

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

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DIRECTORY

MANAGER

CGS International Securities Singapore Pte. Ltd.
10 Marina Boulevard, #10-01,
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Singapore 018983
Company Registration No: 198701621D

DIRECTORS OF THE MANAGER

Chan Swee Liang Carolina
Chan Yuen May
Malcolm Koo Chin Wei
Teo Chai Sio
Ho Wai Chu

TRUSTEE

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01,
Singapore 049319
Company Registration No: 200800851W

AUDITOR

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One Raffles Quay, North Tower, Level 18,
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SOLICITORS TO THE MANAGER

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SOLICITORS TO THE TRUSTEE

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80 Raffles Place, #33-00 UOB Plaza 1,
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CUSTODIAN/REGISTRAR/FUND ADMINISTRATOR

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01,
Singapore 049319

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

MANAGER'S INVESTMENT REPORT

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

CGS SG ETF SERIES II is a Singapore umbrella unit trust constituted by a deed of trust dated 15 September 2023 (referred to as "Trust Deed") between CGS International Securities Singapore Pte. Ltd (formerly known as CGS CIMB Securities (Singapore) Pte. Ltd. (the "Manager") and BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore.

CGS SG ETF SERIES II currently has 1 sub-fund established under it:

(i) CGS Fullgoal CSI 1000 ETF.

The sub-fund is an exchange-traded fund listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The investment objective of CGS Fullgoal CSI 1000 ETF, the Sub Fund, to provide investment results that, before fees, costs and expenses (including any taxes and withholding taxes), closely correspond to the perform of the CSI 1000 Index (the "Index").

The first financial period for this sub-fund will be 20 October 2023 (date of initial launch) to 31 December 2024.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

REPORT OF THE TRUSTEE

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

BNP Paribas Trust Services Singapore Limited (the "Trustee") is under a duty to take into custody and hold the assets of the sub-fund of the CGS SG ETF Series II (the "Fund"), namely CGS Fullgoal CSI 1000 ETF (the "Sub-Fund") in trust for the holders of units ("Unitholders") in the Sub-Fund. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of CGS International Securities Singapore Pte. Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 15 September 2023 (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Fund, during the period covered by these financial statements, set out on pages 8 to 23 comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements in Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
BNP Paribas Trust Services Singapore Limited



Singapore

Date: 26 MAR 2025

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

STATEMENT BY THE MANAGER

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

In the opinion of CGS International Securities Singapore Pte. Ltd. (the "Manager"), the accompanying financial statements set out on pages 8 to 23, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of the sub-fund of the CGS SG ETF Series II (the "Fund"), namely CGS Fullgoal CSI 1000 ETF (the "Sub-Fund") as at 31 December 2024, and the financial performance and movements in unitholders' funds for the financial period from 20 October 2023 (date of initial launch) to 31 December 2024 in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Sub-Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
CGS International Securities Singapore Pte. Ltd.


Singapore
Date: 26 March 2025

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

INDEPENDENT AUDITOR'S REPORT

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the sub-fund of the CGS SG ETF Series II (the "Fund"), namely CGS Fullgoal CSI 1000 ETF (the "Sub-Fund") which comprise the Statement of Financial Position and Statement of Portfolio as at 31 December 2024, the Statement of Total Return and Statement of Movements of Unitholders' Funds for the financial period from 20 October 2023 (date of initial launch) to 31 December 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Sub-Fund as at 31 December 2024 and the financial performance and movements in unitholders' funds for the financial period from 20 October 2023 (date of initial launch) to 31 December 2024.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Sub-Fund in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other information

The Manager of the Sub-Fund is responsible for other information. The other information comprises the Directory, Manager's Investment Report, Report of the Trustee, Statement by the Manager and Report to Unitholders, but does not include 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 UNITHOLDERS OF CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

INDEPENDENT AUDITOR'S REPORT

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of the Statement of Recommended Accounting Practices 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Manager's responsibilities include overseeing the Sub-Fund's 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 are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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.

As part of an audit in accordance with SSAs, 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 controls.
- 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

INDEPENDENT AUDITOR'S REPORT

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Aik Meijun Lucretia.



Ernst & Young LLP
*Public Accountants and
Chartered Accountants
Singapore*

Date: 26 March 2025

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024*

	Note	CGS Fullgoal CSI 1000 ETF	Period from 20 October 2023 (date of initial launch) to 31 December 2024 US\$
Income			
Interest			13,203
			<u>13,203</u>
Less: Expenses			
Management fees			104,235
Less: Management fee rebates			(20,847)
Registrar fees			1,578
Trustee fees			7,521
Custody fees			5,795
Audit fees			13,359
Administration fees			7,519
Transaction costs			16,335
Preliminary expenses			103,574
Other expenses			91,968
			<u>331,037</u>
Net losses			<u>(317,834)</u>
Net gains or losses on value of investments			
Net losses on investments			(209,835)
Net foreign exchange losses			(1,240)
			<u>(211,075)</u>
Total deficit for the financial period before income tax			(528,909)
Less: Income tax	3		-
Total deficit for the financial period after income tax before distribution			<u>(528,909)</u>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 31 December 2024*

	Note	CGS Fullgoal CSI 1000 ETF 31 December 2024 US\$
ASSETS		
Portfolio of investments		10,395,093
Cash and bank balances	4	<u>77,347</u>
Total assets		<u>10,472,440</u>
LIABILITIES		
Payables	5	<u>165,461</u>
Total liabilities		<u>165,461</u>
EQUITY		
Net assets attributable to unitholders	6	<u>10,306,979</u>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024*

		CGS Fullgoal CSI 1000 ETF
	Note	Period from 20 October 2023 (date of initial launch) to 31 December 2024 US\$
Net assets attributable to unitholders at the beginning of the financial period		-
Operations		
Change in net assets attributable to unitholders resulting from operations		(528,909)
Unitholders' contributions/(withdrawals)		
Creation of units		12,613,778
Cancellation of units		(1,777,890)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		10,835,888
Total increases in net assets attributable to unitholders		10,306,979
Net assets attributable to unitholders at the end of the financial period	6	10,306,979

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2024***By Geography (Primary)**

	Holdings at 31 December 2024	Fair value at 31 December 2024 US\$	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Investment Fund			
CHINA			
Fullgoal CSI 1000 ETF	31,326,236	10,395,093	100.85
Total CHINA		<u>10,395,093</u>	<u>100.85</u>
Total Quoted Investment Fund		<u>10,395,093</u>	<u>100.85</u>
Portfolio of investments		10,395,093	100.85
Other net liabilities		(88,114)	(0.85)
Net assets attributable to unitholders		<u>10,306,979</u>	<u>100.00</u>

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Investment Fund	
China	100.85
Total Quoted Investment Fund	<u>100.85</u>
Portfolio of investments	100.85
Other net liabilities	(0.85)
Net assets attributable to unitholders	<u>100.00</u>

As the Sub-Fund is invested wholly into the Fullgoal CSI 1000 ETF Fund, which is registered in Shenzhen, information on investment portfolio by industry segments is not presented as the Fund invests only into an underlying fund.

The accompanying notes form an integral part of these financial statements

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

CSG SG ETF Series II (the "Fund") is a unit trust constituted by the Trust Deed dated 15 September 2023 (the "Trust Deed") between CGS International Securities Singapore Pte. Ltd. (the "Manager") and BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Trustee is under a duty to take into custody and hold the assets of the Fund in trust for the holders ("Unitholders") of units in the Trust (the "Units").

The Fund is an umbrella fund currently comprising the following one sub-fund:

- CGS Fullgoal CSI 1000 ETF (date of initial launch: 20 October 2023)

There is currently one class of units, USD Class established with the sub fund, CGS Fullgoal CSI 1000 ETF.

The USD Class Units are traded in two different currency counters on the SGX-ST (i.e. US\$ and S\$).

The investment objective of CGS Fullgoal CSI 1000 ETF, the Sub Fund, to provide investment results that, before fees, costs and expenses (including any taxes and withholding taxes), closely correspond to the perform of the CSI 1000 Index (the "Index").

The Sub-Fund is a Feeder Fund investing into the Fullgoal CSI 1000 ETF (the "Underlying Fund"), which is traded on the Shenzhen Stock Exchange ("SZSE"). The Underlying Fund tracks the Index by adopting a full replication strategy.

2. Material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of financial instruments at fair value, and in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued by the Institute of Singapore Chartered Accountants. The financial statements have also been prepared in accordance with the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The adoption of this revised RAP 7 did not result in substantial changes to the accounting policies of the Sub-Fund and had no material effect on the amounts reported for the current period.

The financial statements, which are expressed in United States Dollar (USD or US\$) and rounded to the nearest United States Dollar, unless otherwise stated, are prepared on the historical cost basis, except as disclosed in the accounting policies below.

(b) Recognition of income

Interest income is recognised on a time-proportion basis using the effective interest rate method.

(c) Cash and bank balances

Cash and cash equivalents comprise cash and bank balances.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

2. Material accounting policy information (continued)

(d) Expenses

(i) Trustee fees

Trustee expenses are recognised on accrual basis.

(ii) Management fee

Manager's management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 9(a).

(e) Units in issue

All units issued by the Sub-Fund provides the investors with the right to redeem for cash at the value proportionate to the investors' share in the Sub-Fund's net assets at redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount.

(f) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) *Initial recognition*

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) *Subsequent measurement*

Investments are subsequently carried at fair value through profit or loss. The fair value of investments held in underlying funds is the quoted net asset value of the underlying funds as determined by the underlying fund's administrator. Net change in fair value on investments is included in the Statement of Total Return in the period in which they arise.

(iii) *Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

(g) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on market last traded prices or current net asset value of the underlying Sub-Fund on the reporting date where the last traded price falls within the bid-ask spread.

(h) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(i) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

2. Summary of material accounting policy information (continued)

(j) Foreign currency translation

(i) *Functional and presentation currency*

The Sub-Fund qualifies as an authorised scheme under the Securities and Futures Act ("SFA") of Singapore and is offered to retail investors in Singapore. The Sub-Fund activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Sub-Fund, denominated in United States Dollar.

The performance of the Sub-Fund is measured and reported to the investors in United States Dollar. The Manager considers the United States Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are expressed in United States Dollar, which is the Sub-Fund's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency monetary assets and liabilities are translated into United States Dollar at the rates of exchange prevailing at the date of the Statement of Financial Position. The net unrealised gain or loss is taken to the Statement of Total Return. Transactions during the period are recorded in United States Dollar at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

(k) Investment transactions and related investment income

Investment transactions are accounted for on a trade date basis. Realised gains or losses from investment transactions are recorded on weighted average basis. Interest is recorded on a time-proportion basis and dividends are recorded on the ex-dividend date. Unrealised gains or losses are reflected in the Statement of Total Return.

(l) Related parties

Related parties are individuals and companies where the individual or Sub-Fund has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(m) Distribution policy

Distribution to the unitholders is recognised in the Statement of Total Return in the period in which the dividends were declared. Dividends are declared at the discretion of the Manager. Distribution is accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

2. Summary of material accounting policy information (continued)

(n) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- (a) restricted activities;
- (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;
- (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and
- (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Sub-Fund considers all of their investments in other fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Sub-Fund invests in Underlying Fund whose objectives range from achieving medium to long-term capital growth and whose investment strategy does not include the use of leverage.

The Underlying Fund is managed by related asset managers and apply various investment strategies to accomplish their respective investment objectives.

The Underlying Fund finances their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective Sub-Fund's net assets. The Sub-Fund holds redeemable shares in each of its Underlying Fund.

The change in fair value of the Underlying Funds are included in the Statement of Total Return in "Net gains/(losses) on investments".

(o) Investment entities

The Sub-Fund has multiple unrelated investors and indirectly holds multiple investments through the Underlying Fund. Ownership interest in the Sub-Fund is in the form of redeemable shares or units and which are exposed to variable returns from changes in the fair value of the Sub-Fund's net assets. The Sub-Fund has been deemed to meet the definition of an Investment Entity per FRS 110 as the following conditions exist:

- (a) The Sub-Fund has obtained funds for the purpose of providing investors with investment management services;
- (b) The Sub-Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income; and
- (c) The performance of investments made through the Underlying Fund are measured and evaluated on a fair value basis.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

3. Income tax

The Fund is under the Offshore Fund Scheme (Section 13D of the Income Tax Act and the relevant Regulations).

Under Section 13D of Income Tax Act 1947 of Singapore, subject to certain conditions and reporting obligations being met, such, certain income of the Fund is not taxable. Such income includes:

- (a) gains or profit derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act 1947);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

There is no income tax for the financial period ended 31 December 2024 .

4. Cash and bank balances

	CGS Fullgoal CSI 1000 ETF 2024 US\$
Cash and bank balances	<u>77,347</u>

The cash and bank balances are placed with a financial institution related to the trustee.

5. Payables

	CGS Fullgoal CSI 1000 ETF 2024 US\$
Amount due to the Manager	27,015
Amount due to Trustee	7,623
Administrative fees payable	7,622
Transfer agent fee payable	5,078
Provision for audit fee	14,561
Custody fees payable	6,309
Preliminary expenses payable	42,074
Other payables	<u>55,179</u>
	<u>165,461</u>

Amount due to the Manager comprises management fee payable to CGS International Securities Singapore Pte. Ltd. Amount due to Trustee is trustee fees payable to BNP Paribas Trust Services Singapore Limited. Administrative fees, transfer agent fees and custody fees payable are payable to BNP Paribas acting through its Singapore Branch. Other payables mainly comprise of unpaid tax agent fee.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***6. Units in issue**

During the period ended 31 December 2024, the number of units issued, redeemed and outstanding were as follows:

	2024
<u>USD Class</u>	
Units at beginning of the financial period	-
Units created	12,658,000
Units cancelled	<u>(1,840,000)</u>
Units at end of the financial period	<u>10,818,000</u>
Net assets attributable to unitholders - US\$	10,306,979
Net asset value per unit - US\$	<u>0.9528</u>

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

<u>USD Class</u>	2024 US\$
Net assets attributable to unitholders per financial statements per unit	0.9528
Effect of expensing preliminary expenses per unit	0.0060
Effect for adjustment of under-provision of expenses	<u>0.0018</u>
Net assets attributable to unitholders for issuing/redeeming per unit	<u>0.9606</u>

7. Financial risk management

The Sub-Fund's activities expose them to a variety of risk, including but not limited to market risk (including currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Manager is responsible for the implementation of the overall risk management programme, which seeks to minimise potential adverse effects on the Sub-Fund's financial performance. Specific guidelines on exposures to individual securities and certain industries and/or countries are in place for the individual Sub-Fund as part of the overall financial risk management to reduce the Sub-Fund's exposure to these risks.

The investment objective of CGS Fullgoal CSI 1000 ETF, the Sub Fund, to provide investment results that, before fees, costs and expenses (including any taxes and withholding taxes), closely correspond to the perform of the CSI 1000 Index (the "Index").

The Sub-Fund is a Feeder Fund investing into the Fullgoal CSI 1000 ETF (the "Underlying Fund"), which is traded on the Shenzhen Stock Exchange ("SZSE"). The Underlying Fund tracks the Index by adopting a full replication strategy.

The Index is compiled and maintained by China Securities Index Co., Ltd ("CSI"). The Index is designed to reflect the performance of small market cap companies ranked between 801-1800 that are listed in Shanghai and Shenzhen.

The investment focuses of the Sub-Fund is as follows:

- (i) CGS Fullgoal CSI 1000 ETF, the Sub Fund's will invest at least 90% of its net asset value into the Underlying Fund. The Underlying Fund's equity portfolio is constructed in accordance with the constituent stocks of the Index ("Index Securities") and their weights, and is adjusted accordingly to changes in the constituent stocks of the Index and their weights. The Sub-Fund may also invest up to 10% of its net asset value into money market instruments for cash management purposes.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***7. Financial risk management (continued)****(a) Market risk - Price risk**

Price risk is the risk that arises from uncertainties about future prices of financial instruments.

The Sub-Fund's investments are substantially dependent on the changes of market prices. The Sub-Fund's overall market positions are monitored regularly to assess any deviation from the Sub-Fund's investment objective. However, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Sub-Fund.

The Sub Fund's market price risk is managed through diversification of the investment portfolio across various industries in accordance with the investment objectives disclosed above.

The market prices of financial assets held by the Sub Fund are primarily dependent on prevailing market conditions, as it invests in all, or substantially all, of the Underlying Fund. The Underlying Fund mainly invests in constituent stocks and alternative constituent stocks (both including depositary receipts).

The Manager is of view that the market risk of the Fund is best reflected by movements in its benchmark of the CSI1000 Index.

The Fund's market risk is affected by changes in actual market prices of the securities held by the Fund. If the CSI1000 Index at 31 December 2024 had increased or decreased by 10% with all other variables held constant in the next 12 months, this would have increased or decreased net assets attributable to unitholders by approximately 10%.

(b) Market risk - Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates (fair value risk).

The Sub-Fund that invest in equity securities are not exposed to interest rate risk.

Other than cash and bank balances which are at short term marked interest rates, and therefore subject to insignificant interest rate risk, the Sub-Fund's financial assets and liabilities are largely non-interest bearing.

Hence, no sensitivity analysis has been presented separately.

(c) Market risk - Currency risk

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

To minimise currency risk, the Sub-Fund mainly holds its excess cash in its functional currency. For hedging purposes, the Sub-Fund may also enter into forward foreign exchange contracts.

The tables below summarises the Sub-Fund's exposure to currency risks.

As at 31 December 2024	SGD US\$	USD US\$	CNY US\$	Total US\$
Assets				
Portfolio of investments	-	-	10,395,093	10,395,093
Cash and bank balances	55,712	21,635	-	77,347
Total assets	55,712	21,635	10,395,093	10,472,440
Liabilities				
Payables	-	165,461	-	165,461
Total liabilities	-	165,461	-	165,461
Net currency exposure	55,712	(143,826)	10,395,093	

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***7. Financial risk management (continued)****(c) Market risk - Currency risk (continued)**

Portfolio of investments, which is a significant item in the Statement of Financial Position, is exposed to currency risk and price risk.

As of 31 December 2024, with respect to the monetary assets and monetary liabilities of the Sub-Fund, had the United States Dollar increased/decreased by -5% and 5% against Chinese Renminbi and Singapore dollar respectively, with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders would be as follows:

	2024 US\$
CNY	519,755
SGD	2,786

(d) Liquidity risk

Liquidity risk is the risk of loss arising from the inability of the Sub-Fund to meet its obligations as and when they fall due without incurring unacceptable cost or losses.

The Sub-Fund is exposed to daily cash redemptions from unitholders. However, in accordance with the Sub-Fund's prospectus, minimum holdings and redemption size are set.

To manage the liquidity risk, a cash buffer is maintained in the Sub-Fund and monitored for minimum cash balances to prevent any extensive disposition of assets which may occur at lower prices and overdraft situations to meet trade settlements and obligations.

The Sub-Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at period end, all liabilities are either payable upon demand or due in less than 3 months. Due to the short term nature, the impact of discounting is not significant.

	CGS Fullgoal CSI 1000 ETF <u>Less than 3</u> <u>months</u> As at 31 December 2024 US\$
Payables	165,461
Contractual cash outflows	165,461

(e) Credit risk

Credit risk is the risk that a counterparty will be unable to fulfil its obligations to the Sub-Fund in part or in full as and when they fall due.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties as well as the respective credit limits are approved;
- ensuring there are controls in place to identify and assess the creditworthiness of counterparties and review such controls on a semi-annual basis; and
- ensuring that transactions are undertaken with a large number of counterparties.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***7. Financial risk management** (continued)**(e) Credit risk** (continued)

The Sub-Fund is also exposed to counterparty credit risk on cash and bank balances and receivables. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognized based on the 12-month expected credit losses as any such impairment would be insignificant to the Sub-Fund.

All trade settlement with approved counterparties are on Delivery versus Payment and/or Receipt versus Payment basis, with the exception of initial public offerings, new issues and placement transactions.

Credit risk arises from cash and bank balances and receivables. The table below summarises the credit rating of bank and custodians in which the Sub-Fund's assets are held as at 31 December 2024 .

	Credit rating as at 31 December 2024	Source of credit rating
Bank balance		
- BNP Paribas, acting through its Singapore Branch	A+	Standard & Poor's
Custodian		
- BNP Paribas, acting through its Singapore Branch	A+	Standard & Poor's
Underlying Fund custodian		
- Bank of China Limited	A	Standard & Poor's

The credit ratings are based on Long-Term Local Issuer Ratings published by the rating agency.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

(f) Capital management

The Sub-Fund's capital is represented by the net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions amount in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

(g) Fair value of financial instruments

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Sub-Fund is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Sub-Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***7. Financial risk management (continued)****(g) Fair value of financial instruments (continued)**

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2024:

As at 31 December 2024	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted investment funds	10,395,093	-	-	10,395,093
	<u>10,395,093</u>	<u>-</u>	<u>-</u>	<u>10,395,093</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed exchange traded fund. Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. The Sub-Fund does not adjust the quoted price for these instruments.

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

The carrying amounts of assets and liabilities not measured at fair value approximate their fair values as at the Statement of Financial Position date. There was no movement transferred between level 2 to level 3 for the period 31 December 2024.

8. Related party transactions**(a) Management fee**

The management fee was accrued on daily basis of the net asset value of the Sub-Fund.

	% per annum
USD Class	0.9

Total management fees and management fee rebates for the financial period ended 31 December 2024 amounted to US\$104,235 and US\$20,847 respectively for the Sub-Fund. The Manager has agreed to reimburse expenses if the total expenses including management fee, administration fee, custody fee, trustee fee, registrar fee, financial reporting fee, audit fee, listing fee, index license fee, SGX data fee, legal fee and tax agent fee annual fees exceed 1.5% of NAV for the Sub-Fund up till 03 July 2024. Management fees payable outstanding as at Statement of Financial Position is disclosed in Note 5.

(b) Trustee fees

The Trustee shall be entitled to receive out of the assets of the Sub-Fund, such fee as may be agreed from time to time with the Manager, expected to be 0.01% of the net asset value of the Sub-Fund, subject to a minimum fee of US\$15,000 per year. The Trustee has agreed to waive the minimum fee for six months from the launch date.

Total trustee fee for the financial period ended 31 December 2024 amounted to US\$7,521, for the Sub-Fund. Trustee fees payable outstanding as at Statement of Financial Position is disclosed in Note 5.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024***8. Related party transactions (continued)**

- (c) Bank balances held with related party of trustee

**2024
US\$**

Bank balances held with related party of the Trustee	<u>77,347</u>
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9. Financial ratios**Expense ratio****CGS Fullgoal CSI 1000 ETF****Period from
20 October (date of
initial launch) to 31
December 2024****USD Class**

Total operating expenses		
- Including preliminary expenses	US\$	301,683
- Excluding preliminary expenses	US\$	198,110
Average daily net asset value	US\$	10,118,041

Total expense ratio¹ (including the Underlying Fund's expense ratio)t

- Including preliminary expenses (annualised)	%	2.98
- Excluding preliminary expenses (annualised)	%	<u>1.96</u>

Weighted average of the Underlying Fund's unaudited expense ratio	%	0.55
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¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Sub-Fund's expense and the weighted average of the Underlying Fund's unaudited expense ratio. The calculation of the expense ratio at financial period end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Fund does not pay any performance fee. The average net asset value is based on the daily balances.

Turnover ratio**CGS Fullgoal CSI 1000 ETF****Period from 20
October 2023 (date
of initial launch) to
31 December 2024**

Lower of total value of purchases or sales	US\$	1,813,346
Average daily net asset value	US\$	10,118,041
Total turnover ratio²	%	<u>17.92</u>

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value. In line with Statement of Recommended Accounting Practice 7 "Reporting framework for Investment Funds" ("RAP 7") issued by the Institute of Singapore Chartered Accountant. Total value of purchases or sales for the current period do not include brokerage and other transaction costs.

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

10. Comparatives

There is no prior period comparative figures available as this is the first set of annual financial statements prepared since the initial launch date of on 20 October 2023.

11. Authorisation of financial statement

The financial statements of the Sub-Fund for the financial period ended 31 December 2024 were approved and authorised for issue by the Trustee on 26 March 2025.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024*

The following contains additional information relating to the sub-fund. This report does not form part of the audited financial statements.

1. Distribution of investments

Please refer to the Statements of Portfolio on pages 11.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings**CGS Fullgoal CSI 1000 ETF****Largest holdings at 31 December 2024**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Fullgoal CSI 1000 ETF	10,395,093	100.85

4. Exposure to financial derivatives

Nil.

5. Global exposure to financial derivatives

Nil.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

8. Investment in unit trusts, mutual funds and collective investment schemes

Please refer to the statement of portfolio on page 11.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 31 December 2024

	31 December 2024 US\$
Units created	12,613,778
Units cancelled	(1,777,890)

CGS SG ETF SERIES II

(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024

11. Turnover ratio

Please refer to Note 9 of the Notes to the Financial Statements on page 22.

12. Expense ratio

Please refer to Note 9 of the Notes to the Financial Statements on page 22.

13. Related party transactions

Please refer to Note 8 of the Notes to the Financial Statements on page 21 - 22.

14. Soft dollars received from brokers

The Manager does not receive soft dollar commission or cash rebates from dealing on the CGS SG ETF Series I.

15. Any other material information that will adversely impact the valuation of the sub-fund

Nil.

CGS SG ETF SERIES II*(Constituted by way of a Trust Deed dated 15 September 2023 in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 20 October 2023 (date of initial launch) to 31 December 2024*

The details which follow make reference to the investments within the Fullgoal CSI 1000 ETF, unless stated otherwise.

1. Top 10 holdings**10 Largest holdings at 31 December 2024**

	Fair value RMB	Percentage of total net assets attributable to unitholders %
OFILM Group Co.,Ltd.	54,133,966	0.61
Shenzhen Megmeet Electrical Co.,Ltd.	36,906,361	0.41
Shenzhen Woer Heat-Shrinkable Material Co.,Ltd	34,996,500	0.39
Robotechnik Intelligent Technology Co., Ltd	33,423,969	0.37
Bestechnic (Shanghai) Co., Ltd.	31,860,230	0.36
Navinfo Co., Ltd.	31,267,340	0.35
Shanghai Belling Corp.,Ltd.	30,732,160	0.34
Jiangsu Nata Opto-Electronic Material Co.,Ltd.	30,427,057	0.34
Guangxi Liugong Machinery Co., Ltd.	26,138,181	0.29
Quantumctek Co., Ltd.	26,008,340	0.29

2. Financial Ratios

	2024 %
Expense ratio ¹	0.55
Turnover ratio ²	129.40

¹ The expense ratio has been computed based on the total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The average net asset value is based on the daily balances.

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.