

Report of the Directors and Audited Financial Statements

CMS HONG KONG MULTI INCOME FUND
(A sub-fund of CMS Funds)

31 December 2024

CMS HONG KONG MULTI INCOME FUND
(A sub-fund of CMS Funds)

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CMS HONG KONG MULTI INCOME FUND
(A sub-fund of CMS Funds)

MANAGEMENT AND ADMINISTRATION

DIRECTORS OF THE MANAGER

ZHANG Lixin (Resigned on 30 April 2024)
ZHOU Geng
SHEN Yun

MANAGER

CMS Asset Management (HK) Co., Limited
48/F One Exchange Square
8 Connaught Place
Central, Hong Kong

TRUSTEE AND REGISTRAR

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

CUSTODIAN

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

AUDITOR

Ernst & Young
27/F, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

CMS HONG KONG MULTI INCOME FUND
(A sub-fund of CMS Funds)

MANAGER'S REPORT

FUND PERFORMANCE REVIEW

The CMS Hong Kong Multi Income Fund (the "Sub-Fund") was launched on 23 June 2014 with initial Net Asset Value ("NAV") of HKD 26 million. As of 31 December 2024, the NAV per units with dividend re-invested of the Sub-Fund was HKD 84.872 (Class A) and HKD 92.319 (Class B) with total fund size of approximately HKD36.8 million. As of 31 December 2024, the Sub-Fund's annualized rate of return after fees for Class A and Class B were 18.7% and 18.7% respectively.

PORTFOLIO REVIEW

Both China onshore and Hong Kong equity markets went same way in 2024. CSI300 Index making a gain of 18.2% while the Hang Seng Index rising by 22.9% respectively, marking a strong rebound for both China onshore and Hong Kong equity market.

The Hong Kong market benefited from improved capital inflows, driven by optimism surrounding China's economic stabilization efforts and a recovery in key sectors. The Chinese government's more proactive policy stance, including targeted stimulus measures and regulatory easing, helped lift market confidence. Additionally, investor sentiments significantly improved, as valuations in Hong Kong equities became more attractive following years of underperformance.

MARKET OUTLOOK

As we move further into 2025, investor confidence in China's equity markets has shown signs of improvement, buoyed by a strong market rally in the first quarter of the year. The surge has been driven largely by enthusiasm surrounding technological breakthroughs in the China technology sector, which have highlighted the country's potential as a global leader in advanced technologies.

While structural and cyclical challenges persist—particularly in the property market, where weak end-demand and declining home prices remain unresolved, there is growing optimism that Beijing's intensified policy support will continue to stabilize the broader economy. Policymakers have demonstrated a commitment to revitalizing key sectors, stimulating domestic demand, and boosting foreign investor confidence through targeted measures introduced since the second half of 2024. These efforts, combined with a focus on technological innovation, are beginning to bear fruit.

However, geopolitical tensions and U.S. tariff risks remain significant concerns for investors. Uncertainty surrounding global trade relations, including the potential for renewed tariffs or export restrictions on Chinese exports, poses a downside risk to market sentiment. Additionally, heightened geopolitical challenges could also lead to further volatility and weigh on investors' risk appetite. These factors underscore the need for caution as they could impact key sectors, especially technology and manufacturing, which remain central to China's long-term economic recovery.

MANAGEMENT AND DISCLOSURE OF CLIMATE-RELATED RISKS

Our management and disclosure framework of climate-related risks is disclosed on our company website. During the financial year, we have incorporated significant climate-related risks into the investment management process, including the amount of carbon emissions and carbon intensity. We also assessed the impact of such risks on the performance of the fund's underlying investments accordingly.

Should there are any material changes on the disclosure framework, such disclosure would also be made accordingly.

CMS HONG KONG MULTI INCOME FUND
(A sub-fund of CMS Funds)

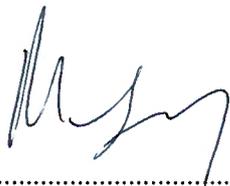
TRUST REPORT

CMS FUNDS (the "Trust")

In our opinion, the Manager of CMS Hong Kong Multi Income Fund (the "Sub-Fund") of the Trust has, in all material respects, managed the Sub-Fund for the year ended 31 December 2024 in accordance with the provisions of the trust deed dated 6 January 2012, as amended or supplemented from time to time.

On behalf of the board
BOCI-Prudential Trustee Limited

29 APR 2025



.....
Authorised Signature



.....
Authorised Signature



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979 King's Road
Quarry Bay, Hong Kong

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Independent auditor's report

To the Unitholders of CMS Hong Kong Multi Income Fund

(A Sub-fund of CMS Funds, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of CMS Hong Kong Multi Income Fund (a sub-fund of CMS Funds (the "Trust") and referred to as the "Sub-Fund") set out on pages 7 to 37, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by the International Auditing and Assurance Standards Board ("IAASB"). 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 Sub-Fund in accordance with the Code of Ethics for Professional Accountants (the "Code") issued by the Hong Kong Institute of Certified Public Accountants, 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 Trustee of the Sub-Fund are responsible for the other information. The other information comprises 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 (continued)

To the Unitholders of CMS Hong Kong Multi Income Fund

(A Sub-fund of CMS Funds, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the audit of the financial statements (continued)

Responsibilities of the Manager and the Trustee for the financial statements

The Manager and the Trustee of the Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as the Manager and the Trustee 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 Trustee of the Sub-Fund are responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee of the Sub-Fund either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the Trust's Deed dated 6 January 2012 (the "Trust Deed"), as amended and supplemented from time to time and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds (the "SFC Code") issued by the Securities and Futures Commission (the "SFC").

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our 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.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, 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.

Independent auditor's report (continued)

To the Unitholders of CMS Hong Kong Multi Income Fund

(A Sub-fund of CMS Funds, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the audit of the financial statements (continued)

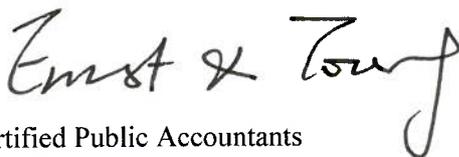
Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- Conclude on the appropriateness of the Manager's and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee 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 provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

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



Certified Public Accountants
Hong Kong

29 APR 2025

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 HK\$	2023 HK\$
INCOME			
Dividend income		1,110,244	882,139
Interest income	4(c)	166,924	60,032
Other income		<u>204,180</u>	<u>-</u>
		1,481,348	942,171
EXPENSES, NET OF REIMBURSEMENT BY MANAGER			
Management fee	4(d)	(246,900)	(263,163)
Trustee fee	4(e)	(211,129)	(210,000)
Custodian fee	4(f)	(175,508)	(42,555)
Audit fee		(190,475)	(189,050)
Dividend expense		(753,874)	-
Transaction costs on investment	4(g)	(176,289)	(135,157)
Transaction handling fee	4(g)	(64,050)	(19,600)
Legal and professional fee		(15,307)	(867)
Other expenses		<u>(3,290)</u>	<u>(10,022)</u>
		<u>(1,836,822)</u>	<u>(870,414)</u>
NET (LOSS)/PROFIT BEFORE INVESTMENTS GAINS/(LOSSES)			
		(355,474)	71,757
INVESTMENTS GAINS/(LOSSES)			
Net realised gains/(losses) on financial assets at fair value through profit or loss		2,741,184	(3,596,949)
Net change in unrealised gains on financial assets at fair value through profit or loss		<u>1,207,890</u>	<u>1,650,993</u>
		<u>3,949,074</u>	<u>(1,945,956)</u>
PROFIT/(LOSS) BEFORE TAX			
		3,593,600	(1,874,199)
Withholding tax	5	<u>(70,814)</u>	<u>(68,859)</u>
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS			
		<u>3,522,786</u>	<u>(1,943,058)</u>

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK\$	2023 HK\$
ASSETS			
Financial assets at fair value through profit or loss	6	34,884,408	20,418,903
Amount due from brokers	13	208,800	-
Interest receivable from investments		90,124	20,132
Prepayment		47,728	7,034
Other receivables		48,507	-
Bank balances	4(c), 7	<u>1,844,991</u>	<u>1,103,276</u>
TOTAL ASSETS		<u>37,124,558</u>	<u>21,549,345</u>
LIABILITIES			
Management fee payable	4(d)	75,766	51,354
Trustee fee payable	4(e)	19,212	17,500
Custodian fee payable	4(f)	12,720	-
Audit fee payable		185,464	184,414
Amount due to brokers	13	436	-
Other payables	4(g)	<u>6,234</u>	<u>3,800</u>
TOTAL LIABILITIES (excluding net assets attributable to unitholders)		<u>299,832</u>	<u>257,068</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDER		<u>36,824,726</u>	<u>21,292,277</u>
Net asset value per unit			
- Class A		84.872	74.123
- Class B		92.319	80.378

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2024

	Notes	2024 HK\$	2023 HK\$
At 1 January		21,292,277	30,887,074
Issuance of units	8	12,433,102	1,168,847
Redemption of units	8	<u>(423,439)</u>	<u>(8,820,586)</u>
		33,301,940	23,235,335
Increase/(decrease) in net assets attributable to unitholders		<u>3,522,786</u>	<u>(1,943,058)</u>
At 31 December		<u>36,824,726</u>	<u>21,292,277</u>

	2024 Number of Unit	2023 Number of Unit
At 1 January	265,448.687	356,335.964
Total issuance	139,215.678	15,063.626
Total redemptions	<u>(5,128.365)</u>	<u>(105,950.903)</u>
At 31 December	<u>399,536.000</u>	<u>265,448.687</u>

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	Note	2024 HK\$	2023 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax for the year		3,593,600	(1,874,199)
Adjustments for:			
Interest income		(166,924)	(60,032)
Dividend income		<u>(1,110,244)</u>	<u>(882,139)</u>
		2,316,432	(2,816,370)
 (Increase)/decrease in financial assets at fair value through profit or loss		(14,465,505)	6,012,645
Increase in other receivable		(39,168)	-
Increase in amount due from brokers		(208,800)	-
(Increase)/decrease in prepayment		(40,693)	17
Increase/(decrease) in management fee payable		24,412	(26,767)
Increase in custodian fee payable		12,720	-
Increase in trustee fee payable		1,712	-
Increase in audit fee payable		1,050	3,300
Increase in other payables		1,500	3,400
Increase in amount due to brokers		<u>436</u>	<u>-</u>
 Cash flows generated from/(used in) operations		(12,395,904)	3,176,225
 Interest received		96,932	48,733
Dividend received		1,100,905	882,139
Withholding tax paid		<u>(69,881)</u>	<u>(68,859)</u>
 NET CASH FLOWS (USED IN)/GENERATED FROM OPERATING ACTIVITIES		<u>(11,267,948)</u>	<u>4,038,238</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		12,433,102	1,168,847
Payments on redemption of units		<u>(423,439)</u>	<u>(8,883,728)</u>
 NET CASH FLOWS GENERATED/(USED IN) FINANCING ACTIVITIES		<u>12,009,663</u>	<u>(7,714,881)</u>
 NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		741,715	(3,676,643)
 CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>1,103,276</u>	<u>4,779,919</u>
 CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	<u><u>1,844,991</u></u>	<u><u>1,103,276</u></u>

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

STATEMENT OF CASH FLOWS (continued)

Year ended 31 December 2024

	Note	2024 HK\$	2023 HK\$
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash at bank	7	<u>1,844,991</u>	<u>1,103,276</u>

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

NOTES TO FINANCIAL STATEMENTS

31 December 2024

1. GENERAL

CMS FUNDS (the "Trust") is an umbrella unit trust constituted by a trust deed dated 6 January 2012 (the "Trust Deed") as amended or supplemented from time to time. The Trust Deed is governed by the laws of the Hong Kong Special Administrative Region of the People's Republic of China. As at reporting date, the Trust consists of three sub-funds, one of which is CMS Hong Kong Multi Income Fund (the "Sub-Fund"), with inception date of 12 June 2014.

The Sub-Fund has been authorised as an unit trust by the Hong Kong Securities and Futures Commission under Section 104 of the Hong Kong Securities and Futures Ordinance.

Under the Trust Deed, BOCI-Prudential Trustee Limited is appointed as the trustee (the "Trustee") of the Trust and its sub-funds since 6 January 2012.

The Sub-Fund's investment activities are managed by CMS Asset Management (HK) Co., Limited (the "Manager") with the administration delegated to the Trustee.

The Sub-Fund seeks to maximise total returns (income and long-term capital appreciation) by actively allocating its assets and by investing in a diversified portfolio of (A) equity securities of companies operating principally in Hong Kong and/or China, or companies whose businesses are linked directly or indirectly to the economic growth in Hong Kong and/or China, and (B) debt securities and debt-related securities issued or guaranteed by Hong Kong or Chinese issuers. The Sub-Fund may invest in (A) for up to 100% of its Net Asset Value.

The Sub-Fund will invest at least 70% of its Net Asset Value in equities that are listed on the Stock Exchange of Hong Kong and traded in Hong Kong dollars and/or debt securities denominated in Hong Kong dollars.

The equity securities which the Sub-Fund may invest include equities and equity-related securities such as but are not limited to warrants, equity options, convertible bonds, depository receipts and exchange traded funds. It is intended that the primary equity securities which the Sub-Fund invests will be quoted, traded or listed on the Hong Kong Stock Exchange. However, the Sub-Fund may also invest in equity securities which are quoted, traded or listed on other stock exchanges (including but are not limited to the Shenzhen Stock Exchange, Shanghai Stock Exchange, New York Stock Exchange, NASDAQ and Stock Exchange of Singapore etc) and unlisted equity securities. The Sub-Fund may invest up to 30% of its Net Asset Value in China A-Shares through the Stock Connect and/or the status of a QI. The Sub-Fund will not invest in China B-Shares.

The fixed or floating rate debt securities which the Sub-Fund may invest include but are not limited to those issued or guaranteed by governments, public entities or agencies, quasi-government organisations, banks, financial institutions and other corporate entities headquartered or listed in Hong Kong and/or China. There is no restriction on the minimum credit ratings of the debt instruments which the Sub-Fund may hold. The Sub-Fund will not invest more than 10% of its Net Asset Value in "Dim Sum" bonds. The Sub-Fund may invest up to 30% of its Net Asset Value in debt securities issued and distributed within mainland China through the Bond Connect, the CIBM Initiative and/or the status of a QI.

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

NOTES TO FINANCIAL STATEMENTS

31 December 2024

1. GENERAL (continued)

The Sub-Fund will not invest more than 10% of its Net Asset Value in securities issued or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade.

The Sub-Fund will not invest more than 10% of its Net Asset Value in convertible bonds.

The asset allocation of the Sub-Fund will change according to the Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market. The indicative allocation of the non-cash assets of the Sub-Fund is as follows (as a percentage of the Net Asset Value):

(1) Equity securities: 60% - 100%;

(2) Debt securities: 0% - 40%

The Sub-Fund's aggregate exposure to collective investment schemes (other than exchange traded funds) will not exceed 10% of its Net Asset Value.

The Sub-Fund will not invest more than 10% of its Net Asset Value in collateralized and/or securitized products, such as asset backed securities and mortgage backed securities.

The Sub-Fund will not invest in financial derivative instruments for non-hedging purposes.

The Manager may enter into reverse repurchase transactions in respect of the Sub-Fund. The maximum and expected proportion of the net asset value of the Sub-Fund that can be subject to reverse repurchase transactions are 25%. Such reverse repurchase transactions will only be conducted on the SSE or the SZSE through the Stock Connect and/or the status of a QI. The Sub-Fund will not engage in securities lending or sale and repurchase transactions. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to Unitholders before the Manager engages in any such transactions.

Under exceptional circumstances (e.g. market crash or major crisis such as significantly deteriorating economic, social or political conditions or prolonged closure of relevant market(s) due to unexpected events), the Sub-Fund may be invested temporarily up to 30% of its Net Asset Value in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management.

CMS HONG KONG MULTI INCOME FUND
(A Sub-fund of CMS Funds)

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Sub-Fund have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standard Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The financial statements have been prepared on a historical-cost basis, except for financial assets at fair value through profit or loss that have been measured at fair value.

The financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest HK\$ except where otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting principles adopted in the current year are consistent with those of the prior year. There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the current financial year that have a material impact on the Sub-Fund.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Sub-Fund has not applied any new and revised IFRS Accounting Standards that have been issued but are not yet effective for the year ended 31 December 2024 in these financial statements. Among the new and revised IFRS Accounting Standards, the following are expected to be relevant to the Sub-Fund's financial statements upon becoming effective:

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the Sub-Fund's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Sub-Fund's financial statements.

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (continued)

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (“PFS”) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Sub-Fund is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.4. MATERIAL ACCOUNTING POLICIES

Revenue recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Sub-Fund and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised in profit or loss when the right to receive payment has been established.

Financial instruments

(i) **Classification**

In accordance with IFRS 9, the Sub-Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term
Or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking
Or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

Financial assets

The Sub-Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order 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 on the principal amount outstanding. The Sub-Fund includes in this category short-term non-financing receivables including amount due from brokers, bank balances, other receivables and interest receivable from investments.

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) **Classification** (continued)

Financial assets measured at fair value through profit or loss (FVPL)

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at fair value through profit or loss when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

The Sub-Fund includes its investment in listed equity and debt instruments in this category.

Financial liabilities measured at fair value through profit or loss (FVPL)

A financial liability is measured at FVPL if it meets the definition of held for trading. The Sub-Fund does not hold any financial liabilities measured at FVPL.

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Sub-Fund includes in this category amount due to brokers, management fee payable, trustee fee payable, custodian fee payable, audit fee payable and other payables.

(ii) **Impairment of financial assets**

The Sub-Fund applies the expected credit loss model on all the financial assets that are subject to impairment.

For other financial assets, impairment allowances are recognised under the general approach where expected credit losses are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, the Sub-Fund is required to provide for credit losses that result from possible default events within the next 12 months. For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure irrespective of the timing of the default.

The Sub-Fund considers a default has occurred when a financial asset is more than 90 days past due unless the Sub-Fund has reasonable and supportable information to demonstrate that a more appropriate default criterion should be applied.

NOTES TO FINANCIAL STATEMENTS

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2.4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Sub-Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either (a) the Sub-Fund has transferred substantially all the risks and rewards of the asset, or (b) the Sub-Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Fund's continuing involvement in the asset. In that case, the Sub-Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Fund has retained.

The Sub-Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Fair value measurement

The Sub-Fund measures its financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Sub-Fund.

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.4. MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted last trade price, without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Foreign currencies

Transactions in currencies other than the functional currency of the Sub-Fund (foreign currencies) are recorded in the functional currency (i.e. the currency of the primary economic environment in which the Sub-Fund operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in the profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

CMS HONG KONG MULTI INCOME FUND
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NOTES TO FINANCIAL STATEMENTS

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2.4. MATERIAL ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible to known amounts of cash, subject to an insignificant risk of changes in value, with original maturities of three months or less and held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Sub-Fund's cash management.

Net gains or losses on financial instruments at fair value through profit or loss

This item includes changes in the fair value of financial instruments as 'at fair value through profit or loss' and excludes interest income.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as 'at fair value through profit or loss' are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Proceeds and payments on issue and redemption of shares

Subscription proceeds from shares issued and redemption from shares are accounted for on a transaction date basis.

Taxation

Taxation comprises current tax and deferred tax. Current tax and movements in deferred tax assets and liabilities are recognised in the statement of profit or loss and other 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 reporting date.

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.4. MATERIAL ACCOUNTING POLICIES (continued)

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.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

Net assets attributable to unitholders

The Sub-Fund offered redeemable units, namely Class A units and Class B units, which are redeemable at the unitholder's option and are classified as financial liabilities.

With a view to protecting the interests of Unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of Units of any sub-fund redeemed on any Dealing Day to 10% of the total number of Units of the relevant sub-fund in issue. In this event, the limitation will apply pro rata so that all Unitholders wishing to redeem Units of the same sub-fund on that Dealing Day will redeem the same proportion of such Units, any Units not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption, subject to the same limitation, and will have priority on the next Dealing Day. If redemption requests are carried forward, the Manager will inform the Unitholders concerned.

Redeemable units are issued and redeemed at the holder's option at prices based on the Sub-Fund's net asset value per unit at the time of issue or redemption. The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders by the number of units in issue of the relevant class.

Redeemable units are classified as an equity instrument when:

- (a) The redeemable units entitle the holder to a pro-rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation.
- (b) The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
- (c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- (d) The redeemable units do 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-Fund's net assets.
- (e) The total expected cash flows attributable to the redeemable units 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-Fund over the life of the instrument.

NOTES TO FINANCIAL STATEMENTS

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2.4. MATERIAL ACCOUNTING POLICIES (continued)

Net assets attributable to unitholders (continued)

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

- (a) 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-Fund, and
- (b) The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Fund continuously assesses the classification of the redeemable units. The Sub-Fund's redeemable units do not meet the definition of puttable instruments classified as equity instruments under the revised IAS 32 and are classified as financial liabilities. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.

Upon issuance of redeemable units, the consideration received is included in equity. Transaction costs incurred by the Sub-Fund in issuing or acquiring its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments that are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in the statement of profit or loss and other comprehensive income on the purchase, sale, issuance or cancellation of the Sub-Fund's own equity instruments.

Related parties

A party is considered to be related to the Sub-Fund if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Fund;
 - (ii) has significant influence over the Sub-Fund; or
 - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Fund are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Fund are joint ventures of the same third party;

NOTES TO FINANCIAL STATEMENTS

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2.4. MATERIAL ACCOUNTING POLICIES (continued)

Related parties (continued)

- (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 either the Sub-Fund or an entity related to the Sub-Fund;
- (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); and
- (viii) the entity or any member of a group of which it is a part, provides key management personnel services to the Sub-Fund or to the parent of the Sub-Fund.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Sub-Fund's financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future period.

4. TRANSACTIONS WITH THE MANAGER, THE TRUSTEE AND THEIR CONNECTED PERSONS

Connected persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the SFC. All transactions entered into during the period between the Sub-Fund and the Manager and its connected persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with connected persons except those disclosed below.

(a) Holdings in the Sub-Fund

As at 31 December 2024, China Merchants Securities (HK) Co., Ltd ("CMSHK"), a fellow subsidiary of the Manager, as one of the distributors of the Sub-Fund, held the following units in the Sub-Fund: 7,704.12 units (2023: 6,612.627 units) of Class A and 391,831.88 units (2023: 258,836.06 units) of Class B.

(b) Fee payable by unitholders

Pursuant to the Sub-Fund's offering memorandum, the Manager is entitled to impose the preliminary charge on up to 5% of the subscription amount received for Class A and Class B.

During the year ended 31 December 2024 and 2023, no preliminary charges were paid to the Manager.

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4. TRANSACTIONS WITH THE MANAGER, THE TRUSTEE AND THEIR CONNECTED PERSONS (continued)

(c) Bank balances, interest income on bank deposits and certificate deposit; interest receivable on certificate of deposit; and realized and unrealised gain or loss on certificated deposit and equities

	2024 HK\$	2023 HK\$
The bank balance of the Sub-Fund held with Bank of China (Hong Kong) Limited, connected person of the Trustee	<u>1,844,991</u>	<u>1,103,276</u>
The interest income on bank deposits held with Bank of China (Hong Kong) Limited, connected person of the Trustee	<u>2,565</u>	<u>4,567</u>

(d) Management fee

The Manager is entitled to receive a management fee of up to a maximum fee of 1.0% per annum of the net asset value ("NAV") of the Sub-Fund, for class A and class B shares calculated on a daily basis on the respective NAV.

During the year ended 31 December 2024, management fees amounted to HK\$ 246,900 (2023: HK\$263,163) were incurred, of which HK\$75,766 (2023: HK\$51,354) was payable to the Manager as at 31 December 2024.

(e) Trustee fee

Trustee fee is charged by the Trustee up to 0.15% per annum for all classes of shares calculated on a daily basis on respective NAV.

During the year ended 31 December 2024, trustee fees amounted to HK\$211,129 (2023: HK\$210,000) were incurred, of which HK\$19,212 (2023: HK\$17,500) was payable to the Trustee as at 31 December 2024.

(f) Custodian fee

Pursuant to the Sub-Fund's offering memorandum, Bank of China (Hong Kong) Limited (the "Custodian"), are entitled to a custody fee up to 0.05% per annum of the NAV of the Sub-Fund. The Custodian is connected person of the Trustee, for the Sub-Fund's custody of cash and investment asset.

During the year ended 31 December 2024, the total custodian fee charged amounted to HK\$175,508 (2023: HK\$42,555), of which HK\$12,720 (2023: Nil) was payable to the custodian as at 31 December 2024.

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4. TRANSACTIONS WITH THE MANAGER, THE TRUSTEE AND THEIR CONNECTED PERSONS (continued)

(g) Investment transactions with connected persons of the Manager and Trustee

The Sub-Fund utilised the services of various brokers, including China Merchants Securities (HK) Co., Ltd. ("CMSCL") and China Merchants Futures (HK) Co., Ltd. ("CMSF") and the Trustee, for the Sub-Fund's purchases and sales of exchange traded equities, and bonds. The following table shows an analysis of the Sub-Fund's transactions executed with CMSL, CMSF and the Trustee during the year ended 31 December 2024 and 2023.

	Aggregate value of transactions executed	Total commission paid	% of total transactions of the Sub-Fund	Average rate of commission of the Sub-Fund
	HK\$	HK\$		
<u>2024</u>				
China Merchants Securities (HK) Co., Ltd.	46,945,856	42,955	51.09%	0.10%
<u>2023</u>				
China Merchants Securities (HK) Co., Ltd.	30,931,921	30,385	46%	0.10%

The transaction costs on investment pertain to be brokerage commission and transaction costs incurred during the transactions of buy or sell financial assets and liabilities through profit or loss paid to brokers or other service providers. During the year ended 31 December 2024, the total transaction costs on investment charged and paid was HK\$176,289 (2023: HK\$135,157), where HK\$45,465 (2023: HK\$30,385) out of the balance pertain to be commission fee charged by CMSCL.

The transaction handling fee is charged by Trustee as agreed from time to time between the Trustee and the Manager per each transaction of financial assets and liabilities through profit or loss. During the year ended 31 December 2024, transaction handling fee amounted to HK\$64,050 (2023: HK\$19,600) was incurred, of which HK\$5,300 (2023: HK\$3,800) was payable and included in other payables as at 31 December 2024.

(h) Bank charges

The Sub-Fund utilised the bank services of Bank of China (Hong Kong) Limited, connected persons of the Trustee. During the year ended 31 December 2024, total bank charges amounted to HK\$3,290 (2023: HK\$3,005) were incurred and paid.

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NOTES TO FINANCIAL STATEMENTS

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4. TRANSACTIONS WITH THE MANAGER, THE TRUSTEE AND THEIR CONNECTED PERSONS (continued)

(i) Performance fee

Performance fee accrual is 15% of the difference between the Net Asset Value per Unit of the class (net of all other fees and expenses but prior to the deduction of any performance fee accrual for that Valuation Day) and the High Water Mark multiplied by the average number of Units for Class A over the period from the start of the performance period to the relevant Valuation Day (excluding Units created or redeemed on that relevant Dealing Day), provided that the Net Asset Value per Unit is above the High Water Mark on such Valuation Day. During the year ended 31 December 2024, there is no performance fees incurred (2023: nil), and no performance fee payables (2023: nil) as at 31 December 2024.

(j) Reimbursement of expenses

Pursuant to the Product Key Facts supplementary to the offering document, the total on-going expenses ratio of the Sub-Fund will be capped at a maximum of 3% of the average net assets of the Sub-Fund. During the period, the Manager has made reimbursement of on-going expenses to the Sub-Fund in order to maintain the total on-going expenses ratio of the Sub-Fund below 3% of the average net assets of the Sub-Fund. The reimbursement of on-going expenses are calculated and accrued on each dealing day. There is no reimbursement of on-going expenses from Manager for the year ended 31 December 2024 and 2023.

5. WITHHOLDING TAX

Hong Kong

The Sub-Fund is exempted from Hong Kong Profits Tax on income and capital gains under Section 26A, Part(1A) of the Inland Revenue Ordinance.

PRC

Under the PRC Enterprise Income Tax Law, the Trust and the Sub-Fund will generally be subject to PRC withholding income tax on dividend income by a PRC resident entity at the rate of 10%.

	2024	2023
	HK\$	HK\$
PRC withholding income tax for dividend income	<u>70,814</u>	<u>68,859</u>

CMS HONG KONG MULTI INCOME FUND
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6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 HK\$	2023 HK\$
<u>Financial assets at fair value through profit or loss</u>		
Listed equities	26,769,153	16,252,608
Debt securities	<u>8,115,255</u>	<u>4,166,295</u>
	<u>34,884,408</u>	<u>20,418,903</u>

Fair values

The fair values of financial assets at fair value through profit or loss are determined as follows:

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices at the close of trading on the year-end date. These investments are classified as level 1. The Sub-Fund's financial instruments are valued using the last traded prices. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets that are not traded in an active market and classified as level 2 investments, the fair value is determined using quoted prices provided by broker. The Manager considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of the Sub-Fund's assets measured at fair value at 31 December 2024 and 2023 grouped in accordance with the fair value hierarchy.

All fair value measurements disclosed are recurring fair value measurement.

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<u>As at 31 December 2024</u>				
Financial assets at fair value through profit or loss				
Listed equities	26,769,153	-	-	26,769,153
Debt securities	<u>-</u>	<u>8,115,255</u>	<u>-</u>	<u>8,115,255</u>
Total financial assets at fair value through profit or loss	<u>26,769,153</u>	<u>8,115,255</u>	<u>-</u>	<u>34,884,408</u>

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6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Fair value measurements recognised in the statement of financial position (continued)

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<u>As at 31 December 2023</u>				
Financial assets at fair value through profit or loss				
Listed equities	16,252,608	-	-	16,252,608
Debt securities	-	4,166,295	-	4,166,295
Total financial assets at fair value through profit or loss	<u>16,252,608</u>	<u>4,166,295</u>	<u>-</u>	<u>20,418,903</u>

There are no investments classified within Level 3 and no transfers between levels during the year ended 31 December 2024 (2023: nil).

7. BANK BALANCES

Bank balances comprise saving and current accounts with banks at market interest rates and excludes margin deposits as they are restricted from investment purpose.

8. CLASSES OF UNITS

Pursuant to the Trust Deed, multiple classes of units can be issued for the Sub-Fund. The Sub-Fund will be valued per unit of each class in accordance with the Trust Deed. Pursuant to the Sub-Fund's offering documents, the Sub-Fund allows daily subscriptions and redemptions. The Manager may from time to time permit unitholders switch all or part of their units of any class into units of any other class of the same sub-fund. Unless the Manager otherwise agrees, units of a class can only be switched into units of the same class of another sub-fund.

As at 31 December 2024 and 2023, 2 classes, (i) Class A and (ii) Class B, have been issued to investors.

The details of the investment minima apply to each class of units issued by the Sub-Fund are as follow:

Minimum initial subscription	Class A unit: HK\$10,000 Class B unit: HK\$500,000
Minimum subsequent subscription	Class A unit: HK\$5,000 Class B unit: HK\$50,000
Minimum holding	Class A unit: HK\$10,000 Class B unit: HK\$500,000
Minimum redemption amount	Class A unit: HK\$10,000 Class B unit: HK\$50,000

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8. CLASSES OF UNITS (continued)

Unit transaction for the years ended 31 December 2024 and 2023 were as follows:

	Class A		Class B		Total	
	No. of units	HK\$	No. of units	HK\$	No. of units	HK\$
At the beginning of 2023	6,612.627	529,339	349,723.337	30,357,735	356,335.964	30,887,074
Issued during 2023	-	-	15,063.626	1,168,847	15,063.626	1,168,847
Redeemed during 2023	-	-	(105,950.903)	(8,820,586)	(105,950.903)	(8,820,586)
Net loss for the year	-	(39,483)	-	(1,903,575)	-	(1,943,058)
At the end of 2024	6,612.627	489,856	258,836.06	20,802,421	265,448.687	21,292,277
Issued during 2024	1,575.658	133,102	137,640.020	12,300,000	139,215.678	12,433,102
Redeemed during 2024	(484.165)	(40,639)	(4,644.200)	(382,800)	(5,128.365)	(423,439)
Net gain for the year	-	71,545	-	3,451,241	-	3,522,786
At the end of 2024	<u>7,704.120</u>	<u>653,864</u>	<u>391,831.88</u>	<u>36,170,862</u>	<u>399,536.000</u>	<u>36,824,726</u>

The net asset value is HK\$84.872 (2023: HK\$74.123) per unit for class A and HK\$92.319 (2023: HK\$80.378) per unit for class B as of 31 December 2024.

The details of the limitation posed on daily redemption amounts are disclosed in note 11 under liquidity risk.

9. SOFT COMMISSION ARRANGEMENTS

The Manager did not enter into any soft commission arrangements with brokers relating to dealing in the assets of the Sub-Fund for both years.

10. DISTRIBUTION TO UNITHOLDERS

The Sub-Fund has distributed dividend to its Unitholders on 2 January 2024 in the amount of HK\$753,874. (2023:nil)

NOTES TO FINANCIAL STATEMENTS

31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies

The objective of the Sub-Fund is to provide investment performance through long term capital growth and income in HK\$ terms through investment primarily in fixed income securities issued within Hong Kong. The Sub-Fund's investing activities expose them to various types of risks that are associated with financial instruments and markets in which they invest.

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

The financial statements have been prepared based upon conditions existing at 31 December 2024 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period.

The Sub-Fund is exposed to market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The nature and extent of the financial assets outstanding at the statement of financial position date and the risk management policies employed by the Manager to manage these risks are discussed below.

Market risk

Market risk includes such factors as changes in economic environment, consumption pattern and investors' expectation, etc. which may have a significant impact on the value of the investments. Market movement may therefore result in substantial fluctuation in the net asset value per redeemable unit of the Sub-Fund.

The Sub-Fund's activities expose them primarily to the market risk of changes in market prices, interest rates and foreign exchange rates.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Sub-Fund is exposed to market price risk arising from the investments in listed equities and debt securities. The Manager manages the Sub-Fund's market price risk on a daily basis in accordance with the Sub-Fund's investment objectives and policies. The Sub-Fund's price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals.

At the end of the reporting period, the overall market exposure and sensitivity analysis for the Sub-Fund, based on a 10% increase or decrease for the Sub-Fund is summarised below. The percentage increase or decrease for the Sub-Fund is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in market prices. The Manager has used its view of what would be a "reasonable shift" in each key market to estimate the change for use in the market sensitivity analysis below. However, this does not represent a prediction of the future movement in the corresponding key markets.

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NOTES TO FINANCIAL STATEMENTS

31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

	% of increase/ decrease	Fair value HK\$	Effect on profit for the period HK\$
2024			
Listed equities	±10%	26,769,153	+/-2,677,000
Debt securities	±10%	<u>8,115,255</u>	<u>+/-812,000</u>
2023			
Listed equities	±10%	16,252,608	+/-1,625,000
Debt securities	±10%	<u>4,166,295</u>	<u>+/-412,000</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Sub-Fund may invest in debt securities whose value is driven significantly by changes in interest rates, the Sub-Fund is subject to fair value interest rate risk. When interest rates rise, the value of previously issued debt securities will normally fall because debt securities issued will pay a higher rate of interest. In contrast, if interest rates fall, then the value of the previously issued debt securities will normally rise.

The Sub-Fund is also subject to cash flow interest rate risk from bank balances at variable interest rates.

The table below summarises the Sub-Fund's exposure and sensitivity analysis to interest rate risks. 10 basis point is the sensitivity rate used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	HK\$	Change in assumption +/-10 basis point HK\$
<u>At 31 December 2024</u>		
Assets		
Bank balances	1,844,991	+/-1,845
Debt securities	<u>8,115,255</u>	<u>+/-8,115</u>

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31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

	HK\$	Change in assumption +/-10 basis point HK\$
<u>At 31 December 2023</u>		
Assets		
Bank balances	1,103,276	+/-1,103
Debt securities	<u>4,166,295</u>	<u>+/-4,170</u>

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at 31 December 2024 and 2023, the Sub-Fund's monetary assets and liabilities were predominantly denominated in the functional currency. Therefore, the exposure to foreign currency risk is not significant.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Sub-Fund.

The Sub-Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of debt securities at fair value through profit or loss and bank balances. In the opinion of the Manager and Trustee, the carrying amounts of these financial assets shown in the statement of financial position represent the maximum credit risk exposure at the end of the reporting period.

The Manager has a documented policy in place of spreading the aggregate value of transactions concluded amongst approved counterparties with an appropriate credit quality. The Sub-Fund's exposure and the credit ratings of its counterparties are continuously monitored by the Manager.

All debt securities held by the Sub-Fund as of 31 December 2024 and 2023 are with investment grade of Aa3 as rated by Moody.

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NOTES TO FINANCIAL STATEMENTS

31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The following table details the exposure to the Sub-Fund's counterparty as at 31 December 2024 and 2023 and its credit rating, as rated by Moody (unless otherwise specified):

	<u>HK\$</u> 2024	<u>Credit rating</u> 2023
Financial assets at fair value through profit or loss held by custodian:		
Bank of China (Hong Kong) Limited	34,884,408	Aa3
Bank balances:		
Bank of China (Hong Kong) Limited	1,844,991	Aa3
	<u>HK\$</u> 2023	<u>Credit rating</u> 2022
Financial assets at fair value through profit or loss held by custodian:		
Bank of China (Hong Kong) Limited	20,418,903	Aa3
Bank balances:		
Bank of China (Hong Kong) Limited	1,103,276	Aa3

Financial assets subject to IFRS 9's impairment requirements

The Sub-Fund's financial assets subject to the expected credit loss model within IFRS 9 are only bank balances, amount due from brokers, interest receivable from investments and other receivable. At 31 December 2024, the total of bank balances, interest receivable from investments, amount due from brokers and other receivable was HK\$2,192,422 (2023: HK\$1,123,408), on which no loss allowance had been provided. There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the period.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates. Items have been grouped by their nature into the following categories: bank balances and interest receivables. All the Sub-Fund's cash and cash equivalents are held in major financial institutions located in Hong Kong, which the Manager believes are of high credit quality. The Manager considers the Sub-Fund is not exposed to significant credit risk and no loss allowance has been made.

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11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Maximum exposure and period-end staging as at 31 December 2024

The table below shows the credit quality and the maximum exposure to credit risk based on the Sub-Fund's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and period-end staging classification as at 31 December 2024.

	12-month expected credit losses	Lifetime expected credit losses			Simplified approach HK\$	Total HK\$
	Stage 1 HK\$	Stage 2 HK\$	Stage 3 HK\$			
Financial assets						
Bank balances						
- Not yet past due	1,844,991	-	-	-	-	1,844,991
Interest receivables from investments						
- Not yet past due	90,124	-	-	-	-	90,124
Other receivables	48,507	-	-	-	-	48,507
Amount due from brokers	<u>208,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,800</u>
Total	<u>2,192,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,192,422</u>

Maximum exposure and period-end staging as at 31 December 2023

The table below shows the credit quality and the maximum exposure to credit risk based on the Sub-Fund's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and period-end staging classification as at 31 December 2023.

	12-month expected credit losses	Lifetime expected credit losses			Simplified approach HK\$	Total HK\$
	Stage 1 HK\$	Stage 2 HK\$	Stage 3 HK\$			
Financial assets						
Bank balances						
- Not yet past due	1,103,276	-	-	-	-	1,103,276
Interest receivables from investments						
- Not yet past due	<u>20,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,132</u>
Total	<u>1,123,408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,123,408</u>

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31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Financial assets not subject to IFRS 9's impairment requirements

The Sub-Fund is exposed to credit risk on equity securities and debt instruments. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVPL. The carrying value of these assets, under IFRS 9 represents the Sub-Fund's maximum exposure to credit risk on financial instruments not subject to the IFRS 9 impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

Liquidity risk

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with its financial liabilities.

The Sub-Fund's units are redeemable at the option of the unitholders, subject to the limitation below, for cash equal to a proportionate share of the Sub-Fund's net asset values. The Sub-Fund is therefore potentially exposed to cash redemptions of redeemable units.

The Manager monitors the Sub-Fund's liquidity position on a daily basis. In accordance with the Sub-Fund's constitutive documents, the Manager may, with the approval of the Trustee, limit the total number of units redeemable on any dealing day to 10% of the total number of units in issue. Any units not allowed to be redeemed will be carried forward to the following dealing day subject to the same limitation.

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

31 December 2024	On demand HK\$	Less than 3 months HKD	Others HKD	Total HKD
<u>Financial Liabilities</u>				
Management fees payable	-	75,766	-	75,766
Trustee fees payable	-	19,212	-	19,212
Custodian fee payable	-	12,720	-	12,720
Audit fee payable	-	185,464	-	185,464
Amount due to brokers	-	436	-	436
Other payables	-	6,234	-	6,234
Net assets attributable to unitholders*	-	-	36,824,726	36,824,726
Total financial liabilities	-	299,832	36,824,726	37,124,558

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31 December 2024

11. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

31 December 2023	On demand HK\$	Less than 3 months HKD	Others HKD	Total HKD
<u>Financial Liabilities</u>				
Management fees payable	-	51,354	-	51,354
Trustee fees payable	-	17,500	-	17,500
Audit fee payable	-	184,414	-	184,414
Other payables	-	3,800	-	3,800
Net assets attributable to unitholders*	-	-	21,292,277	21,292,277
Total financial liabilities	-	257,068	21,292,277	21,549,345

* Subject to redemption terms of the Sub-Fund.

Capital management

The Sub-Fund's capital is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Sub-Fund is subject to daily subscriptions and redemptions at the discretion of the unitholders. The Sub-Fund's objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for the unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Fund. The description of the terms and the restrictions on redemption of units are disclosed in "liquidity risk" above.

12. CONTINGENT LIABILITIES AND COMMITMENTS

The Sub-Fund has no contingent liabilities and commitments as at 31 December 2024 and 2023.

CMS HONG KONG MULTI INCOME FUND
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NOTES TO FINANCIAL STATEMENTS

31 December 2024

13. AMOUNTS DUE FROM AND DUE TO BROKERS

	2024 HK\$	2023 HK\$
Amounts due from brokers:		
Receivables for securities sold, but not yet settled	<u>208,800</u>	<u>-</u>
Amounts due to brokers:		
Payable for securities purchased but not yet settled	<u>436</u>	<u>-</u>

14. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Trustee and Manager on 29 April 2025.

CMS HONG KONG MULTI INCOME FUND
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INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2024

<u>Securities name</u>	<u>Holdings</u>	<u>Fair value</u> HK\$	<u>% of net</u> <u>assets</u>
<u>Listed equities</u>			
Hong Kong			
AGRICULTURAL BANK OF CHINA LTD-H	206,000	912,580	2.48%
BANK OF CHINA LTD-H	432,000	1,715,040	4.66%
BEIJING ENTERPRISES WATER GROUP LTD	176,000	441,760	1.20%
BOC HONG KONG (HLDGS) LTD	29,000	723,550	1.95%
CHINA CINDA ASSET MANAGEMENT CO LTD-H	347,000	440,690	1.20%
CHINA COAL ENERGY CO LTD-H	54,000	501,660	1.36%
CHINA CONSTRUCTION BANK CORP-H	213,000	1,380,240	3.75%
CHINA EVERBRIGHT ENVIRONMENT GROUP LTD	191,000	739,170	2.01%
CHINA FEIHE LTD	96,000	523,200	1.42%
CHINA GALAXY SECURITIES CO LTD-H	46,000	326,140	0.89%
CHINA GAS HLDGS LTD	57,000	385,890	1.05%
CHINA HONGQIAO GROUP LTD	16,500	194,040	0.53%
CHINA MERCHANTS BANK CO LTD-H	19,000	760,000	2.06%
CHINA MERCHANTS PORTS HLDGS CO LTD	30,000	415,200	1.13%
CHINA PACIFIC INSURANCE (GROUP) CO-H	35,000	882,000	2.39%
CHINA PETROLEUM & CHEMICAL CORP-H	154,000	685,300	1.86%
CHINA SHENHUA ENERGY CO LTD-H	36,000	1,209,600	3.28%
CHINA STATE CONSTRUCTION INTL HLDGS LTD	44,000	539,440	1.46%
CK INFRASTRUCTURE HLDGS LTD	19,000	1,097,250	2.98%
CRRC CORP LTD-H	115,000	576,150	1.56%
HANG SENG BANK LTD	7,900	754,845	2.05%
HKT TRUST AND HKT LTD	73,000	700,800	1.90%
INDUSTRIAL & COMMERCIAL BK OF CHINA-H	161,000	838,810	2.28%
NEW CHINA LIFE INSURANCE CO LTD-H	20,400	481,440	1.31%
PCCW LTD	343,000	1,550,360	4.21%
PEOPLE'S INSURANCE CO (GROUP) OF CHINA LTD-H	193,000	746,910	2.03%
PETROCHINA CO LTD-H	208,000	1,270,880	3.45%
PING AN INSURANCE GROUP CO OF CHINA LTD-H	16,000	736,800	2.00%
POWER ASSETS HLDGS LTD	13,500	731,700	1.99%

CMS HONG KONG MULTI INCOME FUND
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INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2024

<u>Securities name</u>	<u>Holdings</u>	<u>Fair value</u> HK\$	<u>% of net</u> <u>assets</u>
<u>Listed equities</u> (continued)			
TENCENT HLDGS LTD	4,200	1,751,400	4.76
UNI-PRESIDENT CHINA HLDGS LTD	76,000	593,560	1.61%
XINYI GLASS HLDG CO LTD	38,000	299,820	0.81%
		<u>24,906,225</u>	<u>67.63%</u>
<u>Mutal Fund/UT</u>			
Hong Kong			
CSP HONG KONG DOLLAR MONEY MARKET ETF	1,631	<u>1,862,928</u>	<u>5.06%</u>
<u>Quoted debt securities</u>			
Hong Kong			
HKCG FINANCE LTD 2.3% Q 17JUN2026	1,000,000	975,400	2.65%
HONG KONG MORTGAGE CORP LTD 4.39% A 10JUN2026	1,000,000	1,005,430	2.73%
HONG KONG MORTGAGE CORP LTD 4.7% A 21MAR2025	1,000,000	1,000,580	2.72%
HONG KONG GOVERNMENT BOND PROGRAMME 1.68% S/A 21JAN2026	600,000	588,780	1.60%
HONG KONG GOVERNMENT RETAIL BOND PROGRAMME HKCPI+0% S/A 19MAY2025	20,800	2,065,440	5.61%
HONG KONG GOVERNMENT RETAIL BOND PROGRAMME HKCPI+0% S/A 19MAY2025	14,500	1,481,175	4.02%
VIRGIN ISL, BT			
CLP POWER HK FIN 3.97% Q 23MAR2026	1,000,000	998,450	2.71%
		<u>8,115,255</u>	<u>21.98%</u>
Total portfolio investment		<u>34,884,408</u>	<u>94.72%</u>
Other net assets		<u>1,943,096</u>	<u>5.28%</u>
Total net assets as at 31 December 2024		<u>36,827,504</u>	<u>100.00%</u>
Total investments, at cost		<u>33,198,608</u>	

CMS HONG KONG MULTI INCOME FUND
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2024

	Holdings			31 December 2024
	1 January 2024	Additions	Deductions	
	Shares	Shares	Shares	Shares
<u>Listed equities</u>				
Hong Kong				
AGRICULTURAL BANK OF CHINA LTD-H	310,000	187,000	(291,000)	206,000
ALIBABA GROUP HLDG LTD	-	22,000	(22,000)	-
ANHUI CONCH CEMENT CO LTD-H	11,000	7,500	(18,500)	-
BANK OF CHINA LTD-H	436,000	276,000	(280,000)	432,000
BEIJING ENTERPRISES WATER GROUP LTD	120,000	566,000	(510,000)	176,000
BOC HONG KONG (HLDGS) LTD	-	71,000	(42,000)	29,000
BYD CO LTD-H	1,500	-	(1,500)	-
CHINA BLUECHEMICAL LTD-H	-	310,000	(310,000)	-
CHINA CINDA ASSET MANAGEMENT CO LTD-H	-	347,000	-	347,000
CHINA CITIC BANK CORP LTD-H	80,000	103,000	(183,000)	-
CHINA COAL ENERGY CO LTD-H	61,000	64,000	(71,000)	54,000
CHINA CONSTRUCTION BANK CORP-H	240,000	250,000	(277,000)	213,000
CHINA EVERBRIGHT BANK CO LTD-H	130,000	76,000	(206,000)	-
CHINA EVERBRIGHT ENVIRONMENT GROUP LTD	45,000	321,000	(175,000)	191,000
CHINA FEIHE LTD	-	125,000	(29,000)	96,000
CHINA GALAXY SECURITIES CO LTD-H	-	46,000	-	46,000
CHINA GAS HLDGS LTD	-	141,000	(84,000)	57,000
CHINA HONGQIAO GROUP LTD	-	132,000	(115,500)	16,500
CHINA MERCHANTS BANK CO LTD-H	12,500	61,000	(54,500)	19,000
CHINA MERCHANTS PORTS HLDGS CO LTD	46,000	44,000	(60,000)	30,000
CHINA PACIFIC INSURANCE (GROUP) CO-H	-	38,400	(3,400)	35,000
CHINA PETROLEUM & CHEMICAL CORP-H	108,000	186,000	(140,000)	154,000
CHINA RESOURCES POWER HLDGS CO	-	10,000	(10,000)	-
CHINA SHENHUA ENERGY CO LTD-H	23,500	59,000	(46,500)	36,000
CHINA STATE CONSTRUCTION INTL HLDGS LTD	44,000	84,000	(84,000)	44,000
CITIC LTD	-	58,000	(58,000)	-
CK INFRASTRUCTURE HLDGS LTD	19,000	21,000	(21,000)	19,000
CLP HLDGS LTD	8,000	4,000	(12,000)	-
COSCO SHIPPING PORTS LTD	-	58,000	(58,000)	-
CRRC CORP LTD-H	117,000	254,000	(256,000)	115,000
ENN ENERGY HLDGS LTD	-	6,000	(6,000)	-
GUANGDONG INVESTMENT LTD	62,000	34,000	(96,000)	-
HANG SENG BANK LTD	-	18,600	(10,700)	7,900
HK ELECTRIC INVESTMENTS AND HK ELECTRIC INVESTMENT LTD	45,000	18,000	(63,000)	-
HKT TRUST AND HKT LTD	59,000	159,000	(145,000)	73,000

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2024

	Holdings			31 December 2024 Shares
	1 January 2024 Shares	Additions Shares	Deductions Shares	
<u>Listed equities</u> (Continued)				
Hong Kong (Continued)				
HSBC HLDGS PLC	16,400	15,200	(31,600)	-
INDUSTRIAL & COMMERCIAL BK OF CHINA-H	-	214,000	(53,000)	161,000
JD.COM INC	-	3,050	(3,050)	-
KINGBOARD HLDGS LTD	-	19,500	(19,500)	-
MTR CORP LTD	-	32,000	(32,000)	-
NEW CHINA LIFE INSURANCE CO LTD-H	-	45,300	(24,900)	20,400
PCCW LTD	229,000	327,000	(213,000)	343,000
PEOPLE'S INSURANCE CO (GROUP) OF CHINA LTD-H	-	397,000	(204,000)	193,000
PETROCHINA CO LTD-H	192,000	250,000	(234,000)	208,000
PING AN INSURANCE GROUP CO OF CHINA LTD-H	-	45,500	(29,500)	16,000
POWER ASSETS HLDGS LTD	9,500	13,500	(9,500)	13,500
SINOPEC ENGINEERING (GROUP) CO LTD-H	76,000	52,000	(128,000)	-
TENCENT HLDGS LTD	4,000	4,700	(4,500)	4,200
THE HONG KONG & CHINA GAS CO LTD	-	117,000	(117,000)	-
UNI-PRESIDENT CHINA HLDGS LTD	-	180,000	(104,000)	76,000
XINYI GLASS HLDG CO LTD	-	66,000	(28,000)	38,000
<u>Mutual Fund/UT</u>				
Hong Kong				
CSOP HONG KONG DOLLAR MONEY MARKET ETF	910	721	-	1,631
<u>Non-Listed equities</u>				
Hong Kong				
HKCG FINANCE LTD 2.3% Q 17JUN2026	-	1,000,000	-	1,000,000
HONG KONG MORTGAGE CORP LTD 4.39% A 10JUN2026	-	1,000,000	-	1,000,000
HONG KONG MORTGAGE CORP LTD 4.7% A 21MAR2025	-	1,000,000	-	1,000,000
HONG KONG GOVERNMENT BOND PROGRAMME 1.68% S/A 21JAN2026	600,000	-	-	600,000
HONG KONG GOVERNMENT BOND PROGRAMME HKCPI+0% S/A 19MAY2025	16,100	4,700	-	20,800
HONG KONG GOVERNMENT BOND PROGRAMME HKCPI+0% S/A 19MAY2025	9,900	4,600	-	14,500
HONG KONG GOVERNMENT BOND PROGRAMME HKCPI+0% S/A 23JUN2024	10,000	-	(10,000)	-
VIRGIN ISL, BT				
CLP POWER HK FIN 3.97% Q 23MAR2026	-	1,000,000	-	1,000,000

CMS HONG KONG MULTI INCOME FUND
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PERFORMANCE TABLE (UNAUDITED)

For the year ended 31 December 2024

1. NET ASSET VALUE

<u>Financial period ended</u>	<u>Net asset value of the Sub-Fund HK\$</u>	<u>Net asset value per unit HK\$</u>
31 December 2024		
- Class A	653,865	84.8720
- Class B	36,173,638	92.3190
31 December 2023		
- Class A	490,152	74.123
- Class B	20,804,904	80.378
31 December 2022		
- Class A	529,339	80.049
- Class B	30,357,723	86.805

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PERFORMANCE TABLE (UNAUDITED)

For the year ended 31 December 2024

2. HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT

<u>Financial period ended</u>	<u>Highest issue unit price</u> HK\$	<u>Lowest redemption unit price</u> HK\$
31 December 2024		
- Class A	92.917	68.182
- Class B	101.071	74.165
31 December 2023		
- Class A	84.958	71.184
- Class B	92.127	77.191
31 December 2022		
- Class A	107.258	67.677
- Class B	116.309	73.388
31 December 2021		
- Class A	127.523	94.674
- Class B	141.174	102.664
31 December 2020		
- Class A	112.428	65.144
- Class B	121.916	69.773
31 December 2019		
- Class A	81.593	70.966
- Class B	87.397	76.016
31 December 2018		
- Class A	115.585	76.203
- Class B	126.187	81.627
31 December 2017		
- Class A	107.518	90.423
- Class B	116.461	96.674
31 December 2016		
- Class A	93.836	77.446
- Class B	100.323	82.801
31 December 2015		
- Class A	125.085	92.975
- Class B	131.680	98.796
31 December 2014 (since the date of inception on 12 June 2014)		
- Class A	103.857	96.426
- Class B	104.569	96.434