

ICBC CREDIT SUISSE RMB CASH FUND

a Sub-Fund of

ICBC CREDIT SUISSE RENMINBI SERIES

ANNUAL REPORT

For the period from 15 January 2016 (date of inception) to 31 December 2016

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

Annual Report

For the period from 15 January 2016 (date of inception) to 31 December 2016

Contents	Pages
Management and Administration	1
Report of the Manager to the Unitholders	2
Report of the Trustee to the Unitholders	3
Independent Auditor's Report	4 – 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Net Assets Attributable to Unitholders	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 – 29
Investment Portfolio (Unaudited)	30
Movements in Investment Portfolio (Unaudited)	31
Performance Table (Unaudited)	32

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

MANAGEMENT AND ADMINISTRATION

Manager and RQFII Holder

ICBC Credit Suisse Asset Management (International)
Company Limited
Suite 801, 8/F, ICBC Tower
3 Garden Road
Central
Hong Kong

Trustee and Registrar

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

Directors of the Manager

Ms. Guo Tehua
Mr. Hao Wei
Mr. Tang Richard Hua
Mr. Du Haitao
Ms. Lu Ling

Investment Adviser

ICBC Credit Suisse Asset Management
Company Limited
6-9/F, Xincheng Building, A
No. 5 Financial Street
Xicheng District
Beijing, 100033
China

Custodian

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

PRC Custodian

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

Solicitors to the Manager

Deacons
5/F, Alexandra House
18 Chater Road
Central
Hong Kong

Auditor

PricewaterhouseCoopers
21/F, Edinburgh Tower
15 Queen's Road Central
Hong Kong

REPORT OF THE MANAGER TO THE UNITHOLDERS

Market Review

China's domestic economy in 2016 has been in L-shape trend. Supported by real estate investment and fiscal stimulus, the economy stabilized at the lower end, and in some areas there have been signs of improvement. Consumer prices consolidated at the low, while industrial prices continued to rise. The Central bank's monetary policy easing efforts have weakened, with the base rate being lowered only once during the year, and no interest rate cut. Backed by a stabilized economy, the Central Economic Working Conference in December proposed a stable and neutral monetary policy to maintain stable liquidity.

The global economy in 2016 has undergone in-depth adjustment, with populism and anti-globalization continued to develop. The economic trend among countries showed significant divergence. The US job market conditions further improved, consumption continued to grow steadily, and inflation rebounded modestly. The Fed raised the Federal funds rate by 25 basis points in December. On the other hand, Europe has been beset by refugee problems and terrorist attacks, while the foundation of economic recovery has yet to wait for the effect of consolidation. The failure of the Italian Constitutional referendum has increased the risk of Italy leaving the Eurozone, while uncertain risk factors are hidden in the French General Election. The Japanese economy is still facing deflationary risks, with the year-on-year household consumption expenditure continued to be in a sustained range, while domestic investment continued to be low. Fed rate increase expectations and the Dollar appreciation have given significant pressure to the emerging markets currencies.

The 2016 bond market has experienced significant volatility, with the rate of return at obvious upward trend. The 10-year government bond yields rose from the beginning of 2.82% to the maximum level of around 3.37%, and closed at around 3.03% towards the year end. The 10-year policy financial bonds experienced increased volatility compared to the national debt, with the yield rising from the beginning of 3.13% to around 3.68%. The trend of credit debt has been similar to interest rate debt, but its rate of return has been higher.

Market Outlook

Looking forward to 2017, the economy may continue the L-shaped trend. However, influenced by the real estate regulation and control policies, the effect of economic support from real estate investment is expected to reduce, and aggregate demand will be weakened. As a result, there is not much pressure for the consumer prices to rise further, while the industrial prices which have increased relatively higher in 2016 will face downward adjustment. The Central bank monetary policy will continue to be neutrally stable, however the aim to maintain stable liquidity implies that the Central bank will raise its endurance on increased periodic capital volatility, and short-term interest rate volatility may increase.

Based on the above fundamentals, we expect interest rates will rise in 2017, with increased volatility in the currency market. The bond market is expected to fluctuate throughout the year, trading opportunities will appear periodically which can be taken with proper risk control.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager of the Sub-Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 16 September 2014, as amended, for the period from 15 January 2016 (date of inception) to 31 December 2016.

HSBC Institutional Trust Services (Asia) Limited
27 April 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF ICBC CREDIT SUISSE RMB CASH FUND
(A sub-fund of ICBC Credit Suisse Renminbi Series)**

Opinion

What we have audited

The financial statements of ICBC Credit Suisse RMB Cash Fund (the "Sub-Fund"), a sub-fund of ICBC Credit Suisse Renminbi Series (the "Fund") set out on pages 7 to 29, which comprise:

- the statement of financial position as at 31 December 2016;
- the statement of comprehensive income for the period from 15 January 2016 (date of inception) to 31 December 2016;
- the statement of changes in net assets attributable to unitholders for the period from 15 January 2016 (date of inception) to 31 December 2016;
- the statement of cash flows for the period from 15 January 2016 (date of inception) to 31 December 2016; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2016, and of its financial transactions and cash flows for the period from 15 January 2016 (date of inception) to 31 December 2016 in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Sub-Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The Trustee and the Manager (the "Management") of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 ICBC CREDIT SUISSE RMB CASH FUND (CONTINUED)**
(A sub-fund of ICBC Credit Suisse Renminbi Series)

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed dated 16 September 2014, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF ICBC CREDIT SUISSE RMB CASH FUND (CONTINUED)**
(A sub-fund of ICBC Credit Suisse Renminbi Series)

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

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

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and the SFC Code

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 April 2017

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Note	2016 RMB
Current Assets		
Investments	4(b)	8,798,997
Interest receivable		115,461
Other receivables		7,558
Cash and cash equivalents	8(c)	11,490,265
		<hr/>
Total Assets		20,412,281
		<hr/>
Current Liabilities		
Other payables		236,372
		<hr/>
Total Liabilities		236,372
		<hr/> <hr/>
Net assets attributable to unitholders	3	20,175,909
		<hr/> <hr/>

On behalf of
HSBC Institutional Trust Services
(Asia) Limited
as the Trustee

On behalf of
ICBC Credit Suisse Asset
Management (International) Company
Limited
as the Manager

The notes on pages 11 to 29 are an integral part of these financial statements.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

STATEMENT OF COMPREHENSIVE INCOME

For the period from 15 January 2016 (date of inception) to 31 December 2016

	Note	Period from 15 January 2016 (date of inception) to 31 December 2016 RMB
Income		
Interest on bank deposits		189,027
Interest on investments		312,351
Net gains on investments	6	21,298
Net foreign currency losses		(1,085)
Total investment income		<u>521,591</u>
Expenses		
Trustee fee	8(b)	33,500
Registrar fees	8(b)	60,598
Audit fee		204,767
Other expenses		46,758
Total operating expenses		<u>345,623</u>
Profit before tax		175,968
Tax expense	7	(59)
Total comprehensive income		<u>175,909</u>

The notes on pages 11 to 29 are an integral part of these financial statements.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
For the period from 15 January 2016 (date of inception) to 31 December 2016

	Note	Period from 15 January 2016 (date of inception) to 31 December 2016 RMB
Net assets attributable to unitholders at the beginning of the period		- -----
Issue of units	3	40,131,436
Redemption of units	3	(20,064,131) -----
Net increase from unit transactions		20,067,305 -----
Total comprehensive income		175,909
Distributions to unitholders	10	(67,305) -----
Net assets attributable to unitholders at the end of the period		20,175,909 =====

The notes on pages 11 to 29 are an integral part of these financial statements.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

STATEMENT OF CASH FLOWS

For the period from 15 January 2016 (date of inception) to 31 December 2016

	Period from 15 January 2016 (date of inception) to 31 December 2016 RMB
Cash flows from operating activities	
Total comprehensive income	175,909
Adjustment for:	
Interest on investments	(312,351)
Interest on bank deposits	(189,027)
Withholding tax on interest income	59
Operating loss before working capital changes	<u>(325,410)</u>
Net increase in investments	(8,798,997)
Net increase in other receivables	(7,558)
Net increase in other payables	236,372
Cash used in operations	<u>(8,895,593)</u>
Interest on investments received	214,239
Interest on bank deposits received	171,678
Tax paid	(59)
Net cash used in operating activities	<u>(8,509,735)</u>
Cash flows from financing activities	-----
Proceeds from issue of units	40,131,436
Payments on redemption of units	(20,064,131)
Distributions paid	(67,305)
Net cash generated from financing activities	<u>20,000,000</u>
Net increase in cash and cash equivalents	----- 11,490,265
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u>11,490,265</u>
Analysis of balance of cash and cash equivalents	
Cash at banks	<u>11,490,265</u>

The notes on pages 11 to 29 are an integral part of these financial statements.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

1. General Information

ICBC Credit Suisse Renminbi Series (the “Fund”) is an open-ended unit trust established as an umbrella unit trust under the laws of Hong Kong by a trust deed dated 16 September 2014, as amended, (the “Trust Deed”) between ICBC Credit Suisse Asset Management (International) Company Limited as Manager (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited as Trustee (the “Trustee”).

The Fund and the Sub-Fund are authorised by the Securities and Futures Commission in Hong Kong under Section 104 of the Hong Kong Securities and Futures Ordinance.

The investment objective of the Sub-Fund is to provide investors with daily liquidity together with a higher investment return comparable to normal RMB denominated money market interest rates.

The Manager has obtained Renminbi Qualified Foreign Institutional Investor (“RQFII”) status from the China Securities Regulatory Commission (“CSRC”) and has been granted RQFII quota by the State Administration of Foreign Exchange (“SAFE”) of the PRC pursuant to the RQFII Regulations. The Sub-Fund utilises RQFII quota granted by SAFE to the Manager. The total amount of RQFII quota available to the Manager for use by public fund products under the Manager’s management is limited at any given time. The Manager has the flexibility to allocate such RQFII quota across different open-ended fund products under the Manager’s management from time to time. As such the Sub-Fund does not have exclusive use of and must rely on the Manager’s management and allocation of such RQFII quota. There can be no assurance that the Manager can obtain or allocate sufficient RQFII quota to the Sub-Fund to fully satisfy subscription requests.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

(a) Basis of preparation

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Trustee and Manager (collectively the “Management”) to exercise their judgement in the process of applying the Sub-Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

2. Summary of significant accounting policies (Continued)

(a) Basis of preparation (Continued)

New standards and amendments to standards that are relevant to the Sub-Fund but are not yet effective and have not been early adopted by the Sub-Fund

IFRS 9, “Financial instruments”, addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the “hedged ratio” to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Sub-Fund is yet to assess IFRS 9’s full impact.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Sub-Fund.

(b) Investments

(i) Classification

The Sub-Fund classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by the Management at fair value through profit or loss at inception. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Fund’s documented investment strategies. The Sub-Fund’s policies require the Management to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Recognition/derecognition

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

(iii) Measurement

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

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

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

2. Summary of significant accounting policies (Continued)

(b) Investments (Continued)

(iv) Fair value estimation

Investments are fair valued based on quoted market prices using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt makers at the close of trading on the reporting date.

Investments which are traded in the interbank markets (for example, unlisted debt securities) are fair valued by using the valuation provided by China Central Depository & Clearing Co., Ltd., a company jointly established by People's Bank of China and Ministry of Finance to undertake the function of centralised depository and settlement for the interbank bond market.

(v) Transfers between levels of the fair value hierarchy

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

(c) Income

Interest income is recognised on a time-proportionate basis using the effective interest method in the statement of comprehensive income for all interest bearing instruments. Other income is accounted for on an accrual basis.

The effective interest method is a method of calculating the amortised cost of an interest bearing asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial instrument. When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(d) Translation of foreign currencies

(i) Functional and presentation currencies

Items included in the Sub-Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The performance of the Sub-Fund is measured and reported to unitholders in Chinese Yuan Renminbi ("RMB"). The Manager considers RMB as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in RMB, which is the Sub-Fund's functional and presentation currency.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

2. Summary of significant accounting policies (Continued)

(d) Translation of foreign currencies (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the period end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within “net foreign currency gains/(losses)”.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net gains/(losses) on investments”.

(e) Expenses

Expenses are accounted for on an accrual basis.

(f) Redeemable units

The Sub-Fund has issued with Class X redeemable units which are redeemable at the holder’s option represents puttable financial instruments of the Sub-Fund. The Sub-Fund classifies its puttable financial instruments as equity in accordance with IAS 32 (Amendment), “Financial instruments: Presentation” as those puttable financial instruments meet all the following criteria:

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

Units are issued and redeemed at the holder’s option at prices based on the Sub-Fund’s net asset value per unit of the relevant class 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 with the total number of outstanding units.

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

(g) Amounts receivable from/payable to brokers

Amounts receivable from/payable to brokers represent receivables from investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the period end date respectively.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

2. Summary of significant accounting policies (Continued)

(h) Cash and cash equivalents

Cash and cash equivalents includes cash at banks and deposits held with banks with original maturities of three months or less.

(i) Taxation

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

(j) Distribution to unitholders

The Manager may in its discretion make distributions to unitholders out of income or capital (or partly out of income and partly out of capital) of the Sub-Fund at such times as the Manager considers appropriate. Distributions to unitholders are recognised when they are approved by the Manager.

(k) Establishment costs

Establishment costs are recognised as an expense in the period in which they are incurred. The establishment costs have been borne by the Manager.

3. Number of units in issue and net assets attributable to unitholders per unit

The Sub-Fund's capital is represented by "net assets attributable to unitholders" and is classified as equities in the statement of financial position. Subscriptions and redemptions of units during the period are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-Fund endeavors to invest its capital in accordance with the investment policies and risk management policies as outlined in note 4, whilst maintaining sufficient liquidity to meet redemption requests. Such liquidity is augmented by the holding of liquid investments. During the period from 15 January 2016 (date of inception) to 31 December 2016, the Sub-Fund issued two classes of units: Class X and Class Z, where Class X is Accumulation Class and Class Z is Distribution Class. As at the period end, the Sub-Fund has one class of units: Class X.

	Period from 15 January 2016 (date of inception) to 31 December 2016 Class X Units	Period from 15 January 2016 (date of inception) to 31 December 2016 Class Z Units
Units in issue at the beginning of period	-	-
Issue of units	20,067,870	20,000,000
Reinvestment of units	-	63,565
Redemption of units	-	(20,063,565)
Units in issue at the end of period	<u>20,067,870</u>	<u>-</u>
	RMB	
Net asset value per unit as at 31 December 2016	<u>1.01</u>	

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management

(a) Financial risk factors

The investment objective of the Sub-Fund is to provide investors with daily liquidity together with a higher investment return comparable to normal RMB denominated money market interest rates.

The Sub-Fund seeks to achieve its investment objective by investing not less than 80% of its net asset value in a broad range of short term high liquidity RMB denominated and settled short term debt instruments including bonds (which can be fixed or floating rate), commercial paper, treasury bills and other short term bills and notes issued or distributed within mainland China by Chinese government (including state, provincial and local governments), quasi-government organizations (including policy banks), banks, financial institutions and other corporation which are traded on the interbank bond market and/or the exchange traded bond markets in mainland China, through the RQFII quota of the Manager.

With effect from 11 July 2016, the Sub-Fund may invest up to 100% of its Net Asset Value in RMB denominated and settled short term debt instruments issued or distributed within mainland China by Chinese government (including state, provincial and local governments), quasi-government organizations (including policy banks), banks, financial institutions and other corporation which are traded on the interbank bond market and/or the exchange traded bond markets in mainland China, through the RQFII quota of the Manager.

The Sub-Fund may also invest up to 60% of its Net Asset Value in RMB denominated and settled short term debt instruments and/or RMB denominated cash and cash equivalents issued outside mainland China.

The Sub-Fund is exposed to market price risk, cash flow and fair value interest rate risk, credit and custody risk, liquidity risk and currency risk.

The risks and the respective risk management policies employed by the Sub-Fund to manage these risks are discussed below.

(b) Market price risk

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

All investments present a risk of loss of capital. The Sub-Fund's market price risk is managed through deliberate securities selection and diversification of the investment portfolio.

At the end of the reporting date, the overall market exposures were as follows:

	2016	
	Fair value RMB	Cost RMB
Debt securities	8,798,997	8,796,680

As the Sub-Fund mainly invests in debt securities, the sensitivity analysis of market price risk is disclosed in the interest rate sensitivity analysis in note 4(c) below.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(b) Market price risk (Continued)

Net market exposures

The following table shows the net market exposure the Sub-Fund has to the market, incorporating the underlying market risk through all financial assets and liabilities held by the Sub-Fund. Market below represents where the holding company/head office of the issuer predominately domiciles/operates.

	2016 RMB equivalent
Markets exposed to	
China	8,798,997

The following table shows the net exposures to sectors as at 31 December:

	2016 % of net asset value
Sectors exposed to	
Financial Services	24.78
Power Generation	18.83
	<hr/> 43.61 <hr/>

As at 31 December 2016, the Sub-Fund has concentrated position in the money market instrument issued by Guotai Junan Securities with aggregated market value of RMB 4,999,225, representing 24.78% of the Sub-Fund's net asset value.

(c) Cash flow and fair value 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.

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of interest-bearing assets and liabilities and future cash flow. The Sub-Fund holds bonds that expose the Sub-Fund to fair value interest rate risk. The Sub-Fund also holds cash and cash equivalents that expose the Sub-Fund to cash flow interest rate risk.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(c) Cash flow and fair value interest rate risk (Continued)

The table below summarises the Sub-Fund's exposure to interest rate risks. It includes the Sub-Fund's financial assets and liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

At 31 December 2016

	Up to 1 year RMB	1-5 years RMB	Over 5 years RMB	Non- interest bearing RMB	Total RMB
Assets					
Investments	8,798,997	-	-	-	8,798,997
Other assets	-	-	-	123,019	123,019
Cash and cash equivalents	11,490,265	-	-	-	11,490,265
	<u>20,289,262</u>	<u>-</u>	<u>-</u>	<u>123,019</u>	<u>20,412,281</u>
Liabilities					
Other liabilities	-	-	-	236,372	236,372
	<u>-</u>	<u>-</u>	<u>-</u>	<u>236,372</u>	<u>236,372</u>
Total interest sensitivity gap	<u>20,289,262</u>	<u>-</u>	<u>-</u>		

The majority of the Sub-Fund's interest rate exposure on debt instruments are RMB denominated. Interest rate exposures are expressed in terms of rate of weighted modified duration. The Manager monitors the interest rate risks by quantifying market exposure in duration terms. Beta adjusted weighted modified duration is the modified duration multiplied by the allocation of net asset value and a sensitivity factor (beta).

At 31 December 2016, should interest rates have lowered/risen by 25 basis points with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the period would amount to approximately RMB1,181, arising substantially from the increase/decrease in market values of debt securities.

(d) Credit and custody risk

The Sub-Fund is exposed to credit risk which is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(d) Credit and custody risk (Continued)

The Sub-Fund's financial assets which are potentially subject to concentration of credit risk consist of cash and cash equivalents and assets held with custodian and its delegate. The table below summarises the net exposure to the Sub-Fund's counterparties as at 31 December 2016 together with their credit ratings:

At 31 December 2016

	RMB	Credit rating	Source of credit rating
<u>Investments</u>			
HSBC Bank (China) Company Limited	8,798,997	A1	Moody's
<u>Cash and cash equivalents</u>			
ANZ Bank, Hong Kong	4,041,336	A-1+	S&P
China Construction Bank (Asia) Corporation Limited, Hong Kong	3,216,551	A-1	S&P
HSBC Bank (China) Company Limited	134,134	A1	Moody's
Shanghai Commercial Bank Limited	4,032,987	P-1	Moody's
The Hongkong and Shanghai Banking Corporation Limited	65,257	A-1+	S&P

As the Sub-Fund holds debt securities, it is also exposed to risk that the issuers may not be able to repay the principal amount at maturity and interest. The credit risk is mitigated as the debt securities held are subject to the requirements of (i) maximum holding of 10% of net asset value for any single issuer and/or (ii) maximum holding of 30% of net asset value for Government and other public securities of the same issue.

The table below summarises the credit rating of the investment portfolio categorised by the rating agencies:

Portfolio by rating category of bonds:

Rating	2016 % of net asset value
China Chengxin Security Rating Co., Ltd AAA	34.19%
Dagong Global Credit Rating Co., Ltd AAA	9.42%
Total	43.61%

None of the assets is impaired nor past due but not impaired.

The maximum exposure to credit risk at period end is the carrying amount of the financial assets as shown on the statement of financial position.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(d) Credit and custody risk (Continued)

The Sub-Fund is exposed to the credit risk of issuers of the RMB denominated short term debt instruments it invests in as an unsecured creditor. Such securities are typically unsecured obligations and are not supported by collateral. The Sub-Fund's investment is also subject to the risk that issuers may not make timely payments on principal and/or interests of the debt instruments they issue and the Sub-Fund may encounter difficulties or delays in liquidating its position or enforcing its rights against such issuers as they may be incorporated outside Hong Kong.

(e) Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations as they fall due, including a redemption request.

The Sub-Fund is exposed to daily cash redemptions of units in the Sub-Fund. The Sub-Fund may invest in debt instruments which are not listed. Even if the debt instruments are listed, the market for such securities may be inactive. The Sub-Fund is therefore subject to liquidity risks and may suffer losses in trading such instruments.

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

	Less than 1 month RMB	1-3 months RMB	Over 3 months RMB
At 31 December 2016			
Other payables	-	9,120	227,252
	<hr/>	<hr/>	<hr/>
Contractual cash outflow	-	9,120	227,252
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Units are redeemed on demand at the unitholders' option. As at 31 December 2016, there was one unitholder holding more than 10% of the Sub-Fund's units.

The Sub-Fund manages its liquidity risk by investing predominantly in debt securities that it expects to be able to liquidate within 7 days or less. The following table illustrates the expected liquidity of the current assets held:

	Less than 7 days RMB	7 days to less than 1 month RMB	1-3 months RMB
At 31 December 2016			
Total current assets	8,998,388	-	11,413,893
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(f) Currency risk

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

The Sub-Fund has liabilities denominated in currency other than RMB, the functional and presentation currency. The Sub-Fund is therefore exposed to currency risk, as the value of the assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates.

The table below summarises the Sub-Fund's monetary and non-monetary exposures to different major currencies as at 31 December 2016:

	2016 RMB equivalents
Hong Kong Dollar Monetary	(453)

The Sub-Fund holds monetary assets and liabilities which are mainly denominated in RMB. The Manager considers that there is no significant exposure to currency risk and hence sensitivity analysis is not presented.

(g) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the period end date. The Sub-Fund used the last traded market price as its fair valuation inputs for both financial assets and financial liabilities.

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

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

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

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 that the entity can access at the measurement date (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (Level 2).
- Inputs for the asset or liability that are unobservable inputs (Level 3).

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(g) Fair value estimation (Continued)

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

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

The following table analyses within the fair value hierarchy the Sub-Fund’s investments (by class) measured at fair value as at 31 December 2016:

At 31 December 2016

	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Assets				
Financial assets at fair value through profit or loss				
- Debt securities	-	8,798,997	-	8,798,997
Total assets	-	8,798,997	-	8,798,997

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed debt securities.

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, such as unlisted bonds and inactive listed bonds. The investments in unlisted RMB denominated bonds are valued with reference to valuation provided by professional person approved by the Trustee. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect liquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As of 31 December 2016, the Sub-Fund did not hold any investments classified in level 3.

For the period ended 31 December 2016, there were no transfers between levels.

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

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

4. Financial risk management (Continued)

(h) Financial instruments by category

Apart from investments as disclosed in the statement of financial position which are classified as financial assets at fair value through profit or loss, all other financial assets as disclosed in the statement of financial position, including interest receivable and cash and cash equivalents, are categorised as “loans and receivables”.

All liabilities as disclosed in the statement of financial position is categorised as “other financial liabilities”.

(i) Capital risk management

The capital of the Sub-Fund 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 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 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.

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

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Sub-Fund.

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

5. Critical accounting estimates and judgements

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

People’s Republic of China (“PRC”) taxation

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

There are currently no specific tax rules or regulations on the capital gains derived by foreign investors (including QFII/RQFII) from the disposal of debt securities (“PRC Investments”). Under the general tax provision of PRC Corporate Income Tax Law (“PRC CIT Law”), the non-PRC residents with no place of effective management, establishment or place of business in the PRC may be subject to 10% PRC withholding income tax (“WIT”) on the PRC-sourced income, unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

In addition, the non-PRC residents with interest income derived from the debt securities will be subject to 10% withholding interest income tax. Pursuant to the PRC CIT Law, debt securities issuers in PRC are obligated to withhold the 10% interest income tax for those foreign debt securities holders who are subject to the interest income tax in the PRC. However, interest income derived from government bonds issued by the State Council’s finance departments and/or local government bonds approved by the State Council is exempt from PRC WIT under the PRC CIT Law.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

5. Critical accounting estimates and judgements (Continued)

(a) Capital gains on PRC Investments

During the period ended 31 December 2016, the Sub-Fund invests in PRC Investments through the RQFII program. The Manager considers that the enforcement of PRC tax on gains derived from the PRC Investments is uncertain as at the date of approval of these financial statements and has exercised its judgment when assessing whether the Sub-Fund may be liable for PRC taxation on its gains, the amount of potential liability and the probability of such tax being levied up to the reporting date. However, significant uncertainties exist and estimation of the Manager may substantially differ from the actual events. The Manager considers that its estimation may be impacted by any future clarification by the PRC State Administration of Taxation (“SAT”) and the applicability of the arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “Arrangement”), which may be materially different from what the Manager envisioned.

(b) Interest income on PRC Investments

The Manager considers that the enforcement of PRC withholding tax on interest income arising from debt securities is uncertain as at the date of approval of these financial statements. The Manager has exercised significant judgement in their assessment of the PRC withholding tax expense and the related tax provision.

For the debt securities disposed of during the period, the Manager has not made provision on the accrued interest income during the period and as at the reporting date as they consider that:

- (i) the issuers of debt securities are required to withhold 10% interest income tax at the coupon payment date before distributing the interest income to the bond holders; and
- (ii) the Manager has sold the debt securities before the coupon payment dates or the maturity dates of the debt securities.

6. Net gains on investments

	Period from 15 January 2016 (date of inception) to 31 December 2016 RMB
Change in unrealised gains/losses on investments	2,317
Realised gain on investments	18,981
	<hr/>
	21,298
	<hr/> <hr/>

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

7. Taxation

Hong Kong Profits Tax

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

PRC Withholding Tax

For the period ended 31 December 2016, the Sub-Fund had invested in RMB denominated debt securities in the PRC. Withholding tax was charged on interest income received from banks during the period. Refer to note 5 for details.

The taxation of the Sub-Fund for the period from 15 January 2016 (date of inception) to 31 December 2016 represents:

	Period from 15 January 2016 (date of inception) to 31 December 2016 RMB
Withholding tax on interest income from banks	59
Tax expense	59

8. Transactions with related parties including Trustee and its affiliates and the Manager and its Connected Persons

The following is a summary of significant related party transactions/transactions entered into during the period between the Sub-Fund and the Trustee and its affiliates and the Manager and its Connected Persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong. All transactions entered into during the period ended 31 December 2016 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 significant transactions with related parties except for those disclosed below.

(a) Management fee

Unitholders of Classes Z and X Units are subject to a separate management fee payable to the Manager or its affiliate under the relevant investment management agreement between such Unitholder and the Manager or its affiliate.

For the period from 15 January 2016 (date of inception) to 31 December 2016, no management fee has been charged by the manager on Class Z and X units, since the manager has decided not to charge management fee on these two classes at manager discretion.

(b) Trustee fee

HSBC Institutional Trust Services (Asia) Limited, the Trustee, is entitled to receive a trustee fee, which is accrued at each valuation day, payable monthly in arrears. The trustee fee is calculated as a percentage per annum of the net asset value of the Sub-Fund, at the rate as follows, subject to a monthly minimum of RMB40,000 and maximum of 2% per annum:

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

8. Transactions with related parties including Trustee and its affiliates and the Manager and its Connected Persons (Continued)

(b) Trustee fee (Continued)

	Trustee fee % per annum
For first RMB2 billion	0.175%
For next RMB6 billion	0.155%
For next RMB6 billion	0.1325%
For next RMB6 billion	0.10%
For next RMB10 billion	0.08%
Thereafter	0.06%

The Trustee fee is inclusive of fees payable to the Custodian and the PRC Custodian.

The Trustee is also entitled to receive a fee for acting as Registrar. It is also entitled to receive various transaction, processing, valuation fees and other applicable fees as agreed with the Manager from time to time and to be reimbursed by the Sub-Fund for all out-of-pocket expenses (including sub-custody fees and expenses) properly incurred by it in the performance of its duties.

For the period from 15 January 2016 (date of inception) to 31 December 2016, the Trustee was entitled to a trustee fee of RMB458,065, of which RMB33,500 is borne by the Fund and the remaining is borne by the Manager. At 31 December 2016, a trustee fee of RMB2,988 was payable to the Trustee.

For the period from 15 January 2016 (date of inception) to 31 December 2016, the Registrar was entitled to registrar fees of RMB60,598. At 31 December 2016, a registrar fees of RMB1,652 was payable to the Registrar.

(c) Bank balances and investment balances

The following bank and investment balances of the Sub-Fund were held with the PRC Custodian and its delegate which are related parties of the Trustee. Refer to note 4(d).

	31 December 2016 RMB
<u>Bank balances with:</u>	
HSBC Bank (China) Company Limited	134,134
The Hongkong and Shanghai Banking Corporation Limited	65,257
	<u>199,391</u>
<u>Investment balances with:</u>	
HSBC Bank (China) Company Limited	8,798,997
	<u>8,798,997</u>

(d) Interest income

During the period from 15 January 2016 (date of inception) to 31 December 2016, the interest income derived from bank balances are as follows:

	Period from 15 January 2016 (date of inception) to 31 December 2016
HSBC Bank (China) Company Limited	586
The Hongkong and Shanghai Banking Corporation Limited	8
	<u>594</u>

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

8. Transactions with related parties including Trustee and its affiliates and the Manager and its Connected Persons (Continued)

(e) Unitholders

As at 31 December 2016, the total units of Class X being 20,067,870 were held by the Manager.

(f) Establishment costs

The establishment costs of the Sub-Fund have been borne by the Manager.

9. Soft commission arrangements

The Manager confirms that there were no soft commission arrangements existing during the period from 15 January 2016 (date of inception) to 31 December 2016 in relation to directing transactions of the Sub-Fund through a broker or dealer.

10. Distributions

Class Z

Record date	Payment date	No. of units entitled distributions	Distribution per unit	Distribution amount
			RMB	RMB
15-Jan-16	15-Feb-16	20,000,000.00	0.00003417	683.40
18-Jan-16	15-Feb-16	20,000,000.00	0.00003886	777.20
19-Jan-16	15-Feb-16	20,000,000.00	0.00003879	775.80
20-Jan-16	15-Feb-16	20,000,000.00	0.00003883	776.60
21-Jan-16	15-Feb-16	20,000,000.00	0.00003874	774.80
22-Jan-16	15-Feb-16	20,000,000.00	0.00010633	2,126.60
25-Jan-16	15-Feb-16	20,000,000.00	0.00003329	665.80
26-Jan-16	15-Feb-16	20,000,000.00	0.00003349	669.80
27-Jan-16	15-Feb-16	20,000,000.00	0.00003338	667.60
28-Jan-16	15-Feb-16	20,000,000.00	0.00003311	662.20
29-Jan-16	15-Feb-16	20,000,000.00	0.00010340	2,068.00
01-Feb-16	15-Feb-16	20,000,000.00	0.00003562	712.40
02-Feb-16	15-Feb-16	20,000,000.00	0.00002401	480.20
03-Feb-16	15-Feb-16	20,000,000.00	0.00002529	505.80
04-Feb-16	15-Feb-16	20,000,000.00	0.00002717	543.40
05-Feb-16	15-Mar-16	20,000,000.00	0.00025319	5,063.80
15-Feb-16	15-Mar-16	20,012,889.60	0.00002667	533.74
16-Feb-16	15-Mar-16	20,012,889.60	0.00002176	435.48
17-Feb-16	15-Mar-16	20,012,889.60	0.00002531	506.53
18-Feb-16	15-Mar-16	20,012,889.60	0.00002473	494.92
19-Feb-16	15-Mar-16	20,012,889.60	0.00007438	1,488.56
22-Feb-16	15-Mar-16	20,012,889.60	0.00002481	496.52
23-Feb-16	15-Mar-16	20,012,889.60	0.00002373	474.91
24-Feb-16	15-Mar-16	20,012,889.60	0.00002568	513.93
25-Feb-16	15-Mar-16	20,012,889.60	0.00003127	625.80
26-Feb-16	15-Mar-16	20,012,889.60	0.00008951	1,791.35
29-Feb-16	15-Mar-16	20,012,889.60	0.00003134	627.20
01-Mar-16	15-Mar-16	20,012,889.60	0.00003232	646.82
02-Mar-16	15-Mar-16	20,012,889.60	0.00003226	645.62
03-Mar-16	15-Mar-16	20,012,889.60	0.00003455	691.45
04-Mar-16	15-Mar-16	20,012,889.60	0.00010017	2,004.69
07-Mar-16	15-Mar-16	20,012,889.60	0.00002955	591.38

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

10. Distributions (Continued)

Class Z (Continued)

Record date	Payment date	No. of units entitled distributions	Distribution per unit	Distribution amount
			RMB	RMB
08-Mar-16	15-Mar-16	20,012,889.60	0.00003109	622.20
09-Mar-16	15-Mar-16	20,012,889.60	0.00003172	634.81
10-Mar-16	15-Mar-16	20,012,889.60	0.00003336	667.63
11-Mar-16	15-Mar-16	20,012,889.60	0.00009736	1,948.45
14-Mar-16	15-Apr-16	20,012,889.60	0.00002692	538.75
15-Mar-16	15-Apr-16	20,034,395.39	0.00002718	544.53
16-Mar-16	15-Apr-16	20,034,395.39	0.00003423	685.78
17-Mar-16	15-Apr-16	20,034,395.39	0.00003501	701.40
18-Mar-16	15-Apr-16	20,034,395.39	0.00005953	1,192.65
21-Mar-16	15-Apr-16	20,034,395.39	0.00002543	509.47
22-Mar-16	15-Apr-16	20,034,395.39	0.00002908	582.60
23-Mar-16	15-Apr-16	20,034,395.39	0.00000686	137.44
24-Mar-16	15-Apr-16	20,034,395.39	0.00007678	1,538.24
29-Mar-16	15-Apr-16	20,034,395.39	0.00002127	426.13
30-Mar-16	15-Apr-16	20,034,395.39	0.00001810	362.62
31-Mar-16	15-Apr-16	20,034,395.39	0.00001871	374.84
01-Apr-16	15-Apr-16	20,034,395.39	0.00005513	1,104.50
05-Apr-16	15-Apr-16	20,034,395.39	0.00001246	249.63
06-Apr-16	15-Apr-16	20,034,395.39	0.00002120	424.73
07-Apr-16	15-Apr-16	20,034,395.39	0.00001191	238.61
08-Apr-16	15-Apr-16	20,034,395.39	0.00004970	995.71
11-Apr-16	15-Apr-16	20,034,395.39	0.00001784	357.41
12-Apr-16	15-Apr-16	20,034,395.39	0.00001477	295.91
13-Apr-16	15-Apr-16	20,034,395.39	0.00000911	182.51
14-Apr-16	16-May-16	20,034,395.39	0.00001563	313.14
15-Apr-16	16-May-16	20,045,838.85	0.00004888	979.84
18-Apr-16	16-May-16	20,045,838.85	0.00001741	349.00
19-Apr-16	16-May-16	20,045,838.85	0.00001991	399.11
20-Apr-16	16-May-16	20,045,838.85	0.00000988	198.05
21-Apr-16	16-May-16	20,045,838.85	0.00001481	296.88
22-Apr-16	16-May-16	20,045,838.85	0.00003368	675.14
25-Apr-16	16-May-16	20,045,838.85	0.00001778	356.42
26-Apr-16	16-May-16	20,045,838.85	0.00001672	335.17
27-Apr-16	16-May-16	20,045,838.85	0.00001125	225.52
28-Apr-16	16-May-16	20,045,838.85	0.00002594	519.99
29-Apr-16	16-May-16	20,045,838.85	0.00006224	1,247.65
03-May-16	16-May-16	20,045,838.85	0.00000548	109.85
04-May-16	16-May-16	20,045,838.85	0.00000924	185.22
05-May-16	16-May-16	20,045,838.85	0.00001364	273.43
06-May-16	16-May-16	20,045,838.85	0.00002625	526.20
09-May-16	16-May-16	20,045,838.85	0.00000736	147.54
10-May-16	16-May-16	20,045,838.85	0.00001712	343.18
11-May-16	16-May-16	20,045,838.85	0.00001865	373.85
12-May-16	16-May-16	20,045,838.85	0.00000666	133.51
13-May-16	15-Jun-16	20,045,838.85	0.00004097	821.28
16-May-16	15-Jun-16	20,053,827.54	0.00002137	428.55

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

For the period from 15 January 2016 (date of inception) to 31 December 2016

10. Distributions (Continued)

Class Z (Continued)

Record date	Payment date	No. of units entitled distributions	Distribution per unit	Distribution amount
			RMB	RMB
17-May-16	15-Jun-16	20,053,827.54	0.00001296	259.90
18-May-16	15-Jun-16	20,053,827.54	0.00000563	112.90
19-May-16	15-Jun-16	20,053,827.54	0.00001912	383.43
20-May-16	15-Jun-16	20,053,827.54	0.00004822	967.00
23-May-16	15-Jun-16	20,053,827.54	0.00001267	254.08
24-May-16	15-Jun-16	20,053,827.54	0.00000934	187.30
25-May-16	15-Jun-16	20,053,827.54	0.00001749	350.74
26-May-16	15-Jun-16	20,053,827.54	0.00002686	538.65
27-May-16	15-Jun-16	20,053,827.54	0.00003998	801.75
30-May-16	15-Jun-16	20,053,827.54	0.00001310	262.71
31-May-16	15-Jun-16	20,053,827.54	0.00001645	329.89
01-Jun-16	15-Jun-16	20,053,827.54	0.00001808	362.57
02-Jun-16	15-Jun-16	20,053,827.54	0.00001244	249.47
03-Jun-16	15-Jun-16	20,053,827.54	0.00006894	1,382.51
06-Jun-16	15-Jun-16	20,053,827.54	0.00000522	104.68
07-Jun-16	15-Jun-16	20,053,827.54	0.00001565	313.84
08-Jun-16	15-Jun-16	20,053,827.54	0.00006212	1,245.74
13-Jun-16	15-Jun-16	20,053,827.54	0.00001898	380.62
14-Jun-16	30-Jun-16	20,053,827.54	0.00000889	178.35
15-Jun-16	30-Jun-16	20,063,565.15	0.00002712	544.28
16-Jun-16	30-Jun-16	20,063,565.15	0.00001542	309.45
17-Jun-16	30-Jun-16	20,063,565.15	0.00005413	1,086.10
20-Jun-16	30-Jun-16	20,063,565.15	0.00001628	326.67
21-Jun-16	30-Jun-16	20,063,565.15	0.00000965	193.64
22-Jun-16	30-Jun-16	20,063,565.15	0.00002540	509.67
23-Jun-16	30-Jun-16	20,063,565.15	0.00000678	136.07
24-Jun-16	30-Jun-16	20,063,565.15	0.00000904	181.44
27-Jun-16	30-Jun-16	20,063,565.15	0.00000008	1.64
28-Jun-16	30-Jun-16	20,063,565.15	0.00001357	272.30
				67,304.76

11. Approval of financial statements

The financial statements were approved by the Trustee and the Manager on 27 April 2017.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2016

	Nominal Value RMB	Fair Value RMB	% of Net Assets
Money market instruments quoted in the China interbank bond market			
GD POWER DEVELOPMENT CO 2.75% CP 06JAN2017	1,900,000	1,899,958	9.42%
GUOTAI JUNAN SECURITIES 2.9% CP 26JAN2017	5,000,000	4,999,225	24.78%
HUANENG POWER INTERNATIONAL INC 2.62% 17JAN2017	1,900,000	<u>1,899,814</u>	<u>9.41%</u>
TOTAL INVESTMENTS AT FAIR VALUE*		<u><u>8,798,997</u></u>	<u><u>43.61%</u></u>
TOTAL INVESTMENTS, AT PURCHASE COST*		<u><u>8,796,680</u></u>	

* Investments are accounted for on a trade date basis.

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND

MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the period from 15 January 2016 (date of inception) to 31 December 2016

	Nominal Value (RMB)			31 December 2016
	15 January 2016 (date of inception)	Additions	Deductions	
Money market instruments quoted in the China interbank bond market				
CHINA SECURITIES CO 2.63% CP 03JUN2016	-	5,000,000	(5,000,000)	-
CHINA TREASURY BILL 0% 06JUN2016	-	6,000,000	(6,000,000)	-
CHINA TREASURY BILL 0% 07NOV2016	-	6,000,000	(6,000,000)	-
CHINA TREASURY BILL 0% 11JUL2016	-	5,200,000	(5,200,000)	-
CHINA TREASURY BILL 0% 14MAR2016	-	6,000,000	(6,000,000)	-
CHINA TREASURY BILL 0% 22AUG2016	-	6,000,000	(6,000,000)	-
CHINA TREASURY BILL 0% 28MAR2016	-	5,000,000	(5,000,000)	-
CHINA TREASURY BILL 0% 30MAY2016	-	5,200,000	(5,200,000)	-
CITIC SECURITIES CO LTD 2.83% 24AUG2016	-	5,000,000	(5,000,000)	-
GD POWER DEVELOPMENT CO 2.75% CP 06JAN2017	-	1,900,000	-	1,900,000
GUOTAI JUNAN SECURITIES 2.48% CP 13APR2016	-	5,000,000	(5,000,000)	-
GUOTAI JUNAN SECURITIES 2.64% CP 02DEC2016	-	5,000,000	(5,000,000)	-
GUOTAI JUNAN SECURITIES 2.65% 29SEP2016	-	5,000,000	(5,000,000)	-
GUOTAI JUNAN SECURITIES 2.9% CP 26JAN2017	-	5,000,000	-	5,000,000
HUANENG POWER INTERNATIONAL INC 2.62% 17JAN2017	-	1,900,000	-	1,900,000
INDUSTRIAL SECURITIES 2.71% CP 28OCT2016	-	5,000,000	(5,000,000)	-

ICBC CREDIT SUISSE RENMINBI SERIES - ICBC CREDIT SUISSE RMB CASH FUND**PERFORMANCE TABLE (UNAUDITED)****For the period from 15 January 2016 (date of inception) to 31 December 2016**

Net asset value

	Total net asset value RMB	Net asset value per unit RMB
At the end of financial period dated 31 December 2016		
- Class X	20,175,909	1.01

Highest and lowest net asset value per unit since inception

	Highest issue price per unit RMB	Lowest redemption price per unit RMB
Financial period ended 31 December 2016		
- Class X (Since 1 July 2016 to 31 December 2016)	1.01	1.00
- Class Z (Since inception to 30 June 2016)	1.00	1.00