
**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2023**



**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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**DA CHENG SHORT TERM BOND 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 SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORT OF THE MANAGER

Fund Performance

Da Cheng Short term Bond Fund (the “Sub-Fund”) provide a stable income as well as capital growth over the medium to long term by investing in a globally diversified portfolio of debt securities. As of 31 December 2023, the Sub-Fund aggregates a total net asset size of approximately USD12,784,987.

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

	2023	Since inception
Da Cheng Short term Bond Fund - USD Class A NAV-to-NAV return	4.47%	0.60% (From 20 April 2021)
Da Cheng Short term Bond Fund- HKD Class A NAV-to-NAV return	4.79%	0.70% (From 20 April 2021)
Da Cheng Short term Bond Fund - HKD Class M NAV-to-NAV return	5.55%	2.70% (From 20 April 2021)
Da Cheng Short term Bond Fund - USD Class I NAV-to-NAV return	5.19%	1.40% (From 21 April 2021)
Da Cheng Short term Bond Fund - USD Class M NAV-to-NAV return	5.37%	2.10% (From 27 April 2021)
Da Cheng Short term Bond Fund - USD Class A (Dis) NAV-to-NAV return	4.65%	5.17% (From 4 May 2022)
Da Cheng Short term Bond Fund - HKD Class A (Dis) NAV-to-NAV return	4.75%	5.17% (From 20 April 2022)
Da Cheng Short term Bond Fund - AUD Class A (Acc) NAV-to-NAV return	5.20%	11.20% (From 4 May 2022)
Da Cheng Short term Bond Fund - AUD Class A (Dis) NAV-to-NAV return	4.78%	10.75% (From 4 May 2022)
Da Cheng Short term Bond Fund - EUR Class A (Acc) NAV-to-NAV return	1.51%	1.00% (From 4 May 2022)
Da Cheng Short term Bond Fund - EUR Class A (Dis) NAV-to-NAV return	0.95%	0.45% (From 4 May 2022)
Da Cheng Short term Bond Fund - NZD Class A (Acc) NAV-to-NAV return	5.54%	8.60% (From 4 May 2022)
Da Cheng Short term Bond Fund - NZD Class A (Dis) NAV-to-NAV return	5.61%	8.67% (From 4 May 2022)
Da Cheng Short term Bond Fund - RMB Class A (Acc) NAV-to-NAV return	7.90%	13.40% (From 4 May 2022)
Da Cheng Short term Bond Fund - RMB Class A (Dis) NAV-to-NAV return	7.72%	12.89% (From 4 May 2022)

Source: Da Cheng International Asset Management Limited, Bloomberg

The performance of the Sub-Fund is not referenced to pre-determined benchmarks.



**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORT OF THE MANAGER (CONTINUED)

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 start 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 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 for USD assets in the market.

Affected by the likely future path of interest rates adjustment policy and the inconsistency of the market's expectation on future interest rate adjustment pace. The 10-year treasury rate fell to 3.25% in March of 2023, after the banking crisis. But within a few months, under the influence of the US Treasury's large-scale bond issuance, it surprisingly exceeded 5% for the first time in 16 years. The Fed's dovish signals sent the yield on 10-year Treasury bonds down more than 100 basis points, the biggest two-month drop since the 2008 financial crisis, in November and December of 2023.

Bloomberg Barclays US Agg Total Return Value rose 5.54%, while USD Asia ex-Japan China Investment Grade Index rose 6.79%. Markit iBoxx USD Asia ex-Japan China High Yield Total Return index down 14.59%, mostly triggered by the property section. On the supply side in the market, due to the high financing cost, the net new issuance in the market is still negative.

Outlook

Volatility in long-end interest rates will be expected to persist in 2024, mainly due to the mismatch between market expectations and the pace of future FED fund rate adjustments. The current market expectation of 5-6 rate cuts in 2024 might be too optimistic. Higher for longer will still be the tone for 2024, especially, 2024 set to be a super global election year, adding additional uncertainty to future FED rate adjustments.

For the long duration, we are still a bit concerned about the long end duration before the CPI lower to the range 2.0%-2.5% YOY. The volatility may be higher for the long end. Short-term investment-grade bonds are still a better option at this stage to provide stable returns. For the high yield areas, The high financing interest rate will also form a certain obstacle to the refinancing of high-yield issuers, as the high cost may have an encroachment on profitability. The new issue market is expected to perform better in 2024. However, maturity of issuance will still be mainly in short maturities. So, focusing on short-term, high-quality, investment-grade bonds would be a better defence option in 2024.

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



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**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

REPORT OF THE TRUSTEE

We hereby confirm that, in our opinion, the Manager of Da Cheng Short term Bond 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 SHORT TERM BOND 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 Short term Bond Fund (the "Sub-Fund"), a sub-fund of DCI Investment Trust, which are set out on pages 9 to 38, 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 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.

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

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.

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").

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

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.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



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**DA CHENG SHORT TERM BOND 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	12,633,701	8,546,329
Interest receivable		103,405	104,133
Cash and cash equivalents	3.4, 7.3	88,285	103,095
Total assets		<u>12,825,391</u>	<u>8,753,557</u>
Liabilities			
Current liabilities			
Management fee payable	7.1	15,330	3,511
Trustee fee payable	7.2	2,323	2,250
Amount payable on redemption of units		17,949	-
Accrued expenses and other payables		20,562	20,100
Total liabilities (excluding net assets attributable to unitholders)		<u>56,164</u>	<u>25,861</u>
Net assets attributable to unitholders (in accordance with IFRS Accounting Standards)	6	12,769,227	8,727,696
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders	6	15,760	23,630
Net assets attributable to unitholders (in accordance with the Sub-Fund's explanatory memorandum)	6	<u>12,784,987</u>	<u>8,751,326</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 16 to 38 form an integral part of these financial statements.



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**DA CHENG SHORT TERM BOND 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	410	92
Interest income from investments		473,769	371,804
Net gain/(loss) on investments	5	115,794	(286,391)
Net foreign exchange (loss)/gain		(3,456)	369
Other Income		102	58
Total investment income		<u>586,619</u>	<u>85,932</u>
Expenses			
Management fee	7.1	(26,567)	(13,570)
Trustee fee	7.2	(27,073)	(27,000)
Custodian fee	7.3	(4,405)	(4,202)
Transaction handling fees	7.4	(1,366)	(650)
Auditor's remuneration		(21,420)	(27,000)
Legal and professional fee		(1,153)	(1,175)
Other expenses		(1,433)	(1,847)
Total operating expenses		<u>(83,417)</u>	<u>(75,444)</u>
Distribution to unitholders	10	(15,525)	-
Profit for the year		<u>487,677</u>	<u>10,488</u>
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders	6	(7,869)	(7,869)
Increase in net assets attributable to unitholders		<u>479,808</u>	<u>2,619</u>

The notes on pages 16 to 38 form an integral part of these financial statements.



**DA CHENG SHORT TERM BOND 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	8,751,326	10,543,486
Subscription of units	7,722,101	198,043
Redemption of units	(4,168,248)	(1,992,822)
Net increase/(decrease) from unit transactions	3,553,853	(1,794,779)
Increase in net assets attributable to unitholders	479,808	2,619
Net assets attributable to unitholders at the end of the year	12,784,987	8,751,326

The notes on pages 16 to 38 form an integral part of these financial statements.



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**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUSTf)**

**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	USD Class A (Dis)	HKD Class A	HKD Class A (Dis)	HKD Class M
Number of units in issue at the beginning of the year	159	1,880	16,253	27,547	3,160,626
Units issued	210,305	511	3,268,225	803,857	-
Units redeemed	(16)	(78)	(110,456)	(98,693)	(2,955,000)
Number of units in issue at the end of the year	<u>210,448</u>	<u>2,313</u>	<u>3,173,932</u>	<u>732,711</u>	<u>205,626</u>

	2023				
	USD Class I	USD Class M	AUD Class A (Acc)	AUD Class A (Dis)	EUR Class A (Acc)
Number of units in issue at the beginning of the year	457,670	29,730	1,497	2,708	10
Units issued	-	-	-	13,476	-
Units redeemed	-	-	(1,479)	(11,443)	-
Number of units in issue at the end of the year	<u>457,670</u>	<u>29,730</u>	<u>18</u>	<u>4,741</u>	<u>10</u>

The notes on pages 16 to 38 form an integral part of these financial statements.



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DA CHENG INTERNATIONAL

**DA CHENG SHORT TERM BOND 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)

	2023				
	EUR Class A (Dis)	NZD Class A (Acc)	NZD Class A (Dis)	RMB Class A (Acc)	RMB Class A (Dis)
Number of units in issue at the beginning of the year	10	20	20	98	98
Units issued	1,610	-	-	2,414	214,901
Units redeemed	-	-	-	(301)	-
Number of units in issue at the end of the year	<u>1,620</u>	<u>20</u>	<u>20</u>	<u>2,211</u>	<u>214,999</u>
	2022				
	USD Class A	USD Class A (Dis)	HKD Class A	HKD Class A (Dis)	HKD Class M
Number of units in issue at the beginning of the year	23	-	13,647	-	4,306,261
Units issued	513	1,881	45,801	67,405	-
Units redeemed	(377)	(1)	(43,195)	(39,858)	(1,145,635)
Number of units in issue at the end of the year	<u>159</u>	<u>1,880</u>	<u>16,253</u>	<u>27,547</u>	<u>3,160,626</u>

The notes on pages 16 to 38 form an integral part of these financial statements.



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DA CHENG INTERNATIONAL

**DA CHENG SHORT TERM BOND 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)

	2022				
	USD Class I	USD Class M	AUD Class A (Acc)	AUD Class A (Dis)	EUR Class A (Acc)
Number of units in issue at the beginning of the year	457,670	79,523	-	-	-
Units issued	-	-	1,497	2,708	10
Units redeemed	-	(49,793)	-	-	-
Number of units in issue at the end of the year	457,670	29,730	1,497	2,708	10

	2022				
	EUR Class A (Dis)	NZD Class A (Acc)	NZD Class A (Dis)	RMB Class A (Acc)	RMB Class A (Dis)
Number of units in issue at the beginning of the year	-	-	-	-	-
Units issued	10	20	20	98	783
Units redeemed	-	-	-	-	(685)
Number of units in issue at the end of the year	10	20	20	98	98

The notes on pages 16 to 38 form an integral part of these financial statements.

**DA CHENG SHORT TERM BOND 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/(decrease) in net assets attributable to unitholders	479,808	2,619
Adjustments for:		
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders	7,869	7,869
Interest income from bank deposits	(410)	(92)
Interest income from investments	(473,769)	(371,804)
Distribution to unitholders	15,525	-
	<hr/>	<hr/>
Operating income/(loss) before changes in working capital	29,023	(361,408)
(Increase)/decrease in investments	(3,933,286)	1,655,558
Decrease in interest receivable	728	12,489
Increase in management fee payable	11,819	126
Increase in trustee fee payable	73	-
Increase in accrued expenses and other payables	462	7,040
	<hr/>	<hr/>
Cash generated (used in)/from operations	(3,891,181)	1,313,805
Interest income from bank deposit	410	92
Interest income from investments	319,683	371,804
	<hr/>	<hr/>
Net cash generated (used in)/from operating activities	(3,571,088)	1,685,701
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from subscription of units	7,722,101	198,043
Payments on redemption of units	(4,150,298)	(1,992,822)
Distribution paid to unitholders	(15,525)	-
	<hr/>	<hr/>
Net cash generated from/(used in) financing activities	3,556,278	(1,794,779)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(14,810)	(109,078)
Cash and cash equivalents at the beginning of the year	103,095	212,173
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year, representing bank deposits	88,285	103,095
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The notes on pages 16 to 38 form an integral part of these financial statements.



**DA CHENG SHORT TERM BOND 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 Short Term Bond Fund (the “Sub-Fund”), Da Cheng China Balanced Fund, Da Cheng Overseas China Concept Fund, Da Cheng Money Market 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 20 April 2021.

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 investment objective of the Sub-Fund is to provide a stable income as well as capital growth over the medium to long term by investing in a globally diversified portfolio of debt securities. The Sub-Fund seeks to achieve its investment objective by primarily invests in debt securities issued by governments, government agencies, supra-nationals, banks or companies worldwide.

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

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all 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.

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 (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies.



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**DA CHENG SHORT TERM BOND 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)

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 that are relevant to the Sub-Fund and have not been early adopted by the Sub-Fund

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 United States dollar (“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 gain and loss relating to the financial assets carried at fair value through profit or loss is presented in the statement of comprehensive income within “net loss on investments”.



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2 Summary of material accounting policies (Continued)

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'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 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 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 loss on investments" in the period in which they arise.

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.



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2 Summary of material accounting policies (Continued)

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.

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.

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2 Summary of material accounting policies (Continued)

2.8 Transaction costs

Transaction costs are costs incurred to acquire financial assets 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 Establishment costs

Establishment costs are recognised as expenses in the period in which they are incurred in accordance with IFRSs.

2.10 Receivables

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

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 as at 31 December 2023 and 2022:

	2023 USD	2022 USD
Investments		
Quoted debt securities	12,633,701	8,546,329

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3 Financial risk management (Continued)

3.1 Market price risk (Continued)

The following table discloses the investments of the Sub-Fund by industrial sectors as at 31 December 2023 and 2022:

Investments	2023		2022	
	Fair value of investments USD	% of net assets	Fair value of investments USD	% of net assets
Quoted debt securities				
Government	989,059	7.74	-	-
Industrial	401,016	3.14	2,101,565	24.01
Utilities	-	-	987,148	11.28
Financial	7,000,955	54.76	2,922,780	33.40
Consumer, Cyclical	390,034	3.05	372,180	4.25
Consumer, Non-cyclical	-	-	398,324	4.55
Basic Materials	1,087,478	8.51	486,756	5.56
Energy	1,188,120	9.29	497,720	5.69
Communications	1,285,757	10.06	779,856	8.91
Diversified	291,282	2.28	-	-
Total investments	12,633,701	98.83	8,546,329	97.65

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 future cash flow.



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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 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	9,098,541	2,155,253	390,848	989,059	12,633,701
Interest receivable	-	-	-	103,405	103,405
Cash and cash equivalents	88,285	-	-	-	88,285
Total assets	9,186,826	2,155,253	390,848	1,092,464	12,825,391
Liabilities					
Management fee payable	-	-	-	15,330	15,330
Trustee fee payable	-	-	-	2,323	2,323
Accrued expenses and other payables	-	-	-	20,562	20,562
Amount payable on redemption of units	-	-	-	17,949	17,949
Net assets attributable to unitholders	-	-	-	12,784,987	12,784,987
Total liabilities	-	-	-	12,841,151	12,841,151
Total interest sensitivity gap	9,186,826	2,155,253	390,848		
As at 31 December 2022					
Assets					
Investments	5,857,236	2,429,605	259,488	-	8,546,329
Interest receivable	-	-	-	104,133	104,133
Cash and cash equivalents	103,095	-	-	-	103,095
Total assets	5,960,331	2,429,605	259,488	104,133	8,753,557
Liabilities					
Management fee payable	-	-	-	3,511	3,511
Trustee fee payable	-	-	-	2,250	2,250
Accrued expenses and other payables	-	-	-	20,100	20,100
Net assets attributable to unitholders	-	-	-	8,751,326	8,751,326
Total liabilities	-	-	-	8,777,187	8,777,187
Total interest sensitivity gap	5,960,331	2,429,605	259,488		

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3 Financial risk management (Continued)

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

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 USD11,644,642 (2022: USD8,546,329) and the portfolio weighted average modified duration of the Sub-Fund is 0.73 (2022: 0.62).

Given a 50 basis points (2022: 150 basis points) change in the rate of all debt securities 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. USD42,503 (2022: USD79,481) while holding all other variables constant.

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.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in debt securities. The Sub-Fund does not have explicit restrictions on the minimum credit ratings of securities it may hold. 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 table below summarises the credit quality of the Sub-Fund's debt securities, which represents 98.82% (2022: 97.66%) of net assets, as at 31 December 2023 and 2022.

Credit rating agency	Rating range	2023 % of net assets	2022 % of net assets
Fitch	BBB-	2.33%	2.97%
Fitch	BBB	4.54%	-
Fitch	BBB+	-	12.49%
Fitch	A-	6.18%	-
Fitch	A	20.89%	3.42%
Fitch	A+	10.83%	-
Fitch	AA+	7.74%	-
Moody's	Baa3	-	7.48%
Moody's	Baa2	-	15.22%
Moody's	Baa1	-	4.55%
Moody's	A3	-	4.51%
Moody's	A2	-	7.92%
Moody's	A1	3.06%	10.24%
S&P	BBB-	1.52%	2.14%
S&P	BBB+	15.47%	6.49%
S&P	BBB	3.10%	-
S&P	A+	3.84%	-
S&P	A-	14%	-
S&P	A	5.32%	-
Unrated		-	20.23%
Total		98.82%	97.66%

The Manager has assessed the credit quality of the quoted debt securities based on the nature of issuers and historical information about the issuers' default rates.

The Sub-Fund is also exposed to credit and counterparty risk on cash and cash equivalents.



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3 Financial risk management (Continued)

3.4 Credit and counterparty risk (Continued)

The table below summarises the exposure to the Sub-Fund's counterparty as at 31 December 2023 and 2022 together with its credit rating:

At 31 December 2023	USD	Credit rating	Source of credit rating
Investments			
Bank of China (Hong Kong) Limited	12,633,701	Aa3	Moody's
Cash and cash equivalents			
Bank of China (Hong Kong) Limited	88,285	Aa3	Moody's
At 31 December 2022			
Investments			
Bank of China (Hong Kong) Limited	8,546,329	Aa3	Moody's
Cash and cash equivalents			
Bank of China (Hong Kong) Limited	103,095	Aa3	Moody's

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 and cash and cash equivalents are held with a counterparty 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 period 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.

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3 Financial risk management (Continued)

3.5 Liquidity risk (Continued)

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
Management fee payable	15,330	3,511
Trustee fee payable	2,323	2,250
Accrued expenses and other payables	20,562	20,100
Amount payable on redemption of units	17,949	-
Net assets attributable to unitholders	12,784,987	8,751,326
	<u>12,841,151</u>	<u>8,777,187</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 USD12,825,391 (2022: USD8,753,557). The Sub-Fund manages its liquidity risk by investing in investments that it expects to be able to liquidate within 7 days or less.

3.6 Fair value estimation

The fair value of financial assets 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 period end date. The Sub-Fund utilises the last traded market price as its fair valuation inputs for financial assets.

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.

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3 Financial risk management (Continued)

3.6 Fair value estimation (Continued)

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 as at 31 December 2023 and 2022:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
As at 31 December 2023				
Assets				
Investments				
- Quoted debt securities	-	12,633,701	-	12,633,701
Total	-	12,633,701	-	12,633,701
As at 31 December 2022				
Assets				
Investments				
- Quoted debt securities	-	8,546,329	-	8,546,329
Total	-	8,546,329	-	8,546,329



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

3 Financial risk management (Continued)

3.6 Fair value estimation (Continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The Sub-Fund does not adjust the quoted price for these. As at 31 December 2023 and 2022, there is no level 1 investment held by the Sub-Fund.

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.

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

The carrying amount of interest receivable, cash and cash equivalents, management fee payable, trustee fee payable, 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.

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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, 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, 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

	2023 USD	2022 USD
Net realised loss on sale of investments	(48,628)	(230,438)
Net change in unrealised gain/(loss) on investments	164,422	(55,953)
	<u>115,794</u>	<u>(286,391)</u>

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 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, USD Class A (Dis) units, HKD Class A units, HKD Class A (Dis) units, AUD Class A (Acc) units, AUD Class A (Dis) units, EUR Class A (Acc) units, EUR Class A (Dis) units, NZD Class A (Acc) units, NZD Class A (Dis) units, RMB Class A (Acc) units, RMB Class A (Dis) units, USD Class M units, HKD Class M units and USD Class I units (2022: USD Class A units, USD Class A (Dis) units, HKD Class A units, HKD Class A (Dis) units, AUD Class A (Acc) units, AUD Class A (Dis) units, EUR Class A (Acc) units, EUR Class A (Dis) units, NZD Class A (Acc) units, NZD Class A (Dis) units, RMB Class A (Acc) units, RMB Class A (Dis) units, USD Class M units, HKD Class M units and USD Class I units) in issue.



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

The following table details the net asset value per unit of each class of units at 31 December 2023 and 2022:

	2023				
	USD Class A (in USD)	HKD Class A (in HKD)	HKD Class M (in HKD)	USD Class I (in USD)	USD Class M (in USD)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023	10.06	10.07	10.27	10.14	10.21

	2023				
	HKD Class A (Dis) (in HKD)	AUD Class A (Acc) (in AUD)	AUD Class A (Dis) (in AUD)	EUR Class A (Acc) (in EUR)	EUR Class A (Dis) (in EUR)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023	10.14	11.12	10.68	10.10	9.95

	2023				
	NZD Class A (Acc) (in NZD)	NZD Class A (Dis) (in NZD)	RMB Class A (Acc) (in RMB)	RMB Class A (Dis) (in RMB)	USD Class A (Dis) (in USD)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2023	10.86	10.75	11.34	11.05	10.14

	2022				
	USD Class A (in USD)	HKD Class A (in HKD)	HKD Class M (in HKD)	USD Class I (in USD)	USD Class M (in USD)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2022	9.63	9.61	9.73	9.64	9.69



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

	2022				
	HKD	AUD	AUD	EUR	EUR
	Class A (Dis) (in HKD)	Class A (Acc) (in AUD)	Class A (Dis) (in AUD)	Class A (Acc) (in EUR)	Class A (Dis) (in EUR)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2022	10.04	10.57	10.57	9.95	9.95

	2022				
	NZD	NZD	RMB	RMB	USD
	Class A (Acc) (in NZD)	Class A (Dis) (in NZD)	Class A (Acc) (in RMB)	Class A (Dis) (in RMB)	Class A (Dis) (in USD)
Net assets attributable to unitholders per unit (Dealing NAV) at 31 December 2022	10.29	10.29	10.51	10.48	10.05

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 costs of establishment of the Sub-Fund are estimated to be approximately USD37,000. As at 31 December 2023, USD15,760 (2022: USD23,630) are unamortized for the Sub-Fund, with remaining amortisation period of 2 years and 5 months (2022: 3 years and 5 months). However, the accounting policy of the Sub-Fund for the purpose of financial statements preparation in compliance with IFRSs 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 IFRSs 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 and 2022, the above difference between the dealing net asset value ("Dealing NAV") and the accounting net asset value results an adjustment of USD15,760 (2022: USD23,630) below.

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**NOTES TO THE FINANCIAL STATEMENTS
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6 Number of units in issue and net assets attributable to unitholders per unit (Continued)

	As at 31 December 2023 USD	As at 31 December 2022 USD
Net assets attributable to unitholders (in accordance with IFRS Accounting Standards)	12,769,227	8,727,696
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders	15,760	23,630
	<hr/>	<hr/>
Net assets attributable to unitholders (in accordance with the Sub-Fund's explanatory memorandum)	<u>12,784,987</u>	<u>8,751,326</u>

7 Transactions with related parties or connected persons

The following is a summary of transactions entered into during the period between the Sub-Fund and its related parties including the Manager, the investment delegate, the 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 0.8% per annum (2022: 0.8% per annum) of the net asset value of Class A units and 0.3% per annum (2022: 0.3% per annum) of the net asset value of Class I units. No management fee is charged for Class M units. The fee calculated and accrued on each valuation day and payable monthly in arrears.

Management fee charged for the year was USD26,567 (2022: USD13,570) of which USD15,330 (2022: USD3,511) was payable to the Manager.

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 0.08% per annum (2022: the Trustee is entitled to receive a fee of 0.08% per annum). The fee is calculated and accrued on each valuation day and payable monthly in arrears.

Trustee fee charged for the year was USD27,073 (2022: USD27,000) of which USD2,323 (2022: USD2,250) was payable to the Trustee.

**DA CHENG SHORT TERM BOND FUND
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7 Transactions with related parties or connected persons (Continued)

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 0.10% per annum (2022: up to 0.10% per annum) of the net asset value of the Sub-Fund. Custodian fee charged for the year was USD4,405 (2022: USD4,202). All the custodian fee payable was fully settled as of 31 December 2023 and 2022.

As at 31 December 2023, cash and cash equivalents amounted to USD88,285 (2022: USD103,095) is held with Bank of China (Hong Kong) Limited. In addition, the Sub-Fund's investments are held at Bank of China (Hong Kong) 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 USD410 (2022: USD92) while the bank charges of Bank of China (Hong Kong) Limited for the year was USD297 (2022: USD274).

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
As at 31 December 2023				
BOCI-Prudential Trustee Limited	1,366	0.01%	6,500,000	21.66%
As at 31 December 2022				
BOCI Securities Limited	-	-	200,276	0.76%
BOCI-Prudential Trustee Limited	650	0.01%	9,450,000	35.69%



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DA CHENG SHORT TERM BOND 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 Investment in related parties

During the year ended 31 December 2023, the Sub-Fund purchased USD1,101,854 (2022: USD405,690) and disposed of USD698,648 (2022: USDnil) of debt securities of BOC Aviation Limited, a related party of the Trustee, and the total accrued interest on the bond during the year was USD14,317 (2022: USD12,833).

As at 31 December 2023, the Sub-Fund holds 800,000 shares (2022: the Sub-Fund holds 400,000 shares) of BOC Aviation Limited with fair value of USD799,048 (2022: USD399,712).

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:

	Units outstanding at 1 January 2023	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2023
2023				
HKD Class A	100	-	-	100
HKD Class M	2,955,489	-	2,955,000	489
USD Class A	10	-	-	10
USD Class M	29,730	-	-	29,730
	Units outstanding at 1 January 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2022
2022				
HKD Class A	100	-	-	100
HKD Class M	3,891,040	-	(935,551)	2,955,489
USD Class A	10	-	-	10
USD Class M	79,523	-	(49,793)	29,730

Units held by Da Cheng International Asset Management Company Limited, the Manager of the Sub-Fund through Noah Nominee Limited as agent:

	Units outstanding at 1 January 2023	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2023
2023				
HKD Class A	-	3,021,952	-	3,021,952



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**DA CHENG SHORT TERM BOND 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)

No unit held by Da Cheng International Asset Management Company Limited, the Manager of the Sub-Fund through Noah Nominee Limited as agent as at 31 December 2022.

As at 31 December 2023, the Sub-Fund has USD3,893,859 (2022: USD123) of HKD Class A, USD643 (2022: USD3,686,683) of HKD Class M, USD101 (2022: USD96) of USD Class A and USD303,543 (2022: USD288,007) of USD Class M held by Da Cheng International Asset Management Company Limited, the Manager of the Sub-Fund.

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

	Units outstanding at 1 January 2023	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2023
2023				
HKD Class M	205,137	-	-	205,137
	Units outstanding at 1 January 2022	Units subscribed during the year	Units Redeemed during the year	Units outstanding at 31 December 2022
2022				
HKD Class M	415,221	-	(210,084)	205,137

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

For the years ended 31 December 2023 and 2022, the Sub-Fund had invested in RMB denominated debt securities in the PRC. On 7 November 2018, the Ministry of Finance (“MOF”) and the PRC State Taxation Administration (“STA”) jointly issued a notice Caishui [2018] No.108 (“Circular 108”) which stipulates that foreign institutional investors are temporarily exempted from PRC WIT and VAT in respect of bond interest income received from 7 November 2018 to 6 November 2021. On 22 November 2021, the MOF and the STA officially issued Public Notice [2021] No.34 to extend the CIT and VAT exemption treatment on the bond interest income for the foreign institutional investors investing in the domestic bond market from 6 November 2021 to 31 December 2025. Therefore, no withholding tax was charged on interest income received from debt securities in PRC during the year ended 31 December 2023 and 31 December 2022.



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DA CHENG SHORT TERM BOND FUND (A SUB-FUND OF DCI INVESTMENT TRUST)

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

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 Distribution to unitholders

The Sub-Fund made the following distributions during the year ended 31 December 2023:

	2023 USD
<u>Interim distributions</u>	
RMB Class A 0.017 on 40,730 units with ex-date on 15 March 2023 and payment on 24 March 2023	(100)
HKD Class A 0.028 on 37,178 units with ex-date on 15 March 2023 and payment on 25 March 2023	(133)
USD Class A 0.028 on 1,880 units with ex-date on 15 March 2023 and payment on 24 March 2023	(53)
RMB Class A 0.017 on 40,730 units with ex-date on 17 April 2023 and payment on 25 April 2023	(101)
HKD Class A 0.028 on 9,922 units with ex-date on 17 April 2023 and payment on 25 April 2023	(35)
USD Class A 0.028 on 1,885 units with ex-date on 17 April 2023 and payment on 25 April 2023	(53)
RMB Class A 0.017 on 40,730 units with ex-date on 15 May 2023 and payment on 25 May 2023	(99)
HKD Class A 0.028 on 9,922 units with ex-date on 15 May 2023 and payment on 25 May 2023	(35)
USD Class A 0.028 on 1,890 units with ex-date on 16 May 2023 and payment on 25 May 2023	(53)
AUD Class A 0.05 on 18 units with ex-date on 16 May 2023 and payment on 25 May 2023	(1)
RMB Class A 0.017 on 40,730 units with ex-date on 15 June 2023 and payment on 21 June 2023	(97)
HKD Class A 0.028 on 21,522 units with ex-date on 15 June 2023 and payment on 21 June 2023	(77)
USD Class A 0.028 on 1,896 units with ex-date on 15 June 2023 and payment on 21 June 2023	(53)
AUD Class A 0.05 on 54 units with ex-date on 15 June 2023 and payment on 21 June 2023	(2)
EUR Class A 0.009 on 1,620 units with ex-date on 15 June 2023 and payment on 21 June 2023	(16)
NZD Class A 0.014 on 20 units with ex-date on 15 June 2023 and payment on 21 June 2023	(0)*
RMB Class A 0.028 on 84,796 units with ex-date on 18 July 2023 and payment on 25 July 2023	(329)
HKD Class A 0.043 on 54,428 units with ex-date on 18 July 2023 and payment on 25 July 2023	(300)
USD Class A 0.043 on 1,901 units with ex-date on 18 July 2023 and payment on 25 July 2023	(82)
AUD Class A 0.05 on 55 units with ex-date on 18 July 2023 and payment on 25 July 2023	(2)



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**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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

10 Distribution to unitholders (Continued)

	2023 USD
<u>Interim distributions (Continued)</u>	
EUR Class A 0.009 on 1,620 units with ex-date on 18 July 2023 and payment on 25 July 2023	(16)
NZD Class A 0.014 on 20 units with ex-date on 18 July 2023 and payment on 25 July 2023	(0)*
RMB Class A 0.028 on 84,796 units with ex-date on 15 August 2023 and payment on 25 August 2023	(324)
HKD Class A 0.043 on 54,428 units with ex-date on 15 August 2023 and payment on 25 August 2023	(299)
USD Class A 0.043 on 1,909 units with ex-date on 15 August 2023 and payment on 25 August 2023	(82)
AUD Class A 0.05 on 55 units with ex-date on 15 August 2023 and payment on 25 August 2023	(2)
EUR Class A 0.009 on 1,620 units with ex-date on 15 August 2023 and payment on 25 August 2023	(16)
NZD Class A 0.014 on 20 units with ex-date on 15 August 2023 and payment on 25 August 2023	(0)*
RMB Class A 0.028 on 104,099 units with ex-date on 15 September 2023 and payment on 25 September 2023	(399)
HKD Class A 0.043 on 54,429 units with ex-date on 15 September 2023 and payment on 25 September 2023	(299)
USD Class A 0.043 on 1,995 units with ex-date on 15 September 2023 and payment on 25 September 2023	(86)
AUD Class A 0.05 on 55 units with ex-date on 15 September 2023 and payment on 25 September 2023	(2)
EUR Class A 0.009 on 1,620 units with ex-date on 15 September 2023 and payment on 25 September 2023	(16)
NZD Class A 0.014 on 20 units with ex-date on 15 September 2023 and payment on 25 September 2023	(0)*
RMB Class A 0.028 on 130,630 units with ex-date on 16 October 2023 and payment on 25 October 2023	(500)
HKD Class A 0.043 on 152,362 units with ex-date on 16 October 2023 and payment on 25 October 2023	(837)
HKD Class A 0.043 on 152,362 units with ex-date on 16 October 2023 and payment on 25 October 2023	(83)
USD Class A 0.043 on 1,925 units with ex-date on 16 October 2023 and payment on 25 October 2023	(369)
AUD Class A 0.05 on 11,632 units with ex-date on 16 October 2023 and payment on 25 October 2023	(15)
EUR Class A 0.009 on 1,620 units with ex-date on 16 October 2023 and payment on 25 October 2023	(0)*
NZD Class A 0.014 on 20 units with ex-date on 16 October 2023 and payment on 25 October 2023	(0)*
RMB Class A 0.028 on 214,999 units with ex-date on 15 November 2023 and payment on 24 November 2023	(830)
HKD Class A 0.043 on 731,759 units with ex-date on 15 November 2023 and payment on 24 November 2023	(4,028)

**DA CHENG SHORT TERM BOND FUND
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 Distribution to unitholders (Continued)

	2023 USD
<u>Interim distributions (Continued)</u>	
USD Class A 0.043 on 2,304 units with ex-date on 15 November 2023 and payment on 24 November 2023	(99)
AUD Class A 0.05 on 4,741 units with ex-date on 15 November 2023 and payment on 24 November 2023	(378)
EUR Class A 0.025 on 1,620 units with ex-date on 15 November 2023 and payment on 24 November 2023	(44)
NZD Class A 0.025 on 20 units with ex-date on 15 November 2023 and payment on 24 November 2023	(0)*
<u>Final distributions</u>	
RMB Class A 0.028 on 214,999 units with ex-date on 15 December 2023 and payment on 22 December 2023	(843)
HKD Class A 0.043 on 730,883 units with ex-date on 15 December 2023 and payment on 22 December 2023	(4,035)
USD Class A 0.043 on 2,296 units with ex-date on 15 December 2023 and payment on 22 December 2023	(99)
AUD Class A 0.05 on 11,632 units with ex-date on 15 December 2023 and payment on 22 December 2023	(159)
EUR Class A 0.025 on 1,620 units with ex-date on 15 December 2023 and payment on 22 December 2023	(44)
NZD Class A 0.025 on 20 units with ex-date on 15 December 2023 and payment on 22 December 2023	(0)
	(15,525)

*The amount of distribution made was less than one United States Dollar.

The Sub-Fund did not make any distribution during the year ended 31 December 2022.

11 Approval of financial statements

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



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**DA CHENG SHORT TERM BOND FUND
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**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 31 DECEMBER 2023**

	Holdings	Market value USD	% of net assets
Quoted investments			
Quoted debt securities			
Canada			
CNOOC NEXEN FINANCE 2014 ULC 4.25% S/A 30APR2024	800,000	796,880	6.23
Cayman			
ALIBABA GROUP HLDG LTD 3.6% S/A 28NOV2024	500,000	491,545	3.84
BAIDU INC 4.375% S/A 14MAY2024	400,000	398,492	3.12
CCBL CAYMAN 1 CORP LTD 3.5% S/A 16MAY2024	800,000	794,128	6.21
CDBL FUNDING 2 1.375% S/A 04MAR2024	200,000	198,608	1.55
GEELY AUTOMOBILE HLDGS LTD 4% S/A PERP	200,000	194,056	1.52
SOAR WISE LTD 1.75% S/A 30MAR2024	600,000	594,474	4.65
WEIBO CORP 3.5% S/A 05JUL2024	400,000	395,720	3.10
		3,067,023	23.99
China			
TFI OVERSEAS INVESTMENT LTD S/A 4% 15MAR2024	300,000	297,573	2.33
Hong Kong			
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 4.375% S/A 22JAN2024	500,000	499,605	3.91
CITIC LTD 4% S/A 11JAN2028	300,000	291,282	2.28
CMB INTL LEASING MANAGEMENT LTD 3% S/A 03JUL2024	700,000	691,271	5.41
CNAC HK FINBRIDGE CO LTD 3.375% S/A 19JUN2024	400,000	395,876	3.10
CNAC HK FINBRIDGE CO LTD 5.125% S/A 14MAR2028	200,000	199,360	1.56
ICBCIL FINANCE CO LTD 1.625% S/A 02NOV2024	500,000	484,485	3.79
		2,561,879	20.05
Japan			
MITSUBISHI UFJ FINANCIAL GROUP INC 4.788% S/A 18JUL2025	200,000	199,096	1.56
TOYOTA TSUSHO CORP 2.596% S/A 19SEP2024	200,000	195,978	1.53
		395,074	3.09
Singapore			
BOC AVIATION LTD 4% S/A 25JAN2024	800,000	799,048	6.25
		799,048	6.25



DA CHENG SHORT TERM BOND FUND
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INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2023

	Holdings	Market value USD	% of net Assets
United Kingdom			
BARCLAYS PLC 4.972% S/A 16MAY2029	200,000	196,792	1.54
BARCLAYS PLC 5.304% S/A 09AUG2026	200,000	199,440	1.56
HSBC HLDGS PLC 2.633% S/A 07NOV2025	300,000	292,617	2.29
		688,849	5.39
United States			
UNITED STATES OF AMERICA TREASURY BILL 0% A 14MAR2024	1,000,000	989,059	7.74
		989,059	7.74
VIRGIN ISL, BT			
BLUESTAR FINANCE HLDGS LTD 3.375% S/A 16JUL2024	300,000	296,538	2.32
CHALCO HONG KONG INVESTMENT CO LTD 1.55% S/A 28JUL2024	200,000	195,704	1.53
CHANG DEVELOPMENT INTL LTD 7% S/A 13JUN2026	400,000	401,016	3.14
CHINA CINDA FINANCE 2015 I LTD 4.25% S/A 23APR2025 REGS	400,000	393,244	3.08
CHINA GREAT WALL INTL HLDGS V LTD 2.875% S/A 23NOV2026	200,000	179,198	1.40
CICC HONG KONG FINANCE 2016 MTN LTD 1.625% S/A 26JAN2024	600,000	598,464	4.68
SINOCHEM OFFSHORE CAPITAL CO LTD 1.5% S/A 24NOV2024	200,000	193,248	1.51
SINOPEC GROUP OVERSEAS DEVELOPMENT 2018 LTD 2.5% S/A 12NOV2024 REGS	400,000	391,240	3.06
XINGSHENG BVI CO LTD 1.375% S/A 25AUG2024	400,000	389,664	3.05
		3,038,316	23.77
Total quoted investments		12,633,701	98.84
Total quoted investments		12,633,701	98.82
Other net assets		151,286	1.18
Total net assets as at 31 December 2023		12,784,987	100.00
Total investments, at cost		12,510,242	

**DA CHENG SHORT TERM BOND FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
 FOR THE YEAR ENDED 31 DECEMBER 2023**

	Holdings				31 December 2023
	31 December 2022	Additions	Bonus/ Dividends	Deductions	
Quoted debt securities					
ALIBABA GROUP HLDG LTD 2.8% S/A 06JUN2023	-	300,000	-	(300,000)	-
ALIBABA GROUP HLDG LTD 3.6% S/A 28NOV2024	-	500,000	-	-	500,000
AZURE ORBIT IV INTL FINANCE LTD 3.75% S/A 25JAN2023	300,000	-	-	(300,000)	-
BAIDU INC 3.875% S/A 29SEP2023	400,000	-	-	(400,000)	-
BAIDU INC 4.375% S/A 14MAY2024	-	400,000	-	-	400,000
BANK OF CHINA HONG KONG LTD 5.9% S/A PERP REGS	-	300,000	-	(300,000)	-
BANK OF COMMUNICATIONS CO LTD/HONG KONG 3M L+0.85% Q 17MAY2023	200,000	-	-	(200,000)	-
BARCLAYS PLC 4.972% S/A 16MAY2029	-	200,000	-	-	200,000
BARCLAYS PLC 5.304% S/A 09AUG2026	-	200,000	-	-	200,000
BLUESTAR FINANCE HLDGS LTD 3.375% S/A 16JUL2024	-	300,000	-	-	300,000
BOC AVIATION LTD 2.75% S/A 02DEC2023	-	300,000	-	(300,000)	-
BOC AVIATION LTD 3.5% S/A 31JAN2023	400,000	-	-	(400,000)	-
BOC AVIATION LTD 4% S/A 25JAN2024	-	800,000	-	-	800,000
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 4.375% S/A 22JAN2024	-	500,000	-	-	500,000
CCBL CAYMAN 1 CORP LTD 3.5% S/A 16MAY2024	-	800,000	-	-	800,000
CDBL FUNDING 1 1.5% S/A 04NOV2023	200,000	300,000	-	(500,000)	-
CDBL FUNDING 2 1.375% S/A 04MAR2024	-	200,000	-	-	200,000
CHALCO HONG KONG INVESTMENT CO LTD 1.55% S/A 28JUL2024	-	200,000	-	-	200,000
CHANG DEVELOPMENT INTL LTD 4.3% S/A 09SEP2024	800,000	-	-	(800,000)	-
CHANG DEVELOPMENT INTL LTD 7% S/A 13JUN2026	-	400,000	-	-	400,000
CHINA CINDA FINANCE 2015 I LTD 4.25% S/A 23APR2025 REGS	-	400,000	-	-	400,000
CHINA CITIC BANK INTL LTD 6% S/A 05DEC2023	-	250,000	-	(250,000)	-
CHINA GREAT WALL INTL HLDGS V LTD 2.875% S/A 23NOV2026	-	200,000	-	-	200,000
CHINA HUADIAN OVERSEAS DEVELOPMENT 2018 LTD 3.875% S/A 17MAY2023	300,000	-	-	(300,000)	-
CHINA RAILWAY RESOURCES HUITUNG LTD 3.85% S/A 05FEB2023	200,000	-	-	(200,000)	-
CHINA RESOURCES LAND LTD 3.75% S/A PERP	-	400,000	-	(400,000)	-
CHONGQING NAN'AN URBAN CONSTRUCTION & DEVELOPMENT GROUP CO LTD 4.2% S/A 07JUL2024	400,000	-	-	(400,000)	-
CHOUZHOU INTL INVESTMENT LTD 3.15% S/A 11AUG2023	200,000	-	-	(200,000)	-
CICC HONG KONG FINANCE 2016 MTN LTD 1.625% S/A 26JAN2024	-	600,000	-	-	600,000
CICC HONG KONG FINANCE 2016 MTN LTD 3M L+0.9% Q 18FEB2023	600,000	-	-	(600,000)	-
CITIC LTD 4% S/A 11JAN2028	-	300,000	-	-	300,000
CMB INTL LEASING MANAGEMENT LTD 1.25% S/A 16SEP2024	300,000	-	-	(300,000)	-
CMB INTL LEASING MANAGEMENT LTD 3% S/A 03JUL2024	-	700,000	-	-	700,000
CMHI FINANCE BVI CO LTD 4.375% S/A 06AUG2023	-	400,000	-	-	(400,000)
CNAC HK FINBRIDGE CO LTD 3.35% S/A PERP(CALLED)	-	200,000	-	(200,000)	-
CNAC HK FINBRIDGE CO LTD 3.375% S/A 19JUN2024	-	400,000	-	-	400,000



**DA CHENG SHORT TERM BOND FUND
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Holdings				31 December 2023
	31 December 2022	Additions	Bonus/ Dividends	Deductions	
Quoted debt securities (Continued)					
CNAC HK FINBRIDGE CO LTD 4.625% S/A 14MAR2023	300,000	-	-	(300,000)	-
CNAC HK FINBRIDGE CO LTD 5.125% S/A 14MAR2028	-	200,000	-	-	200,000
CNOOC CURTIS FUNDING NO 1 PTY LTD 4.5% S/A 03OCT2023 REGS	500,000	-	-	(500,000)	-
CNOOC NEXEN FINANCE 2014 ULC 4.25% S/A 30APR2024	-	800,000	-	-	800,000
GEELY AUTOMOBILE HLDGS LTD 4% S/A PERP	-	200,000	-	-	200,000
HAITIAN BVI INTERNATIONAL INVST DEVELOPMENT LTD 2.8% S/A 04NOV2023	-	300,000	-	(300,000)	-
HANHUI INTL LTD 4% S/A 19AUG2023	200,000	-	-	(200,000)	-
HERO ASIA INVESTMENT LTD 1.5% S/A 18NOV2023	300,000	-	-	(300,000)	-
HSBC HLDGS PLC 2.633% S/A 07NOV2025	-	300,000	-	-	300,000
HUAFA 2021 I CO LTD 4.25% S/A PERP	300,000	-	-	(300,000)	-
HUATAI INTL FINANCE LTD 5% A 21JUL2023	-	300,000	-	(300,000)	-
ICBCIL FINANCE CO LTD 1.625% S/A 02NOV2024	-	500,000	-	-	500,000
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SINGAPORE 1% S/A 9SEP2023	-	200,000	-	(200,000)	-
INDUSTRIAL BANK CO LTD/HONG KONG 1.125% S/A 06NOV2023	-	400,000	-	(400,000)	-
INDUSTRIAL INVESTMENT OVERSEAS LTD 4.4% S/A 11JUL2023	300,000	-	-	(300,000)	-
MITSUBISHI UFJ FINANCIAL GROUP INC 4.788% S/A 18JUL2025	-	200,000	-	-	200,000
PROSPEROUS RAY LTD 4.625% S/A 12NOV2023	-	200,000	-	(200,000)	-
SDG FINANCE LTD 2.4% S/A 25AUG2024	200,000	-	-	(200,000)	-
SHANGRAO INVESTMENT HLDGS INTL CO LTD 4.3% S/A 16JAN2023	500,000	-	-	(500,000)	-
SINOCHEM OFFSHORE CAPITAL CO LTD 1.5% S/A 24NOV2024	-	500,000	-	(300,000)	200,000
SINOPEC GROUP OVERSEAS DEVELOPMENT 2018 LTD 2.5% S/A 12NOV2024 REGS	-	400,000	-	-	400,000
SOAR WISE LTD 1.75% S/A 30MAR2024	-	600,000	-	-	600,000
SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY INVESTMENT CO SARL 4.65% S/A 30OCT2023	-	200,000	-	(200,000)	-
STATE GRID OVERSEAS INVESTMENT 2016 LTD 3.75% S/A 02MAY2023 REGS	400,000	-	-	(400,000)	-
TENCENT HLDGS LTD 2.39% S/A 03JUN2030 REGS	-	200,000	-	(200,000)	-
TFI OVERSEAS INVESTMENT LTD S/A 4% 15MAR2024	-	300,000	-	-	300,000
TOYOTA TSUSHO CORP 2.596% S/A 19SEP2024	-	200,000	-	-	200,000
UNITED STATES OF AMERICA TREASURY BILL 0% A 14MAR2024	-	1,500,000	-	(500,000)	1,000,000
VANKE REAL ESTATE HONG KONG CO LTD 3.15% S/A 12MAY2025	-	200,000	-	(200,000)	-
VANKE REAL ESTATE HONG KONG CO LTD 3M L+1.55% Q 25MAY2023	200,000	-	-	(200,000)	-
WEIBO CORP 3.5% S/A 05JUL2024	400,000	-	-	-	400,000
WEIFANG URBAN CONSTRUCTION & DEVELOPMENT INVESTMENT GROUP CO LTD 2.6% S/A 27SEP2024	500,000	-	-	(500,000)	-
XINGSHENG BVI CO LTD 1.375% S/A 25AUG2024	-	400,000	-	-	400,000

**DA CHENG SHORT TERM BOND FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

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

Net asset value

		Net asset value per unit				
		USD	USD	HKD	HKD	HKD
At the end of financial year date	Net asset value (in USD)	Class A (in USD)	Class A (Dis) (in USD)	Class A (in HKD)	Class A (Dis) (in HKD)	Class M (in HKD)
31 December 2023	12,784,987	10.06	10.14	10.07	10.14	10.27
31 December 2022	8,751,327	9.63	10.05	9.61	10.04	9.73
31 December 2021	10,543,486	9.63	-	9.65	-	9.69

		Net asset value per unit				
		USD	USD	AUD	AUD	EUR
At the end of financial year date	Net asset value (in USD)	Class I (in USD)	Class M (in USD)	Class A (Acc) (in AUD)	Class A (Dis) (in AUD)	Class A (Acc) (in EUR)
31 December 2023	12,784,987	10.14	10.21	11.12	10.68	10.10
31 December 2022	8,751,327	9.64	9.69	10.57	10.57	9.95
31 December 2021	10,543,486	9.63	9.65	-	-	-

		Net asset value per unit				
		EUR	NZD	NZD	RMB	RMB
At the end of financial year date	Net asset value (in USD)	Class A (Dis) (in EUR)	Class A (Acc) (in NZD)	Class A (Dis) (in NZD)	Class A (Acc) (in RMB)	Class A (Dis) (in RMB)
31 December 2023	12,784,987	9.95	10.86	10.75	11.34	11.05
31 December 2022	8,751,327	9.95	10.29	10.29	10.51	10.48
31 December 2021	10,543,486	-	-	-	-	-

**DA CHENG SHORT TERM BOND 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 ended	Highest issue price per unit	Lowest redemption price per unit
31 December 2023		
- USD Class A (in USD)	10.0600	9.6300
- HKD Class A (in HKD)	10.0700	9.6300
- HKD Class M (in HKD)	10.2800	9.7500
- USD Class I (in USD)	10.1400	9.6500
- USD Class M (in USD)	10.2100	9.6900
- USD Class A (Dis) (in USD)	10.1900	10.0100
- HKD Class A (Dis) (in HKD)	10.2400	10.0300
- AUD Class A (Acc) (in AUD)	11.7700	10.1500
- AUD Class A (Dis) (in AUD)	11.4800	10.1500
- EUR Class A (Acc) (in EUR)	10.4500	9.6800
- EUR Class A (Dis) (in EUR)	10.3700	9.6400
- NZD Class A (Acc) (in NZD)	11.5800	10.0800
- NZD Class A (Dis) (in NZD)	11.5000	10.0800
- RMB Class A (Acc) (in RMB)	11.4900	10.2500
- RMB Class A (Dis) (in RMB)	11.2700	10.2300
31 December 2022		
- USD Class A (in USD)	9.6400	9.4200
- HKD Class A (in HKD)	9.7000	9.4600
- HKD Class M (in HKD)	9.7800	9.5200
- USD Class I (in USD)	9.6400	9.4200
- USD Class M (in USD)	9.6900	9.4500
- USD Class A (Dis) (in USD)	10.0800	9.8900
- HKD Class A (Dis) (in HKD)	10.1300	9.9300
- AUD Class A (Acc) (in AUD)	11.4500	9.8900
- AUD Class A (Dis) (in AUD)	11.4500	9.8900
- EUR Class A (Acc) (in EUR)	11.0400	9.8300
- EUR Class A (Dis) (in EUR)	11.0400	9.8300
- NZD Class A (Acc) (in NZD)	11.6200	9.9300
- NZD Class A (Dis) (in NZD)	11.6200	9.9300
- RMB Class A (Acc) (in RMB)	11.1200	10.0000
- RMB Class A (Dis) (in RMB)	11.0900	10.0000
31 December 2021 (since inception)		
- USD Class A (in USD)	10.0800	9.6000
- HKD Class A (in HKD)	10.0900	9.6100
- HKD Class M (in HKD)	10.1100	9.6400
- USD Class I (in USD)	10.0900	9.6100
- USD Class M (in USD)	10.0900	9.6200