
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023



**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

MANAGEMENT AND ADMINISTRATION

Directors of the Manager

Mr. Tan Xiaogang
Mr. Xiao Jian
Mr. Wen Zhimin (resigned on 31 March 2023)
Mr. Yao Yudong
Ms. Zhao Bing
Ms. Wu Ping

Manager

Da Cheng International Asset Management
Company Limited
Suites 3516 - 3519,
Jardine House,
1 Connaught Place,
Central, Hong Kong

Custodian

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

Auditor

PricewaterhouseCoopers
22/F, Prince's Building,
Central,
Hong Kong

Trustee and Registrar

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

Legal Counsel to the Manager

Simmons & Simmons
30/F, One Taikoo Place,
979 King's Road,
Hong Kong

**DA CHENG MONEY MARKET FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
REPORT OF THE MANAGER
Fund Performance

Da Cheng China Money Market Fund (the “Sub-Fund”) seeks to achieve a return in US Dollars in line with a combination RMB, HKD and US Dollars money market rates, with primary considerations of both capital security and liquidity. As of 31 December 2023, the Sub-Fund aggregates a total net asset size of approximately USD407,886,932.

A summary of the performance of the Sub-Fund is set out below (as at 31 December 2023).

| | 2023 | Since inception |
|---|-------|---------------------------|
| Da Cheng Money Market Fund - USD Class A NAV-to-NAV return | 5.34% | 9.96% (from 5 Sep 2019) |
| Da Cheng Money Market Fund - HKD Class A NAV-to-NAV return | 5.55% | 9.71% (from 15 Jan 2020) |
| Da Cheng Money Market Fund - USD Class I NAV-to-NAV return | 5.39% | 11.90% (from 15 Feb 2019) |
| Da Cheng Money Market Fund - USD Class P NAV-to-NAV return | 4.81% | 9.08% (from 10 May 2019) |
| Da Cheng Money Market Fund - HKD Class P (Hedged) NAV-to-NAV return | 3.59% | 6.59% (from 20 Mar 2020) |
| Da Cheng Money Market Fund - USD Class M NAV-to-NAV return | 5.44% | 11.18% (from 11 Jun 2019) |
| Da Cheng Money Market Fund - HKD Class I NAV-to-NAV return | 5.69% | 6.15% (from 21 Sep 2022) |
| Da Cheng Money Market Fund - HKD Class M NAV-to-NAV return | 5.66% | 5.69% (from 2 Nov 2022) |
| Da Cheng Money Market Fund - RMB Class A NAV-to-NAV return | 1.02% | 1.02% (from 24 Jul 2023) |
| Da Cheng Money Market Fund - RMB Class A (Hedged) NAV-to-NAV return | 0.65% | 0.65% (from 24 Jul 2023) |

Source: Da Cheng International Asset Management Limited, Bloomberg
 The performance of the Sub-Fund is not referenced to pre-determined benchmarks.

Market Overview

With the announcement of the outcome of the FOMC regularly scheduled meeting in December 2023, the federal funds rate remained unchanged at 5.25% to 5.50%. The market started to expect the dollar risk-free rate reached peak in 2023 and expected a rate cut starts in 2024. Looking back to 2023, the Fed had raised FED fund rates four times to lower the inflation. The inflation level in US fell big as it was driven by the relatively high level interest rates in the US. By the end of 2023, the CPI in the United States dropped to 3.4% YOY and 0.3% MOM, which had made substantial progress in fighting high inflation. The USD money market continued to benefit from the high interest rate level of the dollar in 2023, provided relatively attractive returns throughout the year, a more than 5% annualized return level.

The performance of the US stock market in 2023 benefited from the strong US domestic economic conditions, the performances were still bright. Despite multiple shocks, including the impact of uncertain Federal Reserve decisions, the threat of recession, and the Silicon Valley banking crisis, 2023 was still a strong year for the US stock market - the Nasdaq Composite had its best performance since 2020, it soared 43.42% for the year, and the S&P 500 staged a strong rebound in 2023, gaining 24.23%. We still saw a great demand of USD assets in the market.



**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORT OF THE MANAGER (CONTINUED)

Outlook

With the U.S. Federal Reserve holding rates steady, it is likely that the interest rate might reach peak in 2024, market is now started to focus on when to start the cut rates in 2024, and how many times it will be. But we think “high for longer” is still the market's more objective forecast, mainly because the FOMC's minutes stated that "it was critical that the stance of monetary policy be kept sufficiently restrictive to return inflation to the Committee's 2 percent objective over time", since US economic data remains resilient, Inflation slow to 3.4% YOY , but there is still “a ways away” the FED's 2% target. The High-level interest rates will have a longer impact on earnings for US domestic companies. Companies may need to reassess existing funding strategies. While for China, a relatively loose domestic macro environment, Chinese issuers will have more financing advantages than domestic enterprises in the US. To some extent, we are still optimistic that Chinese issuers will have better risk-reward in 2024.

A 3-4 times rate cuts may be in 2024 which brings the short-term interest rates market back to the end of 2022 level, which is still relatively high in 15 years. So in 2024, the USD money market might still be able to provide a 4% above return.

For and on behalf of
Da Cheng International Asset Management Company Limited

26 April 2024



**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORT OF THE TRUSTEE

We hereby confirm that, in our opinion, the Manager of Da Cheng Money Market Fund (a sub-fund of DCI Investment Trust, the “Sub-Fund”) has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 30 December 2011, as amended or supplemented from time to time, for the year ended 31 December 2023.

For and on behalf of
BOCI-Prudential Trustee Limited

26 April 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Da Cheng Money Market Fund (the "Sub-Fund"), a sub-fund of DCI Investment Trust, which are set out on pages 8 to 36, comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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 2023, and of its financial transactions and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "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 DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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 IFRS Accounting Standards, 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 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 Management either intends to liquidate the Sub-Fund or to cease operations, or has 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 30 December 2011, 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 Appendix E of 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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

- 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.

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 Appendix E of the SFC Code

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 April 2024

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

| | Notes | 2023 USD | 2022 USD |
|--|----------|--------------------|--------------------|
| Assets | | | |
| Current assets | | | |
| Investments | 3.1, 3.4 | 108,777,206 | 21,986,682 |
| Derivatives | 3.1, 10 | 165,192 | 17 |
| Interest receivable | | 2,608,165 | 1,728,537 |
| Fixed deposits | 3.4 | 17,000,000 | 146,971,627 |
| Cash and cash equivalents | 3.4, 7.3 | 279,490,723 | 175,966,738 |
| Total assets | | <u>408,041,286</u> | <u>346,653,601</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Derivatives | 3.1, 10 | 10,225 | 32,548 |
| Management fee payable | 7.1 | 89,236 | 69,211 |
| Trustee fee payable | 7.2 | 27,369 | 21,065 |
| Accrued expenses and other payables | | 27,524 | 16,971 |
| Total liabilities (excluding net assets attributable to unitholders) | | <u>154,354</u> | <u>139,795</u> |
| Net assets attributable to unitholders (in accordance with IFRS Accounting Standards) | 6 | 407,886,932 | 346,513,806 |
| Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders | 6 | - | 7,391 |
| Net assets attributable to unitholders (in accordance with the Sub-Fund's explanatory memorandum) | 6 | <u>407,886,932</u> | <u>346,521,197</u> |

On behalf of
BOCI-Prudential Trustee Limited

On behalf of
Da Cheng International Asset Management
Company Limited

Authorised Signatory

Authorised Signatory

Director

The notes on pages 14 to 36 form an integral part of these financial statements.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Notes | 2023 USD | 2022 USD |
|---|-------|---------------------|---------------------|
| Income | | | |
| Interest income from bank deposits | 7.3 | 14,970,932 | 4,793,598 |
| Interest income from investments | | 1,514,648 | 105,043 |
| Net gain/loss on investments and derivatives | 5 | 882,141 | 195,591 |
| Net foreign exchange gains/(losses) | | 184,752 | (11,663) |
| Other income | | 210 | 74 |
| Total investment income | | 17,552,683 | 5,082,643 |
| Expenses | | | |
| Management fee | 7.1 | 844,283 | 418,613 |
| Trustee fee | 7.2 | 241,628 | 143,686 |
| Custodian fee | 7.3 | 7,878 | 1,076 |
| Transaction handling fees | 7.4 | 8,685 | 6,225 |
| Auditor's remuneration | | 18,360 | 15,000 |
| Legal and professional fee | | 19,337 | 1,172 |
| Other expenses | 7.3 | 5,092 | 3,347 |
| Total operating expenses | | 1,145,263 | 589,119 |
| Profit before tax | | 16,407,420 | 4,493,524 |
| Taxation | 8 | - | (29,520) |
| Profit after tax | | | 4,464,004 |
| Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders | 6 | (7,392) | (7,392) |
| Increase in net assets attributable to unitholders | | 16,400,028 | 4,456,612 |

The notes on pages 14 to 36 form an integral part of these financial statements.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 USD | 2022 USD |
|--|---------------------|---------------------|
| Net assets attributable to unitholders at the beginning of the year | 346,521,197 | 130,823,528 |
| | ----- | ----- |
| Subscription of units | 945,404,530 | 687,083,057 |
| Redemption of units | (900,438,823) | (475,842,000) |
| | ----- | ----- |
| Net increase from unit transactions | 44,965,707 | 211,241,057 |
| | ----- | ----- |
| Increase in net assets attributable to unitholders | 16,400,028 | 4,456,612 |
| | ----- | ----- |
| Net assets attributable to unitholders at the end of the year | 407,886,932 | 346,521,197 |
| | ===== | ===== |

The notes on pages 14 to 36 form an integral part of these financial statements.

**DA CHENG MONEY MARKET FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2023**
Number of units issued and redeemed

| | 2023 | | | |
|---|----------------------------|----------------------------|----------------|----------------|
| | USD Class A | HKD Class A | USD Class I | USD Class P |
| Number of units in issue at the beginning of the year | 14,634,225 | 612,197 | 6,149,347 | 9,930,852 |
| Units issued | 36,993,685 | 8,692,079 | 1,603,052 | 38,378,540 |
| Units redeemed | (29,865,250) | (6,431,033) | (7,726,992) | (36,325,964) |
| Number of units in issue at the end of the year | 21,762,660 | 2,873,243 | 25,407 | 11,983,428 |
| | | | | |
| | HKD Class P (Hedged) | USD Class M | HKD Class I | HKD Class M |
| Number of units in issue at the beginning of the year | 2,203 | 2,287,402 | 979 | 100,000 |
| Units issued | - | 5,725,779 | - | - |
| Units redeemed | (184) | (6,671,984) | - | (49,100) |
| Number of units in issue at the end of the year | 2,019 | 1,341,197 | 979 | 50,900 |
| | | | | |
| | RMB Class A | RMB Class A (Hedged) | | |
| Number of units in issue at the beginning of the year | - | - | | |
| Units issued | 7,734,733 | 25,839,944 | | |
| Units redeemed | (5,817,527) | (14,745,330) | | |
| Number of units in issue at the end of the year | 1,917,206 | 11,094,614 | | |
| | | | | |
| | 2022 | | | |
| | USD Class A | HKD Class A | USD Class I | USD Class P |
| Number of units in issue at the beginning of the year | 1,898,107 | 1,977,258 | 667,953 | 9,891,793 |
| Units issued | 25,397,575 | 4,509,365 | 5,687,547 | 32,613,345 |
| Units redeemed | (12,661,457) | (5,874,426) | (206,153) | (32,574,286) |
| Number of units in issue at the end of the year | 14,634,225 | 612,197 | 6,149,347 | 9,930,852 |

The notes on pages 14 to 36 form an integral part of these financial statements.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Number of units issued and redeemed (continued)

| | HKD Class P (Hedged) | USD Class M | HKD Class I | HKD Class M |
|--|-------------------------------------|------------------------|------------------------|------------------------|
| Number of units in issue at the beginning of the year | 4,056 | 50,872 | - | - |
| Units issued | 293 | 2,246,785 | 979 | 100,000 |
| Units redeemed | (2,146) | (10,255) | - | - |
| Number of units in issue at the end of the year | <u>2,203</u> | <u>2,287,402</u> | <u>979</u> | <u>100,000</u> |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 USD | 2022 USD |
|--|---------------------|---------------------|
| Cash flows from operating activities | | |
| Increase in net assets attributable to unitholders | 16,400,028 | 4,456,612 |
| Adjustments for: | | |
| Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders | 7,392 | 7,392 |
| Interest income from bank deposits | (14,970,932) | (4,793,598) |
| Interest income from investments | (1,514,648) | (105,043) |
| Taxation | - | 29,520 |
| Operating loss before changes in working capital | (78,160) | (405,117) |
| (Increase) in investments | (86,790,524) | (10,152,805) |
| (Increase)/decrease in derivatives | (187,498) | 41,954 |
| Decrease/(increase) in fixed deposits | 129,971,626 | (95,952,049) |
| Decrease in amount due to brokers | - | (890,704) |
| (Increase) in interest receivable | (879,628) | (1,653,552) |
| Increase in management fee payable | 20,025 | 40,276 |
| Increase in trustee fee payable | 6,304 | 11,132 |
| Increase in accrued expenses and other payables | 10,553 | 430 |
| Cash generated from/(used in) operations | 42,072,698 | (108,960,435) |
| Interest income from bank deposits | 14,970,932 | 4,793,598 |
| Interest income from investments | 1,514,648 | 105,043 |
| Tax paid | - | (28,599) |
| Net cash generated from/(used in) operating activities | 58,558,278 | (104,090,393) |
| Cash flows from financing activities | | |
| Proceeds from subscription of units | 945,404,530 | 687,888,721 |
| Payments on redemption of units | (900,438,823) | (475,842,000) |
| Net cash generated from financing activities | 44,965,707 | 212,046,721 |
| Net increase in cash and cash equivalents | 103,523,985 | 107,956,328 |
| Cash and cash equivalents at the beginning of the year | 175,966,738 | 68,010,410 |
| Cash and cash equivalents at the end of the year, representing bank deposits | 279,490,723 | 175,966,738 |

The notes on pages 14 to 36 form an integral part of these financial statements.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 General information

DCI Investment Trust (the “Trust”) is an open-ended unit trust established as an umbrella fund under the laws of Hong Kong by a trust deed dated 30 December 2011, as amended (the “Trust Deed”), between Da Cheng International Asset Management Company Limited as Manager (the “Manager”) and BOCI-Prudential Trustee Limited as Trustee (the “Trustee”). As at 31 December 2023, the Trust has six sub-funds, Da Cheng Money Market Fund (the “Sub-Fund”), Da Cheng China Balanced Fund, Da Cheng Short Term Bond Fund, Da Cheng Overseas China Concept Fund, Da Cheng Hong Kong Dollar Money Market Fund and Da Cheng China Sustainable Equity Fund (collectively, the “Sub-Funds”). The date of commencement of operations of the Sub-Fund was 15 February 2019.

The Trust and the Sub-Fund are authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) under Section 104(1) of the Hong Kong Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the “SFC Code”).

The Sub-Fund seeks to achieve a return in United States dollar (“USD”) in line with a combination Chinese Yuan Renminbi (“RMB”), Hong Kong dollar (“HKD”) and USD money market rates, with primary considerations of both capital security and liquidity.

The Sub-Fund seeks to achieve its investment objective by investing primarily (i.e. not less than 70% of its net asset value) in RMB-denominated, HKD-denominated and USD-denominated and settled short-term deposits and high quality money market instruments issued by governments, quasi-governments, international organisations and financial institutions. The asset allocation of the Sub-Fund will change according to the Manager’s view of market conditions and the international investment trends and environment. The Manager will compare the yield spread of money market instruments denominated in the different currencies (RMB, HKD and USD), and will take into consideration factors such as currency risk, liquidity, costs, timing of execution and the relative attractiveness of individual securities and issuers in the market.

These financial statements were only prepared for the Sub-Fund for the year ended 31 December 2023.

2 Summary of material 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 years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments at fair value through profit or loss.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (the “Management”) to exercise its judgement in the process of applying the Sub-Fund’s accounting policies.

Standards and amendments to existing standards effective 1 January 2023

The Sub-Fund has applied the following new and amended standards for its annual reporting period commencing 1 January 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

2.2 Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

Foreign exchange gains and losses 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 gain/loss on investments and derivatives”.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 Summary of material accounting policies (Continued)

2.2 Foreign currency translation (Continued)

(ii) Transactions and balances (Continued)

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

2.3 Investments

(i) Classification

The Sub-Fund classifies its investments based on both the Sub-Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Fund’s debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund’s business model’s objective. Consequently, all investments are measured at fair value through profit or loss.

The Sub-Fund can make short sales (up to 10% of net asset value) in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss.

The Sub-Fund’s policy requires the Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Financial assets 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.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the investments are presented in the statement of comprehensive income within “net gain/loss on investments and derivatives” in the period in which they arise.

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**NOTES TO THE FINANCIAL STATEMENTS
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2 Summary of material accounting policies (Continued)

2.3 Investments (Continued)

(ii) Recognition, derecognition and measurement (Continued)

Interest on debt securities at fair value through profit or loss is recognised in the statement of comprehensive income within “interest income from investments” based on the effective interest rate.

(iii) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the closing of trading on the reporting date. The quoted market price used for financial assets held by the Sub-Fund is the last traded price.

(iv) 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.

(v) Interest in unconsolidated 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.

The Company has interests in unconsolidated structured entities as a result of its principal activity, the management of assets on behalf of its clients. Assets under management, excluding some segregated client portfolios, are managed within structured entities, typically unitised vehicles which entitle unitholders to a percentage of the vehicle's net asset value. The unconsolidated structured entities are financed by the purchase of units (or other similar ownership entitlements in the entities) by investors.

2.4 Cash and cash equivalents

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

2.5 Interest income from bank deposits and interest income from investments

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

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**NOTES TO THE FINANCIAL STATEMENTS
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2 Summary of material accounting policies (Continued)

2.5 Interest income from bank deposits and interest income from investments (Continued)

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.

2.6 Accrued expenses

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.7 Redeemable units

The Sub-Fund issued multiple classes of redeemable units and the redeemable units do not have identical features. The Sub-Fund classified its puttable instruments as financial liabilities. 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 respective class at the time of issue or redemption. The Sub-Fund's net asset value per unit of the respective class is calculated by dividing the net assets attributable to unitholders of the respective class with the total number of outstanding units of the respective class.

The redeemable units are carried at amortised cost which corresponds to the redemption amount that is payable at the reporting date if the unitholder exercises the right to put the units back to the Sub-Fund.

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 for subscriptions and redemptions of the Sub-Fund.

2.8 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the transaction handling fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs are expensed as incurred in the statement of comprehensive income.

2.9 Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.10 Establishment costs

Establishment costs are recognised as expenses in the period in which they are incurred in accordance with IFRS Accounting Standards.

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**NOTES TO THE FINANCIAL STATEMENTS
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3 Financial risk management

The Sub-Fund is exposed to a variety of risks including but not limited to market price risk, cash flow and fair value interest rate risk, credit and counterparty risk, liquidity risk and currency risk which are associated with the markets in which the Sub-Fund invests.

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

3.1 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 (other than those arising from interest rate risk or currency risk), 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 following table discloses the investments of the Sub-Fund by product type:

| | 2023 USD | 2022 USD |
|--|---------------------|---------------------|
| Investments | | |
| Certificate of deposit | 96,336,874 | 10,000,000 |
| Collective investment schemes (Note a) | 12,440,332 | 11,986,682 |
| | <u>108,777,206</u> | <u>21,986,682</u> |
| Derivatives - assets | | |
| Forward foreign exchange contracts | <u>165,192</u> | <u>17</u> |
| Derivatives - liabilities | | |
| Forward foreign exchange contracts | <u>10,225</u> | <u>32,548</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3 Financial risk management (Continued)

3.1 Market price risk (Continued)

Note a

| Fund name | Investment strategy | 2023 | | |
|--|---|----------------------------|----------------------------------|----------|
| | | NAV of underlying fund USD | Fair value of the investment USD | % of NAV |
| Da Cheng Hong Kong Dollar Money Market Fund ("DCHKDMMF") | short-term deposits and high quality money market instruments including debt securities | 19,283,027 | 12,440,332 | 3.05 |

| Fund name | Investment strategy | 2022 | | |
|--|---|----------------------------|----------------------------------|----------|
| | | NAV of underlying fund USD | Fair value of the investment USD | % of NAV |
| Da Cheng Hong Kong Dollar Money Market Fund ("DCHKDMMF") | short-term deposits and high quality money market instruments including debt securities | 14,623,551 | 11,986,682 | 3.46 |

The following table discloses the investments of the Sub-Fund by industrial sectors:

| Investments | 2023 | | 2022 | |
|--------------------------------------|-------------------------------|-----------------|-------------------------------|-----------------|
| | Fair value of investments USD | % of net assets | Fair value of investments USD | % of net assets |
| Certificate of deposit | | | | |
| Financials | 96,336,874 | 23.62 | 10,000,000 | 2.89 |
| Collective investment schemes | 12,440,332 | 3.05 | 11,986,682 | 3.46 |
| Total investments | 108,777,206 | 26.67 | 21,986,682 | 6.35 |

The Sub-Fund's market price risk on debt securities is managed through diversification of the investment portfolio ratios by exposures to different industries. There is no exposure to individual investment representing over 10% of the Sub-Fund's net asset value at 31 December 2023 and 2022.

The sensitivity analysis of market price risk for debt securities is disclosed in the interest rate sensitivity analysis in Note 3.2 below.

3.2 Cash flow and fair value interest rate risk

Interest rate risk is the risk that the future cash flow and 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 market interest rates on the fair value of financial assets and liabilities and future cash flow.

**DA CHENG MONEY MARKET FUND
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**NOTES TO THE FINANCIAL STATEMENTS
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3 Financial risk management (Continued)

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

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

| As at 31 December 2023 | Maturity up to 1 year USD | Maturity 1-5 years USD | Maturity over 5 years USD | Non-interest bearing USD | Total USD |
|--|--|---------------------------------------|--|---|----------------------|
| Assets | | | | | |
| Investments | | | | | |
| - Certificate of deposit | 80,542,921 | - | - | 15,793,953 | 96,336,874 |
| - Collective investment schemes | - | - | - | 12,440,332 | 12,440,332 |
| Derivatives | - | - | - | 165,192 | 165,192 |
| Interest receivable | - | - | - | 2,608,165 | 2,608,165 |
| Fixed deposits | 17,000,000 | - | - | - | 17,000,000 |
| Cash and cash equivalents | 279,490,723 | - | - | - | 279,490,723 |
| Total assets | 377,033,644 | - | - | 31,007,642 | 408,041,286 |
| Liabilities | | | | | |
| Derivatives | - | - | - | 10,225 | 10,225 |
| Management fee payable | - | - | - | 89,236 | 89,236 |
| Trustee fee payable | - | - | - | 27,369 | 27,369 |
| Accrued expenses and other payables | - | - | - | 27,524 | 27,524 |
| Net assets attributable to unitholders | - | - | - | 407,886,932 | 407,886,932 |
| Total liabilities | - | - | - | 408,041,286 | 408,041,286 |
| Total interest sensitivity gap | 377,033,644 | - | - | | |

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3 Financial risk management (Continued)

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

| As at 31 December 2022 | Maturity up to 1 year USD | Maturity 1-5 years USD | Maturity over 5 years USD | Non-interest bearing USD | Total USD |
|--|---------------------------------|------------------------------|---------------------------------|--------------------------------|--------------------|
| Assets | | | | | |
| Investments | | | | | |
| - Certificate of deposit | 10,000,000 | - | - | - | 10,000,000 |
| - Collective investment schemes | - | - | - | 11,986,682 | 11,986,682 |
| Derivatives | - | - | - | 17 | 17 |
| Interest receivable | - | - | - | 1,728,537 | 1,728,537 |
| Fixed deposits | 146,971,627 | - | - | - | 146,971,627 |
| Cash and cash equivalents | 175,966,738 | - | - | - | 175,966,738 |
| Total assets | 332,938,365 | - | - | 13,715,236 | 346,653,601 |
| Liabilities | | | | | |
| Derivatives | - | - | - | 32,548 | 32,548 |
| Management fee payable | - | - | - | 69,211 | 69,211 |
| Trustee fee payable | - | - | - | 21,065 | 21,065 |
| Accrued expenses and other payables | - | - | - | 16,971 | 16,971 |
| Net assets attributable to unitholders | - | - | - | 346,521,197 | 346,521,197 |
| Total liabilities | - | - | - | 346,660,992 | 346,660,992 |
| Total interest sensitivity gap | 332,938,365 | - | - | | |

The Manager and the Trustee monitor the interest rate risks by quantifying the market exposure in percentage terms and the exposure in duration terms by different countries. As at 31 December 2023, the Sub-Fund has invested in interest-bearing securities of USD80,542,921 (2022: USD10,000,000), fixed deposits of USD17,000,000 (2022: USD146,971,627) and cash and cash equivalents of USD279,490,723 (2022: USD175,966,738) and the portfolio weighted average modified duration of the Sub-Fund is 0.13 (2022: 0.09).

Given a 50 basis points change in the rate of all debt securities, fixed deposits and cash and cash equivalents (2022: Given a 150 basis points change in the rate of all debt securities, fixed deposits and cash and cash equivalents) held by the Sub-Fund as at 31 December 2023, the percentage change in net asset value will be the total portfolio weighted average modified duration multiplied by 0.5% (2022: 1.5%), i.e. USD245,072 (2022: USD449,467) while holding all other variables constant.

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3 Financial risk management (Continued)

3.3 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 is not exposed to currency risk arising from balances and transactions in foreign currencies as its assets and liabilities are mainly denominated in USD, the Sub-Fund's functional and presentation currency. Accordingly, the Management considers that it is not necessary to present a sensitivity analysis of currency risk.

3.4 Credit and counterparty risk

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

All transactions in securities are settled or paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal, as delivery of securities sold is only made when the broker has received payment. Payment is made on a purchase when the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As of 31 December 2023 and 2022, the main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in fixed and bank deposits. The Manager will actively manage the portfolio of the Sub-Fund. In case of credit rating downgrading, the Manager will adjust the positions in the portfolio using its credit analysis and rating systems that are designed to manage credit risks.

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3 Financial risk management (Continued)

3.4 Credit and counterparty risk (Continued)

The tables below summarise the exposure to the Sub-Fund's counterparties as at 31 December 2023 and 2022 together with its credit rating:

| At 31 December 2023 | USD | Credit rating | Source of credit rating |
|---|-------------|----------------------|--------------------------------|
| Investments | | | |
| BOCI-Prudential Trustee Limited ¹ | 108,777,206 | Aa3 | Moody's |
| Bank deposits | | | |
| Agricultural Bank of China Ltd., HK Branch | 3,973,429 | A1 | Moody's |
| Bank of China (Hong Kong) Limited | 907,100 | Aa3 | Moody's |
| Bank of China (Macau) Limited | 24,500,000 | A1 | Moody's |
| Bank of Shanghai Co., Ltd. | 37,289,023 | Baa2 | Moody's |
| China Bohai Bank Co., Ltd. | 25,984,321 | BBB- | S&P |
| China Construction Bank (Asia) Corp Limited | 35,552,993 | A1 | Moody's |
| China Everbright Bank Hong Kong Branch | 21,118,782 | Baa2 | Moody's |
| China Minsheng Banking Corp. Ltd. | 47,107,864 | BBB- | S&P |
| Chiyu Banking Corporation Limited | 15,118,578 | A3 | Moody's |
| Ping An Bank Co. Ltd. | 20,000,000 | Baa1 | Moody's |
| Shanghai Pudong Development Bank Co Ltd. | 62,938,633 | Baa2 | Moody's |
| Sumitomo Mitsui Banking Corp., Hong Kong Branch | 2,000,000 | A1 | Moody's |
| At 31 December 2022 | USD | Credit rating | Source of credit rating |
| Investments | | | |
| BOCI-Prudential Trustee Limited ¹ | 21,986,682 | Aa3 | Moody's |
| Bank deposits | | | |
| Agricultural Bank of China Ltd., HK Branch | 33,036,904 | A1 | Moody's |
| Bank of China (Hong Kong) Limited | 7,517,702 | Aa3 | Moody's |
| Bank of China (Macau) Limited | 9,000,000 | A1 | Moody's |
| Bank of Shanghai Co., Ltd. | 8,000,000 | Baa2 | Moody's |
| China Bohai Bank Co., Ltd. | 16,500,000 | BBB- | S&P |
| China Everbright Bank Hong Kong Branch | 53,483,499 | Baa2 | Moody's |
| China Minsheng Banking Corp. Ltd. | 26,099,282 | BBB- | S&P |
| Industrial Bank Co., Ltd. | 58,849,316 | Baa2 | Moody's |
| Ping An Bank Co. Ltd. | 64,044,264 | Baa1 | Moody's |
| Shanghai Pudong Development Bank Co Ltd. | 34,007,398 | Baa2 | Moody's |
| Sumitomo Mitsui Banking Corp., Hong Kong Branch | 12,400,000 | A1 | Moody's |

¹ The rating is for Bank of China (Hong Kong) Limited which is the intermediate holding company of BOCI-Prudential Trustee Limited.

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**NOTES TO THE FINANCIAL STATEMENTS
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3 Financial risk management (Continued)

3.4 Credit and counterparty risk (Continued)

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2023 and 2022, interest receivable, amount receivable on subscription of units and cash and cash equivalents are held with counterparties with a credit rating of Baa2/BBB- or above and are due to be settled within 3 months. Applying the requirements of IFRS 9, the expected credit loss ("ECL") is immaterial for the Sub-Fund and, as such, no ECL has been recognised within the financial statements.

The maximum exposure at the year ended 31 December 2023 and 2022 was the carrying amount of the investments and cash and cash equivalents.

3.5 Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash and resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in investments that are traded in an active market which can be readily disposed of.

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 are equal to their carrying balances, as the impact of discounting is not significant.

| | 2023 | 2022 |
|--|--------------------|--------------------|
| | Less than | Less than |
| | 3 months | 3 months |
| | USD | USD |
| Derivatives | 10,225 | 32,548 |
| Management fee payable | 89,236 | 69,211 |
| Trustee fee payable | 27,369 | 21,065 |
| Accrued expenses and other payables | 27,524 | 16,971 |
| Net assets attributable to unitholders | 407,886,932 | 346,521,197 |
| | <u>408,041,286</u> | <u>346,660,992</u> |

Units are redeemed on demand at the unitholder's option.

As at 31 December 2023, the total assets of the Sub-Fund amounted to USD408,041,286 (2022: USD346,653,601). The Sub-Fund manages its liquidity risk by investing in investments that it expects to be able to liquidate within 7 days or less.

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**NOTES TO THE FINANCIAL STATEMENTS
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3 Financial risk management (Continued)

3.6 Fair value estimation

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 year end date. The Sub-Fund utilises the last traded market price as its fair valuation inputs for both financial assets and financial liabilities. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

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 fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised financial instruments such as spot/forward foreign exchange contracts, include the use of valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

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).

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 judgment, considering factors specific to the asset or liability.

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

The following tables analyse within the fair value hierarchy the Sub-Fund's investments at 31 December 2023 and 2022:

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3 Financial risk management (Continued)

3.6 Fair value estimation (Continued)

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|--------------------------------------|------------------------|------------------------|------------------------|----------------------|
| As at 31 December 2023 | | | | |
| Assets | | | | |
| Investments | | | | |
| - Certificate of deposit | - | 96,336,874 | - | 96,336,874 |
| - Collective investment schemes | 12,440,332 | - | - | 12,440,332 |
| Derivatives | | | | |
| - Forward foreign exchange contracts | - | 165,192 | - | 165,192 |
| Total | 12,440,332 | 96,502,066 | - | 108,942,398 |
| Liabilities | | | | |
| Derivatives | | | | |
| - Forward foreign exchange contracts | - | 10,225 | - | 10,225 |
| Total | - | 10,225 | - | 10,225 |
| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
| As at 31 December 2022 | | | | |
| Assets | | | | |
| Investments | | | | |
| - Certificate of deposit | - | 10,000,000 | - | 10,000,000 |
| - Collective investment schemes | 11,986,682 | - | - | 11,986,682 |
| Derivatives | | | | |
| - Forward foreign exchange contracts | - | 17 | - | 17 |
| Total | 11,986,682 | 10,000,017 | - | 21,986,699 |
| Liabilities | | | | |
| Derivatives | | | | |
| - Forward foreign exchange contracts | - | 32,548 | - | 32,548 |
| Total | - | 32,548 | - | 32,548 |

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include collective investment schemes. The Sub-Fund does not adjust the quoted price for these investments.

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

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 31 December 2023 and 2022, there is no level 3 investment held by the Sub-Fund.

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3 Financial risk management (Continued)

3.6 Fair value estimation (Continued)

There was no transfer between levels for the years ended 31 December 2023 and 2022.

The carrying amount of interest receivable, amount receivable on subscription of units, cash and cash equivalents, management fee payable, trustee fee payable, amount payable on redemption of units, amount due to brokers, accrued expenses and other payables and net assets attributable to unitholders approximated their fair values and are presented in the statement of financial position. There are no financial assets and financial liabilities not carried at fair value but for which the fair value is disclosed.

3.7 Capital risk management

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

The Management may:

- Redeem and issue new units in accordance with the constitutive documents of the Sub-Fund; and
- Exercise discretion when determining the amount of distributions of the Sub-Fund to the unitholders.

4 Financial instruments by category

Financial assets

Apart from investments 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, amount receivable on subscription of units, and cash and cash equivalents, are categorised as financial assets measured at amortised cost.

Financial liabilities

All financial liabilities as disclosed in the statement of financial position, including management fee payable, trustee fee payable, amount due to brokers, accrued expenses and other payables and net assets attributable to unitholders, are categorised as financial liabilities measured at amortised cost.

5 Net gain/loss on investments and derivatives

| | 2023 USD | 2022 USD |
|--|---------------------|---------------------|
| Net realised gain on sale of investments and derivatives | 147,518 | 84,743 |
| Net change in unrealised gain on investments and derivatives | 734,623 | 110,848 |
| | <u>882,141</u> | <u>195,591</u> |

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

Net assets attributable to unitholders are carried at the redemption amount that would be payable if the unitholder exercised the right to redeem the units in the Sub-Fund.

Class A Units are available for sale to the retail public. Class I Units are offered to institutional investors. Class P Units are available for investments by retail investors who invest through distributors submitting dealing orders via distribution channels or distributors specified by the Manager. Class M Units are available for investments by managed accounts and other funds managed by the Manager or its associated entities. As at 31 December 2023, the Sub-Fund had USD Class A units, HKD Class A units, USD Class I units, HKD Class I units, USD Class P units, HKD Class P (Hedged) units, USD Class M units and HKD Class M units in issue (2022: USD Class A units, HKD Class A units, USD Class I units, HKD Class I units, USD Class P units, HKD Class P (Hedged) units, USD Class M units and HKD Class M units in issue).

The following table details the net asset value per unit of each class of units at the reporting date:

| | 2023 | | | |
|--|--|--|----------------------------|----------------------------|
| | USD Class A (in USD) | HKD Class A (in HKD) | USD Class I (in USD) | USD Class P (in USD) |
| Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023 | 10.9985 | 10.9737 | 11.1930 | 10.9107 |
| | HKD Class P (Hedged) (in HKD) | USD Class M (in USD) | HKD Class I (in HKD) | HKD Class M (in HKD) |
| Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023 | 10.6606 | 11.1207 | 10.8493 | 10.5717 |
| | RMB Class A (in RMB) | RMB Class A (Hedged) (in RMB) | | |
| Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023 | 10.1045 | 10.0724 | | |
| | 2022 | | | |
| | USD Class A (in USD) | HKD Class A (in HKD) | USD Class I (in USD) | USD Class P (in USD) |
| Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2022 | 10.4401 | 10.3954 | 10.6194 | 10.4086 |
| | HKD Class P (Hedged) (in HKD) | USD Class M (in USD) | HKD Class I (in HKD) | HKD Class M (in HKD) |
| Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2022 | 10.2905 | 10.5455 | 10.2636 | 10.0046 |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6 Number of units in issue and net assets attributable to unitholders per unit (Continued)

In accordance with the Sub-Fund's explanatory memorandum, the establishment costs of the Sub-Fund will be amortised over the first 5 years. The cost of establishment of the Sub-Fund are estimated to be approximately USD36,000. As at 31 December 2023, no unamortized establishment cost for the Sub-Fund (2022: remaining amortisation period of 1 year and 1 month). However, the accounting policy of the Sub-Fund for the purpose of financial statements preparation in compliance with IFRS Accounting Standards is to expense establishment costs in the statement of comprehensive income as incurred. The differences between expensing the establishment costs as incurred in accordance with IFRS Accounting Standards and capitalisation and amortisation of the establishment costs indicated in the Sub-Fund's Explanatory Memorandum resulted in adjustment on the net asset value.

As at 31 December 2023, there is no adjustment between the dealing net asset value ("Dealing NAV") and the accounting net asset value below (2022: USD7,391).

| | 2023 USD | 2022 USD |
|--|---------------------|---------------------|
| Net assets attributable to unitholders (in accordance with IFRS Accounting Standards) | 407,886,932 | 346,513,806 |
| Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders | - | 7,391 |
| | <hr/> | <hr/> |
| Net assets attributable to unitholders (in accordance with the Sub-Fund's explanatory memorandum) | <u>407,886,932</u> | <u>346,521,197</u> |

7 Transactions with related parties or connected persons

The following is a summary of transactions entered into during the year between the Sub-Fund and its related parties including the Manager, the investment delegate, Trustee/custodian and their connected persons (the "Connected Persons"). Connected Persons are those as defined in the SFC Code. All such transactions were entered into in the ordinary course of business and on normal commercial terms. To the best of the Management's knowledge, the Sub-Fund does not have any other transactions with the Connected Persons except for those disclosed below.

7.1 Management fee

The Manager is entitled to receive a management fee of up to 2% per annum (2022: 2% per annum) of the net asset value of the Sub-Fund. For the year ended 31 December 2023, the Manager charged a management fee of 0.1% per annum (2022: 0.1% per annum) of the net asset value of Class A units, 0.05% per annum (2022: 0.05% per annum) of the net asset value of Class I units, 0.6% per annum (2022: 0.3% per annum) of the net asset value of Class P units and 0.3% per annum (2022: nil) of the net asset value of Class B units of the Sub-Fund. No management fee is charged in respect of Class M Units. The fee calculated and accrued on each valuation day and payable monthly in arrears.

Management fee charged for the year was USD844,283 (2022: USD418,613) of which USD89,236 (2022: USD69,211) was payable to the Manager.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 Transactions with related parties or connected persons (Continued)

7.2 Trustee fee

The Trustee is entitled to receive a trustee fee of up to 0.5% per annum (2022: 0.5% per annum) of the net asset value of the Sub-Fund. Currently, the Trustee is entitled to receive a fee of up to 0.075% per annum (2022: up to 0.075% per annum) of the net asset value of the Sub-Fund. The fee is calculated and accrued on each valuation day and payable monthly in arrears.

Trustee fee charged for the year was USD241,628 (2022: USD143,686) of which USD27,369 (2022: USD21,065) was payable to the Trustee.

7.3 Custodian fee, cash and cash equivalents and investment balances

The custodian, an affiliate of the Trustee, is entitled to receive transaction charges at customary market rates and custody fees at different rates. Such charges and fees will be calculated monthly and payable monthly in arrears. The custodian will be paid a custodian fee of up to 0.018% per annum (2022: up to 0.018% per annum) of the net asset value of the Sub-Fund. Custodian fee charged for the year was USD7,878 (2022: USD1,076). All the custodian fee payable was fully settled as of 31 December 2023 and 2022.

Cash and cash equivalents amounted to USD907,100 (2022: USD7,517,702) and USD24,500,000 (2022: USD9,000,000) is held with Bank of China (Hong Kong) Limited and Bank of China (Macau) Limited. In addition, the Sub-Fund's investments amounted to USD108,777,206 (2022: USD21,986,682) are held at BOCI-Prudential Trustee Limited, as custodian of the Sub-Fund.

Interest income earned from cash and cash equivalents held with Bank of China (Hong Kong) Limited for the year was USD3,057 (2022: USD218,315) and Bank of China (Macau) Limited was USD403,021 (2022: USD27,302) while the bank charges of Bank of China (Hong Kong) Limited for the year was USD3,563 (2022: USD1,612) and Bank of China (Macau) Limited was USD31 (2022: USD32).

7.4 Transaction handling fees

In its purchases and sales of investments, the Sub-Fund utilises the investment transaction services and brokerage services of the Trustee and its affiliates. Details of transactions effected through the Trustee and its affiliates are as follows:

| Name of company | Transaction handling fees paid for the year USD | Average rate of transaction handling fees | Total aggregate value of such transactions for the year USD | Percentage of such transactions in value to total transactions for the year |
|---------------------------------|--|---|--|---|
| 2023 | | | | |
| BOCI-Prudential Trustee Limited | 8,685 | 0.00% | 295,108,344 | 100.00% |
| 2022 | | | | |
| BOCI-Prudential Trustee Limited | 6,225 | 0.02% | 36,116,583 | 100.00% |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 Transactions with related parties or connected persons (Continued)

7.5 Investments in related parties

As at 31 December 2023, the Sub-Fund held Class M (HKD) amounted to USD12,440,332 (2022: USD11,986,682) of Da Cheng Hong Kong Dollar Money Market Fund which is managed by the Manager of the Sub-Fund and an unrealized gain of USD570,365 (2022: unrealized gain of USD116,715).

7.6 Holdings in the Sub-Fund

The Sub-Fund allows the Manager and its connected persons and other funds managed by the Manager to subscribe for and redeem units in the Sub-Fund. The holdings in the Sub-Fund by the Manager and its connected persons as at 31 December 2023 and 2022 were as follows:

Units held by Da Cheng International Asset Management Company Limited, the Manager of the Sub-Fund through Bank of China (Hong Kong) Nominees Limited, a group company of the Trustee, as agent:

| 2023 | Units outstanding at 1 January 2023 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2023 |
|-------------|---|---|---|--|
| USD Class M | 129,460 | - | (129,377) | 83 |
| HKD Class I | 979 | - | - | 979 |
| USD Class P | - | 17,348 | - | 17,348 |
| 2022 | Units outstanding at 1 January 2022 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2022 |
| USD Class M | 50,870 | 88,844 | (10,254) | 129,460 |
| HKD Class I | - | 979 | - | 979 |
| USD Class P | - | - | - | - |

As at 31 December 2023, the Sub-Fund has USD Class M amounted to USD928 (2022: USD1,365,000), HKD Class I amounted to USD1,358 (2022: USD1,288) and USD Class P amounted to USD189,229 (2022: USD nil) held by Da Cheng International Asset Management Company Limited, the Manager of the Sub-Fund.

Units held by the segregated accounts managed Da Cheng International Asset Management Company Limited, the Manager:

| 2023 | Units outstanding at 1 January 2023 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2023 |
|-------------|---|---|---|--|
| USD Class M | 237,671 | - | (1,925) | 235,745 |
| USD Class A | - | 126,561 | - | 126,561 |
| HKD Class M | 100,000 | - | (49,100) | 50,900 |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 Transactions with related parties or connected persons (Continued)

7.6 Holdings in the Sub-Fund (Continued)

| 2022 | Units outstanding at 1 January 2022 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2022 |
|-------------|---|---|---|--|
| USD Class M | - | 237,671 | - | 237,671 |
| HKD Class M | - | 100,000 | - | 100,000 |

Units held by Da Cheng – Haitong No.1 China Bond Segregated Portfolio which is managed by Da Cheng International Asset Management Company Limited, the Manager:

| 2023 | Units outstanding at 1 January 2023 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2023 |
|-------------|--|---|---|--|
| USD Class M | 1,920,270 | 5,617,465 | (6,540,681) | 997,054 |

| 2022 | Units outstanding at 1 January 2022 | Units subscribed during the year | Units redeemed during the year | Units outstanding at 31 December 2022 |
|-------------|--|---|---|--|
| USD Class M | - | 1,920,270 | - | 1,920,270 |

8 Taxation

Hong Kong profits tax

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

PRC withholding tax

Withholding tax was charged on interest income arising from deposit in PRC during the year.

The taxation of the Sub-Fund for the year ended 31 December 2023 and 2022 represents:

| | 2023 USD | 2022 USD |
|------------------------------------|---------------------|---------------------|
| Withholding tax on interest income | - | 29,520 |

**DA CHENG MONEY MARKET FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2023**
8 Taxation (Continued)

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

| | 2023 RMB | 2022 RMB |
|---|---------------------|---------------------|
| At the beginning of the year | 1,301 | 380 |
| Taxation charged to the statement of comprehensive income | (1,301) | 29,520 |
| Tax paid | - | (28,599) |
| | <hr/> | <hr/> |
| At the end of the year | <hr/> - | <hr/> 1,301 |

9 Soft commission arrangements

The Manager confirms that there has been no soft commission arrangement existing during the year ended 31 December 2023 and 2022 in relation to directing transactions of the Sub-Fund through a broker or dealer.

10 Derivatives

The following forward foreign exchange contracts were unsettled as at 31 December 2023:

| Currency sold | Amount sold | Currency bought | Amount bought | Settlement date | Fair value USD |
|-----------------------|--------------------|------------------------|----------------------|------------------------|-----------------------|
| United States Dollars | 2,699 | Hong Kong Dollars | 21,100 | 3 January 2024 | 1 |
| United States Dollars | 371,502 | Chinese Yuan Renminbi | 2,650,000 | 4 January 2024 | 1,986 |
| United States Dollars | 265,779 | Chinese Yuan Renminbi | 1,900,000 | 4 January 2024 | 2,005 |
| United States Dollars | 23,753 | Chinese Yuan Renminbi | 170,000 | 4 January 2024 | 207 |
| United States Dollars | 158,819 | Chinese Yuan Renminbi | 1,140,000 | 4 January 2024 | 1,852 |
| United States Dollars | 979,283 | Chinese Yuan Renminbi | 7,000,000 | 8 January 2024 | 7,564 |
| United States Dollars | 327,852 | Chinese Yuan Renminbi | 2,351,420 | 16 January 2024 | 3,830 |
| United States Dollars | 84,225 | Chinese Yuan Renminbi | 600,000 | 16 January 2024 | 378 |
| United States Dollars | 405,931 | Chinese Yuan Renminbi | 2,911,903 | 16 January 2024 | 4,812 |
| United States Dollars | 696,262 | Chinese Yuan Renminbi | 5,000,000 | 16 January 2024 | 9,019 |
| Hong Kong Dollars | 29,500,000 | United States Dollars | 3,779,004 | 16 January 2024 | 2,108 |
| United States Dollars | 9,861,568 | Chinese Yuan Renminbi | 70,313,966 | 18 January 2024 | 58,028 |
| United States Dollars | 591,017 | Chinese Yuan Renminbi | 4,200,000 | 18 January 2024 | 1,502 |
| Hong Kong Dollars | 13,500,000 | United States Dollars | 1,729,240 | 18 January 2024 | 728 |

DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10 Derivatives (Continued)

| Currency sold | Amount sold | Currency bought | Amount bought | Settlement date | Fair value USD |
|-----------------------|--------------------|------------------------|----------------------|------------------------|-----------------------|
| United States Dollars | 67,688 | Chinese Yuan Renminbi | 480,000 | 19 January 2024 | 33 |
| United States Dollars | 610,615 | Chinese Yuan Renminbi | 4,346,600 | 22 January 2024 | 2,756 |
| United States Dollars | 560,908 | Chinese Yuan Renminbi | 4,000,000 | 22 January 2024 | 3,552 |
| United States Dollars | 11,214 | Chinese Yuan Renminbi | 80,000 | 29 January 2024 | 81 |
| Hong Kong Dollars | 79,500,000 | United States Dollars | 10,206,178 | 29 January 2024 | 23,863 |
| United States Dollars | 1,402,151 | Chinese Yuan Renminbi | 10,000,000 | 31 January 2024 | 9,873 |
| United States Dollars | 425,585 | Chinese Yuan Renminbi | 3,023,994 | 2 February 2024 | 1,466 |
| Hong Kong Dollars | 6,777,000 | United States Dollars | 868,490 | 14 February 2024 | 111 |
| Assets | | | | | 165,192 |
| Currency sold | Amount sold | Currency bought | Amount bought | Settlement date | Fair value USD |
| Chinese Yuan Renminbi | 2,360,000 | United States Dollars | 331,899 | 4 January 2024 | 717 |
| Chinese Yuan Renminbi | 1,000,000 | United States Dollars | 140,278 | 4 January 2024 | 661 |
| Chinese Yuan Renminbi | 2,500,000 | United States Dollars | 351,060 | 4 January 2024 | 1,288 |
| Chinese Yuan Renminbi | 2,626,757 | United States Dollars | 365,594 | 16 January 2024 | 4,927 |
| Chinese Yuan Renminbi | 935,000 | United States Dollars | 131,063 | 16 January 2024 | 825 |
| Chinese Yuan Renminbi | 80,000 | United States Dollars | 11,208 | 29 January 2024 | 87 |
| Chinese Yuan Renminbi | 3,071,011 | United States Dollars | 431,971 | 2 February 2024 | 1,720 |
| Liabilities | | | | | 10,225 |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 Derivatives (Continued)

The following forward foreign exchange contracts were unsettled as at 31 December 2022:

| Currency sold | Amount sold | Currency bought | Amount bought | Settlement date | Fair value USD |
|-----------------------|-------------|-------------------|---------------|-----------------|----------------|
| United States Dollars | 2,561 | Hong Kong Dollars | 20,077 | 26 January 2023 | 16 |
| United States Dollars | 278 | Hong Kong Dollars | 2,174 | 26 January 2023 | 1 |
| Assets | | | | | 17 |

| Currency sold | Amount sold | Currency bought | Amount bought | Settlement date | Fair value USD |
|--------------------|-------------|-----------------------|---------------|------------------|----------------|
| Hong Kong Dollars | 23,500,000 | United States Dollars | 2,998,252 | 17 January 2023 | 16,576 |
| Hong Kong Dollars | 17,500,000 | United States Dollars | 2,234,508 | 16 February 2023 | 12,055 |
| Hong Kong Dollars | 23,500,000 | United States Dollars | 3,016,882 | 8 March 2023 | 862 |
| Hong Kong Dollars | 28,500,000 | United States Dollars | 3,657,738 | 31 March 2023 | 3,055 |
| Liabilities | | | | | 32,548 |

11 Approval of financial statements

The financial statements were approved by the Trustee and the Manager on 26 April 2024.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**INFORMATION IN EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS
(UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

The lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Sub-Fund's total net asset value for the year ended 31 December 2023 and 2022.

| | 2023 % of net asset value | 2022 % of net asset value |
|------------------------|--|--|
| Lowest gross exposure | 3.38 | 3.35 |
| Highest gross exposure | 67.46 | 11.84 |
| Average gross exposure | 23.31 | 7.69 |

The lowest, highest and average net exposure arising from the use of financial derivative instruments for investment purpose as a proportion to the Sub-Fund's total net asset value for the year ended 31 December 2023 and 2022.

| | 2023 % of net asset value | 2022 % of net asset value |
|----------------------|--|--|
| Lowest net exposure | 3.38 | 3.33 |
| Highest net exposure | 67.43 | 11.83 |
| Average net exposure | 23.32 | 7.70 |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**
**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 31 DECEMBER 2023**

| | Holdings | Market value USD | % of net assets |
|---|------------|---------------------|--------------------|
| Quoted investments | | | |
| Certificate of deposit | | | |
| AGR BK CHINA/HK 5.9% A 28MAR2024 FXCD | 20,000,000 | 20,000,000 | 4.90 |
| AGRICULTURAL BANK OF CHINA LTD/HK 0% A 05JAN2024 FXCD | 10,000,000 | 9,955,571 | 2.44 |
| BAIDU INC 4.375% S/A 14MAY2024 | 1,000,000 | 996,130 | 0.24 |
| BANK OF CHINA LTD/MACAU 5.61% A 11JUN2024 FXCD | 1,200,000 | 1,198,356 | 0.29 |
| BK OF CHINA/MACAU CD 0% A 14FEB2024 | 1,000,000 | 985,171 | 0.24 |
| BK OF CHINA/MACAU CD 5.9% A 17APR2024 | 10,000,000 | 9,998,520 | 2.45 |
| BOC AVIATION LTD 4% S/A 25JAN2024 | 900,000 | 898,983 | 0.22 |
| BOCOM LEASING MANAGEMENT HONG KONG CO LTD 4.375% S/A 22JAN2024 | 1,000,000 | 999,220 | 0.24 |
| CCBL CAYMAN 1 CORP LTD 3.5% S/A 16MAY2024 | 650,000 | 645,255 | 0.16 |
| CHINA BOHAI BANK CO LTD/HONG KONG 6.08% S/A 07FEB2024 FXCD | 10,000,000 | 10,000,000 | 2.45 |
| CHINA BOHAI BANK CO LTD/SH PILOT FTZ 6.06% A 02FEB2024 CD | 10,000,000 | 10,000,000 | 2.45 |
| CHINA CONSTRUCTION BANK CORP/HONG KONG 0.86% S/A 22APR2024 | 1,500,000 | 1,480,080 | 0.36 |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 0% A 05JUN2024 | 5,000,000 | 4,853,211 | 1.19 |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 5.4% A 17APR2024 | 5,000,000 | 4,987,169 | 1.22 |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 5.9% A 24APR2024 | 5,000,000 | 4,999,013 | 1.23 |
| CICC HONG KONG FINANCE 2016 MTN LTD 1.625% S/A 26JAN2024 | 400,000 | 398,940 | 0.10 |
| CMB INTL LEASING MANAGEMENT LTD 1.25% S/A 16SEP2024 | 1,000,000 | 970,640 | 0.24 |
| CNAC HK FINBRIDGE CO LTD 3.375% S/A 19JUN2024 | 1,500,000 | 1,484,745 | 0.36 |
| ICBC MACAU 5.74% 18JAN2024 FXCD | 10,000,000 | 10,000,000 | 2.45 |
| SOAR WISE LTD 1.75% S/A 30MAR2024 | 1,500,000 | 1,485,870 | 0.36 |
| | | <hr/> | <hr/> |
| | | 96,336,874 | 23.59 |
| Collective investment schemes | | | |
| Hong Kong | | | |
| DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD | 9,102,841 | 12,440,332 | 3.05 |
| | | <hr/> | <hr/> |
| | | 108,777,206 | 26.64 |
| | | <hr/> | <hr/> |
| Forward foreign exchange contracts | | | |
| HKD/USD ¹ | | 1 | 0.00 |
| RMB/USD ¹ | | 138,382 | 0.03 |
| USD/HKD ¹ | | 26,809 | 0.01 |
| USD/RMB ¹ | | (10,225) | 0.00 |
| | | <hr/> | <hr/> |
| Total forward foreign exchange contracts | | 154,967 | 0.04 |
| | | <hr/> | <hr/> |
| Total quoted investments | | 108,932,173 | 26.71 |
| Other net assets | | 298,954,759 | 73.29 |
| | | <hr/> | <hr/> |
| Total net assets as at 31 December 2023 | | 407,886,932 | 100.00 |
| | | <hr/> | <hr/> |
| Total investments, at cost | | 108,113,366 | |
| | | <hr/> | |

¹ The counterparty of is Bank of China (Hong Kong) Limited.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2023**

| | Market value USD | % of net assets |
|-----------------------------|-----------------------------|----------------------------|
| Daily liquid assets | 299,098,888 | 73.33 |
| Weekly liquid assets | 407,876,094 | 100.00 |

The weighted average maturity and the weighted average life of the portfolio of the Sub-Fund are 49.10 days and 49.31 days respectively.

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Holdings | | | |
|---|------------------|-----------|---------------------|------------------|
| | 31 | Additions | Bonus/ Dividends | 31 |
| | December 2022 | | | December 2023 |
| Quoted investments | | | | |
| Quoted debt securities | | | | |
| AGR BK CHINA/HK 5.9% A 28MAR2024 FXCD | - 20,000,000 | - | - | 20,000,000 |
| AGRICULTURAL BANK OF CHINA LTD/HK 0% A 05JAN2024 FXCD | - 10,000,000 | - | - | 10,000,000 |
| AGRICULTURAL BANK OF CHINA LTD/HONG KONG 0% A 30NOV2023 | - 6,000,000 | - | (6,000,000) | - |
| ALIBABA GROUP HLDG LTD 2.8% S/A 06JUN2023 | - 1,000,000 | - | (1,000,000) | - |
| BAIDU INC 3.875% S/A 29SEP2023 | - 1,170,000 | - | (1,170,000) | - |
| BAIDU INC 4.375% S/A 14MAY2024 | - 2,000,000 | - | (1,000,000) | 1,000,000 |
| BANK OF CHINA LTD/MACAU 5.61% A 11JUN2024 FXCD | - 1,200,000 | - | - | 1,200,000 |
| BK OF CHINA/MACAU CD 0% A 14FEB2024 | - 4,000,000 | - | (3,000,000) | 1,000,000 |
| BK OF CHINA/MACAU CD 5.9% A 17APR2024 | - 10,000,000 | - | - | 10,000,000 |
| BOC AVIATION LTD 2.75% S/A 02DEC2023 | - 6,000,000 | - | (6,000,000) | - |
| BOC AVIATION LTD 4% S/A 25JAN2024 | - 3,500,000 | - | (2,600,000) | 900,000 |
| BOC AVIATION USA CORP 1.625% S/A 29APR2024 REGS | - 1,000,000 | - | (1,000,000) | - |
| BOCOM LEASING MANAGEMENT HONG KONG CO LTD 4.375% S/A 22JAN2024 | - 1,000,000 | - | - | 1,000,000 |
| BOCOM LEASING MANAGEMENT HONG KONG CO LTD 5.5% A 7MAR2024 | - 2,000,000 | - | (2,000,000) | - |
| CCBL CAYMAN 1 CORP LTD 3.5% S/A 16MAY2024 | - 650,000 | - | - | 650,000 |
| CCBL CAYMAN 1 CORP LTD 3M L+1.25% Q 12JUL2023 | - 1,800,000 | - | (1,800,000) | - |
| CH BOHAI BK CO LTD/SHANGHAI PILOT FREE TRADE ZONE 6.1% A 11OCT2023 FXCD | - 10,000,000 | - | (10,000,000) | - |
| CHINA BOHAI BANK CO LTD/HONG KONG 6.08% S/A 07FEB2024 FXCD | - 10,000,000 | - | - | 10,000,000 |
| CHINA BOHAI BANK CO LTD/SH PILOT FTZ 6.06% A 02FEB2024 CD | - 10,000,000 | - | - | 10,000,000 |
| CHINA CONSTRUCTION BANK CORP/HONG KONG 0.86% S/A 22APR2024 | - 1,500,000 | - | - | 1,500,000 |
| CHINA HUADIAN OVERSEAS DEVELOPMENT 2018 LTD 3.875% S/A 17MAY2023 | - 1,000,000 | - | (1,000,000) | - |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 0% A 05JUN2024 | - 5,000,000 | - | - | 5,000,000 |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 5.4% A 17APR2024 | - 5,000,000 | - | - | 5,000,000 |
| CHINA MERCHANTS BANK CO LTD/SYDNEY 5.9% A 24APR2024 | - 5,000,000 | - | - | 5,000,000 |
| CICC HONG KONG FINANCE 2016 MTN LTD 1.625% S/A 26JAN2024 | - 400,000 | - | - | 400,000 |
| CICC HONG KONG FINANCE 2016 MTN LTD 1.75% S/A 10AUG2023 | - 5,000,000 | - | (5,000,000) | - |
| CMB INTL LEASING MANAGEMENT LTD 1.25% S/A 16SEP2024 | - 1,000,000 | - | - | 1,000,000 |
| CNAC HK FINBRIDGE CO LTD 3.375% S/A 19JUN2024 | - 1,500,000 | - | - | 1,500,000 |
| CNAC HK FINBRIDGE CO LTD 4.625% S/A 14MAR2023 | - 4,000,000 | - | (4,000,000) | - |

**DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 31 December 2022 | Holdings Additions | Bonus/ Dividends | Deductions | 31 December 2023 |
|---|------------------------|-----------------------|---------------------|--------------|------------------------|
| Quoted investments | | | | | |
| Quoted debt securities | | | | | |
| CNOOC CURTIS FUNDING NO 1 PTY LTD 4.5% S/A 03OCT2023 REGS | - | 8,250,000 | - | (8,250,000) | - |
| CNOOC NEXEN FINANCE 2014 ULC 4.25% S/A 30APR2024 | - | 3,000,000 | - | (3,000,000) | - |
| CNPC GENERAL CAPITAL LTD 3.4% S/A 16APR2023 REGS | - | 3,000,000 | - | (3,000,000) | - |
| EASTERN CREATION II INVESTMENT HLDGS LTD 1% S/A 10SEP2023 | - | 3,800,000 | - | (3,800,000) | - |
| HERO ASIA INVESTMENT LTD 1.5% S/A 18NOV2023 | - | 3,000,000 | - | (3,000,000) | - |
| ICBC MACAU 5.74% 18JAN2024 FXCD | - | 10,000,000 | - | - | 10,000,000 |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SINGAPORE 1% S/A 9SEP2023 | - | 4,000,000 | - | (4,000,000) | - |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA MACAU LTD 5.43% A 09MAR2023 FXCD | 10,000,000 | - | - | (10,000,000) | - |
| PROSPEROUS RAY LTD 4.625% S/A 12NOV2023 | - | 3,000,000 | - | (3,000,000) | - |
| SINOCHEN OFFSHORE CAPITAL CO LTD 1% S/A 23SEP2024 | - | 1,000,000 | - | (1,000,000) | - |
| SINOPEC CAPITAL 2013 LTD 3.125% S/A 24APR2023 REGS | - | 3,450,000 | - | (3,450,000) | - |
| SOAR WISE LTD 1.75% S/A 30MAR2024 | - | 1,500,000 | - | - | 1,500,000 |
| SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY INVESTMENT CO SARL 4.65% S/A 30OCT2023 | - | 7,000,000 | - | (7,000,000) | - |
| STATE GRID OVERSEAS INVESTMENT 2013 LTD 3.125% S/A 22MAY2023 REGS | - | 8,100,000 | - | (8,100,000) | - |
| TENCENT HLDGS LTD 3.28% S/A 11APR2024 REGS | - | 1,000,000 | - | (1,000,000) | - |
| Certificate of deposit | | | | | |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA MACAU LTD 5.43% A 09MAR2023 FXCD | 10,000,000 | - | - | (10,000,000) | - |
| Collective investment schemes | | | | | |
| DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD | 9,102,841 | - | - | - | 9,102,841 |

DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)

PERFORMANCE TABLE (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Net asset value

| At the end of financial year/period date | Net asset value (in USD) | Net asset value per unit | | | | |
|--|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | USD Class A (in USD) | HKD Class A (in HKD) | USD Class I (in USD) | HKD Class I (in HKD) | USD Class P (in USD) |
| 31 December 2023 | 407,886,932 | 10.9985 | 10.9737 | 11.1930 | 10.8493 | 10.9107 |
| 31 December 2022 | 346,521,197 | 10.4401 | 10.3954 | 10.6194 | 10.2636 | 10.4086 |
| 31 December 2021 | 130,823,528 | 10.2472 | 10.2026 | 10.4180 | - | 10.2404 |

| At the end of financial year/period date | Net asset value (in USD) | Net asset value per unit | | | | |
|--|--------------------------------|--|----------------------------|----------------------------|--------------------------|----------------------------|
| | | HKD Class P (Hedged) (in HKD) | USD Class M (in USD) | HKD Class M (in HKD) | RMB Class (in RMB) | RMB Class A (in RMB) |
| 31 December 2023 | 407,886,932 | 10.6606 | 11.1207 | 10.5717 | 10.1045 | 10.0724 |
| 31 December 2022 | 346,521,197 | 10.2905 | 10.5455 | 10.0046 | - | - |
| 31 December 2021 | 130,823,528 | 10.1807 | 10.3403 | - | - | - |



大成國際

DA CHENG INTERNATIONAL

DA CHENG MONEY MARKET FUND (A SUB-FUND OF DCI INVESTMENT TRUST)

PERFORMANCE TABLE (UNAUDITED) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Highest and lowest net asset value per unit

| Financial year/period ended | Highest issue price per unit | Lowest redemption price per unit |
|------------------------------------|------------------------------------|--|
| 31 December 2023 | | |
| - USD Class A (in USD) | 10.9955 | 10.4433 |
| - HKD Class A (in HKD) | 10.9707 | 10.4148 |
| - HKD Class A (Hedged) (in HKD) | N/A | N/A |
| - USD Class I (in USD) | 11.1899 | 10.6227 |
| - HKD Class I (in HKD) | 10.8462 | 10.2828 |
| - USD Class P (in USD) | 10.9081 | 10.4114 |
| - HKD Class P (Hedged) (in HKD) | 10.6587 | 10.2930 |
| - USD Class M (in USD) | 11.1176 | 10.5488 |
| - HKD Class M (in HKD) | 10.5688 | 10.0234 |
| - RMB Class A (in RMB) | 10.3513 | 9.9120 |
| - RMB Class A Hedged (in RMB) | 10.0754 | 9.9246 |
| 31 December 2022 | | |
| - USD Class A (in USD) | 10.4401 | 10.2474 |
| - HKD Class A (in HKD) | 10.4008 | 10.1871 |
| - HKD Class A (Hedged) (in HKD) | N/A | N/A |
| - USD Class I (in USD) | 10.6194 | 10.4182 |
| - HKD Class I (in HKD) | 10.2672 | 10.1936 |
| - USD Class P (in USD) | 10.4086 | 10.2404 |
| - HKD Class P (Hedged) (in HKD) | 10.2905 | 10.1773 |
| - USD Class M (in USD) | 10.5455 | 10.3406 |
| - HKD Class M (in HKD) | 10.0085 | 9.9365 |
| 31 December 2021 | | |
| - USD Class A (in USD) | 10.2472 | 10.2164 |
| - HKD Class A (in HKD) | 10.2093 | 10.0987 |
| - HKD Class A (Hedged) (in HKD) | N/A | N/A |
| - USD Class I (in USD) | 10.4180 | 10.3816 |
| - HKD Class I (in HKD) | N/A | N/A |
| - USD Class P (in USD) | 10.2404 | 10.2299 |
| - HKD Class P (Hedged) (in HKD) | 10.1858 | 10.1800 |
| - USD Class M (in USD) | 10.3403 | 10.2991 |
| 31 December 2020 | | |
| - USD Class A (in USD) | 10.2156 | 10.0780 |
| - HKD Class A (in HKD) | 10.0993 | 9.9911 |
| - HKD Class A (Hedged) (in HKD) | 10.1119 | 10.0344 |
| - USD Class I (in USD) | 10.3807 | 10.2357 |
| - HKD Class I (in HKD) | 10.2175 | 10.1755 |
| - USD Class P (in USD) | 10.2293 | 10.1354 |
| - HKD Class P (Hedged) (in HKD) | 10.1819 | 10.0792 |
| - USD Class M (in USD) | 10.2982 | 10.1493 |
| 31 December 2019 (since inception) | | |
| - USD Class A (in USD) | 10.0765 | 10.0000 |
| - HKD Class A (in HKD) | N/A | N/A |
| - HKD Class A (Hedged) (in HKD) | 10.0306 | 9.9943 |
| - USD Class I (in USD) | 10.2342 | 10.0000 |
| - HKD Class I (in HKD) | 10.1956 | 10.0000 |
| - USD Class P (in USD) | 10.1341 | 10.0000 |
| - HKD Class P (Hedged) (in HKD) | 10.0762 | 10.0000 |
| - USD Class M (in USD) | 10.1477 | 10.0000 |

