |

14 Distributions (continued)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

Distribution history: (continued)

| | 2023 US\$ |
|--|--------------|
| <i>Class A2 HKD (Distributing) Shares</i> | |
| HK\$0.225 per share on 102,979 shares on 16 January 2023 | 2,961 |
| HK\$0.225 per share on 100,009 shares on 15 February 2023 | 2,868 |
| HK\$0.225 per share on 100,009 shares on 15 March 2023 | 2,868 |
| HK\$0.225 per share on 100,009 shares on 17 April 2023 | 2,867 |
| HK\$0.225 per share on 100,009 shares on 15 May 2023 | 2,879 |
| HK\$0.225 per share on 100,009 shares on 15 June 2023 | 2,875 |
| HK\$0.225 per share on 100,009 shares on 18 July 2023 | 2,880 |
| HK\$0.225 per share on 100,009 shares on 15 August 2023 | 2,871 |
| HK\$0.225 per share on 100,009 shares on 15 September 2023 | 2,877 |
| HK\$0.225 per share on 100,009 shares on 16 October 2023 | 2,876 |
| HK\$0.225 per share on 61,174 shares on 15 November 2023 | 1,766 |
| HK\$0.225 per share on 61,174 shares on 15 December 2023 | 1,762 |
| | 32,350 |
| | 32,350 |

| | 2023 US\$ |
|---|--------------|
| <i>Class A1 RMB (Hedged) (Distributing) Shares</i> | |
| RMB0.227 per share on 239,496 shares on 16 January 2023 | 8,027 |
| RMB0.196 per share on 239,496 shares on 15 February 2023 | 6,821 |
| RMB0.164 per share on 239,496 shares on 15 March 2023 | 5,705 |
| RMB0.133 per share on 236,803 shares on 17 April 2023 | 4,564 |
| RMB0.131 per share on 225,652 shares on 15 May 2023 | 4,204 |
| RMB0.099 per share on 220,900 shares on 15 June 2023 | 3,045 |
| RMB0.100 per share on 210,009 shares on 18 July 2023 | 2,922 |
| RMB0.100 per share on 208,028 shares on 15 August 2023 | 2,851 |
| RMB0.069 per share on 206,068 shares on 15 September 2023 | 1,944 |
| RMB0.068 per share on 204,879 shares on 16 October 2023 | 1,903 |
| RMB0.069 per share on 201,513 shares on 15 November 2023 | 1,947 |
| RMB0.067 per share on 200,759 shares on 15 December 2023 | 1,967 |
| | 45,900 |
| | 45,900 |

14 Distributions (continued)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

Distribution history: (continued)

2023
US\$

Class A2 RMB (Hedged) (Distributing) Shares

| | |
|--|-------|
| RMB0.227 per share on 22,875 shares on 16 January 2023 | 767 |
| RMB0.195 per share on 22,875 shares on 15 February 2023 | 648 |
| RMB0.163 per share on 22,875 shares on 15 March 2023 | 542 |
| RMB0.132 per share on 22,875 shares on 17 April 2023 | 438 |
| RMB0.131 per share on 22,875 shares on 15 May 2023 | 426 |
| RMB0.099 per share on 22,875 shares on 15 June 2023 | 315 |
| RMB0.099 per share on 15,598 shares on 18 July 2023 | 215 |
| RMB0.100 per share on 15,598 shares on 15 August 2023 | 214 |
| RMB0.068 per share on 15,598 shares on 15 September 2023 | 145 |
| RMB0.068 per share on 15,598 shares on 16 October 2023 | 145 |
| RMB0.068 per share on 15,598 shares on 15 November 2023 | 149 |
| RMB0.069 per share on 15,598 shares on 15 December 2023 | 151 |
| | 4,155 |
| | 4,155 |

2023
US\$

Class A1 USD (Distributing) Shares

| | |
|---|---------|
| US\$0.0225 per share on 1,323,727 shares on 16 January 2023 | 29,784 |
| US\$0.0225 per share on 1,323,727 shares on 15 February 2023 | 29,784 |
| US\$0.0225 per share on 1,323,727 shares on 15 March 2023 | 29,784 |
| US\$0.0225 per share on 1,222,260 shares on 17 April 2023 | 27,501 |
| US\$0.0225 per share on 1,222,260 shares on 15 May 2023 | 27,501 |
| US\$0.0225 per share on 1,200,181 shares on 15 June 2023 | 27,004 |
| US\$0.0225 per share on 1,200,181 shares on 18 July 2023 | 27,004 |
| US\$0.0225 per share on 1,187,310 shares on 15 August 2023 | 26,714 |
| US\$0.0225 per share on 1,187,310 shares on 15 September 2023 | 26,714 |
| US\$0.0225 per share on 1,187,310 shares on 16 October 2023 | 26,714 |
| US\$0.0225 per share on 1,178,769 shares on 15 November 2023 | 26,522 |
| US\$0.0225 per share on 675,617 shares on 15 December 2023 | 15,201 |
| | 320,227 |
| | 320,227 |

15 Soft dollar commission

As regards to the Sub-funds, the Manager has not entered into any soft dollar commission arrangements during the year ended 31 December 2024 and 2023.

16 Segment information

The Manager makes the strategic resource allocation on behalf of the Company and the Sub-funds and determine the operating segments based on the internal reporting used to make strategic decisions. The Manager's asset allocation decisions for the Sub-funds are based on one single, integrated investment strategy, and the Sub-funds' performance are evaluated on an overall basis. Accordingly the Manager considers that the Sub-funds have one single operating segment which is investing in a portfolio of financial instruments to generate investment returns in accordance with the investment objective stipulated in the Prospectus or Placing Memorandum. The investment objectives and the investment portfolio of the Sub-funds are presented in the investment report.

There were no changes in the operating segment during the year.

The internal reporting provided to the Manager is the same as that disclosed in the statement of comprehensive income and the statement of assets and liabilities.

17 Bank loans, overdrafts and other borrowings

The Sub-funds had no bank loans, overdrafts or other borrowings as at 31 December 2024 and 2023.

18 Security lending arrangements

During the year ended 31 December 2024 and 2023, the Sub-funds did not enter into any security lending arrangements.

19 Negotiability of assets

As at 31 December 2024 and 2023, there were no statutory or contractual requirements restricting the negotiability of the assets of the Sub-funds.

20 Commitments

As at 31 December 2024 and 2023, the Sub-funds had no commitments.

21 Contingent liabilities and capital commitment

As at 31 December 2024 and 2023, the Sub-funds had no contingent liabilities or capital commitment outstanding.

22 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2024

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2024 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the group.

| | <i>Effective for accounting year beginning on or after</i> |
|--|--|
| Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates - Lack of exchangeability</i> | 1 January 2025 |
| Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures - Amendments to the classification and measurement of financial instruments</i> | 1 January 2026 |
| Annual improvements to HKFRS Accounting Standards - Volume 11 | 1 January 2026 |
| HKFRS 18, <i>Presentation and disclosure in financial statements</i> | 1 January 2027 |
| HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i> | 1 January 2027 |

The Company is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

23 Subsequent events

Except as disclosed elsewhere in this financial statement, there were no other significant events subsequent to the year end which require disclosure in the financial statements.

Portfolio statement as at 31 December 2024 (Expressed in United States dollars)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

| | <i>Holdings</i> | <i>Market value US\$</i> | <i>% of net assets value</i> |
|---|-----------------|------------------------------|----------------------------------|
| Quoted investments (100.10%) | | | |
| Debt securities (100.10%) | | | |
| Denominated in United States Dollar (100.10%) | | | |
| ABN AMRO Bank NV 2.47% due 13/12/2029 | 300,000 | 270,515 | 1.14 |
| Abu Dhabi National Energy Company PJSC 4.75% due 09/03/2037 | 200,000 | 189,582 | 0.80 |
| AIA Group Limited 5.4% due 30/09/2054 | 450,000 | 427,577 | 1.80 |
| Airport Authority 4.75% due 12/01/2028 | 600,000 | 615,773 | 2.60 |
| Alibaba Group Holding Limited 2.7% due 09/02/2041 | 1,500,000 | 1,037,595 | 4.38 |
| Alibaba Group Holding Limited 4% due 06/12/2037 | 200,000 | 171,864 | 0.73 |
| Alibaba Group Holding Limited 4.4% due 06/12/2057 | 350,000 | 279,361 | 1.18 |
| Alibaba Group Holding Limited 5.625% due 26/11/2054 | 200,000 | 196,020 | 0.83 |
| Baidu Incorporation 1.625% due 23/02/2027 | 1,500,000 | 1,415,082 | 5.97 |
| Baidu Incorporation 2.375% due 23/08/2031 | 300,000 | 255,910 | 1.08 |
| China Ping An Insurance Overseas Holdings Limited 6.125% due 16/05/2034 | 200,000 | 207,007 | 0.87 |
| CK Hutchison International 24 Limited 5.375% due 26/04/2029 | 200,000 | 204,995 | 0.86 |
| CK Hutchison International 24 Limited 5.5% due 26/04/2034 | 200,000 | 203,916 | 0.86 |
| CNAC HK Finbridge Company Limited 3.7% due 22/09/2050 | 200,000 | 148,663 | 0.63 |
| CNOOC Finance 2013 Limited 3.3% due 30/09/2049 | 250,000 | 184,733 | 0.78 |
| GACI First Investment Company 5% due 29/01/2029 | 200,000 | 202,630 | 0.85 |
| Hong Kong Mortgage Corporation Limited/The 4.875% due 13/09/2028 | 200,000 | 204,287 | 0.86 |

Portfolio statement as at 31 December 2024 (continued)
(Expressed in United States dollars)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

| | <i>Holdings</i> | <i>Market value US\$</i> | <i>% of net assets value</i> |
|---|-----------------|------------------------------|----------------------------------|
| Quoted investments (100.10%) (continued) | | | |
| Debt securities (100.10%) (continued) | | | |
| Denominated in United States Dollar (100.10%) (continued) | | | |
| Hongkong Land Finance Cayman Islands Company Limited/The 2.25% due 15/07/2031 | 1,800,000 | 1,513,719 | 6.39 |
| ICBCIL Finance Company Limited 2.25% due 02/11/2026 | 850,000 | 813,762 | 3.43 |
| Indonesia Government International Bond 5.25% due 08/01/2047 | 300,000 | 293,298 | 1.24 |
| KB Kookmin Card Company Limited 1.5% due 13/05/2026 | 1,250,000 | 1,192,650 | 5.03 |
| Kodit Global 2023-1 Company Limited 4.954% due 25/05/2026 | 200,000 | 200,723 | 0.85 |
| Korea Housing Finance Corporation 4.625% due 24/02/2028 | 1,200,000 | 1,210,783 | 5.11 |
| LG Energy Solution Limited 5.375% due 02/07/2029 | 250,000 | 255,856 | 1.08 |
| LG Energy Solution Limited 5.5% due 02/07/2034 | 200,000 | 199,557 | 0.84 |
| LG Energy Solution Limited 5.625% due 25/09/2026 | 250,000 | 255,533 | 1.08 |
| Link Finance Cayman 2009 Limited/The 2.875% due 21/07/2026 | 600,000 | 590,009 | 2.49 |
| Mizuho Financial Group Incorporation 3.261% due 22/05/2030 | 1,300,000 | 1,212,293 | 5.12 |
| Mizuho Financial Group Incorporation 5.778% due 06/07/2029 | 200,000 | 210,534 | 0.89 |
| Nanshan Life Private Limited 5.45% due 11/09/2034 | 250,000 | 246,213 | 1.04 |
| Naver Corporation 1.5% due 29/03/2026 | 800,000 | 769,499 | 3.25 |
| Nonghyup Bank 4.875% due 03/07/2028 | 250,000 | 255,019 | 1.07 |
| Pertamina Persero PT 5.625% due 20/05/2043 | 300,000 | 285,835 | 1.21 |
| Pertamina Persero PT 6% due 03/05/2042 | 200,000 | 198,409 | 0.84 |

Portfolio statement as at 31 December 2024 (continued)

(Expressed in United States dollars)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

| | Holdings | Market value US\$ | % of net assets value |
|--|-----------|----------------------|--------------------------|
| Quoted investments (100.10%) (continued) | | | |
| Debt securities (100.10%) (continued) | | | |
| Denominated in United States Dollar (100.10%) (continued) | | | |
| Pertamina Persero PT 6.5% due 07/11/2048 | 300,000 | 316,566 | 1.34 |
| Philippine Government International Bond 2.65% due 10/12/2045 | 300,000 | 190,739 | 0.80 |
| Philippine Government International Bond 5.175% due 05/09/2049 | 200,000 | 189,856 | 0.79 |
| Philippine Government International Bond 5.5% due 17/01/2048 | 950,000 | 952,162 | 4.02 |
| REC Limited 5.625% due 11/04/2028 | 200,000 | 204,086 | 0.86 |
| Shinhan Card Company Limited 1.375% due 23/06/2026 | 966,000 | 916,933 | 3.87 |
| Shinhan Card Company Limited 2.5% due 27/01/2027 | 1,200,000 | 1,154,201 | 4.87 |
| Shinhan Financial Group Company Limited 5% due 24/07/2028 | 500,000 | 507,713 | 2.14 |
| SK Hynix Incorporation 2.375% due 19/01/2031 | 250,000 | 212,592 | 0.90 |
| SK On Company Limited 5.375% due 11/05/2026 | 800,000 | 809,652 | 3.42 |
| Sumitomo Mitsui Financial Group Incorporation 5.836% due 09/07/2044 | 200,000 | 208,309 | 0.88 |
| Sumitomo Mitsui Trust Bank Limited 1.55% due 25/03/2026 | 300,000 | 289,822 | 1.22 |
| Sumitomo Mitsui Trust Bank Limited 5.5% due 09/03/2028 | 500,000 | 516,511 | 2.18 |
| Tencent Holdings Limited 3.68% due 22/04/2041 | 200,000 | 157,897 | 0.67 |
| United Overseas Bank Limited 2% due 14/10/2031 | 600,000 | 570,803 | 2.41 |
| United States Treasury Bill 0% due 07/01/2025 | 200,000 | 199,886 | 0.84 |
| United States Treasury Note/Bond 4.25% due 15/11/2034 | 160,000 | 156,820 | 0.66 |

Portfolio statement as at 31 December 2024 (continued)
(Expressed in United States dollars)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) (continued)

| | <i>Holdings</i> | <i>Market value US\$</i> | <i>% of net assets value</i> | |
|--|---------------------|---|----------------------------------|----------------------------|
| Quoted investments (100.10%) (continued) | | | | |
| Debt securities (100.10%) (continued) | | | | |
| Denominated in United States Dollar (100.10%) (continued) | | | | |
| Westpac Banking Corporation 5.618% due 20/11/2035 | 250,000 | 248,412 | 1.05 | |
| Total debt securities | | <u>23,722,162</u> | <u>100.10</u> | |
| Total listed/quoted investments | | <u>23,722,162</u> | <u>100.10</u> | |
| | | | | |
| <i>Underlying</i> | <i>Counterparty</i> | <i>Notional amount of contracts outstanding</i> | <i>Fair value US\$</i> | <i>% of net assets</i> |
| Foreign currency forward contracts (0.00%) | | | | |
| Buy Chinese Renminbi/ Sell United States dollars | BNP Paribas | RMB1,145,810 | (659) | (0.00) |
| Total foreign currency forward contracts | | | <u>(659)</u> | <u>(0.00)</u> |
| Other net liabilities | | | <u>(23,384)</u> | <u>(0.10)</u> |
| Total net assets | | | <u>23,698,119</u> | <u>100.00</u> |
| Total investments, at cost | | | <u>23,408,538</u> | |

Portfolio statement as at 31 December 2024 (continued)

(Expressed in United States dollars)

BU Asian Bond Fixed Maturity Fund 2025

| | Holdings | Market value US\$ | % of net assets value |
|--|----------|----------------------|--------------------------|
| Quoted investments (97.02%) | | | |
| Debt securities (97.02%) | | | |
| Denominated in United States Dollar (97.02%) | | | |
| Baidu Incorporation 4.125% due 30/06/2025 | 423,000 | 421,039 | 3.96 |
| Bank Mandiri Persero TBK PT 4.75% due 13/05/2025 | 450,000 | 452,040 | 4.25 |
| Bharat Petroleum Corporation Limited 4% due 08/05/2025 | 600,000 | 600,479 | 5.65 |
| BOC Aviation Limited 3.25% due 29/04/2025 | 550,000 | 549,668 | 5.17 |
| CITIC Limited 2.45% due 25/02/2025 | 350,000 | 351,587 | 3.31 |
| CNAC HK Finbridge Company Limited 4.875% due 14/03/2025 | 400,000 | 405,560 | 3.81 |
| COSL Singapore Capital Limited 4.5% due 30/07/2025 | 400,000 | 406,102 | 3.82 |
| Geely Finance Hong Kong Limited 3% due 05/03/2025 | 450,000 | 451,938 | 4.25 |
| Global Prime Capital Private Limited 5.95% due 23/01/2025 | 600,000 | 613,904 | 5.77 |
| Greenko Solar Mauritius Limited 5.55% due 29/01/2025 | 650,000 | 664,894 | 6.25 |
| HKT Capital No 2 Limited 3.625% due 02/04/2025 | 320,000 | 321,489 | 3.02 |
| Hyundai Capital America 5.875% due 07/04/2025 | 300,000 | 304,590 | 2.86 |
| Indonesia Asahan Aluminium PT / Mineral Industri Indonesia Persero PT 4.75% due 15/05/2025 | 400,000 | 401,488 | 3.78 |
| JSW Steel Limited 5.375% due 04/04/2025 | 550,000 | 556,275 | 5.23 |
| Kookmin Bank 1.75% due 04/05/2025 | 350,000 | 347,137 | 3.26 |
| Korea Electric Power Corporation 1.125% due 15/06/2025 | 200,000 | 196,673 | 1.85 |
| Minmetals Bounteous Finance BVI Limited 4.75% due 30/07/2025 | 350,000 | 356,238 | 3.35 |
| Mirae Asset Securities Company Limited 2.625% due 30/07/2025 | 650,000 | 647,296 | 6.09 |

Portfolio statement as at 31 December 2024 (continued)

(Expressed in United States dollars)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

| | <i>Holdings</i> | <i>Market value US\$</i> | <i>% of net assets value</i> |
|---|-----------------|------------------------------|----------------------------------|
| Quoted investments (97.02%) (continued) | | | |
| Debt securities (97.02%) (continued) | | | |
| Denominated in United States Dollar (97.02%) (continued) | | | |
| Pelabuhan Indonesia Persero PT 4.25% due 05/05/2025 | 500,000 | 501,426 | 4.71 |
| Reliance Industries Limited 4.125% due 28/01/2025 | 550,000 | 559,120 | 5.26 |
| Shanghai Port Group BVI Development 2 Company Limited 1.5% due 13/07/2025 | 350,000 | 345,954 | 3.25 |
| SPIC MTN Company Limited 1.625% due 27/07/2025 | 300,000 | 296,433 | 2.79 |
| Sumitomo Mitsui Financial Group Incorporation 1.474% due 08/07/2025 | 200,000 | 198,086 | 1.86 |
| Sunny Express Enterprises Corporation 2.625% due 23/04/2025 | 370,000 | 368,997 | 3.47 |
| Total debt securities | | 10,318,413 | 97.02 |
| Total listed/quoted investments | | 10,318,413 | 97.02 |

Portfolio statement as at 31 December 2024 (continued)

(Expressed in United States dollars)

BU Asian Bond Fixed Maturity Fund 2025 (continued)

| <i>Underlying</i> | <i>Counterparty</i> | <i>Notional amount of contracts outstanding</i> | <i>Fair value US\$</i> | <i>% of Net assets</i> |
|---|---------------------|---|----------------------------|----------------------------|
| Foreign currency forward contracts (0.10%) | | | | |
| Buy Chinese Renminbi/ Sell United States dollars | BNP Paribas | RMB 9,160,626 | (9,721) | (0.09) |
| Buy United States dollars/ Sell Chinese Renminbi | BNP Paribas | USD 32,376 | 198 | 0.00 |
| Buy Chinese Renminbi/ Sell United States dollars | BNP Paribas | RMB 2,302 | (1) | (0.00) |
| Buy Chinese Renminbi/ Sell United States dollars | BNP Paribas | RMB 874,317 | (928) | (0.01) |
| Total foreign currency forward contracts | | | (10,452) | (0.10) |
| Other net assets | | | 327,372 | 3.08 |
| Total net assets | | | 10,635,333 | 100.00 |
| Total investments, at cost | | | 10,846,793 | |

Statement of movements in portfolio holdings for the year ended 31 December 2024 (Expressed in United States dollars)

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

| | <i>% of net assets</i> | |
|---|--------------------------------|--------------------------------|
| | <i>At 31 December 2024</i> | <i>At 31 December 2023</i> |
| Debt securities | | |
| United States Dollar | 100.10 | 99.90 |
| Foreign currency forward contracts | - | - |
| | 100.10 | 99.90 |
| | 100.10 | 99.90 |

BU Asian Bond Fixed Maturity Fund 2025

| | <i>% of net assets</i> | |
|---|--------------------------------|--------------------------------|
| | <i>At 31 December 2024</i> | <i>At 31 December 2023</i> |
| Debt securities | | |
| United States Dollar | 97.02 | 96.50 |
| Foreign currency forward contracts | (0.10) | 0.15 |
| | 96.92 | 96.65 |
| | 96.92 | 96.65 |

Performance record

(a) Total net asset value (calculated in accordance with HKFRS)

| | 2024 US\$ | 2023 US\$ | 2022 US\$ | 2021 US\$ | 2020 US\$ |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | <u>23,698,119</u> | <u>32,523,645</u> | <u>41,185,728</u> | <u>38,737,761</u> | <u>42,590,914</u> |
| BU Asian Bond Fixed Maturity Fund 2025 ⁽¹⁾ | <u>10,635,333</u> | <u>13,878,241</u> | <u>21,665,953</u> | <u>36,460,313</u> | <u>-</u> |

⁽¹⁾ The launch date for BU Asian Bond Fixed Maturity Fund 2025 was 21 June 2021.

(b) Net asset value per share (calculated in accordance with HKFRS)

| | <i>Denomination currency</i> | 2024 | 2023 | 2022 |
|--|----------------------------------|-------|--------|-------|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) ⁽¹⁾ | | | | |
| - Class I USD (Accumulating) | US\$ | 10.39 | 10.03 | 9.34 |
| - Class A HKD (Distributing) ⁽³⁾ | HK\$ | 97.48 | 101.06 | - |
| - Class A USD (Distributing) ⁽³⁾ | US\$ | 9.78 | 10.08 | - |
| - Class A RMB (Hedged) (Distributing) ⁽³⁾ | RMB | 97.73 | 101.00 | - |
| BU Asian Bond Fixed Maturity Fund 2025 ⁽²⁾ | | | | |
| - Class A1 HKD (Distributing) | HK\$ | 77.37 | 76.79 | 74.70 |
| - Class A1 RMB (Hedged) (Distributing) | RMB | 76.89 | 76.18 | 74.84 |
| - Class A1 USD (Distributing) | US\$ | 7.73 | 7.63 | 7.43 |
| - Class A2 HKD (Distributing) | HK\$ | 76.97 | 76.41 | 74.33 |
| - Class A2 RMB (Hedged) (Distributing) | RMB | 76.83 | 75.87 | 74.54 |
| | <i>Denomination currency</i> | 2021 | 2020 | |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) ⁽¹⁾ | | | | |
| - Class I USD (Accumulating) | US\$ | 10.38 | 10.40 | |
| - Class A HKD (Distributing) ⁽³⁾ | HK\$ | - | - | |
| - Class A USD (Distributing) ⁽³⁾ | US\$ | - | - | |
| - Class A RMB (Hedged) (Distributing) ⁽³⁾ | RMB | - | - | |
| BU Asian Bond Fixed Maturity Fund 2025 ⁽²⁾ | | | | |
| - Class A1 HKD (Distributing) | HK\$ | 93.48 | - | |
| - Class A1 RMB (Hedged) (Distributing) | RMB | 93.92 | - | |
| - Class A1 USD (Distributing) | US\$ | 9.30 | - | |
| - Class A2 HKD (Distributing) | HK\$ | 93.01 | - | |
| - Class A2 RMB (Hedged) (Distributing) | RMB | 93.54 | - | |

⁽¹⁾ The launch date for BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) was 8 June 2020.

⁽²⁾ The launch date for BU Asian Bond Fixed Maturity Fund 2025 was 21 June 2021.

⁽³⁾ Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) was launched on 26 July 2023.

Performance record (continued)

(c) Highest and lowest price record (dealing net asset value per share)

| | Denomination currency | 2024 | | 2023 | |
|--|--------------------------|---|--|---|--|
| | | Highest net asset value per share | Lowest net asset value per share | Highest net asset value per share | Lowest net asset value per share |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) ⁽¹⁾ | | | | | |
| - Class I USD (Accumulating) | US\$ | 10.64 | 9.92 | 10.04 | 9.38 |
| - Class A HKD (Distributing) ⁽³⁾ | HK\$ | 102.15 | 97.13 | 101.25 | 96.43 |
| - Class A USD (Distributing) ⁽³⁾ | US\$ | 10.20 | 9.74 | 10.09 | 9.60 |
| - Class A RMB (Hedged) (Distributing) ⁽³⁾ | RMB | 101.91 | 97.49 | 101.17 | 96.36 |
| BU Asian Bond Fixed Maturity Fund 2025 ⁽²⁾ | | | | | |
| - Class A1 HKD (Distributing) | HK\$ | 77.77 | 76.13 | 76.87 | 74.39 |
| - Class A1 RMB (Hedged) (Distributing) | RMB | 76.97 | 75.49 | 76.25 | 73.90 |
| - Class A1 USD (Distributing) | US\$ | 7.75 | 7.56 | 7.64 | 7.37 |
| - Class A2 HKD (Distributing) | HK\$ | 77.37 | 75.75 | 76.49 | 74.03 |
| - Class A2 RMB (Hedged) (Distributing) | RMB | 76.86 | 75.23 | 75.94 | 73.65 |

Performance record (continued)

(c) **Highest and lowest price record (dealing net asset value per share) (continued)**

| | Denomination currency | 2022 | | 2021 | |
|--|--------------------------|---|--|---|--|
| | | Highest net asset value per share | Lowest net asset value per share | Highest net asset value per share | Lowest net asset value per share |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) ⁽¹⁾ | | | | | |
| - Class I USD (Accumulating) | US\$ | 10.37 | 8.89 | 10.52 | 10.22 |
| - Class A HKD (Distributing) ⁽³⁾ | HK\$ | - | - | - | - |
| - Class A USD (Distributing) ⁽³⁾ | US\$ | - | - | - | - |
| - Class A RMB (Hedged) (Distributing) ⁽³⁾ | RMB | - | - | - | - |
| BU Asian Bond Fixed Maturity Fund 2025 ⁽²⁾ | | | | | |
| - Class A1 HKD (Distributing) | HK\$ | 93.54 | 73.17 | 100.10 | 87.49 |
| - Class A1 RMB (Hedged) (Distributing) | RMB | 94.03 | 73.19 | 100.16 | 87.87 |
| - Class A1 USD (Distributing) | US\$ | 9.31 | 7.23 | 10.00 | 8.71 |
| - Class A2 HKD (Distributing) | HK\$ | 93.10 | 72.82 | 99.50 | 87.08 |
| - Class A2 RMB (Hedged) (Distributing) | RMB | 93.66 | 72.90 | 99.69 | 87.53 |
| | | | | 2020 | |
| | Denomination currency | | | Highest net asset value per share | Lowest net asset value per share |
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | | | | | |
| - Class I USD (Accumulating) | | | | US\$ 10.41 | 9.95 |
| - Class A HKD (Distributing) | | | | HK\$ - | - |
| - Class A USD (Distributing) | | | | US\$ - | - |
| - Class A RMB (Hedged) (Distributing) | | | | RMB - | - |

(1) The launch date for BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) was 8 June 2020.

(2) The launch date for BU Asian Bond Fixed Maturity Fund 2025 was 21 June 2021.

(3) Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) was launched on 26 July 2023.

Performance record (continued)

(d) Fund Expense Ratio (“FER”)

| | <i>Transaction costs for the year ended 31 December 2024 US\$</i> | <i>FER for the year ended 31 December 2024 %</i> |
|---|---|--|
| BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) | | |
| - Class I USD (Accumulating) | - | 0.74 |
| - Class A HKD (Distributing) ⁽¹⁾ | - | 1.25 |
| - Class A USD (Distributing) ⁽¹⁾ | - | 1.25 |
| - Class A RMB (Hedged) (Distributing) ⁽¹⁾ | - | 1.25 |
| BU Asian Bond Fixed Maturity Fund 2025 | | |
| - Class A1 HKD (Distributing) | - | 1.01 |
| - Class A1 RMB (Hedged) (Distributing) | - | 1.01 |
| - Class A1 USD (Distributing) | - | 1.01 |
| - Class A2 HKD (Distributing) | - | 1.01 |
| - Class A2 RMB (Hedged) (Distributing) | - | 1.01 |

⁽¹⁾ Class A HKD (Distributing), Class A USD (Distributing) and Class A RMB (Hedged) (Distributing) of BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund) was launched on 26 July 2023.

Information on exposure arising from financial derivative instruments

BU Asia Impact Bond Fund (formerly known as BU APAC Bond Fund)

| | <i>Gross exposure</i> ⁽¹⁾ | | | <i>Net exposure</i> ⁽²⁾ | | |
|------------------------------------|--------------------------------------|---------------|-----------------|------------------------------------|---------------|-----------------|
| | | | <i>Average</i> | | | <i>Average</i> |
| | <i>Highest</i> | <i>Lowest</i> | <i>exposure</i> | <i>Highest</i> | <i>Lowest</i> | <i>exposure</i> |
| Foreign currency forward contracts | 2.01% | 0.47% | 0.78% | - | - | - |

BU Asian Bond Fixed Maturity Fund 2025

| | <i>Gross exposure</i> ⁽¹⁾ | | | <i>Net exposure</i> ⁽²⁾ | | |
|------------------------------------|--------------------------------------|---------------|-----------------|------------------------------------|---------------|-----------------|
| | | | <i>Average</i> | | | <i>Average</i> |
| | <i>Highest</i> | <i>Lowest</i> | <i>exposure</i> | <i>Highest</i> | <i>Lowest</i> | <i>exposure</i> |
| Foreign currency forward contracts | 54.47% | 12.87% | 21.12% | - | - | - |

(1) Gross exposure arising from the use of financial derivative instruments for any purposes, with reference to equivalent market value of the underlying assets of the financial derivative instruments, as a proportion to the scheme's total net asset value.

(2) The positions of financial derivative instruments acquired by a scheme for investment purposes are converted into the equivalent position in the underlying assets of the financial derivative instruments, taking into account the prevailing market value of the underlying assets, the counterparty risk, future market movements and time available to liquidate the positions.

Conversion method of calculating exposure of non-exhaustive list of derivatives

| <i>Type of Derivatives</i> | <i>Conversion Method</i> |
|------------------------------------|-----------------------------------|
| Foreign currency forward contracts | Notional value of currency leg(s) |

Administration

Directors of the Company

Tjiang Man Kin
Tsang Sin Man
Lo Sui Yan Rex
Janet Li Tze Yan (Appointed on 15 January 2024)
Samson Chan Tsz Wing (Appointed on 15 January 2024)

Manager and Registrar

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