

BCT (MPF) Industry Choice

Reports and Financial Statements

(From 1 January to 31 December 2024)



BCT (MPF) INDUSTRY CHOICE

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

BCT (MPF) INDUSTRY CHOICE
PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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BCT (MPF) INDUSTRY CHOICE

PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

1. Overview

The BCT (MPF) Industry Choice (the “Plan”), an Industry Scheme, was established by Bank Consortium Trust Company Limited (the “Trustee” or “BCT”) with the contribution commencement date of 1 December 2000. The Plan was registered under the Mandatory Provident Fund Schemes Ordinance (“MPFSO”) with the Mandatory Provident Fund Schemes Authority (“MPFA”) and authorised by the Securities and Futures Commission (“SFC”) in April 2000*. It is constituted by a trust deed (the “Deed”) dated 12 April 2000 and is governed by the laws of the Hong Kong SAR. The Deed was subsequently amended and superseded by a deed of substitution and adherence dated 1 June 2011, which was further amended by first supplemental deed dated 24 November 2011, second supplemental deed dated 29 May 2012, third supplemental deed dated 1 November 2012, fourth supplemental deed dated 19 March 2014, fifth supplemental deed dated 21 December 2015, sixth supplemental deed dated 1 December 2016, seventh supplemental deed dated 5 March 2018, eighth supplemental deed dated 1 April 2019, ninth supplemental deed dated 15 October 2019 and tenth supplemental deed dated 10 January 2020.

The Plan is a defined contribution provident fund scheme that is open for participation by all employers, employees, self-employed persons in the catering and construction industries in Hong Kong and personal account members in Hong Kong. The Plan has introduced Default Investment Strategy under the MPFSO. As at 31 December 2024, the Plan offered twelve constituent funds, namely, BCT (Industry) MPF Conservative Fund, BCT (Industry) E30 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) Global Bond Fund, BCT (Industry) Global Equity Fund, BCT (Industry) China and Hong Kong Equity Fund (formerly known as BCT (Industry) Hong Kong Equity Fund), BCT (Industry) Asian Equity Fund, BCT (Industry) Flexi Mixed Asset Fund, BCT (Industry) RMB Bond Fund, BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund. Each of them, with a different investment objective and risk profile, is offered to Plan members exclusively. Plan members can choose to invest their accrued benefit balances in any combination of the above.

*[*Such registration and authorisation do not constitute official recommendation of the Plan by the MPFA and the SFC.]*

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2. Financial Highlights

During the year ended 31 December 2024, the total contributions received and receivable including transfers in from participating employers and members of the Plan amounted to HK\$632.0 million, while the total benefits paid and payable including transfers out and forfeitures amounted to HK\$567.4 million. As at 31 December 2024, the market values of the Plan's constituent funds were as follows:

	<u>Market Value</u> (HK\$)
BCT (Industry) MPF Conservative Fund	1,706,330,865
BCT (Industry) E30 Mixed Asset Fund	458,139,463
BCT (Industry) E50 Mixed Asset Fund	382,570,938
BCT (Industry) E70 Mixed Asset Fund	539,522,719
BCT (Industry) Global Bond Fund	144,450,165
BCT (Industry) Global Equity Fund	436,508,919
BCT (Industry) China and Hong Kong Equity Fund	737,629,699
BCT (Industry) Asian Equity Fund	423,544,259
BCT (Industry) Flexi Mixed Asset Fund	179,679,138
BCT (Industry) RMB Bond Fund	181,390,279
BCT (Industry) Core Accumulation Fund	668,302,802
BCT (Industry) Age 65 Plus Fund	422,479,418
	<hr/>
Total	6,280,548,664
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After taking into account the operating expenses of HK\$66.5 million, the net income of the Plan during the year ended 31 December 2024 was HK\$392.2 million.

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3. Changes to the Governing Rules of the Plan

Set out below is a brief summary of the key amendments to the governing rules / MPF scheme brochure of the Plan in relation to:

- the restructuring of the relevant constituent funds, namely, BCT (Industry) Hong Kong Equity Fund (renamed as “BCT (Industry) China and Hong Kong Equity Fund”), BCT (Industry) Asian Equity Fund, BCT (Industry) Global Equity Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund, BCT (Industry) E30 Mixed Asset Fund and BCT (Industry) Global Bond Fund (each a “Relevant CF”; collectively, the “Relevant CFs”). Each Relevant CF will change from a feeder fund structure investing in a single APIF, to a portfolio management fund structure investing in two or more APIF(s) and / or index-tracking collective investment scheme(s) approved by MPFA;
- the changes in investment policies of Relevant CFs;
- the changes of investment managers of the Relevant CFs;
- the changes in fee structure of the Relevant CFs; and
- the amendment of disclosures regarding the risk disclosure and other administrative amendments.

For the details, please refer to the relevant parts of the MPF scheme brochure.

4. Client Services

BCT and/or BCT Financial Limited* (“BCTF”) provide(s) a wide range of client services to support employers and members in managing their MPF accounts. Key services provided through various channels include:

- 4.1 The branch network of the servicing banks (as set out below) where employers can make contribution payments through Direct Deposit (by cash, cheque or bank transfer) at the teller counter, Cheque Drop-in Box or Internet Banking of “Designated Banks”. The branches also help to refer clients to contact BCT directly for services that they cannot render.

The “Designated Banks” are Chong Hing Bank Limited, Dah Sing Bank, Limited, Fubon Bank (Hong Kong) Limited, Industrial and Commercial Bank of China (Asia) Limited, Public Bank (Hong Kong) Limited, Shanghai Commercial Bank Limited, OCBC Bank (Hong Kong) Limited and CMB Wing Lung Bank Limited. Cheque Drop-in Box or Internet Banking are applicable to relevant “Designated Banks”.

*(*Associate of the Trustee and wholly-owned subsidiary of Bank Consortium Holding Limited)*

BCT (MPF) INDUSTRY CHOICE

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- 4.2 The Customer Service Counter at the BCT office where employers and members can enjoy one-stop MPF services in relation to managing their MPF accounts, obtaining Plan information and other MPF related administrative information and support.
- 4.3 Direct Debit Authorization (DDA), Internet Banking Bill Payment Service and PPS where employers can make contribution payments.
- 4.4 BCT Member Solution Department is dedicated to provide quality services and assistance to employers in matters relating to MPF management as well as latest information about their participating plans and MPF regulation.
- 4.5 Employer Hotline 2298 9388 and Member Hotline 2298 9333 where employers and members can enquire about their accounts, obtain Plan information, performance of investment funds and other related information.
- 4.6 A 24-hour interactive voice response system which members can access their accounts with their PINs to obtain administrative forms and fund information via fax-on-demand facility.
- 4.7 The BCT website (www.bcthk.com) where employers and members can manage their accounts online with their PINs, such as checking contribution history, download related statements / receipts, member can also check account balances as well as performing change of investment mandate and fund switching. They can also access comprehensive plan information, fund prices and investment knowledge, as well as download statements, MPF scheme brochure, administrative guides, forms, fund performance publications, newsletters and leaflets etc. BCT website also provides “Retirement Calculator” and “Risk Assessment” to help members understand their financial needs. The interactive Chatbot service, “BCT Smart Assistant – Macy” featuring Artificial Intelligence (AI) technology on BCT website and BCT MPF app to answer MPF enquiries in 24 x 7, alongside the customer hotline during business hours. On top of it, “Live Chat” function for customers to talk to on-duty customer service officer directly to cater some complicated enquiries. To expand customer communication channels, Instant Message (IM) service – WhatsApp is available to deliver better customer experience. More ways to let customer get in touch with BCT and general public may send messages using WhatsApp for BCT to respond within office hours.

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- 4.8 Upgraded version of smart phone app bct+, MPF members could access their accounts with their PINs or login via biometric authentication, for checking account balance and transaction history as well as performing change of investment mandate and fund switching. Moreover, members could access Mario to have AI advisory service after login to MPF account via bct+. By combining artificial intelligence technology and big data analysis, MARIO assists members' making of investment decisions that align with their preferences. Monthly SMS service for account balance is available for members' subscription as well. Besides, registered as a bct+ member could further earn coins via missions, games or link up of MPF account to redeem for different rewards. bct+ member could enjoy various merchant offers and access additional fund information, such as big-data-analytics-backed pop charts through this enhanced app.
- 4.9 E-Alert service is offered to employers who subscribed the service. E-mail and SMS are sent to employers for reminding them to make timely contributions before the statutory due day in order to avoid late contribution surcharge. Employers could also make contribution payment conveniently via PPS/ Direct Debit Authorisation/ Internet Banking Bill Payment Service/ Direct Deposit at branch of "Designated Banks"/ E-Cheque/ Post to BCT office etc.
- 4.10 E-news covering the latest corporate, MPF and fund performance information updated on participating plans services and MPF regulatory changes are regularly sent to employers and members who have registered their e-mail addresses with BCT.
- 4.11 Regular publications, member communications and investor education information are available for employers and members to better understand the features, fund performance, investment basics and latest financial market outlook and other relevant information of their participating plans. These include Monthly Fund Performance Table, Fund Performance Fact Sheet, BCT eConnect, MPF service days, member briefings, seminars and investment forums.
- 5. Trustee, Administrator, Custodian, Sponsor, Auditor, Legal Adviser, Investment Managers, Sub-custodian and Banks**

5.1 Trustee, Administrator and Custodian

Bank Consortium Trust Company Limited
18/F, Cosco Tower, 183 Queen's Road Central, Hong Kong

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5.2 Sponsor

BCT Financial Limited*

18/F, Cosco Tower, 183 Queen's Road Central, Hong Kong

(Associate of the Trustee and wholly-owned subsidiary of Bank Consortium Holding Limited)*

5.3 Auditor

PricewaterhouseCoopers

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

5.4 Legal Adviser

Deacons

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

5.5 Investment Managers

- ◆ Invesco Hong Kong Limited
45/F, Jardine House, 1 Connaught Place, Central, Hong Kong
- ◆ Allianz Global Investors Asia Pacific Limited
32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong
- ◆ Amundi Hong Kong Limited (Appointed on 2 September 2024)
Suites 04 – 06, 32/F, Two Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
- ◆ FIL Investment Management (Hong Kong) Limited (Ceased on 2 September 2024)
21/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong
- ◆ Schroder Investment Management (Hong Kong) Limited (Ceased on 2 September 2024)
Suites 3301, 33/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong

5.6 Sub-custodian

The following sub-custodian has been appointed by the Trustee:

- ◆ The Bank of New York Mellon Corporation
240 Greenwich Street, New York, NY 10286, United States of America

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5.7 Banks

The following are the principal banks with which accounts have been maintained in connection with the operation of the Plan:

- ◆ Chong Hing Bank Limited
Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong
- ◆ Dah Sing Bank, Limited
26/F, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong
- ◆ Fubon Bank (Hong Kong) Limited
Fubon Bank Building, 38 Des Voeux Road Central, Hong Kong
- ◆ Industrial and Commercial Bank of China (Asia) Limited
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong
- ◆ Public Bank (Hong Kong) Limited
Public Bank Centre, 120 Des Voeux Road Central, Hong Kong
- ◆ Shanghai Commercial Bank Limited
Shanghai Commercial Bank Tower, 12 Queen's Road Central, Hong Kong
- ◆ OCBC Bank (Hong Kong) Limited*
OCBC Centre, 161 Queen's Road Central, Hong Kong
- ◆ CMB Wing Lung Bank Limited
45 Des Voeux Road Central, Hong Kong

*(*Associate of the Trustee and wholly-owned subsidiary of Oversea-Chinese Banking Corporation Limited)*

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6. Board of Directors of the Trustee

Mr. TAN Stephen	Executive Director Asia Financial Holdings Limited 16/F, Worldwide House 19 Des Voeux Road Central Hong Kong
Ms. KO Sog Yee Karen (Alternate Director to Mr. TAN Stephen)	Chief Operating Officer & Senior Executive Vice President Asia Financial Holdings Limited 16/F, Worldwide House 19 Des Voeux Road Central Hong Kong
Mr. LAU Wai Man	Executive Director & Deputy Chief Executive Chong Hing Bank Limited 26/F, Chong Hing Bank Centre 24 Des Voeux Road Central Hong Kong
Mr. WONG Hon Hing	Vice Chairman, Managing Director and Chief Executive Dah Sing Bank, Limited 26/F, Dah Sing Financial Centre 248 Queen's Road East, Wan Chai Hong Kong
Mr. LEUNG Kin Shing Victor (Alternate Director to Mr. WONG Hon Hing)	Team Head, MPF Marketing Dah Sing Bank, Limited 21/F, Dah Sing Financial Centre 248 Queen's Road East, Wan Chai Hong Kong
Mr. CHONG Mong Ting (Appointed on 15 November 2024) (Ceased/Resigned on 14 March 2025)	Deputy Chief Executive, Chief of Corporate Banking Group Shanghai Commercial Bank Limited 8/F, Shanghai Commercial Bank Tower 12 Queen's Road Central Hong Kong

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Mr. KWOK Sek-chi, David (Ceased/Resigned on 1 July 2024)	Deputy Chairman, Managing Director & Chief Executive Shanghai Commercial Bank Limited 7/F, Shanghai Commercial Bank Tower 12 Queen's Road Central Hong Kong
Mr. LI Yiu Ki (Alternate Director to Mr. KWOK Sek-chi, David) (Ceased/Resigned on 1 July 2024)	Head of MPF Service Centre Department Shanghai Commercial Bank Limited 28/F, Landmark East 100 How Ming Street, Kwun Tong, Kowloon Hong Kong
Ms. HUI Wai Han Frances (Appointed on 27 March 2024)	Chief Operating Officer OCBC Bank (Hong Kong) Limited 30/F, Airside 2 Concorde Road, Kai Tak Kowloon, Hong Kong (formerly: 4/F, OCBC Centre 161 Queen's Road Central Hong Kong)
Mr. WOO Lap Hoi	Head of Retail Finance and Credit Card Department CMB Wing Lung Bank Limited 6/F, CMB Wing Lung Bank Centre 636 Nathan Road, Mong Kok Kowloon, Hong Kong
Mr. HUI Cheong Ming (Alternate Director to Mr. WOO Lap Hoi)	Deputy Head of Wealth Product Department CMB Wing Lung Bank Limited 1/F, CMB Wing Lung Bank Building 45 Des Voeux Road Central Hong Kong
Ms. LEE Mei Yi	Managing Director & CEO Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong

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Mr. TAM Po Chiu (Independent Director) (Ceased/Resigned on 30 April 2025)	c/o Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong
Mr. TAM Raymond Hin Tat (Independent Director) (Appointed on 6 May 2024)	c/o Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong
Mr. WAN Chi Tak (Independent Director) (Appointed on 2 December 2024)	c/o Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong

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7. Board of Directors of the Sponsor

Mr. TAN Stephen

Ms. KO Sog Yee Karen (Alternate Director to Mr. TAN Stephen)

Mr. LAU Wai Man

Mr. WONG Hon Hing

Mr. LEUNG Kin Shing Victor (Alternate Director to Mr. WONG Hon Hing)

Mr. CHONG Mong Ting (Appointed on 15 November 2024) (Ceased/Resigned on 14 March 2025)

Mr. KWOK Sek-chi, David (Ceased/Resigned on 1 July 2024)

Mr. LI Yiu Ki (Alternate Director to Mr. KWOK Sek-chi, David) (Ceased/Resigned on 1 July 2024)

Ms. HUI Wai Han Frances (Appointed on 27 March 2024)

Mr. WOO Lap Hoi

Mr. HUI Cheong Ming (Alternate Director to Mr. WOO Lap Hoi)

Ms. LEE Mei Yi

Mr. LEE Tak Luen

Mr. TAM Po Chiu (Independent Director) (Ceased/Resigned on 30 April 2025)

Mr. TAM Raymond Hin Tat (Independent Director) (Appointed on 6 May 2024)

Mr. WAN Chi Tak (Independent Director) (Appointed on 2 December 2024)

Please refer to the item 6 above for the business address of the directors.

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8. Board of Directors of OCBC Bank (Hong Kong) Limited

Dr. KHOO Cheng Hoe Andrew

Mr. WANG Ke

Ms. WONG Pik Kuen Helen

Mr. CHIM Wai Kin

Ms. CHONG Chuan Neo

Mr. HUI Leung Wah

The business address of the above directors in item 8 is OCBC Centre, 161 Queen's Road Central, Hong Kong.

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

1. Overview

Constituent Funds

The Plan has introduced Default Investment Strategy under the MPFSO. During the reporting year, the Plan offered twelve constituent funds for the Plan members to choose from. Each member may invest his or her accrued benefit balance in one or more of the following twelve constituent funds:

1. BCT (Industry) MPF Conservative Fund (“MPF Conservative Fund”)
2. BCT (Industry) E30 Mixed Asset Fund (“E30 Mixed Asset Fund”)
3. BCT (Industry) E50 Mixed Asset Fund (“E50 Mixed Asset Fund”)
4. BCT (Industry) E70 Mixed Asset Fund (“E70 Mixed Asset Fund”)
5. BCT (Industry) Global Bond Fund (“Global Bond Fund”)
6. BCT (Industry) Global Equity Fund (“Global Equity Fund”)
7. BCT (Industry) China and Hong Kong Equity Fund (“China and Hong Kong Equity Fund”)
8. BCT (Industry) Asian Equity Fund (“Asian Equity Fund”)
9. BCT (Industry) Flexi Mixed Asset Fund (“Flexi Mixed Asset Fund”)
10. BCT (Industry) RMB Bond Fund (“RMB Bond Fund”)
11. BCT (Industry) Core Accumulation Fund (“Core Accumulation Fund”)
12. BCT (Industry) Age 65 Plus Fund (“Age 65 Plus Fund”)

The four constituent funds (1) to (4) were launched on 1 December 2000, three constituent funds (5) to (7) on 1 October 2002, constituent fund (8) on 1 May 2004, constituent fund (9) on 1 August 2005, constituent fund (10) on 4 March 2013 and the remaining two constituent funds (11) and (12) on 1 April 2017.

The investment objective and other relevant information relating to each of the constituent funds have been set out in the MPF scheme brochure of the Plan. The operation of each of the constituent funds during the year is discussed in the following sections.

Investment Managers

Prior to 2 September 2024

Invesco Hong Kong Limited has been appointed as the investment manager to carry out the investment management functions of the constituent funds (1) to (4) and (10) to (12). FIL Investment Management (Hong Kong) Limited has been appointed as the investment manager of the Hong Kong Equity Fund, Schroder Investment Management (Hong Kong) Limited has been appointed as the investment manager of the Asian Equity Fund and Allianz Global Investors Asia Pacific Limited has been appointed as the investment manager of the Flexi Mixed Asset Fund. No investment manager has been appointed for the Global Bond Fund and Global Equity Fund.

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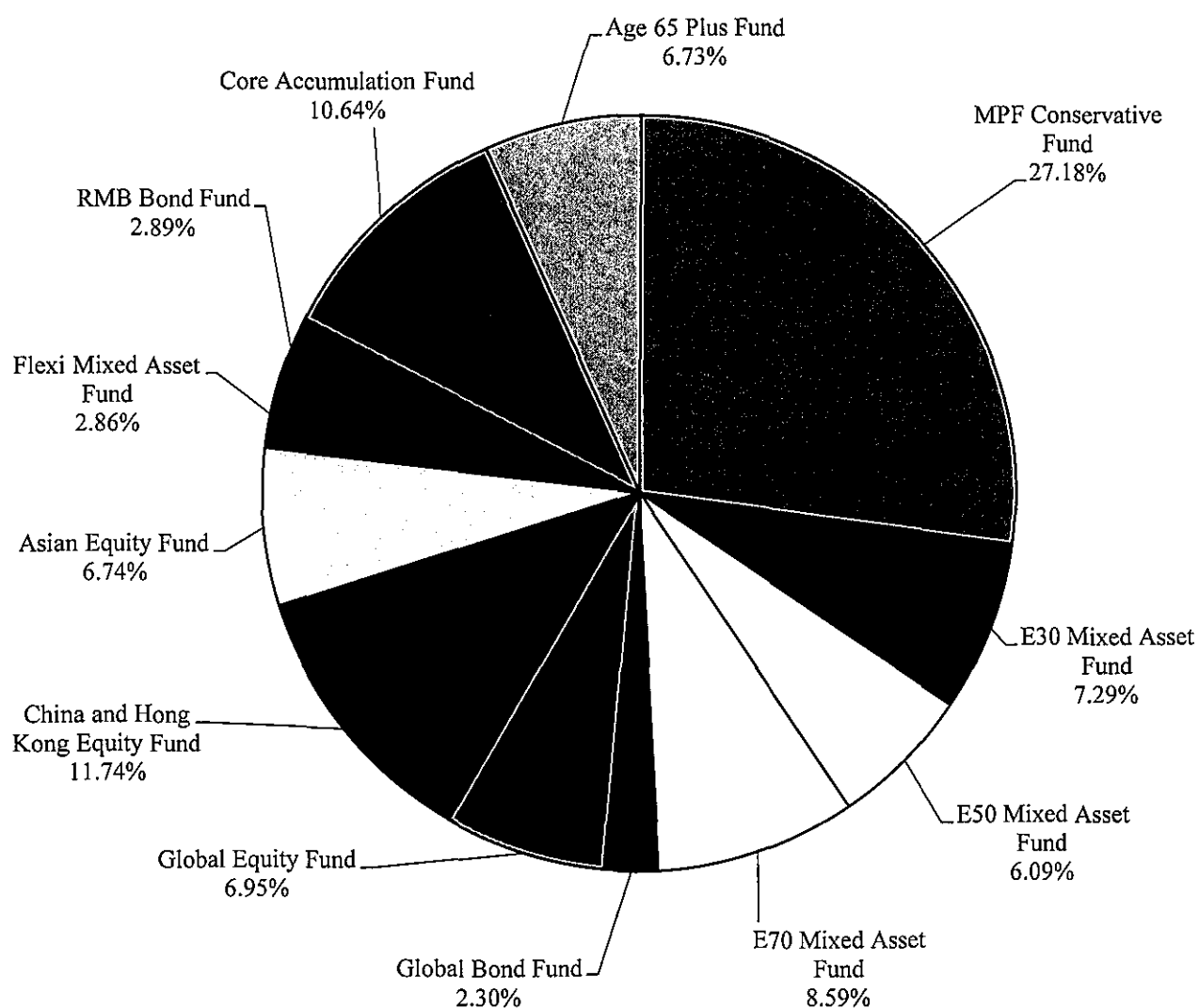
With effect from 2 September 2024

Amundi Hong Kong Limited has been appointed as the investment manager for the constituent funds (2) to (8).

Invesco Hong Kong Limited remains as the investment manager for the MPF Conservative Fund, RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund. Allianz Global Investors Asia Pacific Limited remains as the investment manager for the Flexi Mixed Asset Fund.

Distribution of Constituent Funds

As at 31 December 2024, the proportion of each constituent fund in comparison with the total constituent funds is as follows:



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INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

2. Investment Income and Performance

	<u>MPF Conservative Fund</u>			<u>E30 Mixed Asset Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	36,377,992	44,179,811	16,977,647	6,007	649	64
Other income	-	-	-	-	-	-
Total income	<u>36,377,992</u>	<u>44,179,811</u>	<u>16,977,647</u>	<u>6,007</u>	<u>649</u>	<u>64</u>
Net income/(loss) – excluding capital appreciation and depreciation	20,166,540	28,800,782	(1,765,414)	(7,114,993)	(7,308,418)	(7,763,393)
Net investment appreciation/ (depreciation) – realised and unrealised	33,842,748	21,390,752	3,544,785	14,525,766	31,751,973	(78,827,008)
	<u>E50 Mixed Asset Fund</u>			<u>E70 Mixed Asset Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	5,551	574	53	4,480	672	57
Other income	-	-	-	-	-	-
Total income	<u>5,551</u>	<u>574</u>	<u>53</u>	<u>4,480</u>	<u>672</u>	<u>57</u>
Net income/(loss) – excluding capital appreciation and depreciation	(5,906,043)	(6,049,047)	(6,331,242)	(8,288,951)	(8,322,751)	(8,624,724)
Net investment appreciation/ (depreciation) – realised and unrealised	20,639,321	25,592,306	(69,247,404)	41,394,041	35,008,531	(101,959,127)
	<u>Global Bond Fund</u>			<u>Global Equity Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	3,380	533	53	5,993	803	89
Other income	295,740	329,866	326,603	980,985	772,030	701,807
Total income	<u>299,120</u>	<u>330,399</u>	<u>326,656</u>	<u>986,978</u>	<u>772,833</u>	<u>701,896</u>
Net income/(loss) – excluding capital appreciation and depreciation	(1,234,988)	(859,500)	(824,931)	(3,615,420)	(2,014,286)	(1,746,402)
Net investment appreciation/ (depreciation) – realised and unrealised	(3,886,884)	4,013,564	(18,388,215)	65,169,292	54,708,344	(75,232,501)

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	<u>China and Hong Kong Equity Fund</u>			<u>Asian Equity Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	37,449	5,497	623	3,072	481	40
Other income	172,802	73,923	63,556	58,749	-	-
Total income	<u>210,251</u>	<u>79,420</u>	<u>64,179</u>	<u>61,821</u>	<u>481</u>	<u>40</u>
Net income/(loss) – excluding capital appreciation and depreciation	(6,666,550)	(5,251,813)	(5,129,676)	(4,897,751)	(3,758,643)	(3,768,690)
Net investment appreciation/ (depreciation) – realised and unrealised	107,920,852	(111,551,571)	(139,732,575)	43,410,489	7,780,229	(102,445,333)
	<u>Flexi Mixed Asset Fund</u>			<u>RMB Bond Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	562	236	23	562	320	35
Other income	-	-	-	-	-	-
Total income	<u>562</u>	<u>236</u>	<u>23</u>	<u>562</u>	<u>320</u>	<u>35</u>
Net income/(loss) – excluding capital appreciation and depreciation	(1,991,654)	(1,910,505)	(1,865,013)	(1,985,105)	(1,774,811)	(1,620,254)
Net investment appreciation/ (depreciation) – realised and unrealised	6,975,974	7,425,498	(11,672,138)	3,537,051	5,648,708	(6,391,973)
	<u>Core Accumulation Fund</u>			<u>Age 65 Plus Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Interest income	7,040	3,297	293	4,691	2,429	227
Other income	-	-	-	-	-	-
Total income	<u>7,040</u>	<u>3,297</u>	<u>293</u>	<u>4,691</u>	<u>2,429</u>	<u>227</u>
Net income/(loss) – excluding capital appreciation and depreciation	(4,266,835)	(3,502,541)	(3,161,964)	(2,720,173)	(2,461,114)	(2,394,923)
Net investment appreciation/ (depreciation) – realised and unrealised	68,964,041	79,396,823	(82,103,763)	17,611,147	31,726,350	(56,138,858)

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INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

2024 was another positive year for risk assets, fueled by unexpected economic growth in the US and the initiation of interest rate cuts by central banks in both Europe and the US. The MSCI World Index, which represents the global equity class, rallied 18.67% during the year. Developed market central banks began to normalize their monetary policies in 2024; however, resilient US economic growth and the final stretch in the battle against inflation proved more challenging than markets had anticipated, leading to a reduction in expectations for the pace of rate cuts in the US.

Throughout the year, despite a strengthening dollar and rising yields, spreads on global investment-grade bonds remained resilient and even tightened slightly. The Bloomberg Global-Aggregate Bond Unhedged Index posted a negative performance of 1.69% during the year, as major currencies depreciated against the US Dollar (“USD”). Meanwhile the narrative of US exceptionalism contributed to the USD achieving its strongest annual performance since 2001. Commodities faced challenges due to weak demand in China, but concerns regarding the US fiscal outlook drove gold prices higher, resulting in an impressive annual return of 27.2%.

United States (“US”)

In 2024, the US S&P 500 Index achieved remarkable gains of 25%, marking the first occurrence of back-to-back annual returns exceeding 20% since the late 1990s. US equities thrived in an unexpectedly resilient economic environment that surpassed initial expectations for the year. The emergence of artificial intelligence (“AI”) spurred a new growth narrative for technology stocks, significantly boosting sector valuations. Notably, the “Magnificent 7” technology companies comprised 35% of the S&P 500 Index by December 2024, contributing nearly half of Wall Street’s annual gains.

Stock market performance remained steady throughout the year, but three key events can be highlighted. The first was a correction in August, driven by concerns over a slowing economy following a disappointing jobs report. Additionally, a surprise interest rate hike by the Bank of Japan (“BoJ”) introduced some short-term volatility, as carry trades reliant on Japan's low rates were unwound. Secondly, the US elections in November saw Donald Trump winning a second term, which triggered a rally in equity markets fueled by hopes of corporate tax cuts and deregulation. Finally, as the year drew to a close, the market reacted strongly to a hawkish shift from the central bank, indicating that the final stretch in the battle against inflation was proving more challenging than anticipated. Consequently, US equities faced a downturn in December, as the market recalibrated its expectations for rate cuts in 2025, with some profit-taking likely contributing to the decline during this period.

Europe

The MSCI Europe Index closed the year up 8.59% in local terms in 2024. The continent's underperformance was largely attributed to a challenging economic environment characterized by a declining manufacturing sector and slower earnings growth across the region. At the same time, unexpected regional political turmoil further weighed on equities. In France, President Macron's decision to dissolve the National Assembly in June triggered a notable selloff in the CAC 40, which ended the year flat at 0.92%. Meanwhile, in Germany, the coalition government collapsed in November following Chancellor Scholz's dismissal of the finance minister, necessitating new elections in February 2025. Furthermore, the political climate was further complicated by the upcoming US elections, which raised concerns about potential tariffs

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from the next US administration that could adversely affect European equities. Finally, persistent inflation in the first half of the year prompted the European Central Bank (“ECB”) to delay the initiation of its easing cycle until June, resulting in a tighter monetary policy being maintained for longer than initially anticipated. However, in the second half of the year, the ECB provided some relief to the market by reducing its key interest rate from 4.0% to 3.0%.

Japan

Equities in Japan had a positive year, with the Nikkei 225 Index rising by 21.27% in local terms. Continued optimism about the end of deflation and ongoing corporate reforms contributed to strong returns for Japanese equities, making it the second best performing major equity market. The weakness of the yen bolstered profit outlooks for Japan’s export-heavy industries at both the beginning and end of the year. However, the surge in the yen in August, following an unexpected interest rate hike by the BoJ in August, led to the Nikkei 225 Index declining more than 4000 points in one day, as carry trades reliant on Japan's low rates were unwound. Equity markets have since focused on BoJ decisions and its stance, resulting in muted returns for Japanese stocks during the second half of the year.

Asia ex Japan

The MSCI AC ex Japan Index rose by 12.52% in 2024 in USD, but with significant performance discrepancies among Asian countries. Despite having a positive year, the region experienced a rocky start, followed by a 25.59% trough-to-peak rally, before a dip in the fourth quarter due to concerns about US tariffs, China's growth and property issues, and global geopolitical risks. Taiwan, Singapore, and India were the best performing markets, driven by both earnings growth and valuation expansions, despite weaker Asian foreign exchange. Indeed, Taiwan achieved another strong year, with the Taiwan Stock Exchange leading the way with a positive return of 33.13% in 2024 in local terms, mainly thanks to TSMC and the ongoing AI theme. Singapore also posted strong gains, supported by risk-off fund inflow due to rising geopolitical tensions. The Singaporean Straits Times Index gained 24.16%. After a strong 2023, the Indian Nifty 50 Index added respectively 10.57%. On the other hand, the Korean KOSPI was the worst performer in the region, declining by 8.92% in local terms and losing 18.89% in USD. The weakness in the Korean won, which closed at its weakest level against the USD since March 2009, as well as political turmoil at the end of the year, were the main drivers of this underperformance.

Mainland China and Hong Kong

2024 was a positive year for Chinese and Hong Kong listed equities. The Shanghai Composite Index returned 18.10% while the Hang Seng Index printed 22.79% in Hong Kong Dollar (“HKD”). Stocks were buoyed by hopes of fiscal stimulus throughout the year. The first quarter saw equities rise as the government announced stimulus measures and the People’s Bank of China (“PBoC”) implemented supportive measures for the economy by cutting the 5-year loan prime rate. Additionally, the Lunar New Year holidays resulted in a surge in tourist trips both domestically and internationally. The second quarter was mixed, with the prolonged property slowdown continuing to weigh on economic activity. In contrast, the third quarter was largely positive, with the Shanghai Composite Index gaining 14.28% while the Hong Kong Hang Seng Index returning 21.65%. Chinese authorities announced a series of policy-easing measures in September aimed at stabilizing the economy and reviving sentiment. The PBoC cut the policy rate more than expected by 20 basis points (“bps”) and unexpectedly reduced the reserve requirement ratio by 50 bps simultaneously. It also launched two liquidity programs to support the capital market. The last quarter was more negative, as markets retreated slightly after the strong

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rally in September. Investors remained concerned that the measures may not sufficiently boost domestic demand and awaited more fiscal stimulus for the following year. Additionally, investors were cautious about potential new US tariffs on Chinese exports following the election of President Trump.

Global Bond

Government bond markets experienced significant volatility in 2024, reflecting instability in inflation and fiscal uncertainty as central banks initiated rate cuts and continued with balance sheet reductions. Yield curves generally steepened, concluding the year with lower short-term rates but markedly higher long-term rates, primarily driven by rising US rates and the reconstitution of the term premium.

In the US, the yield curve steepened as medium-to-long-term yields increased while short-term rates declined. The 2-year Treasury yield reached 5% by late April, propelled by strong economic data and hawkish statements from the Federal Reserve. Following a 50 bps rate cut in September, short-term rates fell, while long-term yields rose again leading up to the elections. Expectations for reinflation under Donald Trump's new tariff policy contributed to another increase in long-term rates. In December, Jerome Powell's cautious remarks prompted adjustments to the terminal rate forecast for 2025. By year-end, the 2-year yield stood at 4.24%, while the 10-year yield was at 4.6%. Over the year, the Bloomberg US Treasury Total Return Index posted a performance of +1.06% in USD.

In the Eurozone, short-term rates initially increased following the postponement of the ECB's first rate cut. German 2-year yields, which were at 2.4% at the end of 2023, gradually exceeded 3% between April and May. This trend reversed starting in June after the ECB's first rate cut and a deterioration in the economic outlook, driving yields down to approximately 2% by late September. Successive ECB rate cuts had a limited impact, as 2-year German yields ended the year at 1.95%. Long-term rates exhibited much greater volatility, fluctuating throughout the year between 2.7% and 2.1% from June to October, bottoming out at 2% in early December before climbing back to 2.3% by year-end. These fluctuations were influenced by political uncertainty, particularly in France and Germany, as the ECB gradually reduced its government bond purchases. The Bloomberg Germany Government Bonds Index returned 0.86% over the year.

As for developing economies, emerging market ("EM") debt in local currencies delivered a positive performance in 2024, with the Bloomberg EM Local Currency Government Index rising by 1.68% in unhedged terms. Government bonds outperformed in Asia, as the Bloomberg EM Local Currency Government Asia Index increased by 3.98%. While this performance was driven by the growth differential between emerging and developed markets, EM bonds faced challenges due to currency depreciation against the dollar. Additionally, government bonds in China posted a positive performance of 7.49% in Renminbi, as yields decreased all over the curve.

Regarding the credit market, USD denominated corporate bonds experienced a narrowing of spreads, particularly in the lower-rated segment. Investment-grade ("IG") spreads tightened from 101 bps to 80 bps (-21 bps). For high-yield ("HY") bonds, spreads narrowed from 333 bps to 287 bps (-46 bps). Over the period, IG bonds delivered a performance of 2.13%, while HY bonds posted gains of 8.19%.

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In Europe, spreads for EUR denominated IG bonds decreased from 139 bps to 101 bps, with a significant tightening of spreads by -38 bps. HY bonds outperformed more sharply, with spreads narrowing by -78 bps over the year. Overall, the Bloomberg Euro Aggregate Corporate Index returned 4.74%, while its high-yield peer posted a gain of 9.14%.

Asian credit recorded strong performance in 2024, with spreads tightening aggressively over the year. The Bloomberg EM Asia USD Credit Index recorded a positive performance of 5.16%. IG spreads decreased by 28 bps in average, ending the year at 78 bps.

Note: Index performance is expressed on a total return basis, in local currency terms for 2024 (from the closing price of the last trading day of December 2023 to the closing price of the last trading day of December 2024) unless otherwise stated.

[The above market commentary was prepared by Bank Consortium Trust Company Limited and only reflects the situation as of the approval date of the financial statements. Please be reminded that past performance is not indicative of future performance.]

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A. Trustee's commentary on analysis of the investments held by the Scheme <i>[Please refer to the Governance Report of BCT (MPF) Industry Choice (the "Scheme") for the financial year ended 31 December 2024 for the information on benchmarks/performance targets of the constituent funds and related performance comparison. Copy of the Governance Report is available for download from BCT's website.]</i>	
Name of Constituent Fund	Trustee's Commentary
BCT (Industry) MPF Conservative Fund	<p>The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly due to the maintaining a relatively long weighted average maturity for the portfolio to take advantage of the attractive short-end rates and investing into time deposits/CDs/treasury bills that generated higher carry.</p>
BCT (Industry) E30 Mixed Asset Fund	<p>The 1-year performance of the fund in respect of the financial period ended 31 December 2024 underperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the underperformance of the fund was mainly due to weak security selection in European equities, Japanese equities and Other Asia Pacific equities* taken by the previous Investment Manager before the fund restructuring in September 2024. As of 31 December 2024, the fund's exposure through investment in underlying APIFs to these markets/asset class amounted to 15.3%.</p> <p>*Other Asia Pacific equities mean Asia Pacific excluding Japan, China and Hong Kong equities.</p>
BCT (Industry) E50 Mixed Asset Fund	<p>The 1-year performance of the fund in respect of the financial period ended 31 December 2024 underperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the underperformance of the fund was mainly due to weak security selection in European equities, Japanese equities and Other Asia Pacific equities* taken by the previous Investment Manager before the fund restructuring in September 2024. As of 31 December 2024, the fund's exposure through investment in underlying APIFs to these markets/asset class amounted to 24.3%.</p> <p>*Other Asia Pacific equities mean Asia Pacific excluding Japan, China and Hong Kong equities.</p>
BCT (Industry) E70 Mixed Asset Fund	<p>The 1-year performance of the fund in respect of the financial period ended 31 December 2024 underperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the underperformance of the fund was mainly due to weak security selection in European equities, Japanese equities and Other Asia Pacific equities* taken by the previous Investment Manager before the fund restructuring in September 2024. As of 31 December 2024, the fund's exposure through investment in underlying APIFs to these markets/asset class amounted to 33.7%.</p> <p>*Other Asia Pacific equities mean Asia Pacific excluding Japan, China and Hong Kong equities.</p>

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Name of Constituent Fund	Trustee's Commentary
BCT (Industry) Global Bond Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 underperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the underperformance of the fund was mainly due to negative country allocation to Mexico and United Kingdom and underweight positions in GBP bonds taken by the previous Investment Manager before the fund restructuring in September 2024.
BCT (Industry) Global Equity Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly attributable to security selection in North America and Europe ex United Kingdom markets by the previous Investment Manager before the fund restructuring in September 2024.
BCT (Industry) China and Hong Kong Equity Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly due to the relatively strong performance of the underlying ruled-based investment strategy newly added into the portfolio following the fund restructuring in September 2024.
BCT (Industry) Asian Equity Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly attributable to strong security selection in Taiwan, India and China markets achieved by the previous Investment Manager before the fund restructuring in September 2024.
BCT (Industry) Flexi Mixed Asset Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was attributed to the reason that both equity and fixed income portion contributed positively to return. Within equity sleeve, Japanese holdings contributed the most. Sector-wise, financials contributed the most, followed by industrials. Within fixed income sleeve, the positive contribution was mainly from the credit spread tightening in USD bonds over the period.
BCT (Industry) RMB Bond Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 underperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the underperformance of the fund was mainly due to the negative contributions from the currency positioning in CNH, duration and yield curve positioning in CNH/CNY bonds as well as credits selection in Investment Grade Internet and Non-rated Banks sectors.

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Name of Constituent Fund	Trustee's Commentary
BCT (Industry) Core Accumulation Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly due to stock selection in the U.S., Japan, Taiwan and Denmark. Underweight position in cash also contributed to fund performance.
BCT (Industry) Age 65 Plus Fund	The 1-year performance of the fund in respect of the financial period ended 31 December 2024 outperforms the benchmark/performance target. According to the Investment Manager/Sponsor, the outperformance of the fund was mainly due to stock selection in the U.S., Japan, Taiwan and Denmark. Underweight position in cash also contributed to fund performance.

B. Supporting information in relation to trustee's assessment framework for deriving its commentary and trustee's action, if any, to address its concerns raised in its commentary in Section A

Fund performance is monitored by the trustee on a regular basis and which involves a BCT's Board committee composed of members with experience in investment, including Board members. In the event of underperformance of fund(s), the trustee would routinely (and with the involvement of the Board committee, as appropriate) follow up with relevant sponsor/investment manager(s) to ensure that appropriate action(s) are taken to enhance investment returns.

Our performance monitoring mechanism operates in such a way that for any of the constituent funds, if its 1-year performance is below the benchmark/target, no immediate action would be required unless the underperformance persists.

We also monitor performance of appointed investment managers from perspectives other than fund performance. Other factors such as compliance cultures and experience/investment philosophy of the investment managers for delivering sustainable performance to scheme members on a long-term basis are also taken into account.

For the financial year ended 31 December 2024, a number of constituent funds underperformed their respective benchmarks/performance targets. In this regard, apart from regular dialogues with relevant investment managers, we also discussed the fund performance issues specifically with the investment managers during annual due diligence review. Nonetheless, as a result of the fund restructuring effective 2 September 2024, we have seen an observable improvement to the performance of those constituent funds at large. The effectiveness of such restructuring will continue to be monitored by the trustee/the sponsor.

For more details, please refer to the Governance Report of the Scheme for the financial year ended 31 December 2024.

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The following tables summarise the performance of the twelve constituent funds:

MPF Conservative Fund

(Date of launch: 1 December 2000)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	1,706.33	1,603.73	1,512.01	1,444.09	1,491.35	1,442.59	1,377.29	1,257.26	1,243.06	1,158.08
Net asset value per unit (HK\$)	1.2178	1.1787	1.1414	1.1401	1.1401	1.1326	1.1208	1.1134	1.1131	1.1131
Highest issue price (HK\$)	1.2178	1.1785	1.1437	1.1401	1.1402	1.1326	1.1208	1.1135	1.1132	1.1131
Lowest redemption price (HK\$)	1.1789	1.1418	1.1401	1.1401	1.1327	1.1209	1.1134	1.1131	1.1129	1.1129
Net annualised investment return	3.32%	3.27%	0.11%	0.00%	0.66%	1.05%	0.66%	0.03%	0.00%	0.02%

E30 Mixed Asset Fund

(Date of launch: 1 December 2000)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	458.14	479.26	478.05	589.22	647.04	624.61	595.98	656.41	792.80	715.20
Net asset value per unit (HK\$)	1.9418	1.9115	1.8160	2.1321	2.1958	2.0095	1.8521	1.9780	1.7583	1.7459
Highest issue price (HK\$)	2.0439	1.9366	2.1312	2.2531	2.1958	2.0108	2.0366	1.9782	1.8566	1.8688
Lowest redemption price (HK\$)	1.8554	1.7577	1.6827	2.1131	1.7820	1.8485	1.8342	0.9170	1.6844	1.7238
Net annualised investment return	1.59%	5.26%	-14.83%	-2.90%	9.27%	8.50%	-6.37%	12.50%	0.71%	-2.44%

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E50 Mixed Asset Fund

(Date of launch: 1 December 2000)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	382.57	393.41	390.48	482.42	512.71	487.83	454.08	508.45	433.90	421.87
Net asset value per unit (HK\$)	2.1310	2.0518	1.9514	2.3154	2.3601	2.1556	1.9434	2.1240	1.8007	1.7825
Highest issue price (HK\$)	2.2582	2.1014	2.3264	2.4835	2.3601	2.1576	2.2194	2.1242	1.8862	1.9682
Lowest redemption price (HK\$)	1.9851	1.8814	1.7811	2.2756	1.7935	1.9312	1.9167	1.4154	1.6730	1.7349
Net annualised investment return	3.86%	5.15%	-15.72%	-1.89%	9.49%	10.92%	-8.50%	17.95%	1.02%	-3.02%

E70 Mixed Asset Fund

(Date of launch: 1 December 2000)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	539.52	543.28	535.48	663.17	698.74	663.11	597.86	688.00	560.95	543.53
Net asset value per unit (HK\$)	2.2659	2.1331	2.0302	2.4386	2.4619	2.2495	1.9831	2.2157	1.7930	1.7637
Highest issue price (HK\$)	2.4177	2.2080	2.4632	2.6561	2.4619	2.2527	2.3470	2.2159	1.8636	2.0080
Lowest redemption price (HK\$)	2.0526	1.9498	1.8254	2.3764	1.7436	1.9620	1.9477	1.7879	1.6002	1.6906
Net annualised investment return	6.23%	5.07%	-16.75%	-0.95%	9.44%	13.43%	-10.50%	23.58%	1.66%	-3.70%

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Global Bond Fund

(Date of launch: 1 October 2002)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	144.45	139.89	128.33	138.77	145.44	132.94	121.32	110.71	91.64	83.99
Net asset value per unit (HK\$)	1.2252	1.2701	1.2410	1.4364	1.5011	1.4866	1.4602	1.4818	1.4364	1.4856
Highest issue price (HK\$)	1.2863	1.2949	1.4300	1.5051	1.5011	1.4866	1.5034	1.5068	1.5040	1.5923
Lowest redemption price (HK\$)	1.2218	1.1649	1.1727	1.4290	1.4220	1.4594	1.4321	1.4327	1.4343	1.4802
Net annualised investment return	-3.54%	2.34%	-13.60%	-4.31%	0.98%	1.81%	-1.46%	3.16%	-3.31%	-6.60%

Global Equity Fund

(Date of launch: 1 October 2002)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	436.51	355.68	272.97	327.62	254.40	222.09	168.84	186.57	145.65	120.15
Net asset value per unit (HK\$)	3.9572	3.3855	2.8591	3.7151	3.0549	2.8074	2.4009	2.8364	2.4348	2.2692
Highest issue price (HK\$)	4.1045	3.3946	3.7193	3.7717	3.0549	2.8180	3.0286	2.8401	2.4600	2.6125
Lowest redemption price (HK\$)	3.3088	2.8609	2.6061	3.0512	1.9223	2.3882	2.3406	1.8537	1.9245	2.1315
Net annualised investment return	16.89%	18.41%	-23.04%	21.61%	8.82%	16.93%	-15.35%	16.49%	7.30%	-4.41%

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China and Hong Kong Equity Fund

(Date of launch: 1 October 2002)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	737.63	618.72	683.20	756.41	860.38	714.13	600.55	668.49	462.96	412.21
Net asset value per unit (HK\$)	3.4515	2.9755	3.5531	4.3934	5.2353	4.4619	3.8733	4.4675	3.1605	3.1462
Highest issue price (HK\$)	4.0768	4.1254	4.6138	6.3099	5.2353	4.5740	4.9506	4.4735	3.4821	4.0501
Lowest redemption price (HK\$)	2.6134	2.8549	2.5900	4.2655	3.4977	3.7548	3.7107	2.5453	2.5947	2.9259
Net annualised investment return	16.00%	-16.26%	-19.13%	-16.08%	17.33%	15.20%	-13.30%	41.35%	0.45%	-5.05%

Asian Equity Fund

(Date of launch: 1 May 2004)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	423.54	389.13	367.25	464.42	454.15	356.23	304.93	349.46	237.15	209.31
Net asset value per unit (HK\$)	3.7315	3.4001	3.3599	4.3484	4.2823	3.4484	3.0607	3.5888	2.5749	2.4961
Highest issue price (HK\$)	4.0973	3.7822	4.4114	4.9241	4.2823	3.4854	3.8529	3.6154	2.8340	3.0113
Lowest redemption price (HK\$)	3.2027	3.1293	2.9132	4.1563	2.4875	2.9855	2.9356	1.8686	2.2218	2.3861
Net annualised investment return	9.75%	1.20%	-22.73%	1.54%	24.18%	12.67%	-14.72%	39.38%	3.16%	-8.57%

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Flexi Mixed Asset Fund

(Date of launch: 1 August 2005)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	179.68	176.72	167.87	178.58	172.64	161.18	142.07	136.09	114.99	98.59
Net asset value per unit (HK\$)	1.7114	1.6648	1.6125	1.7439	1.6555	1.5343	1.4171	1.4948	1.4075	1.3982
Highest issue price (HK\$)	1.7450	1.6665	1.7421	1.7522	1.6555	1.5353	1.5184	1.4949	1.4343	1.4654
Lowest redemption price (HK\$)	1.6470	1.5954	1.5439	1.6572	1.3575	1.4137	1.4086	1.4099	1.3752	1.3650
Net annualised investment return	2.80%	3.24%	-7.53%	5.34%	7.90%	8.27%	-5.20%	6.20%	0.67%	-1.29%

RMB Bond Fund

(Date of launch: 4 March 2013)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	181.39	166.78	147.01	138.39	121.60	99.57	83.36	64.10	41.33	29.07
Net asset value per unit (HK\$)	1.0450	1.0351	1.0096	1.0678	1.0445	0.9825	0.9685	0.9722	0.9171	0.9443
Highest issue price (HK\$)	1.0757	1.0482	1.0779	1.0704	1.0445	0.9981	1.0017	0.9747	0.9581	0.9999
Lowest redemption price (HK\$)	1.0283	1.0054	0.9716	1.0423	0.9725	0.9633	0.9571	0.9155	0.9171	0.9442
Net annualised investment return	0.96%	2.53%	-5.45%	2.23%	6.31%	1.45%	-0.38%	6.01%	-2.88%	-4.87%

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Core Accumulation Fund

(Date of launch: 1 April 2017)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	668.30	571.01	455.05	500.47	427.00	329.14	215.43	156.00	-	-
Net asset value per unit (HK\$)	1.5530	1.3987	1.2056	1.4457	1.3149	1.1691	1.0104	1.0823	-	-
Highest issue price (HK\$)	1.5986	1.4018	1.4488	1.4498	1.3149	1.1725	1.1285	1.1133	-	-
Lowest redemption price (HK\$)	1.3799	1.2118	1.1378	1.3096	0.9506	1.0025	0.9847	0.9989	-	-
Net annualised investment return	11.03%	16.02%	-16.61%	9.95%	12.47%	15.71%	-6.64%	8.23%*	-	-

Age 65 Plus Fund

(Date of launch: 1 April 2017)

Financial year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net asset value (HK\$ million)	422.48	386.32	339.24	378.90	358.78	315.13	278.85	258.04	-	-
Net asset value per unit (HK\$)	1.1618	1.1192	1.0325	1.2174	1.2096	1.1029	1.0120	1.0298	-	-
Highest issue price (HK\$)	1.1832	1.1227	1.2151	1.2346	1.2096	1.1063	1.0403	1.0318	-	-
Lowest redemption price (HK\$)	1.1035	1.0343	1.0021	1.1819	1.0501	1.0127	1.0022	0.9999	-	-
Net annualised investment return	3.81%	8.40%	-15.19%	0.64%	9.67%	8.98%	-1.73%	2.98%*	-	-

*[Note: the net annualised investment return is based on the percentage change in net asset value per unit for the financial year. For the constituent fund launched in its first year (marked with an asterisk *), it is based on the percentage change in net asset value per unit from its launch date to the year-end date.]*

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The following table summarises the fund expense ratio (“FER”) and transaction costs of the twelve constituent funds:

	<u>2024</u>	
	<u>FER</u>	<u>Transaction costs</u>
		(HK\$)
MPF Conservative Fund	0.97483%	-
E30 Mixed Asset Fund	1.68707%	-
E50 Mixed Asset Fund	1.69870%	-
E70 Mixed Asset Fund	1.69592%	-
Global Bond Fund	1.58107%	-
Global Equity Fund	1.49977%	-
China and Hong Kong Equity Fund	1.67560%	-
Asian Equity Fund	1.74461%	-
Flexi Mixed Asset Fund	1.63473%	-
RMB Bond Fund	1.27371%	-
Core Accumulation Fund	0.85490%	-
Age 65 Plus Fund	0.85349%	-

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3. Investment Policies

MPF Conservative Fund

The objective of the MPF Conservative Fund is to provide members with a rate of return which matches or exceeds the Hong Kong dollar savings rate with a view to minimising the exposure of the principal amount invested to market fluctuation and volatility.

The fund seeks to achieve its investment objective by investing in a portfolio of Hong Kong dollar denominated bank deposits and short-term debt securities in conformity to the requirements set out in section 37(2) of the Mandatory Provident Fund Schemes (General) Regulation (“the Regulation”). In summary, these include:

- (i) deposits, less than 12 months’ maturity with banks meeting specific requirements; or
- (ii) debt securities, with a remaining maturity of 2 years or less issued by or guaranteed by the Hong Kong Government; the Exchange Fund; a company wholly owned by the Hong Kong Government; or a government, the central bank of a country or a multilateral international agency (such as the World Bank) all with the highest credit rating determined by a credit rating agency approved by the Mandatory Provident Fund Schemes Authority (“the Authority”); or
- (iii) debt securities, with a remaining maturity period of 1 year or less and that satisfy the minimum credit rating set by the Authority, based on the credit rating of the securities as determined by a credit rating agency approved by the Authority.

The average remaining maturity of all securities must not exceed 90 days. The direct holdings of the fund must be wholly in Hong Kong dollars.

The fund is designed as a low risk investment option with minimal exposure to market fluctuations or volatility. The return of the fund over the long term is expected to approximate the interest rate payable from time to time by major banks in Hong Kong on Hong Kong dollar savings accounts.

E30 Mixed Asset Fund

Prior to 2 September 2024, the objective of the E30 Mixed Asset Fund is to provide members with capital growth over the long term with a view to minimizing the risk of capital loss by investing solely in “Invesco Pooled Investment Fund – Global Stable Fund” which is an APIF, the investment policy of which is consistent with that of the E30 Mixed Asset Fund. The underlying APIF will in turn invest in other APIFs or in fixed income securities and maintain a limited exposure to global equities.

It is expected that the E30 Mixed Asset Fund will achieve a long term return in line with Hong Kong’s price inflation. (Note: short term performance of the E30 Mixed Asset Fund may be higher or lower than the long term expected return.)

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Investors should regard the E30 Mixed Asset Fund as a low to medium risk investment. As the majority of the underlying APIF will be invested in fixed income securities, the E30 Mixed Asset Fund is expected to exhibit a relatively lower level of risk in the investment in the short term.

With effect from 2 September 2024, the E30 Mixed Asset Fund is a portfolio management fund. The objective of the E30 Mixed Asset Fund is to provide members with capital growth over the long term with a view to minimizing the risk of capital loss by investing primarily in fixed income securities and maintaining a limited exposure to global equities, through investments in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIF(s) under the Bonitas Pooled Investment Fund Series. The underlying APIF(s) and / or ITCIS(s) may in turn invest in other APIF(s) and / or ITCIS(s) or in bank deposits, global bonds and global equities. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the E30 Mixed Asset Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

It is expected that the E30 Mixed Asset Fund will achieve a long term return in line with Hong Kong's price inflation. (Note: short term performance of the E30 Mixed Asset Fund may be higher or lower than the long term expected return.)

Investors should regard the E30 Mixed Asset Fund as a low to medium risk investment. As the majority of the underlying APIF(s) and / or ITCIS(s) will be invested in fixed income securities, the E30 Mixed Asset Fund is expected to exhibit a relatively lower level of risk in the investment in the short term.

E50 Mixed Asset Fund

Prior to 2 September 2024, the objective of the E50 Mixed Asset Fund is to provide members with capital appreciation and a stable level of income over the long term by investing solely in "Invesco Pooled Investment Fund – Global Stable Growth Fund" which is an APIF, the investment policy of which is consistent with that of the E50 Mixed Asset Fund. The underlying APIF may in turn invest in other APIFs or in bank deposits, global bonds and global equities.

It is expected that the E50 Mixed Asset Fund will achieve a long term return which exceeds Hong Kong's price inflation. (Note: short term performance of the E50 Mixed Asset Fund may be higher or lower than the long term expected return.)

As the underlying APIF will be invested equally in fixed income securities and equities, the E50 Mixed Asset Fund is suitable for investors who are willing to assume a moderate level of risk to achieve higher returns in the medium to long term.

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With effect from 2 September 2024, the E50 Mixed Asset Fund is a portfolio management fund. The objective of the E50 Mixed Asset Fund is to provide members with capital appreciation and a stable level of income over the long term by investing primarily in bank deposits, global bonds and global equities through investments in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIFs under the Bonitas Pooled Investment Fund Series. The underlying APIF(s) and / or ITCIS(s) may in turn invest in other APIF(s) and / or ITCIS(s) or in bank deposits, global bonds and global equities. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the E50 Mixed Asset Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

It is expected that the E50 Mixed Asset Fund will achieve a long term return which exceeds Hong Kong's price inflation. (Note: short term performance of the E50 Mixed Asset Fund may be higher or lower than the long term expected return.)

As the underlying APIF(s) and / or ITCIS(s) will be invested equally in fixed income securities and equities, the E50 Mixed Asset Fund is suitable for investors who are willing to assume a moderate level of risk to achieve higher returns in the medium to long term.

E70 Mixed Asset Fund

Prior to 2 September 2024, the objective of the E70 Mixed Asset Fund is to provide members with capital appreciation over the long term through diversified investments in global equities where higher rates of returns are usually available by investing solely in "Invesco Pooled Investment Fund – Global Balanced Fund" which is an APIF, the investment policy of which is consistent with that of the E70 Mixed Asset Fund. The underlying APIF may in turn invest in other APIFs or in bank deposits, global bonds and global equities. In addition, the underlying APIF will also maintain a limited exposure to global fixed income securities.

It is expected that the E70 Mixed Asset Fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the E70 Mixed Asset Fund may be higher or lower than the long term expected return.)

As a substantial portion of the underlying APIF will be invested in the equities market, the E70 Mixed Asset Fund is expected to be subject to the higher level of volatility of the equity markets in the short to medium term. Accordingly, the E70 Mixed Asset Fund is suitable for members who are willing to take a relatively longer term of investment and assume a higher level of risk to achieve potentially higher returns in the long term.

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With effect from 2 September 2024, the E70 Mixed Asset Fund is a portfolio management fund. The objective of the E70 Mixed Asset Fund is to provide members with capital appreciation over the long term by investing diversely in global equities where higher rates of return are usually available and maintains a limited exposure to global fixed income securities through investments in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIF(s) under the Bonitas Pooled Investment Fund Series. The underlying APIF(s) and / or ITCIS(s) may in turn invest in other APIF(s) and / or ITCIS(s) or in bank deposits, global bonds and global equities. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the E70 Mixed Asset Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

It is expected that the E70 Mixed Asset Fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the E70 Mixed Asset Fund may be higher or lower than the long term expected return.)

As a substantial portion of the underlying APIF(s) and / or ITCIS(s) will be invested in the equities market, the E70 Mixed Asset Fund is expected to be subject to the higher level of volatility of the equity markets in the short to medium term. Accordingly, the E70 Mixed Asset Fund is suitable for members who are willing to take a relatively longer term of investment and assume a higher level of risk to achieve potentially higher returns in the long term.

Global Bond Fund

Prior to 2 September 2024, the objective of the Global Bond Fund is to provide members with total investment return over the medium to longer term by investing solely in the Sun Life IF Global Bond Fund which is an APIF and in turn invests primarily into fixed income securities issued by governments and governmental agencies globally.

The underlying APIF is actively managed to achieve as high a return as possible commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Bond Fund will achieve a long term return in line with Hong Kong's price inflation. (Note: short term performance of the Global Bond Fund may be higher or lower than the long term expected return.)

With effect from 2 September 2024, the Global Bond Fund is a portfolio management fund. The objective of the Global Bond Fund is to provide members with total investment return over the medium to long term by investing primarily into investment-grade global fixed income securities (including bonds traded on the China interbank bond market via the Bond Connect) issued by governments, governmental agencies, local and public authorities as well as corporates, through investments in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIF(s) under the Bonitas Pooled

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Investment Fund Series. The underlying APIF(s) and / or ITCIS(s) may invest in emerging markets such as Thailand and Poland. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the Global Bond Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

The fund aims to achieve as high a return as possible through global fixed income investments that commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Bond Fund will achieve a long term return in line with Hong Kong's price inflation. (Note: short term performance of the Global Bond Fund may be higher or lower than the long term expected return.)

Global Equity Fund

Prior to 2 September 2024, the objective of the Global Equity Fund is to provide members with capital growth over the medium to longer term by investing solely in the Sun Life IF Global Equity Fund which is an APIF and in turn invests primarily in securities of companies listed on the global stock markets.

The underlying APIF is actively managed to achieve as high a return as possible commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Equity Fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the Global Equity Fund may be higher or lower than the long term expected return.)

With effect from 2 September 2024, the Global Equity Fund is a portfolio management fund. The objective of the Global Equity Fund is to provide members with capital growth over the medium to long term by investing mainly into global equity markets, through investments in a portfolio of APIF(s) and / or ITCIS(s) but not limited to APIF(s) under the Bonitas Pooled Investment Fund Series. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the Global Equity Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

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The fund aims to achieve as high a return as possible through global equity investments that commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Equity Fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the Global Equity Fund may be higher or lower than the long term expected return.)

China and Hong Kong Equity Fund (formerly known as Hong Kong Equity Fund)

Prior to 2 September 2024, the objective of the Hong Kong Equity Fund is to provide members with long term capital appreciation by investing solely in “Fidelity Global Investment Fund – Hong Kong Equity Fund” which is an APIF and in turn invests in equity market of Hong Kong, namely equities of companies listed in Hong Kong (including Greater China companies that are listed in Hong Kong) or companies which have a business connection with Hong Kong (including companies which are listed outside Hong Kong). Companies which have a business connection with Hong Kong include but are not limited to companies that are domiciled or incorporated in Hong Kong.

It is expected that the Hong Kong Equity Fund will achieve long term return which follows the major stock market indices of Hong Kong. (Note: short term performance of the Hong Kong Equity Fund may be higher or lower than the long term expected return.)

With effect from 2 September 2024, the China and Hong Kong Equity Fund is a portfolio management fund. The objective of the China and Hong Kong Equity Fund is to provide members with long term capital appreciation by investing in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIF(s) under the Bonitas Pooled Investment Fund Series, which in turn invests in (a) Hong Kong and China-related equity securities (including common / preferred stocks, depository receipts / certificates and China A shares via the Stock Connect) and (b) other Hong Kong and China-related listed instruments (namely equities related ITCIS, equity real estate investment trusts (“REITs”) and other equity stapled securities / investment units), provided that such securities and listed instruments are permitted for the purposes of the MPFS Ordinance. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the China and Hong Kong Equity Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

Hong Kong and China-related equity securities / listed instruments are defined as equity securities and the above described instruments listed on the Hong Kong Stock Exchange or other exchanges issued in respect of companies generating a substantial portion of their revenues and / or profits in the People’s Republic of China (including, but not limited to China A shares via the Stock Connect).

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It is expected that the China and Hong Kong Equity Fund will achieve long term return which follows the trend of the Hong Kong and China-related equity markets. (Note: short term performance of the China and Hong Kong Equity Fund may be higher or lower than the long-term expected return.)

Asian Equity Fund

Prior to 2 September 2024, the objective of the Asian Equity Fund is to provide members with long term capital growth by investing solely in the Schroder MPF Asian Fund which is an APIF and in turn invests primarily in securities of companies in Asian equity markets (excluding Japan).

It is expected that the Asian Equity Fund will achieve a long-term capital growth which modestly exceeds Hong Kong price inflation (as measured by the Consumer Price Index Type A).

With effect from 2 September 2024, the Asian Equity Fund is a portfolio management fund. The objective of the Asian Equity Fund is to provide members with long term capital growth by investing in a portfolio of APIF(s) and / or ITCIS(s), including but not limited to APIF(s) under the Bonitas Pooled Investment Fund Series, which in turn invests primarily in equity securities listed on the stock exchanges of Asia Pacific markets (excluding Japan, Australia and New Zealand). The equity securities to be invested primarily include equity securities listed in Hong Kong, China (including, but not limited to, China A shares via the Stock Connect), Taiwan, Korea, Thailand, the Philippines, Singapore, Malaysia, Indonesia and India. The fund may invest up to 10% of its net asset value in equity securities listed on stock exchanges that are not approved stock exchanges as defined in the Regulation. The underlying APIF(s) and / or ITCIS(s) are selected by reference to their appropriateness to meet the investment objective and policy of the Asian Equity Fund.

Target percentage allocation to the underlying APIF(s) and / or ITCIS(s) are fixed for the fund (and reviewed at least annually) by the Investment Manager (in consultation with the Sponsor); and whilst deviations from such target percentage may occur, such deviations are not expected to exceed plus / minus 10%.

It is expected that the Asian Equity Fund will achieve a long-term capital growth which modestly exceeds Hong Kong price inflation (as measured by the Consumer Price Index Type A).

Flexi Mixed Asset Fund

The objective of the Flexi Mixed Asset Fund is to provide members with long-term capital preservation not related to an index by investing solely in Allianz Choice Flexi Balanced Fund which is an APIF which in turn invests primarily in a diversified portfolio of global equities and fixed-interest securities. The underlying APIF adopts a dynamic asset allocation strategy.

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RMB Bond Fund

The objective of the RMB Bond Fund, a bond fund, is to provide members with steady growth over the long term by investing solely in “Invesco Pooled Investment Fund – RMB Bond Fund”, an APIF (which is denominated in HKD only and not in RMB) which in turn invests primarily into RMB denominated debt instruments and money market instruments (including but not limited to commercial papers, certificates of deposit and bank deposits) issued or distributed outside and within the mainland China, with a primary focus on RMB denominated bonds issued in Hong Kong.

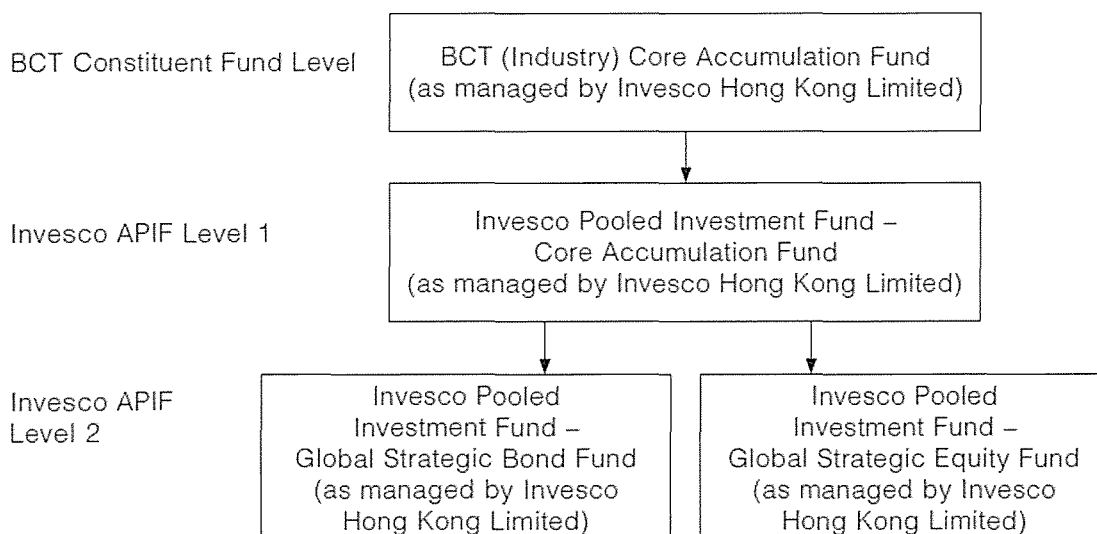
It is expected that the RMB Bond Fund will achieve a long term return which exceeds Hong Kong inflation. (Note: short term performance of the RMB Bond Fund may be higher or lower than the long-term expected return).

Core Accumulation Fund

The objective of the Core Accumulation Fund is to provide capital growth to members by investing in a globally diversified manner.

The Core Accumulation Fund will invest solely in “Invesco Pooled Investment Fund – Core Accumulation Fund” an underlying APIF which, in turn (through its investment in two other APIFs, namely Invesco Pooled Investment Fund – Global Strategic Equity Fund and Invesco Pooled Investment Fund – Global Strategic Bond Fund (the “DIS Underlying APIFs”, and each of them an “DIS Underlying APIF”)) invests in a portfolio of global equities with reference to the constituents, sectors, and geographical allocation of the FTSE MPF All-World Index, and a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of the FTSE MPF World Government Bond Index, as allowed under the Regulation.

The investment structure of the Core Accumulation Fund and its underlying APIFs are illustrated as follows:



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Investment strategy of underlying APIFs

The Invesco Pooled Investment Fund – Core Accumulation Fund will primarily invest in a combination of global equities and bonds in a globally diversified manner (through investment in Class B Units of the DIS Underlying APIFs).

The DIS Underlying APIFs adopt an active investment strategy. The Invesco Pooled Investment Fund – Global Strategic Equity Fund aims to achieve capital appreciation over the long term and seek to achieve returns above that of the FTSE MPF All-World Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global equities with reference to the constituents, sectors and geographical allocation of that reference index. The Invesco Pooled Investment Fund – Global Strategic Bond Fund aims to achieve stable growth over the long term and seek to achieve returns above that of the FTSE MPF World Government Bond Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of that reference index. In other words, the constituents of the portfolios of each of the DIS Underlying APIFs may not be identical to those of its reference index in terms of security selection and weighting and the DIS Underlying APIFs may selectively react to the movement of the dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize costs for the purpose of DIS asset rebalancing.

Risk and Return Profile

An MPF industry developed Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the Core Accumulation Fund.

The Core Accumulation Fund is designated as a medium risk investment option. It is expected that the return of the Core Accumulation Fund over the long term will be at least similar to the return of the Reference Portfolio of the Core Accumulation Fund.

The risk profile designated for the Core Accumulation Fund is determined by the Sponsor (and accepted by the Trustee) based on various factors including volatility, the investment objective and policy and asset allocations and by reference to the risk profiles of the other constituent funds in the Plan. The risk profile is provided for reference only, and may be reviewed and updated (where necessary) annually based on prevailing market circumstances.

Age 65 Plus Fund

The objective of the Age 65 Plus Fund is to provide stable growth to members by investing in a globally diversified manner.

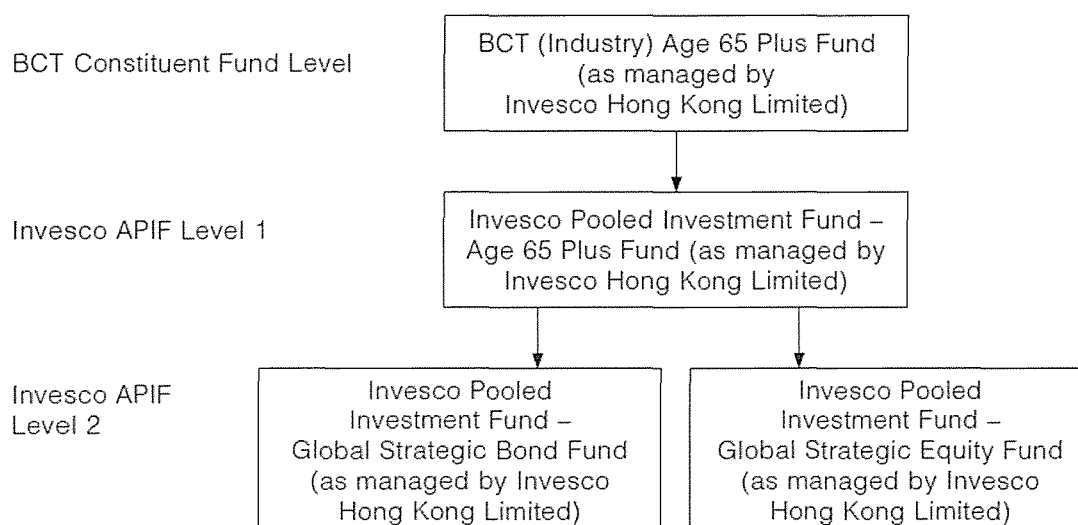
The Age 65 Plus Fund will invest solely in “Invesco Pooled Investment Fund – Age 65 Plus Fund” an underlying APIF which, in turn (through its investment in the DIS Underlying APIFs) invests in a portfolio of global equities with reference

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to the constituents, sectors, and geographical allocation of the FTSE MPF All-World Index, and a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of the FTSE MPF World Government Bond Index, as allowed under the Regulation.

The investment structure of the Age 65 Plus Fund and its underlying APIFs are illustrated as follows:



Investment strategy of underlying APIFs

The Invesco Pooled Investment Fund – Age 65 Plus Fund will primarily invest in a combination of global equities and bonds in a globally diversified manner (through investment in Class B Units of the DIS Underlying APIFs).

The DIS Underlying APIFs adopt an active investment strategy. The Invesco Pooled Investment Fund – Global Strategic Equity Fund aims to achieve capital appreciation over the long term and seek to achieve returns above that of the FTSE MPF All-World Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global equities with reference to the constituents, sectors and geographical allocation of that reference index. The Invesco Pooled Investment Fund – Global Strategic Bond Fund aims to achieve stable growth over the long term and to seek to achieve returns above that of the FTSE MPF World Government Bond Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of that reference index. In other words, the constituents of the portfolios of each of the DIS Underlying APIFs may not be identical to those of its reference index in terms of security selection and weighting and the DIS Underlying APIFs may selectively react to the movement of the dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize costs for the purpose of DIS asset rebalancing.

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Risk and Return Profile

An MPF industry developed Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the Age 65 Plus Fund.

The Age 65 Plus Fund is designated as a low to medium risk investment option. It is expected that the return of the Age 65 Plus Fund over the long term will be at least similar to the return of the Reference Portfolio of the Age 65 Plus Fund.

The risk profile designated for the Age 65 Plus Fund is determined by the Sponsor (and accepted by the Trustee) based on various factors including volatility, the investment objective and policy and asset allocations and by reference to the risk profiles of the other constituent funds in the Plan. The risk profile is provided for reference only, and may be reviewed and updated (where necessary) annually based on prevailing market circumstances.

The statement of movements in portfolio holdings for these twelve constituent funds during the year is included in Schedule 1 of this report.

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

4. Investments Held

The net assets of the constituent funds as at 31 December 2024, 2023 and 2022 are summarised below:

	<u>MPF Conservative Fund</u>			<u>E30 Mixed Asset Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	1,679,242,094	1,539,716,097	1,472,349,374	454,277,320	479,994,951	478,993,657
Other net assets/(liabilities)	27,088,771	64,017,671	39,657,197	3,862,143	(739,484)	(940,787)
Total	<u>1,706,330,865</u>	<u>1,603,733,768</u>	<u>1,512,006,571</u>	<u>458,139,463</u>	<u>479,255,467</u>	<u>478,052,870</u>
Investments, at cost	<u>1,670,698,914</u>	<u>1,530,665,472</u>	<u>1,470,289,428</u>	<u>466,060,212</u>	<u>372,269,259</u>	<u>392,037,934</u>

	<u>E50 Mixed Asset Fund</u>			<u>E70 Mixed Asset Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	379,500,595	394,040,616	391,296,381	538,691,547	544,113,009	536,549,618
Other net assets/(liabilities)	3,070,343	(628,151)	(814,933)	831,172	(831,741)	(1,067,532)
Total	<u>382,570,938</u>	<u>393,412,465</u>	<u>390,481,448</u>	<u>539,522,719</u>	<u>543,281,268</u>	<u>535,482,086</u>
Investments, at cost	<u>383,941,703</u>	<u>270,939,029</u>	<u>280,433,417</u>	<u>536,924,517</u>	<u>359,908,017</u>	<u>368,496,640</u>

	<u>Global Bond Fund</u>			<u>Global Equity Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	142,582,667	139,749,225	128,498,502	434,953,545	355,397,726	272,634,293
Other net assets/(liabilities)	1,867,498	142,807	(165,749)	1,555,374	286,001	332,523
Total	<u>144,450,165</u>	<u>139,892,032</u>	<u>128,332,753</u>	<u>436,508,919</u>	<u>355,683,727</u>	<u>272,966,816</u>
Investments, at cost	<u>149,506,606</u>	<u>151,291,573</u>	<u>146,256,663</u>	<u>428,997,647</u>	<u>283,296,435</u>	<u>250,029,256</u>

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>China and Hong Kong Equity Fund</u>			<u>Asian Equity Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	739,057,347	618,857,123	681,336,888	422,307,577	389,675,940	367,559,426
Other net assets/(liabilities)	(1,427,648)	(141,626)	1,864,128	1,236,682	(547,645)	(305,692)
Total	<u>737,629,699</u>	<u>618,715,497</u>	<u>683,201,016</u>	<u>423,544,259</u>	<u>389,128,295</u>	<u>367,253,734</u>
Investments, at cost	<u>667,346,496</u>	<u>789,738,026</u>	<u>755,785,793</u>	<u>424,054,767</u>	<u>345,992,598</u>	<u>327,419,117</u>

	<u>Flexi Mixed Asset Fund</u>			<u>RMB Bond Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	179,966,450	176,864,724	168,080,845	178,662,987	168,316,465	147,288,584
Other net assets/(liabilities)	(287,312)	(147,596)	(208,225)	2,727,292	(1,532,121)	(279,352)
Total	<u>179,679,138</u>	<u>176,717,128</u>	<u>167,872,620</u>	<u>181,390,279</u>	<u>166,784,344</u>	<u>147,009,232</u>
Investments, at cost	<u>149,981,602</u>	<u>149,637,843</u>	<u>145,791,227</u>	<u>172,297,072</u>	<u>161,040,943</u>	<u>143,399,515</u>

	<u>Core Accumulation Fund</u>			<u>Age 65 Plus Fund</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Investments, at fair value	666,726,147	569,455,783	453,812,034	420,199,372	384,397,242	337,626,470
Other net assets/(liabilities)	1,576,655	1,552,564	1,238,137	2,280,046	1,920,780	1,617,754
Total	<u>668,302,802</u>	<u>571,008,347</u>	<u>455,050,171</u>	<u>422,479,418</u>	<u>386,318,022</u>	<u>339,244,224</u>
Investments, at cost	<u>539,233,508</u>	<u>488,057,011</u>	<u>443,811,591</u>	<u>390,538,484</u>	<u>366,431,596</u>	<u>351,532,582</u>

The investment portfolio for these constituent funds as at 31 December 2024 is included in Schedule 2 of this report.

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 1

Statement of Movements in Portfolio Holdings - BCT (Industry) MPF Conservative Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Debt Securities		
Hong Kong Dollar	17.50	12.70
Total Debt Securities	17.50	12.70
Certificates of Deposit		
Hong Kong Dollar	32.39	32.65
Total Certificates of Deposit	32.39	32.65
Fixed Deposits		
Hong Kong Dollar	48.52	50.66
Total Fixed Deposits	48.52	50.66
Total Investments	98.41	96.01

Statement of Movements in Portfolio Holdings - BCT (Industry) E30 Mixed Asset Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Invesco Pooled Investment Fund – Global Stable Fund (Class B)	-	100.15
Bonitas Pooled Investment Fund Series		
- Dynamic Asian Equity Fund (Class A)	5.08	-
- Dynamic China & Hong Kong Equity Fund (Class A)	5.87	-
- Dynamic European Equity Fund (Class A)	4.47	-
- Dynamic Global Bond Fund (Class A)	56.18	-
- Smart Asian Equity Fund (Class A)	2.46	-
- Smart China & Hong Kong Equity Fund (Class A)	2.15	-
- Smart European Equity Fund (Class A)	1.77	-
- Smart Global Bond Fund (Class A)	8.36	-
- Smart Japanese Equity Fund (Class A)	4.45	-
- Smart North American Equity Fund (Class A)	8.37	-
Total Investments	99.16	100.15

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 1

Statement of Movements in Portfolio Holdings - BCT (Industry) E50 Mixed Asset Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Invesco Pooled Investment Fund – Global Stable Growth Fund (Class B)	-	100.16
Bonitas Pooled Investment Fund Series		
- Dynamic Asian Equity Fund (Class A)	7.58	-
- Dynamic China & Hong Kong Equity Fund (Class A)	9.90	-
- Dynamic European Equity Fund (Class A)	7.23	-
- Dynamic Global Bond Fund (Class A)	38.28	-
- Smart Asian Equity Fund (Class A)	4.00	-
- Smart China & Hong Kong Equity Fund (Class A)	3.82	-
- Smart European Equity Fund (Class A)	3.02	-
- Smart Global Bond Fund (Class A)	5.63	-
- Smart Japanese Equity Fund (Class A)	6.83	-
- Smart North American Equity Fund (Class A)	12.91	-
Total Investments	99.20	100.16

Statement of Movements in Portfolio Holdings - BCT (Industry) E70 Mixed Asset Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Invesco Pooled Investment Fund – Global Balanced Fund (Class B)	-	100.15
Bonitas Pooled Investment Fund Series		
- Dynamic Asian Equity Fund (Class A)	10.48	-
- Dynamic China & Hong Kong Equity Fund (Class A)	14.18	-
- Dynamic European Equity Fund (Class A)	10.01	-
- Dynamic Global Bond Fund (Class A)	20.05	-
- Smart Asian Equity Fund (Class A)	5.56	-
- Smart China & Hong Kong Equity Fund (Class A)	5.54	-
- Smart European Equity Fund (Class A)	4.23	-
- Smart Global Bond Fund (Class A)	2.89	-
- Smart Japanese Equity Fund (Class A)	9.39	-
- Smart North American Equity Fund (Class A)	17.52	-
Total Investments	99.85	100.15

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 1

Statement of Movements in Portfolio Holdings - BCT (Industry) Global Bond Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Sun Life IF Global Bond Fund (Class A)	-	99.90
Bonitas Pooled Investment Fund Series		
- Dynamic Global Bond Fund (Class A)	86.37	-
- Smart Global Bond Fund (Class A)	12.34	-
Total Investments	98.71	99.90

Statement of Movements in Portfolio Holdings - BCT (Industry) Global Equity Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Sun Life IF Global Equity Fund (Class A)	-	99.92
Bonitas Pooled Investment Fund Series		
- Dynamic Asian Equity Fund (Class A)	6.87	-
- Dynamic China & Hong Kong Equity Fund (Class A)	0.40	-
- Dynamic European Equity Fund (Class A)	15.57	-
- Smart Asian Equity Fund (Class A)	3.66	-
- Smart China & Hong Kong Equity Fund (Class A)	0.11	-
- Smart Japanese Equity Fund (Class A)	5.73	-
- Smart North American Equity Fund (Class A)	67.30	-
Total Investments	99.64	99.92

Statement of Movements in Portfolio Holdings – BCT (Industry) China and Hong Kong Equity Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Fidelity Global Investment Fund – Hong Kong Equity Fund (Class A)	-	100.02
Bonitas Pooled Investment Fund Series		
- Dynamic China & Hong Kong Equity Fund (Class A)	72.04	-
- Smart China & Hong Kong Equity Fund (Class A)	28.15	-
Total Investments	100.19	100.02

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 1

Statement of Movements in Portfolio Holdings - BCT (Industry) Asian Equity Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Funds		
Schroder MPF Asian Fund (Class A)	-	100.14
Bonitas Pooled Investment Fund Series		
- Dynamic Asian Equity Fund (Class A)	65.07	-
- Smart Asian Equity Fund (Class A)	34.64	-
Total Investments	99.71	100.14

Statement of Movements in Portfolio Holdings - BCT (Industry) Flexi Mixed Asset Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Fund		
Allianz Choice Flexi Balanced Fund (Class A)	100.16	100.08
Total Investments	100.16	100.08

Statement of Movements in Portfolio Holdings - BCT (Industry) RMB Bond Fund

	% of Net Assets	
	Closing Balance 31/12/2024	Opening Balance 1/1/2024
Approved Pooled Investment Fund		
Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB)	98.50	100.92
Total Investments	98.50	100.92

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 1

Statement of Movements in Portfolio Holdings – BCT (Industry) Core Accumulation Fund

	% of Net Assets	
	Closing Balance	Opening Balance
	31/12/2024	1/1/2024
Approved Pooled Investment Fund		
Invesco Pooled Investment Fund – Core Accumulation Fund (Class A)	99.76	99.73
Total Investments	99.76	99.73

Statement of Movements in Portfolio Holdings - BCT (Industry) Age 65 Plus Fund

	% of Net Assets	
	Closing Balance	Opening Balance
	31/12/2024	1/1/2024
Approved Pooled Investment Fund		
Invesco Pooled Investment Fund – Age 65 Plus Fund (Class A)	99.46	99.50
Total Investments	99.46	99.50

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) MPF Conservative Fund

<u>Description</u>	<u>Nominal Value</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Debt Securities			
Hong Kong Dollar			
AUSTRALIA & NEW ZEALAND BANKING GROUP 4.71% JUN 30 2025	16,000,000	16,412,651	0.96
AUSTRALIA & NEW ZEALAND BANKING GROUP 4.74% MAY 19 2025	12,000,000	12,380,682	0.73
AUSTRALIA & NEW ZEALAND BANKING GROUP 4.75% MAR 27 2025	16,000,000	16,603,978	0.97
COMMONWEALTH BANK AUSTRALIA 2.75% JUN 09 2025	12,000,000	12,107,998	0.71
HONG KONG MORTGAGE CORP 0% FEB 24 2025	25,000,000	24,860,375	1.46
HONG KONG MORTGAGE CORP 0% MAR 05 2025	25,000,000	24,834,125	1.46
HONG KONG MORTGAGE CORP 4% MAR 03 2025	25,000,000	25,321,517	1.48
HONG KONG T-BILLS 0% JAN 08 2025	30,000,000	29,982,000	1.76
HONG KONG T-BILLS 0% JAN 15 2025	25,000,000	24,963,750	1.46
HONG KONG T-BILLS 0% FEB 05 2025	27,000,000	26,901,990	1.58
HONG KONG T-BILLS 0% FEB 12 2025	24,000,000	23,895,360	1.40
HONG KONG T-BILLS 0% FEB 19 2025	34,000,000	33,824,901	1.98
KOREA DEVELOPMENT BANK/HK 4.02% NOV 05 2025	10,000,000	10,039,528	0.59
NATIONAL AUSTRALIA BANK 4.825% JUN 07 2025	16,000,000	16,472,494	0.96
Total Debt Securities		298,601,349	17.50
Certificates of Deposit			
Hong Kong Dollar			
AGRICULTURAL BANK CHINA/HK 4.04% JUN 10 2025	21,000,000	21,062,686	1.23
AGRICULTURAL BANK CHINA/HK 4.08% JAN 17 2025	12,000,000	12,100,603	0.71
BANK OF CHINA/HONG KONG 0% MAR 07 2025	25,000,000	24,843,750	1.46
BANK OF CHINA/HONG KONG 0% MAR 13 2025	27,000,000	26,794,530	1.57
BANK OF CHINA/HONG KONG 0% MAY 20 2025	25,000,000	24,616,750	1.44
BANK OF CHINA/HONG KONG 0% MAY 27 2025	26,000,000	25,580,750	1.50
BANK OF CHINA/MACAU 3.8% APR 29 2025	27,000,000	27,135,756	1.59
BANK OF CHINA/MACAU 4% JAN 28 2025	26,000,000	26,179,626	1.53
BANK OF COMMUNICATIONS/SYDNEY 0% FEB 06 2025	24,000,000	23,897,040	1.40
BANK OF COMMUNICATIONS/SYDNEY 3.84% OCT 14 2025	33,000,000	33,188,794	1.95
BANK OF COMMUNICATIONS/SYDNEY 4.1% MAR 27 2025	20,000,000	20,612,894	1.21
CHINA CONSTRUCTION BANK/SEOUL 0% JAN 14 2025	15,000,000	14,975,925	0.88
CHINA CONSTRUCTION BANK/SEOUL 0% FEB 20 2025	32,000,000	31,810,080	1.86
CHINA CONSTRUCTION BANK/SINGAPORE 0% JUN 17 2025	16,000,000	15,699,520	0.92
CHINA CONSTRUCTION BANK/TOKYO 0% FEB 18 2025	16,000,000	15,908,720	0.93
CHINA CONSTRUCTION BANK/TOKYO 0% FEB 21 2025	30,000,000	29,817,900	1.75
CHINA CONSTRUCTION BANK/TOKYO 0% MAR 24 2025	25,000,000	24,769,418	1.45
CHINA CONSTRUCTION BANK/TOKYO 0% MAY 29 2025	21,000,000	20,644,155	1.21
CHINA DEVELOPMENT BANK/HK 0% MAY 06 2025	29,000,000	28,587,330	1.68
CHINA DEVELOPMENT BANK/HK 3.65% JUN 03 2025	20,000,000	20,373,900	1.19
IND & COMM BANK OF CHINA/SEOUL 0% JUN 04 2025	28,000,000	27,515,062	1.61
IND & COMM BANK OF CHINA/SYDNEY 0% MAR 27 2025	17,000,000	16,827,875	0.99
IND & COMM BANK OF CHINA/SYDNEY 0% APR 03 2025	23,000,000	22,748,150	1.33
IND & COMM BANK OF CHINA/SYDNEY 3.97% OCT 03 2025	17,000,000	17,000,850	1.00
Total Certificates of Deposit		552,692,064	32.39

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) MPF Conservative Fund (Continued)

<u>Description</u>	<u>Nominal Value</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Fixed Deposits			
Hong Kong Dollar			
AGRICULTURAL BANK DEPOSIT 3.95% MAR 03 2025	32,000,000	32,000,000	1.88
AGRICULTURAL BANK DEPOSIT 4.15% MAR 24 2025	18,777,274	18,777,274	1.10
AGRICULTURAL BANK DEPOSIT 4.15% MAR 31 2025	37,368,986	37,368,986	2.19
AGRICULTURAL BANK DEPOSIT 4.25% JAN 15 2025	32,901,722	32,901,722	1.93
BANK OF EAST ASIA LTD DEPOSIT 3.95% JAN 24 2025	33,081,017	33,081,017	1.94
BANK OF EAST ASIA LTD DEPOSIT 3.95% FEB 04 2025	25,084,834	25,084,834	1.47
BANK OF EAST ASIA LTD DEPOSIT 4% JAN 22 2025	17,000,000	17,000,000	1.00
BANK OF EAST ASIA LTD DEPOSIT 4.1% FEB 20 2025	21,579,634	21,579,634	1.26
BANK OF EAST ASIA LTD DEPOSIT 4.1% FEB 21 2025	12,000,000	12,000,000	0.70
BANK OF EAST ASIA LTD DEPOSIT 4.1% FEB 21 2025	13,722,853	13,722,853	0.80
BANK OF EAST ASIA LTD DEPOSIT 4.2% FEB 27 2025	17,000,000	17,000,000	1.00
BANK OF EAST ASIA LTD DEPOSIT 4.25% MAR 04 2025	15,000,000	15,000,000	0.88
FIRST ABU DHABI BANK DEPOSIT 3.5% MAR 13 2025	16,359,774	16,359,774	0.96
FIRST ABU DHABI BANK DEPOSIT 3.95% FEB 14 2025	32,000,000	32,000,000	1.88
FIRST ABU DHABI BANK DEPOSIT 4% APR 16 2025	32,663,263	32,663,263	1.91
FIRST ABU DHABI BANK DEPOSIT 4.1% JAN 21 2025	22,435,727	22,435,727	1.32
FIRST ABU DHABI BANK DEPOSIT 4.17% JAN 14 2025	23,431,367	23,431,367	1.37
FIRST ABU DHABI BANK DEPOSIT 5% JAN 13 2025	27,608,480	27,608,480	1.62
ICBC (ASIA) DEPOSIT 3.7% JAN 14 2025	10,728,025	10,728,025	0.63
PUBLIC BANK DEPOSIT 4.2% JAN 14 2025	31,436,123	31,436,123	1.84
SHANGHAI COMMERCIAL BANK DEPOSIT 3.8% JAN 14 2025	19,355,376	19,355,376	1.13
SHANGHAI COMMERCIAL BANK DEPOSIT 4.05% FEB 13 2025	24,000,000	24,000,000	1.41
SHANGHAI COMMERCIAL BANK DEPOSIT 4.1% FEB 25 2025	15,000,000	15,000,000	0.88
SHANGHAI COMMERCIAL BANK DEPOSIT 4.2% FEB 27 2025	22,000,000	22,000,000	1.29
SHANGHAI COMMERCIAL BANK DEPOSIT 4.2% FEB 28 2025	24,645,739	24,645,739	1.44
SHANGHAI COMMERCIAL BANK DEPOSIT 4.4% FEB 06 2025	27,552,254	27,552,254	1.61
SUMITOMO MITSUI DEPOSIT 3.92% FEB 05 2025	35,368,891	35,368,891	2.07
SUMITOMO MITSUI DEPOSIT 3.95% FEB 10 2025	33,353,680	33,353,680	1.95
SUMITOMO MITSUI DEPOSIT 4.01% JAN 28 2025	16,355,638	16,355,638	0.96
SUMITOMO MITSUI DEPOSIT 4.08% MAR 05 2025	14,296,105	14,296,105	0.84
SUMITOMO MITSUI DEPOSIT 4.17% MAR 31 2025	15,000,000	15,000,000	0.88
SUMITOMO MITSUI DEPOSIT 4.18% MAR 11 2025	15,841,919	15,841,919	0.93
SUMITOMO MITSUI DEPOSIT 4.19% MAR 13 2025	25,000,000	25,000,000	1.47
UNITED OVERSEAS BANK DEPOSIT 3.85% JAN 20 2025	34,000,000	34,000,000	1.99
UNITED OVERSEAS BANK DEPOSIT 4.08% JAN 06 2025	34,000,000	34,000,000	1.99
Total Fixed Deposits		827,948,681	48.52
Total Investments		1,679,242,094	98.41
Total Investments, at cost		1,670,698,914	

[Note: Investments are accounted for on a trade date basis.]

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) E30 Mixed Asset Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Asian Equity Fund (Class A)	2,123,490	23,259,652	5.08
- Dynamic China & Hong Kong Equity Fund (Class A)	3,319,225	26,907,629	5.87
- Dynamic European Equity Fund (Class A)	1,990,600	20,487,253	4.47
- Dynamic Global Bond Fund (Class A)	27,314,726	257,370,275	56.18
- Smart Asian Equity Fund (Class A)	986,177	11,288,377	2.46
- Smart China & Hong Kong Equity Fund (Class A)	1,172,042	9,868,124	2.15
- Smart European Equity Fund (Class A)	622,045	8,107,108	1.77
- Smart Global Bond Fund (Class A)	4,238,321	38,287,722	8.36
- Smart Japanese Equity Fund (Class A)	1,674,697	20,365,654	4.45
- Smart North American Equity Fund (Class A)	1,692,181	38,335,526	8.37
Total Investments		454,277,320	99.16
Total Investments, at cost		466,060,212	

Investment Portfolio - BCT (Industry) E50 Mixed Asset Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Asian Equity Fund (Class A)	2,648,764	29,013,232	7.58
- Dynamic China & Hong Kong Equity Fund (Class A)	4,671,328	37,868,588	9.90
- Dynamic European Equity Fund (Class A)	2,686,803	27,652,579	7.23
- Dynamic Global Bond Fund (Class A)	15,544,325	146,464,845	38.28
- Smart Asian Equity Fund (Class A)	1,336,458	15,297,903	4.00
- Smart China & Hong Kong Equity Fund (Class A)	1,736,704	14,622,353	3.82
- Smart European Equity Fund (Class A)	885,511	11,540,868	3.02
- Smart Global Bond Fund (Class A)	2,382,471	21,522,532	5.63
- Smart Japanese Equity Fund (Class A)	2,148,264	26,124,611	6.83
- Smart North American Equity Fund (Class A)	2,180,277	49,393,084	12.91
Total Investments		379,500,595	99.20
Total Investments, at cost		383,941,703	

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) E70 Mixed Asset Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Asian Equity Fund (Class A)	5,162,753	56,550,220	10.48
- Dynamic China & Hong Kong Equity Fund (Class A)	9,439,008	76,518,259	14.18
- Dynamic European Equity Fund (Class A)	5,244,942	53,980,942	10.01
- Dynamic Global Bond Fund (Class A)	11,476,438	108,135,592	20.05
- Smart Asian Equity Fund (Class A)	2,622,662	30,020,563	5.56
- Smart China & Hong Kong Equity Fund (Class A)	3,552,004	29,906,452	5.54
- Smart European Equity Fund (Class A)	1,752,594	22,841,551	4.23
- Smart Global Bond Fund (Class A)	1,723,765	15,571,975	2.89
- Smart Japanese Equity Fund (Class A)	4,165,364	50,654,159	9.39
- Smart North American Equity Fund (Class A)	4,171,879	94,511,834	17.52
Total Investments		538,691,547	99.85
Total Investments, at cost		536,924,517	

Investment Portfolio - BCT (Industry) Global Bond Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value (HK\$)</u>	<u>% of Net Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Global Bond Fund (Class A)	13,240,070	124,753,234	86.37
- Smart Global Bond Fund (Class A)	1,973,658	17,829,433	12.34
Total Investments		142,582,667	98.71
Total Investments, at cost		149,506,606	

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) Global Equity Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> <u>(HK\$)</u>	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Asian Equity Fund (Class A)	2,737,328	29,983,323	6.87
- Dynamic China & Hong Kong Equity Fund (Class A)	213,654	1,732,005	0.40
- Dynamic European Equity Fund (Class A)	6,602,265	67,950,508	15.57
- Smart Asian Equity Fund (Class A)	1,396,124	15,980,878	3.66
- Smart China & Hong Kong Equity Fund (Class A)	56,338	474,342	0.11
- Smart Japanese Equity Fund (Class A)	2,057,710	25,023,402	5.73
- Smart North American Equity Fund (Class A)	12,969,127	293,809,087	67.30
Total Investments		434,953,545	99.64
Total Investments, at cost		428,997,647	

Investment Portfolio – BCT (Industry) China and Hong Kong Equity Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> <u>(HK\$)</u>	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic China & Hong Kong Equity Fund (Class A)	65,553,240	531,413,894	72.04
- Smart China & Hong Kong Equity Fund (Class A)	24,661,914	207,643,453	28.15
Total Investments		739,057,347	100.19
Total Investments, at cost		667,346,496	

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) Asian Equity Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> <u>(HK\$)</u>	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Funds			
Bonitas Pooled Investment Fund Series			
- Dynamic Asian Equity Fund (Class A)	25,160,323	275,593,599	65.07
- Smart Asian Equity Fund (Class A)	12,817,254	146,713,978	34.64
		<u>422,307,577</u>	<u>99.71</u>
Total Investments		<u>422,307,577</u>	<u>99.71</u>
Total Investments, at cost		<u>424,054,767</u>	

Investment Portfolio - BCT (Industry) Flexi Mixed Asset Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> <u>(HK\$)</u>	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Fund			
Allianz Choice Flexi Balanced Fund (Class A)	8,012,754	179,966,450	100.16
		<u>179,966,450</u>	<u>100.16</u>
Total Investments		<u>179,966,450</u>	<u>100.16</u>
Total Investments, at cost		<u>149,981,602</u>	

Investment Portfolio - BCT (Industry) RMB Bond Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> <u>(HK\$)</u>	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Fund			
Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB)	14,110,951	178,662,987	98.50
		<u>178,662,987</u>	<u>98.50</u>
Total Investments		<u>178,662,987</u>	<u>98.50</u>
Total Investments, at cost		<u>172,297,072</u>	

BCT (MPF) INDUSTRY CHOICE

INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Schedule 2

Investment Portfolio - BCT (Industry) Core Accumulation Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> (HK\$)	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Fund			
Invesco Pooled Investment Fund – Core Accumulation Fund (Class A)	40,187,224	666,726,147	99.76
Total Investments		<u>666,726,147</u>	<u>99.76</u>
Total Investments, at cost		<u>539,233,508</u>	

Investment Portfolio - BCT (Industry) Age 65 Plus Fund

<u>Description</u>	<u>Holdings</u>	<u>Fair Value</u> (HK\$)	<u>% of Net</u> <u>Assets</u>
Approved Pooled Investment Fund			
Invesco Pooled Investment Fund – Age 65 Plus Fund (Class A)	34,141,455	420,199,372	99.46
Total Investments		<u>420,199,372</u>	<u>99.46</u>
Total Investments, at cost		<u>390,538,484</u>	

[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF
BCT (MPF) INDUSTRY CHOICE**

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of BCT (MPF) Industry Choice (the “Plan”), which are set out on pages 60 to 147, comprise:

- the statement of net assets available for benefits of the Plan and the statement of net assets of each of its constituent funds as at 31 December 2024;
- the statement of comprehensive income of each of the constituent funds for the year then ended;
- the statement of changes in net assets available for benefits of the Plan and the statement of changes in net assets attributable to members of each of its constituent funds for the year then ended;
- the statement of cash flows of the Plan 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 Plan as at 31 December 2024, and of its financial transactions and its cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) and with reference to Practice Note 860.1 (Revised), “The Audit of Retirement Schemes” as issued by the HKICPA. 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 Plan in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF
BCT (MPF) INDUSTRY CHOICE (Continued)**

Other Information

The Trustee is 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 Trustee for the Financial Statements

The Trustee is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA, and for such internal control as the Trustee 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 Trustee is responsible for assessing the Plan'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 Trustee either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

In addition, the Trustee is required to ensure that the financial statements of the Plan have been properly prepared in accordance with sections 80, 81, 83 and 84 of the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation").

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF
BCT (MPF) INDUSTRY CHOICE (Continued)**

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, in accordance with section 102 of the General Regulation, 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 HKSA's 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 Plan have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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 Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan'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 Plan 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 Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

BCT (MPF) INDUSTRY CHOICE (Continued)

Report on Matters under the General Regulation

- (a) In our opinion, the financial statements of the Plan have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.
- (b) We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 June 2025

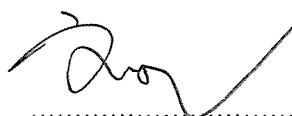
BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
– PLAN AND CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Assets			
Current assets			
Financial assets at fair value through profit or loss	8, 11	6,236,167,648	5,760,578,901
Derivative financial instruments	12	12,543,514	105,488
Amounts receivable on sale of financial assets at fair value through profit or loss		13,624,333	7,331,824
Interest receivable from fixed deposits	11	5,572,919	8,334,314
Contributions receivable			
From employers		20,770,249	22,162,173
From members		20,566,005	21,997,288
Other receivables		11	455
Bank balances	11	162,305,367	125,476,244
Total assets		<u>6,471,550,046</u>	<u>5,945,986,687</u>
Liabilities			
Current liabilities			
Derivative financial instruments	12	(647,905)	(1,553,275)
Amounts payable on purchase of financial assets at fair value through profit or loss		(42,614,482)	-
Benefits and forfeitures payable	6	(30,523,401)	(26,799,527)
Amounts received not yet recognised as contributions		(76,408,000)	(55,177,694)
Accruals and other payables		(12,504,946)	(10,448,006)
Total liabilities		<u>(162,698,734)</u>	<u>(93,978,502)</u>
Net assets available for benefits attributable to members		<u>6,308,851,312</u>	<u>5,852,008,185</u>

On behalf of the Trustee
Bank Consortium Trust Company Limited



.....
Director



.....
Director

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
– PLAN AND CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Investment income			
Bank interest	11	1,679,658	736,856
Interest income from fixed deposits	11	35,456,541	43,464,266
Other income	11	1,508,276	1,175,819
Net realised gain on financial assets at fair value through profit or loss and derivative financial instruments		641,485,421	63,610,273
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		(221,381,583)	129,281,234
Total investment income		458,748,313	238,268,448
Expenses			
Investment management fees	4(a)	(14,203,723)	(10,194,904)
Trustee, administration and custodian fees	4(b)	(41,543,870)	(38,940,163)
Sponsor fees	4(b)	(5,062,096)	(4,809,355)
Safe custody and bank charges	11	(196,254)	(160,790)
Legal and other professional fees		(218,259)	(319,245)
Auditor's remuneration		(699,187)	(743,650)
Professional indemnity insurance		(85,191)	(94,392)
Miscellaneous expenses	11	(4,506,583)	(4,547,511)
Total operating expenses		(66,515,163)	(59,810,010)
Net income		392,233,150	178,458,438
Contributions received and receivable	5		
From employers			
Mandatory		298,922,874	289,363,302
Additional voluntary		886,142	978,579
From members			
Mandatory		296,860,323	287,750,564
Additional voluntary		607,619	638,688
Tax deductible voluntary		818,285	1,046,666
		598,095,243	579,777,799
Transfers in			
Group transfers in from other schemes		716,772	2,379,196
Individual transfers in from other schemes		32,530,570	29,137,149
		33,247,342	31,516,345
Contribution surcharge received and receivable		630,767	579,025
		631,973,352	611,873,169

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
– PLAN AND CONSTITUENT FUNDS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Benefits paid and payable	6		
Retirement		(233,646,081)	(185,799,755)
Early retirement		(23,079,556)	(24,170,188)
Death		(10,001,347)	(10,038,514)
Permanent departure		(14,208,948)	(8,204,511)
Total incapacity		(2,083,258)	(2,336,132)
Small balance		(7,836)	(9,369)
Refund of additional voluntary contributions		(153,787)	(308,017)
Terminal illness		(983,232)	(1,673,925)
Long service payment		(23,359,848)	(10,388,063)
		<u>(307,523,893)</u>	<u>(242,928,474)</u>
Transfers out			
Group transfers out to other schemes		(15,863,245)	(2,222,852)
Individual transfers out to other schemes		(243,976,237)	(206,175,231)
		<u>(259,839,482)</u>	<u>(208,398,083)</u>
Forfeitures		-	-
		<u>(567,363,375)</u>	<u>(451,326,557)</u>
Movement during the year		64,609,977	160,546,612
Net income for the year		392,233,150	178,458,438
Change in net assets available for benefits attributable to members		456,843,127	339,005,050
Net assets available for benefits attributable to members at the beginning of the year – members' accounts		5,852,008,185	5,513,003,135
Net assets available for benefits attributable to members at the end of the year – members' accounts		<u>6,308,851,312</u>	<u>5,852,008,185</u>

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CASH FLOWS – PLAN AND CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Cash flows from operating activities		
Net income	392,233,150	178,458,438
Adjustment for		
– Bank interest	(1,679,658)	(736,856)
– Interest income from fixed deposits	(35,456,541)	(43,464,266)
Operating profit before working capital changes	355,096,951	134,257,316
Net increase in financial assets at fair value through profit or loss – with original maturity of more than 3 months	(296,401,542)	(399,449,103)
Increase in amounts receivable on sale of financial assets at fair value through profit or loss	(6,292,509)	(1,119,693)
Net change in derivative financial instruments	(13,343,396)	1,286,956
Decrease/(increase) in other receivables	444	(8)
Increase in amounts received not yet recognised as contributions	21,230,306	17,617,297
Increase/(decrease) in accruals and other payables	2,056,940	(2,944,929)
Increase in amounts payable on purchase of financial assets at fair value through profit or loss	42,614,482	-
Cash generated from/(used in) operating activities	104,961,676	(250,352,164)
Bank interest received	1,679,658	736,856
Interest income from fixed deposits received	38,217,936	42,596,991
Net cash generated from/(used in) operating activities	144,859,270	(207,018,317)
Cash flows from financing activities		
Contributions received and transfers in	634,796,559	612,425,980
Benefits paid, transfers out and forfeitures	(563,639,501)	(442,648,270)
Net cash generated from financing activities	71,157,058	169,777,710
Net increase/(decrease) in cash and cash equivalents	216,016,328	(37,240,607)
Cash and cash equivalents at the beginning of the year	266,510,764	303,751,371
Cash and cash equivalents at the end of the year	482,527,092	266,510,764
Analysis of balances of cash and cash equivalents:		
Financial assets at fair value through profit or loss	6,236,167,648	5,760,578,901
Less: Financial assets at fair value through profit or loss – with original maturity of more than 3 months	(5,915,945,923)	(5,619,544,381)
Financial assets at fair value through profit or loss – with original maturity of less than or equal to 3 months	320,221,725	141,034,520
Bank balances	162,305,367	125,476,244
	482,527,092	266,510,764

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) MPF Conservative Fund		BCT (Industry) E30 Mixed Asset Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	1,679,242,094	1,539,716,097	454,277,320	479,994,951
Derivative financial instruments	12	-	-	2,675,313	-
Amounts receivable on sale of financial assets at fair value through profit or loss		-	-	453,115	617,929
Interest receivable from fixed deposits	11	5,572,919	8,334,314	-	-
Amounts receivable on subscription		224,673	159,467	23,376	28,075
Amounts receivable on funds switching		3,187,140	761,801	17,212	10,815
Bank balances	11	65,991,603	60,163,086	2,238,317	106,744
Total assets		<u>1,754,218,429</u>	<u>1,609,134,765</u>	<u>459,684,653</u>	<u>480,758,514</u>
Liabilities					
Current liabilities					
Derivative financial instruments	12	-	-	(119,090)	-
Amounts payable on purchase of financial assets at fair value through profit or loss		(41,829,824)	-	(6,239)	-
Amounts payable on redemption		(3,345,570)	(2,478,739)	(551,181)	(604,067)
Amounts payable on funds switching		(354,575)	(656,277)	(9,404)	(267)
Accruals and other payables		(2,357,595)	(2,265,981)	(859,276)	(898,713)
Total liabilities		<u>(47,887,564)</u>	<u>(5,400,997)</u>	<u>(1,545,190)</u>	<u>(1,503,047)</u>
Net assets attributable to members		<u>1,706,330,865</u>	<u>1,603,733,768</u>	<u>458,139,463</u>	<u>479,255,467</u>
Units in issue		<u>1,401,204,246</u>	<u>1,360,581,451</u>	<u>235,935,820</u>	<u>250,718,608</u>
Net asset value per unit		<u>1.2178</u>	<u>1.1787</u>	<u>1.9418</u>	<u>1.9115</u>

On behalf of the Trustee
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 81 to 147 are an integral part of the financial statements.


BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) E50 Mixed Asset Fund		BCT (Industry) E70 Mixed Asset Fund	
	Note	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	379,500,595	394,040,616	538,691,547	544,113,009
Derivative financial instruments	12	1,706,993	-	1,650,872	-
Amounts receivable on sale of financial assets at fair value through profit or loss		714,608	270,145	480,862	836,001
Interest receivable from fixed deposits	11	-	-	-	-
Amounts receivable on subscription		26,671	31,484	36,219	36,920
Amounts receivable on funds switching		6,446	10,815	8,058	21,150
Bank balances	11	2,097,362	150,121	1,122,458	129,154
Total assets		<u>384,052,675</u>	<u>394,503,181</u>	<u>541,990,016</u>	<u>545,136,234</u>
Liabilities					
Current liabilities					
Derivative financial instruments	12	(24,632)	-	(20,860)	-
Amounts payable on purchase of financial assets at fair value through profit or loss		-	-	-	-
Amounts payable on redemption		(740,386)	(335,275)	(1,284,146)	(753,892)
Amounts payable on funds switching		-	(15,070)	(154,162)	(82,885)
Accruals and other payables		(716,719)	(740,371)	(1,008,129)	(1,018,189)
Total liabilities		<u>(1,481,737)</u>	<u>(1,090,716)</u>	<u>(2,467,297)</u>	<u>(1,854,966)</u>
Net assets attributable to members		<u>382,570,938</u>	<u>393,412,465</u>	<u>539,522,719</u>	<u>543,281,268</u>
Units in issue		<u>179,525,811</u>	<u>191,741,217</u>	<u>238,100,192</u>	<u>254,687,772</u>
Net asset value per unit		<u>2.1310</u>	<u>2.0518</u>	<u>2.2659</u>	<u>2.1331</u>

On behalf of the Trustee
Bank Consortium Trust Company Limited



Director




Director

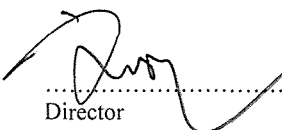
The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) Global Bond Fund		BCT (Industry) Global Equity Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	142,582,667	139,749,225	434,953,545	355,397,726
Derivative financial instruments	12	1,088,928	-	1,482,605	-
Amounts receivable on sale of financial assets at fair value through profit or loss		427,964	125,469	3,214,284	610,330
Interest receivable from fixed deposits	11	-	-	-	-
Amounts receivable on subscription		32,994	46,016	56,941	57,442
Amounts receivable on funds switching		20,587	172,247	550,289	580,183
Bank balances	11	1,185,362	126,192	1,058,998	172,898
Total assets		145,338,502	140,219,149	441,316,662	356,818,579
Liabilities					
Current liabilities					
Derivative financial instruments	12	(88,163)	-	(68,250)	-
Amounts payable on purchase of financial assets at fair value through profit or loss		(3,305)	-	(462,680)	-
Amounts payable on redemption		(433,492)	(97,839)	(934,912)	(522,670)
Amounts payable on funds switching		(103,054)	(44,444)	(2,520,918)	(167,822)
Accruals and other payables		(260,323)	(184,834)	(820,983)	(444,360)
Total liabilities		(888,337)	(327,117)	(4,807,743)	(1,134,852)
Net assets attributable to members		144,450,165	139,892,032	436,508,919	355,683,727
Units in issue		117,895,547	110,146,709	110,306,573	105,060,190
Net asset value per unit		1.2252	1.2701	3.9572	3.3855

On behalf of the Trustee
Bank Consortium Trust Company Limited


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Director



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Director

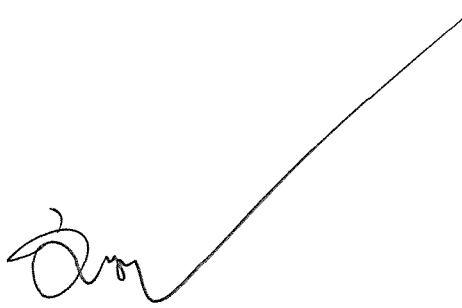
The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) China and Hong Kong Equity Fund		BCT (Industry) Asian Equity Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	739,057,347	618,857,123	422,307,577	389,675,940
Derivative financial instruments	12	-	-	998,105	-
Amounts receivable on sale of financial assets at fair value through profit or loss		2,269,651	530,942	419,274	384,272
Interest receivable from fixed deposits	11	-	-	-	-
Amounts receivable on subscription		170,897	64,636	22,737	38,942
Amounts receivable on funds switching		364,617	378,622	249,719	21,061
Bank balances	11	65,523	733,654	1,238,434	68,751
Total assets		741,928,035	620,564,977	425,235,846	390,188,966
Liabilities					
Current liabilities					
Derivative financial instruments	12	-	-	(197,460)	-
Amounts payable on purchase of financial assets at fair value through profit or loss		(164,449)	-	(147,985)	-
Amounts payable on redemption		(1,848,566)	(332,055)	(484,128)	(242,687)
Amounts payable on funds switching		(992,543)	(703,466)	(51,421)	(275,230)
Accruals and other payables		(1,292,778)	(813,959)	(810,593)	(542,754)
Total liabilities		(4,298,336)	(1,849,480)	(1,691,587)	(1,060,671)
Net assets attributable to members		737,629,699	618,715,497	423,544,259	389,128,295
Units in issue		213,711,168	207,934,967	113,504,309	114,447,296
Net asset value per unit		3.4515	2.9755	3.7315	3.4001

On behalf of the Trustee
Bank Consortium Trust Company Limited


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Director



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Director

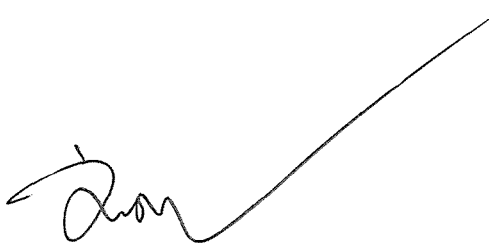
The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) Flexi Mixed Asset Fund		BCT (Industry) RMB Bond Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	179,966,450	176,864,724	178,662,987	168,316,465
Derivative financial instruments	12	-	-	2,940,698	105,488
Amounts receivable on sale of financial assets at fair value through profit or loss		338,824	246,592	335,121	194,616
Interest receivable from fixed deposits	11	-	-	-	-
Amounts receivable on subscription		15,118	15,004	23,910	47,466
Amounts receivable on funds switching		33,887	59,310	26,923	1,080
Bank balances	11	58,511	49,296	67,176	50,345
Total assets		180,412,790	177,234,926	182,056,815	168,715,460
Liabilities					
Current liabilities					
Derivative financial instruments	12	-	-	(129,450)	(1,553,275)
Amounts payable on purchase of financial assets at fair value through profit or loss		-	-	-	-
Amounts payable on redemption		(446,467)	(235,479)	(308,357)	(206,949)
Amounts payable on funds switching		(13,374)	(13,882)	(25,818)	(4,585)
Accruals and other payables		(273,811)	(268,437)	(202,911)	(166,307)
Total liabilities		(733,652)	(517,798)	(666,536)	(1,931,116)
Net assets attributable to members		179,679,138	176,717,128	181,390,279	166,784,344
Units in issue		104,990,652	106,149,632	173,587,248	161,126,684
Net asset value per unit		1.7114	1.6648	1.0450	1.0351

On behalf of the Trustee
Bank Consortium Trust Company Limited


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Director


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Director

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

		BCT (Industry) Core Accumulation Fund		BCT (Industry) Age 65 Plus Fund	
	Note	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		(HK\$)	(HK\$)	(HK\$)	(HK\$)
Assets					
Current assets					
Financial assets at fair value through profit or loss	8, 11	666,726,147	569,455,783	420,199,372	384,397,242
Derivative financial instruments	12	-	-	-	-
Amounts receivable on sale of financial assets at fair value through profit or loss		3,015,686	2,067,064	1,954,944	1,448,464
Interest receivable from fixed deposits	11	-	-	-	-
Amounts receivable on subscription		98,025	334,377	37,085	74,846
Amounts receivable on funds switching		1,671,784	1,383,001	2,574,538	1,898,916
Bank balances	11	854,601	727,088	549,808	497,121
Total assets		<u>672,366,243</u>	<u>573,967,313</u>	<u>425,315,747</u>	<u>388,316,589</u>
Liabilities					
Current liabilities					
Derivative financial instruments	12	-	-	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss		-	-	-	-
Amounts payable on redemption		(476,498)	(290,660)	(729,072)	(281,495)
Amounts payable on funds switching		(2,847,462)	(2,048,231)	(1,638,469)	(1,286,842)
Accruals and other payables		(739,481)	(620,075)	(468,788)	(430,230)
Total liabilities		<u>(4,063,441)</u>	<u>(2,958,966)</u>	<u>(2,836,329)</u>	<u>(1,998,567)</u>
Net assets attributable to members		<u>668,302,802</u>	<u>571,008,347</u>	<u>422,479,418</u>	<u>386,318,022</u>
Units in issue		<u>430,319,079</u>	<u>408,241,819</u>	<u>363,633,567</u>	<u>345,172,792</u>
Net asset value per unit		<u>1.5530</u>	<u>1.3987</u>	<u>1.1618</u>	<u>1.1192</u>

On behalf of the Trustee
Bank Consortium Trust Company Limited



Director



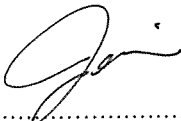
Director

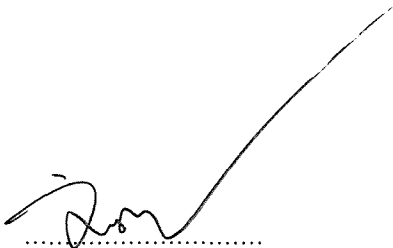
The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF NET ASSETS - CONSTITUENT FUNDS
AS AT 31 DECEMBER 2024

	Note	2024 (HK\$)	Total 2023 (HK\$)
Assets			
Current assets			
Financial assets at fair value through profit or loss	8, 11	6,236,167,648	5,760,578,901
Derivative financial instruments	12	12,543,514	105,488
Amounts receivable on sale of financial assets at fair value through profit or loss		13,624,333	7,331,824
Interest receivable from fixed deposits	11	5,572,919	8,334,314
Amounts receivable on subscription		768,646	934,675
Amounts receivable on funds switching		8,711,200	5,299,001
Bank balances	11	76,528,153	62,974,450
Total assets		<u>6,353,916,413</u>	<u>5,845,558,653</u>
Liabilities			
Current liabilities			
Derivative financial instruments	12	(647,905)	(1,553,275)
Amounts payable on purchase of financial assets at fair value through profit or loss		(42,614,482)	-
Amounts payable on redemption		(11,582,775)	(6,381,807)
Amounts payable on funds switching		(8,711,200)	(5,299,001)
Accruals and other payables		(9,811,387)	(8,394,210)
Total liabilities		<u>(73,367,749)</u>	<u>(21,628,293)</u>
Net assets attributable to members		<u>6,280,548,664</u>	<u>5,823,930,360</u>

On behalf of the Trustee
Bank Consortium Trust Company Limited


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Director


.....
Director

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

		BCT (Industry) MPF Conservative Fund		BCT (Industry) E30 Mixed Asset Fund		BCT (Industry) E50 Mixed Asset Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Investment income							
Bank interest	11	921,451	715,545	6,007	649	5,551	574
Interest income from fixed deposits	11	35,456,541	43,464,266	-	-	-	-
Other income	11	-	-	-	-	-	-
Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments		34,350,193	14,400,073	131,478,127	10,982,004	146,499,655	13,353,683
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		(507,445)	6,990,679	(116,952,361)	20,769,969	(125,860,334)	12,238,623
Total investment income/(loss)		70,220,740	65,570,563	14,531,773	31,752,622	20,644,872	25,592,880
Expenses							
Investment management fees	4(a)	(3,319,296)	(3,119,778)	(2,080,292)	(2,147,280)	(1,725,945)	(1,775,870)
Trustee, administration and custodian fees	4(b)	(9,625,957)	(9,047,356)	(4,129,016)	(4,199,125)	(3,426,094)	(3,472,812)
Sponsor fees	4(b)	(1,659,648)	(1,559,889)	(469,207)	(477,173)	(389,329)	(394,637)
Safe custody and bank charges	11	(113,673)	(85,571)	(6,293)	(4,900)	(6,112)	(4,679)
Legal and other professional fees		(59,937)	(88,157)	(17,465)	(26,628)	(14,378)	(22,118)
Auditor's remuneration		(191,018)	(209,569)	(54,108)	(64,238)	(44,816)	(53,196)
Professional indemnity insurance		(23,206)	(25,926)	(6,568)	(7,931)	(5,447)	(6,558)
Miscellaneous expenses	11	(1,218,717)	(1,242,783)	(358,051)	(381,792)	(299,473)	(319,751)
Total operating expenses		(16,211,452)	(15,379,029)	(7,121,000)	(7,309,067)	(5,911,594)	(6,049,621)
Total comprehensive income		54,009,288	50,191,534	7,410,773	24,443,555	14,733,278	19,543,259

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

		BCT (Industry) E70 Mixed Asset Fund		BCT (Industry) Global Bond Fund		BCT (Industry) Global Equity Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Investment income							
Bank interest	11	4,480	672	3,380	533	5,993	803
Interest income from fixed deposits	11	-	-	-	-	-	-
Other income	11	-	-	295,740	329,866	980,985	772,030
Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments		222,201,991	18,856,517	(9,506,058)	(2,202,249)	129,900,330	5,212,090
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		(180,807,950)	16,152,014	5,619,174	6,215,813	(64,731,038)	49,496,254
Total investment income/(loss)		41,398,521	35,009,203	(3,587,764)	4,343,963	66,156,270	55,481,177
Expenses							
Investment management fees	4(a)	(2,424,021)	(2,445,606)	(266,344)	-	(994,916)	-
Trustee, administration and custodian fees	4(b)	(4,812,223)	(4,782,518)	(972,560)	(901,746)	(2,808,512)	(2,141,699)
Sponsor fees	4(b)	(546,843)	(543,468)	(143,024)	(132,610)	(413,016)	(314,956)
Safe custody and bank charges	11	(8,176)	(5,072)	(5,973)	(5,600)	(6,869)	(6,062)
Legal and other professional fees		(20,012)	(30,425)	(5,178)	(7,439)	(13,961)	(18,077)
Auditor's remuneration		(62,862)	(73,172)	(16,458)	(17,961)	(47,164)	(42,225)
Professional indemnity insurance		(7,647)	(9,031)	(2,001)	(2,204)	(5,761)	(5,226)
Miscellaneous expenses	11	(411,647)	(434,131)	(122,570)	(122,339)	(312,199)	(258,874)
Total operating expenses		(8,293,431)	(8,323,423)	(1,534,108)	(1,189,899)	(4,602,398)	(2,787,119)
Total comprehensive income		33,105,090	26,685,780	(5,121,872)	3,154,064	61,553,872	52,694,058

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

		BCT (Industry) China and Hong Kong Equity Fund		BCT (Industry) Asian Equity Fund		BCT (Industry) Flexi Mixed Asset Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Investment income							
Bank interest	11	37,449	5,497	3,072	481	562	236
Interest income from fixed deposits	11	-	-	-	-	-	-
Other income	11	172,802	73,923	58,749	-	-	-
Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments		(134,670,902)	(15,119,573)	88,040,376	4,237,196	4,218,007	2,488,235
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		242,591,754	(96,431,998)	(44,629,887)	3,543,033	2,757,967	4,937,263
Total investment income/(loss)		108,131,103	(111,472,151)	43,472,310	7,780,710	6,976,536	7,425,734
Expenses							
Investment management fees	4(a)	(1,730,606)	-	(876,294)	-	-	-
Trustee, administration and custodian fees	4(b)	(3,887,398)	(3,944,901)	(3,265,649)	(2,975,033)	(1,624,269)	(1,542,908)
Sponsor fees	4(b)	(664,512)	(674,342)	(421,374)	(383,875)	(180,474)	(171,434)
Safe custody and bank charges	11	(8,162)	(9,481)	(7,704)	(8,691)	(8,117)	(8,135)
Legal and other professional fees		(23,236)	(36,779)	(14,990)	(21,516)	(6,573)	(9,639)
Auditor's remuneration		(75,170)	(91,258)	(48,214)	(51,759)	(20,805)	(23,221)
Professional indemnity insurance		(9,251)	(11,220)	(5,885)	(6,378)	(2,525)	(2,849)
Miscellaneous expenses	11	(478,466)	(563,252)	(319,462)	(311,872)	(149,453)	(152,555)
Total operating expenses		(6,876,801)	(5,331,233)	(4,959,572)	(3,759,124)	(1,992,216)	(1,910,741)
Total comprehensive income		101,254,302	(116,803,384)	38,512,738	4,021,586	4,984,320	5,514,993

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

		BCT (Industry) RMB Bond Fund		BCT(Industry) Core Accumulation Fund		BCT (Industry) Age 65 Plus Fund	
	Note	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Investment income							
Bank interest	11	562	320	7,040	3,297	4,691	2,429
Interest income from fixed deposits	11	-	-	-	-	-	-
Other income	11	-	-	-	-	-	-
Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments		187,623	3,549,211	22,870,174	7,998,494	5,915,905	(145,408)
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		3,349,428	2,099,497	46,093,867	71,398,329	11,695,242	31,871,758
Total investment income/(loss)		3,537,613	5,649,028	68,971,081	79,400,120	17,615,838	31,728,779
Expenses							
Investment management fees	4(a)	(786,009)	(706,370)	-	-	-	-
Trustee, administration and custodian fees	4(b)	(917,011)	(824,099)	(3,712,768)	(3,001,271)	(2,362,413)	(2,106,695)
Sponsor fees	4(b)	(174,669)	(156,971)	-	-	-	-
Safe custody and bank charges	11	(4,314)	(4,081)	(5,363)	(4,955)	(4,813)	(4,571)
Legal and other professional fees		(6,218)	(8,805)	(21,906)	(29,372)	(14,405)	(20,290)
Auditor's remuneration		(20,027)	(202)	(72,340)	(68,563)	(46,205)	(48,286)
Professional indemnity insurance		(2,441)	(2,609)	(8,833)	(8,493)	(5,626)	(5,967)
Miscellaneous expenses	11	(74,978)	(71,994)	(452,665)	(393,184)	(291,402)	(277,734)
Total operating expenses		(1,985,667)	(1,775,131)	(4,273,875)	(3,505,838)	(2,724,864)	(2,463,543)
Total comprehensive income		1,551,946	3,873,897	64,697,206	75,894,282	14,890,974	29,265,236

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
		Total	
Investment income			
Bank interest	11	1,000,238	731,036
Interest income from fixed deposits	11	35,456,541	43,464,266
Other income	11	1,508,276	1,175,819
Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments		641,485,421	63,610,273
Net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments		(221,381,583)	129,281,234
Total investment income/(loss)		458,068,893	238,262,628
Expenses			
Investment management fees	4(a)	(14,203,723)	(10,194,904)
Trustee, administration and custodian fees	4(b)	(41,543,870)	(38,940,163)
Sponsor fees	4(b)	(5,062,096)	(4,809,355)
Safe custody and bank charges	11	(185,569)	(151,798)
Legal and other professional fees		(218,259)	(319,245)
Auditor's remuneration		(699,187)	(743,650)
Professional indemnity insurance		(85,191)	(94,392)
Miscellaneous expenses	11	(4,489,083)	(4,530,261)
Total operating expenses		(66,486,978)	(59,783,768)
Total comprehensive income		391,581,915	178,478,860

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
- CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	BCT (Industry) MPF Conservative Fund		BCT (Industry) E30 Mixed Asset Fund		BCT (Industry) E50 Mixed Asset Fund	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Balance at the beginning of the year	1,603,733,768	1,512,006,571	479,255,467	478,052,870	393,412,465	390,481,448
Proceeds on units issued	305,467,628	263,793,285	23,758,879	23,977,540	21,819,629	22,242,738
Payments on units redeemed	(256,879,819)	(222,257,622)	(52,285,656)	(47,218,498)	(47,394,434)	(38,854,980)
	48,587,809	41,535,663	(28,526,777)	(23,240,958)	(25,574,805)	(16,612,242)
Total comprehensive income	54,009,288	50,191,534	7,410,773	24,443,555	14,733,278	19,543,259
Balance at the end of the year	<u>1,706,330,865</u>	<u>1,603,733,768</u>	<u>458,139,463</u>	<u>479,255,467</u>	<u>382,570,938</u>	<u>393,412,465</u>
Units outstanding at the beginning of the year	1,360,581,451	1,324,653,214	250,718,608	263,241,353	191,741,217	200,105,492
Units issued	254,538,327	227,751,209	12,321,506	12,903,102	10,416,952	11,097,106
Units redeemed	(213,915,532)	(191,822,972)	(27,104,294)	(25,425,847)	(22,632,358)	(19,461,381)
Units outstanding at the end of the year	<u>1,401,204,246</u>	<u>1,360,581,451</u>	<u>235,935,820</u>	<u>250,718,608</u>	<u>179,525,811</u>	<u>191,741,217</u>

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
- CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	BCT (Industry) E70 Mixed Asset Fund		BCT (Industry) Global Bond Fund		BCT (Industry) Global Equity Fund	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)	(HK\$)
Balance at the beginning of the year	543,281,268	535,482,086	139,892,032	128,332,753	355,683,727	272,966,816
Proceeds on units issued	31,793,172	30,017,106	32,434,605	25,179,175	87,921,763	62,171,425
Payments on units redeemed	(68,656,811)	(48,903,704)	(22,754,600)	(16,773,960)	(68,650,443)	(32,148,572)
	(36,863,639)	(18,886,598)	9,680,005	8,405,215	19,271,320	30,022,853
Total comprehensive income	33,105,090	26,685,780	(5,121,872)	3,154,064	61,553,872	52,694,058
Balance at the end of the year	<u>539,522,719</u>	<u>543,281,268</u>	<u>144,450,165</u>	<u>139,892,032</u>	<u>436,508,919</u>	<u>355,683,727</u>
Units outstanding at the beginning of the year	254,687,772	263,752,097	110,146,709	103,409,282	105,060,190	95,474,644
Units issued	14,393,929	14,345,937	25,960,943	20,253,661	23,279,569	19,825,047
Units redeemed	(30,981,509)	(23,410,262)	(18,212,105)	(13,516,234)	(18,033,186)	(10,239,501)
Units outstanding at the end of the year	<u>238,100,192</u>	<u>254,687,772</u>	<u>117,895,547</u>	<u>110,146,709</u>	<u>110,306,573</u>	<u>105,060,190</u>

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
- CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	BCT (Industry) China and Hong Kong Equity Fund		BCT (Industry) Asian Equity Fund		BCT (Industry) Flexi Mixed Asset Fund	
	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)	<u>2024</u> (HK\$)	<u>2023</u> (HK\$)
Balance at the beginning of the year	618,715,497	683,201,016	389,128,295	367,253,734	176,717,128	167,872,620
Proceeds on units issued	163,645,912	154,421,047	50,782,502	51,457,068	21,010,046	19,197,927
Payments on units redeemed	(145,986,012)	(102,103,182)	(54,879,276)	(33,604,093)	(23,032,356)	(15,868,412)
	17,659,900	52,317,865	(4,096,774)	17,852,975	(2,022,310)	3,329,515
Total comprehensive income	101,254,302	(116,803,384)	38,512,738	4,021,586	4,984,320	5,514,993
Balance at the end of the year	<u>737,629,699</u>	<u>618,715,497</u>	<u>423,544,259</u>	<u>389,128,295</u>	<u>179,679,138</u>	<u>176,717,128</u>
Units outstanding at the beginning of the year	207,934,967	192,282,102	114,447,296	109,305,518	106,149,632	104,108,906
Units issued	50,449,637	45,630,556	13,874,202	15,044,753	12,343,620	11,762,422
Units redeemed	(44,673,436)	(29,977,691)	(14,817,189)	(9,902,975)	(13,502,600)	(9,721,696)
Units outstanding at the end of the year	<u>213,711,168</u>	<u>207,934,967</u>	<u>113,504,309</u>	<u>114,447,296</u>	<u>104,990,652</u>	<u>106,149,632</u>

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
- CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	BCT (Industry) RMB Bond Fund		BCT (Industry) Core Accumulation Fund		BCT (Industry) Age 65 Plus Fund	
	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)	2024 (HK\$)	2023 (HK\$)
Balance at the beginning of the year	166,784,344	147,009,232	571,008,347	455,050,171	386,318,022	339,244,224
Proceeds on units issued	35,519,958	35,077,747	149,876,385	128,826,224	110,126,790	91,628,974
Payments on units redeemed	(22,465,969)	(19,176,532)	(117,279,136)	(88,762,330)	(88,856,368)	(73,820,412)
	13,053,989	15,901,215	32,597,249	40,063,894	21,270,422	17,808,562
Total comprehensive income	1,551,946	3,873,897	64,697,206	75,894,282	14,890,974	29,265,236
Balance at the end of the year	181,390,279	166,784,344	668,302,802	571,008,347	422,479,418	386,318,022
Units outstanding at the beginning of the year	161,126,684	145,606,597	408,241,819	377,439,093	345,172,792	328,558,022
Units issued	33,982,233	34,235,142	99,870,657	99,105,758	96,110,802	85,734,604
Units redeemed	(21,521,669)	(18,715,055)	(77,793,397)	(68,303,032)	(77,650,027)	(69,119,834)
Units outstanding at the end of the year	173,587,248	161,126,684	430,319,079	408,241,819	363,633,567	345,172,792

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS
- CONSTITUENT FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Total	
	2024	2023
	(HK\$)	(HK\$)
Balance at the beginning of the year	5,823,930,360	5,476,953,541
Proceeds on units issued	1,034,157,269	907,990,256
Payments on units redeemed	(969,120,880)	(739,492,297)
	65,036,389	168,497,959
Total comprehensive income	391,581,915	178,478,860
Balance at the end of the year	6,280,548,664	5,823,930,360

The notes on pages 81 to 147 are an integral part of the financial statements.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

1. The Plan

BCT (MPF) Industry Choice (the “Plan”) was established on 13 April 2000 and is governed by its Trust Deed dated 12 April 2000. The Trust Deed was subsequently amended and superseded by a deed of substitution and adherence dated 1 June 2011, which was further amended by first supplemental deed dated 24 November 2011, second supplemental deed dated 29 May 2012, third supplemental deed dated 1 November 2012, fourth supplemental deed dated 19 March 2014, fifth supplemental deed dated 21 December 2015, sixth supplemental deed dated 1 December 2016, seventh supplemental deed dated 5 March 2018, eighth supplemental deed dated 1 April 2019, ninth supplemental deed dated 15 October 2019 and tenth supplemental deed dated 10 January 2020. The Plan is registered under Section 21A of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the “Ordinance” or “MPFSO”) and is required to comply with the Ordinance and the relevant regulations, guidelines and codes as issued by the Mandatory Provident Fund Schemes Authority.

The financial information of the Plan comprises (i) the statement of net assets available for benefits as at 31 December 2024, and the statement of changes in net assets available for benefits and statement of cash flows for the year ended 31 December 2024 of the Plan on a standalone basis; and (ii) the statement of net assets as at 31 December 2024, and the statement of comprehensive income and statement of changes in net assets attributable to members for the year ended 31 December 2024 of each of its constituent funds.

The Plan has introduced Default Investment Strategy under the MPFSO in 2017. As at 31 December 2024, the Plan offered twelve constituent funds (2023: twelve), namely, BCT (Industry) MPF Conservative Fund, BCT (Industry) E30 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) Global Bond Fund, BCT (Industry) Global Equity Fund, BCT (Industry) China and Hong Kong Equity Fund, BCT (Industry) Asian Equity Fund, BCT (Industry) Flexi Mixed Asset Fund, BCT (Industry) RMB Bond Fund, BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund.

2. Summary of material accounting policy information

The material accounting policy information 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.

(a) Basis of preparation

The financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) held at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Trustee to exercise its judgment in the process of applying the Plan’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

All references to net assets throughout the financial statements refer to net assets attributable to members unless otherwise stated.

New standards, amendments to standards and interpretations effective for the financial year beginning 1 January 2024

There are no new standards, amendments to standards or interpretations that are effective for the financial year beginning 1 January 2024 that have a material effect on the financial statements of the Plan and its constituent funds.

New standards, amendments to standards and interpretations effective after the financial year beginning 1 January 2024 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for the financial period beginning after 1 January 2024, 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 Plan and its constituent funds.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Plan and its constituent funds are measured using the currency of the primary economic environment in which they operate (the “functional currency”). The financial statements are presented in Hong Kong dollar, which is the functional and presentation currency of the Plan and its constituent funds.

(ii) Transactions and balances

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

Foreign exchange gains and losses arising from translations are included in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds.

Foreign exchange gains and losses relating to bank balances are presented in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds within “net foreign exchange gain/(loss)”.

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

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 changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds within “net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” and “net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments”.

(c) **Financial assets at fair value through profit or loss**

(i) Classification

The Plan and its constituent funds classify their investments based on both the Plan's and its constituent funds' 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 Plan and its constituent funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The Plan and its constituent funds have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Plan's and its constituent funds' 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 Plan's and its constituent funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Plan's and its constituent funds' policy requires the investment managers and the Trustee to evaluate the information about these financial assets and liabilities 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 Plan and its constituent funds commit 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 changes in net assets available for benefits for the Plan and its constituent funds and in the statement of comprehensive income for the constituent funds. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Plan and its constituent funds have 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 “financial assets or financial liabilities at fair value through profit or loss” category are presented in the statement of changes in net assets available for benefits for the Plan and its constituent funds and statement of comprehensive income for the constituent funds within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Debt securities and certificates of deposit are fair valued based on quoted market price inclusive of accrued interest. Interest on debt securities and certificates of deposit at fair value through profit or loss is recognised in the statement of comprehensive income within “net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments” and “net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments”.

(iii) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date.

The Plan and its constituent funds utilise the last traded price for both financial assets and financial liabilities where the last traded price falls within the bid-offer spread. In circumstances where the last traded price is not within the bid-offer spread, investment managers of the constituent funds will determine the point within the bid-offer spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Plan and its constituent funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Investments in approved pooled investment funds are valued at their respective closing net asset value per unit as provided by their respective fund administrators.

(iv) Transfer between levels

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

(d) Derivative financial instruments

Derivative financial instruments represent outstanding forward foreign exchange contracts. Derivatives are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value.

Outstanding forward foreign exchange contracts are fair valued at the year end date by reference to the forward rate of exchange applicable to the outstanding term of the contract. Unrealised gains or losses on outstanding contracts

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

and realised gains and losses on closed contracts are recognised as “net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” and “net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments” respectively in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds. Derivative financial instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets available for benefits for the Plan and its constituent funds and statement of net assets for the constituent funds when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(f) Income and expenses

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

Other income and expenses accounted for on an accrual basis.

(g) Subscription and redemption of units

The price at which units are subscribed or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Proceeds and payments for units subscribed and redeemed are included in the statement of changes in net assets attributable to members of the constituent funds.

(h) Cash and cash equivalents

Cash comprises bank balances. Cash equivalents comprise fixed deposits which are within three months of maturity at the time of placement, and short term, highly liquid investments which are readily converted into known amounts of cash without notice and which are within three months of maturity when acquired.

(i) Amounts receivable on sale/payable on purchase of financial assets at fair value through profit or loss

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Plan and its constituent funds shall measure the loss allowance on amounts due from counterparties at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Plan and its constituent funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

A significant increase in credit risk is defined by the Trustee as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

Amounts receivable on sale and payable on purchase of financial assets at fair value through profit or loss represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled by the end of the year.

Accounts receivable on sale and payable on purchase of financial assets at fair value through profit or loss are classified as current assets or liabilities if the collection of receivable or payment is due within one year or less. If not, they are presented as non-current assets or liabilities.

(j) Contributions and benefits

Contributions and benefits are accounted for on an accrual basis.

The amounts received not yet recognised as contributions recognised in the statement of net assets available for benefits represent the receipts of contributions from the employers and employees of which the enrolment process for the employees has not been completed.

(k) Transfers in and transfers out

Transfers in amounts are accounted for when the right to receive payment is established.

Transfers out amounts are accounted for when the obligation to make payment is established.

(l) Forfeitures

If a member ceases to be a member, the part of the employer's voluntary balance not otherwise disposed of in accordance with the rules of the Plan may be applied in reducing the future contributions of the employer, or in such other manner as the Trustee may determine, having consulted the employers (including payment to the employers). Forfeitures arising from such cases which have not been designated for the benefit of existing members and which have not been returned to the employers would be treated as liabilities of the Plan.

(m) Redeemable units

The constituent funds issue redeemable units, which are redeemable at the members' option represents puttable financial instruments of the constituent funds. The puttable financial instruments are classified as equity in accordance with HKAS 32 (Amendment), "Financial instruments: Presentation" as those puttable financial instruments meet all the following criteria:

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

- (i) The puttable instruments entitle the holder to a pro-rata share of net assets
- (ii) The puttable instruments are the most subordinated unit in issue and unit features are identical
- (iii) There are no contractual obligations to deliver cash or another financial assets
- (iv) The total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of these constituent funds.

The BCT (Industry) MPF Conservative Fund, BCT (Industry) E30 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) Global Bond Fund, BCT (Industry) Global Equity Fund, BCT (Industry) China and Hong Kong Equity Fund, BCT (Industry) Asian Equity Fund, BCT (Industry) Flexi Mixed Asset Fund, BCT (Industry) RMB Bond Fund, BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund issue one class of redeemable units, which are redeemable at the member's option and are classified as equity.

Redeemable units can be put back to the constituent funds at any time for cash equal to a proportionate share of each constituent fund's net asset value attributable to members in accordance with the Trust Deed and MPF scheme brochure.

Redeemable units are issued or redeemed at the members' option at prices based on the respective constituent funds' net asset value per unit as at the close of business on the relevant dealing day. The net asset value per unit of the respective constituent funds is calculated by dividing the net assets attributable to members with the total number of outstanding units of the respective constituent funds.

(n) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Plan and its constituent funds consider all of their investments in Approved Pooled Investment Funds ("APIFs") to be investments in unconsolidated structured entities. The Plan and its constituent funds invest in APIFs whose objectives are specified in Note 7. The APIFs are managed by unrelated investment managers and apply various investment strategies to accomplish their respective investment objectives. The APIFs finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportional stake in the respective fund's net assets. The Plan and its constituent funds hold redeemable units in each of its APIFs.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

The change in fair value of each APIF is recognised as “net change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds.

(o) Changes to presentation and comparative information

Certain comparative amounts have been updated to conform with the current year’s presentation or classification.

3. Critical accounting estimates and assumptions

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

Fair value of unlisted / quoted investments

The Plan and its constituent funds hold a number of unlisted/quoted investments, for example debt securities, and derivatives that are valued by reference to broker quotes or relevant available market information. In determining the fair value of such investments, the Trustee exercises judgments and estimates on the sources of brokers, the quantity and quality of quotes used and the relevant available market information. Such quotes or relevant available market information adopted to fair value the investments may be indicative and not executable or legally binding. As such, the fair values do not necessarily indicate the price at which the investments could actually be traded at as of 31 December 2024 and 2023. Actual transacted prices may differ from the quotes provided by the brokers or estimates made based on the relevant available market information. The Trustee considers that in the absence of any other reliable market sources, the broker quotes and the relevant market information available to them reflect the best estimate of fair value.

4. Fees

(a) Investment management fees

Prior to 2 September 2024

The investment manager, Invesco Hong Kong Limited, is entitled to receive a fee calculated on the daily net asset value of the respective constituent funds other than the Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, Core Accumulation Fund and Age 65 Plus Fund (collectively, the “other constituent funds”) at an annual rate between 0.2% and 0.45%.

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The investment management fees for other constituent funds, managed by Franklin Templeton Investments (Asia) Limited*, FIL Investment Management (Hong Kong) Limited, Schroder Investment Management (Hong Kong) Limited, Allianz Global Investors Asia Pacific Limited and Invesco Hong Kong Limited, are charged at their respective underlying approved pooled investment funds.

* Franklin Templeton Investments (Asia) Limited, the investment manager of the Global Bond Fund and the Global Equity Fund (“Relevant CFs”) ceased to act as the investment manager with effect from 16 May 2023. No new investment manager has since been appointed for the Relevant CFs.

With effect from 2 September 2024

The investment manager, Amundi Hong Kong Limited or Invesco Hong Kong Limited, is entitled to receive a fee calculated on the daily net asset value of the MPF Conservative Fund, E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund, Asian Equity Fund and RMB Bond Fund, at an annual rate between 0.20% and 0.715%.

The investment management fees for the Flexi Mixed Asset Fund, managed by Allianz Global Investors Asia Pacific Limited, and the Core Accumulation Fund and Age 65 Plus Fund, managed by Invesco Hong Kong Limited, are charged at their respective underlying approved pooled investment funds.

The investment management fees payable as at year end were as follows:

	2024 HK\$	2023 HK\$
BCT (Industry) MPF Conservative Fund	288,390	271,560
BCT (Industry) E30 Mixed Asset Fund	168,734	180,111
BCT (Industry) E50 Mixed Asset Fund	141,132	147,716
BCT (Industry) E70 Mixed Asset Fund	199,460	203,603
BCT (Industry) Global Bond Fund	67,775	-
BCT (Industry) Global Equity Fund	259,352	-
BCT (Industry) China and Hong Kong Equity Fund	447,026	-
BCT (Industry) Asian Equity Fund	219,871	-
BCT (Industry) Flexi Mixed Asset Fund	-	-

BCT (MPF) INDUSTRY CHOICE
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	2024 HK\$	2023 HK\$
BCT (Industry) RMB Bond Fund	<u>69,131</u>	<u>63,070</u>
BCT (Industry) Core Accumulation Fund	<u>-</u>	<u>-</u>
BCT (Industry) Age 65 Plus Fund	<u>-</u>	<u>-</u>

(b) Trustee, administration, custodian and sponsor fees

The Trustee, Administrator and Custodian is entitled to receive a fee calculated between 0.525% to 0.90% (2023: 0.525% to 0.90%) per annum of the daily net asset value of the respective constituent funds.

The Sponsor is entitled to receive a fee calculated at 0.10% (2023: 0.10%) per annum of the daily net asset value of the respective constituent funds except for Core Accumulation Fund and Age 65 Plus Fund which no sponsor fees are charged to the funds.

The fees payable as at year end were as follows:

	Sponsor fees payable HK\$	2024 Trustee, Administration and Custodian fees payable HK\$	Total fees payable HK\$	Sponsor fees payable HK\$	2023 Trustee, Administration and Custodian fees payable HK\$	Total fees payable HK\$
BCT (Industry) MPF Conservative Fund	<u>144,195</u>	<u>836,331</u>	<u>980,526</u>	<u>135,780</u>	<u>787,524</u>	<u>923,304</u>
BCT (Industry) E30 Mixed Asset Fund	<u>39,241</u>	<u>345,317</u>	<u>384,558</u>	<u>40,025</u>	<u>352,216</u>	<u>392,241</u>
BCT (Industry) E50 Mixed Asset Fund	<u>32,821</u>	<u>288,829</u>	<u>321,650</u>	<u>32,826</u>	<u>288,867</u>	<u>321,693</u>
BCT (Industry) E70 Mixed Asset Fund	<u>46,386</u>	<u>408,198</u>	<u>454,584</u>	<u>45,245</u>	<u>398,157</u>	<u>443,402</u>
BCT (Industry) Global Bond Fund	<u>12,323</u>	<u>83,795</u>	<u>96,118</u>	<u>11,673</u>	<u>79,377</u>	<u>91,050</u>
BCT (Industry) Global Equity Fund	<u>37,862</u>	<u>257,459</u>	<u>295,321</u>	<u>29,493</u>	<u>200,554</u>	<u>230,047</u>
BCT (Industry) China and Hong Kong Equity Fund	<u>62,521</u>	<u>365,749</u>	<u>428,270</u>	<u>51,219</u>	<u>299,632</u>	<u>350,851</u>

BCT (MPF) INDUSTRY CHOICE

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	Sponsor fees payable HK\$	2024 Trustee, Administration and Custodian fees payable HK\$	Total fees payable HK\$	Sponsor fees payable HK\$	2023 Trustee, Administration and Custodian fees payable HK\$	Total fees payable HK\$
BCT (Industry) Asian Equity Fund	<u>36,342</u>	<u>281,653</u>	<u>317,995</u>	<u>31,934</u>	<u>247,487</u>	<u>279,421</u>
BCT (Industry) Flexi Mixed Asset Fund	<u>15,329</u>	<u>137,965</u>	<u>153,294</u>	<u>14,865</u>	<u>133,787</u>	<u>148,652</u>
BCT (Industry) RMB Bond Fund	<u>15,362</u>	<u>80,652</u>	<u>96,014</u>	<u>14,016</u>	<u>73,582</u>	<u>87,598</u>
BCT (Industry) Core Accumulation Fund	<u>-</u>	<u>337,384</u>	<u>337,384</u>	<u>-</u>	<u>278,733</u>	<u>278,733</u>
BCT (Industry) Age 65 Plus Fund	<u>-</u>	<u>211,413</u>	<u>211,413</u>	<u>-</u>	<u>189,248</u>	<u>189,248</u>

5. Contributions received and receivable

Mandatory contributions for both non-casual employees and their employers are calculated at 5% of the non-casual employees' relevant income up to HK\$30,000 per month (2023: HK\$30,000 per month) but in respect of non-casual employees earning less than HK\$7,100 per month (2023: HK\$7,100 per month), the employees' mandatory contribution is nil.

Casual employees and their employers are required to contribute to the Plan in accordance with the Schedule to the Hong Kong Mandatory Provident Fund Schemes (Contributions for Casual Employees) Order.

Self-employed persons must contribute 5% of their relevant income subject to a maximum contribution of HK\$1,500 per month (2023: HK\$1,500 per month) to the Plan unless their relevant income is less than HK\$7,100 per month (2023: HK\$7,100 per month).

Any contributions made to the Plan by the employers or members in excess of their mandatory contributions are additional voluntary contributions (including tax deductible voluntary contributions).

BCT (MPF) INDUSTRY CHOICE
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6. Benefits paid and payable

Members will become entitled to benefits in respect of mandatory contributions and tax deductible voluntary contribution to the Plan in the circumstances set out in the Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment after reaching the age of 60; (iii) become totally incapacitated; (iv) permanently depart from Hong Kong; (v) die; (vi) get terminal illness; or (vii) have the right to claim a small balance pursuant to the Ordinance.

Employers are permitted to offset the long service payment with the accrued benefits derived from the employer's contributions. However, the amount offset from the member's account in the Plan cannot exceed the amount of the long service payment payable to the member.

Members will become entitled to benefits in respect of additional voluntary contributions to the Plan in circumstances set out in the Trust Deed and the relevant participation agreement.

The following table shows the reconciliation of movement in benefits and forfeitures payable for the year ended 31 December 2024 and 2023:

	2024 HK\$	2023 HK\$
Beginning balance as at 1 January	26,799,527	18,121,240
Charged to statement of changes in net asset available for benefits	567,363,375	451,326,557
Cash outflow	(563,639,501)	(442,648,270)
Ending balance as at 31 December	<u>30,523,401</u>	<u>26,799,527</u>

7. Financial risk management

I. Financial risk factors

The activities of the Plan and its constituent funds expose them to a variety of financial risks: market risk (including price risk, interest rate risk, and currency risk), credit risk and liquidity risk. The constituent funds' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the constituent funds' financial performance. The investment objectives of the constituent funds are as follows:

MPF Conservative Fund is to provide members with a rate of return which matches or exceeds the Hong Kong dollar savings rate. It invests in Hong Kong dollar denominated bank deposits and short term debt securities.

The remaining constituent funds invest in APIFs and / or Index Tracking Collective Investment Schemes ("ITCISs"). The investments in APIFs and / or ITCISs are to accomplish the respective investment objectives of the constituent funds. As at 31 December 2024 and 2023, the constituent funds (except for MPF Conservative Fund) only held investments in APIFs.

BCT (MPF) INDUSTRY CHOICE

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E30 Mixed Asset Fund is to provide members with capital growth over the long term by investing indirectly in fixed income securities and maintaining a limited exposure to global equities. E50 Mixed Asset Fund is to provide members with capital appreciation and a stable level of income over the long term. It indirectly invests in bank deposits, global bonds and global equities. E70 Mixed Asset Fund is to provide members with capital appreciation over the long term through diversification and indirectly invests in global equities with higher rates of returns. The fund is subject to higher level of volatility of equity markets in short to medium term.

Global Bond Fund

Prior to 2 September 2024, Global Bond Fund is to provide members with total investment return over the medium to longer term by indirectly investing primarily into fixed income securities issued by governments and governmental agencies globally.

With effect from 2 September 2024, Global Bond Fund is to provide members with total investment return over the medium to long term by indirectly investing primarily into investment-grade global fixed income securities issued by governments, governmental agencies, local and public authorities as well as corporates.

Global Equity Fund

Prior to 2 September 2024, Global Equity Fund is to provide members with capital growth over the medium to longer term by indirectly investing primarily in securities of companies listed on the global stock markets.

With effect from 2 September 2024, Global Equity Fund is to provide members with capital growth over the medium to long term by indirectly investing mainly into global equity markets.

China and Hong Kong Equity Fund (formerly known as Hong Kong Equity Fund)

Prior to 2 September 2024, China and Hong Kong Equity Fund is to provide members with long term capital appreciation by indirectly investing in equity market of Hong Kong.

With effect from 2 September 2024, China and Hong Kong Equity Fund is to provide members with long term capital appreciation by indirectly investing in a portfolio of (a) Hong Kong and China-related equity securities and (b) other Hong Kong and China-related listed instruments.

Asian Equity Fund

Prior to 2 September 2024, Asian Equity Fund is to provide members with long term capital growth by indirectly investing primarily in securities of companies in Asian equity markets (excluding Japan).

With effect from 2 September 2024, Asian Equity Fund is to provide members with long term capital growth by indirectly investing primarily in equity securities listed on the stock exchanges of Asia Pacific markets (excluding Japan, Australia and New Zealand).

Flexi Mixed Asset Fund is to provide members with long term capital preservation not related to an index by indirectly investing primarily in diversified portfolio of global equities and fixed interest securities.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

RMB Bond Fund is to provide members with steady growth over the long term by indirectly investing primarily in RMB denominated debt instruments and money market instruments issued or distributed outside and within the mainland China, with a primary focus on RMB denominated bonds issued in Hong Kong.

Core Accumulation Fund and Age 65 Plus Fund are to provide members with capital growth and stable growth respectively by investing in a globally diversified manner.

The investments in APIFs are subject to the terms and conditions of the respective APIFs' offering documents and are susceptible to market price risk arising from uncertainties about future values of those APIFs. The investment managers make investment decisions after extensive due diligence of the underlying APIFs and their strategy. All of the APIFs in the investment portfolio are managed by portfolio managers who are compensated by the respective APIFs or constituent funds for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the constituent funds' investment in each of the APIFs or valuation of the constituent funds.

The right of the Plan and its constituent funds to request redemption of their investments in APIFs is on a daily basis.

The exposure to investments in APIFs at fair value is disclosed in Note 7I(a)(i). These investments are included in financial assets at fair value through profit or loss in the statement of net assets available for benefits for the Plan and its constituent funds and the statement of net assets for the constituent funds.

(a) Market risk

Refer to Note 8 and 12 for the overall market exposures of the constituent funds.

(i) Price risk

The MPF Conservative Fund only invests in debt securities, certificates of deposit and fixed deposits with original maturity terms of not exceeding 12 months and the average portfolio remaining maturity period of not more than 90 days. The investment manager of the fund considers that the fund has no significant exposure to market price fluctuations due to short term in nature of the investments and therefore the price sensitivity analysis is not necessary. The fund is exposed to the interest rate risk and refers to Note 7I(a)(ii).

Other constituent funds of the Plan are subject to market price risk arising from uncertainties about future prices of the investments. All investments present a risk of loss of capital. The constituent funds' market price risk is managed through a careful selection of securities and diversification of the underlying investment portfolio of the APIFs held.

The overall market exposures for the constituent funds were as follows:

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E30 Mixed Asset Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
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As at 31 December 2024
(HK\$'000)

Approved Pooled Investment Fund

Bonitas Pooled Investment Fund Series (details refer to the table below)	454,277	99.16	Willis Towers Watson MPF Benchmark (Equity 20% - 40%)	10%	47,342
Total investments	454,277	99.16			47,342

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Invesco Pooled Investment Fund - Global Stable Fund (Class B)	479,995	100.15	Willis Towers Watson MPF Benchmark (Equity 20% - 40%)	5%	24,828
Total investments	479,995	100.15			24,828

E30 Mixed Asset Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Invesco Pooled Investment Fund – Global Stable Fund (Class B)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Asian Equity Fund	23,260	5.08	Smart China & Hong Kong Equity Fund	9,868	2.15
Dynamic China & Hong Kong Equity Fund	26,908	5.87	Smart European Equity Fund	8,107	1.77
Dynamic European Equity Fund	20,487	4.47	Smart Global Bond Fund	38,288	8.36
Dynamic Global Bond Fund	257,370	56.18	Smart Japanese Equity Fund	20,366	4.45
Smart Asian Equity Fund	11,288	2.46	Smart North American Equity Fund	38,335	8.37

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	% of net assets of underlying APIFs	
	2024	2023
Listed equities	34%	30%
Bonds	63%	66%
Cash and other net assets	3%	4%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIF:

	% of net assets of underlying APIFs	
	2024	2023
Hong Kong	28%	14%
Japan	13%	10%
Asia Pacific ex Japan ex Hong Kong	14%	15%
North America	25%	30%
Europe	17%	25%
Other	-	2%
Total investments	97%	96%
Cash and other net assets	3%	4%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE

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E50 Mixed Asset Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable Possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					

Approved Pooled Investment Fund

Bonitas Pooled Investment Fund Series (details refer to the table below)	379,501	99.20	Willis Towers Watson MPF Benchmark (Equity 40% - 60%)	10%	36,984
Total investments	379,501	99.20			36,984

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Invesco Pooled Investment Fund - Global Stable Growth Fund (Class B)	394,041	100.16	Willis Towers Watson MPF Benchmark (Equity 40% - 60%)	5%	19,234
Total investments	394,041	100.16			19,234

E50 Mixed Asset Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Invesco Pooled Investment Fund – Global Stable Growth Fund (Class B)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Asian Equity Fund	29,013	7.58	Smart China & Hong Kong Equity Fund	14,622	3.82
Dynamic China & Hong Kong Equity Fund	37,869	9.90	Smart European Equity Fund	11,541	3.02
Dynamic European Equity Fund	27,653	7.23	Smart Global Bond Fund	21,522	5.63
Dynamic Global Bond Fund	146,465	38.28	Smart Japanese Equity Fund	26,125	6.83
Smart Asian Equity Fund	15,298	4.00	Smart North American Equity Fund	49,393	12.91

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	% of net assets of underlying APIFs	
	2024	2023
Listed equities	55%	50%
Bonds	42%	46%
Cash and other net assets	3%	4%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	% of net assets of underlying APIFs	
	2024	2023
Hong Kong	29%	16%
Japan	12%	11%
Asia Pacific ex Japan ex Hong Kong	14%	16%
North America	24%	25%
Europe	18%	26%
Other	-	2%
Total investments	97%	96%
Cash and other net assets	3%	4%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

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E70 Mixed Asset Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable Possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Bonitas Pooled Investment Fund Series (details refer to the table below)	538,692	99.85	Willis Towers Watson MPF Benchmark (Equity 60% - 80%)	10%	51,493
Total investments	538,692	99.85			51,493

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Invesco Pooled Investment Fund - Global Balanced Fund (Class B)	544,113	100.15	Willis Towers Watson MPF Benchmark (Equity 60% - 80%)	5%	26,230
Total investments	544,113	100.15			26,230

E70 Mixed Asset Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Invesco Pooled Investment Fund – Global Balanced Fund (Class B)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Asian Equity Fund	56,550	10.48	Smart China & Hong Kong Equity Fund	29,906	5.54
Dynamic China & Hong Kong Equity Fund	76,518	14.18	Smart European Equity Fund	22,842	4.23
Dynamic European Equity Fund	53,981	10.01	Smart Global Bond Fund	15,572	2.89
Dynamic Global Bond Fund	108,136	20.05	Smart Japanese Equity Fund	50,654	9.39
Smart Asian Equity Fund	30,021	5.56	Smart North American Equity Fund	94,512	17.52

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024</u>	<u>2023</u>
Listed equities	76%	70%
Bonds	22%	26%
Cash and other net assets	2%	4%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024</u>	<u>2023</u>
Hong Kong	30%	19%
Japan	12%	11%
Asia Pacific ex Japan ex Hong Kong	14%	18%
North America	24%	21%
Europe	18%	26%
Other	-	1%
Total investments	98%	96%
Cash and other net assets	2%	4%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
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Global Bond Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Bonitas Pooled Investment Fund Series (details refer to the table below)	142,583	98.71	FTSE MPF World Government Bond (35% HKD Hedged)	10%	13,624
Total investments	142,583	98.71			13,624

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Sun Life IF Global Bond Fund (Class A)	139,749	99.90	FTSE MPF World Government Bond (35% HKD Hedged)	5%	6,540
Total investments	139,749	99.90			6,540

Global Bond Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Sun Life IF Global Bond Fund (Class A)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Global Bond Fund	124,753	86.37	Smart Global Bond Fund	17,830	12.34

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024</u>	<u>2023</u>
Bonds	95%	95%
Cash and other net assets	5%	5%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024</u>	<u>2023</u>
Hong Kong	8%	-
Japan	5%	4%
Asia Pacific ex Japan ex Hong Kong	4%	4%
North America	45%	46%
Europe	29%	31%
Other	4%	10%
Total investments	95%	95%
Cash and other net assets	5%	5%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
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Global Equity Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					

Approved Pooled Investment Fund

Bonitas Pooled Investment Fund Series (details refer to the table below)	434,954	99.64	FTSE MPF All World Hedged TR	10%	48,466
Total investments	434,954	99.64			48,466

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Sun Life IF Global Equity Fund (Class A)	355,398	99.92	FTSE MPF All World Hedged TR	5%	19,812
Total investments	355,398	99.92			19,812

Global Equity Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Sun Life IF Global Equity Fund (Class A)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Asian Equity Fund	29,983	6.87	Smart China & Hong Kong Equity Fund	474	0.11
Dynamic China & Hong Kong Equity Fund	1,732	0.40	Smart Japanese Equity Fund	25,024	5.73
Dynamic European Equity Fund	67,951	15.57	Smart North American Equity Fund	293,809	67.30
Smart Asian Equity Fund	15,981	3.66			

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	% of net assets of underlying APIFs	
	2024	2023
Listed equities	99%	99%
Cash and other net assets	1%	1%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	% of net assets of underlying APIFs	
	2024	2023
Hong Kong	4%	1%
Japan	6%	6%
Asia Pacific ex Japan ex Hong Kong	7%	6%
North America	68%	65%
Europe	14%	18%
Other	-	3%
Total investments	99%	99%
Cash and other net assets	1%	1%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
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China and Hong Kong Equity Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					

Approved Pooled Investment Fund

Bonitas Pooled Investment Fund Series (details refer to the table below)	739,057	100.19	FTSE MPF Hong Kong TR	10%	75,885
Total investments	739,057	100.19			75,885

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Fidelity Global Investment Fund – Hong Kong Equity Fund (Class A)	618,857	100.02	FTSE MPF Hong Kong TR	5%	31,861
Total investments	618,857	100.02			31,861

China and Hong Kong Equity Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Fidelity Global Investment Fund – Hong Kong Equity Fund (Class A)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic China & Hong Kong Equity Fund	531,414	72.04	Smart China & Hong Kong Equity Fund	207,643	28.15

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024</u>	<u>2023</u>
Listed equities	99%	99%
Cash and other net assets	1%	1%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	<u>% of net assets of underlying APIFs</u>	
	<u>2024*</u>	<u>2023</u>
Hong Kong	10%	85%
China	81%	7%
Other	8%	7%
Total investments	99%	99%
Cash and other net assets	1%	1%
Net assets attributable to unitholders	100%	100%

* Based on country of risk

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Asian Equity Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Bonitas Pooled Investment Fund Series (details refer to the table below)	422,308	99.71	FTSE MPF Asia Pacific excluding Japan, Australia and New Zealand TR	10%	40,167
Total investments	422,308	99.71			40,167

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund					
Schroder MPF Asian Fund (Class A)	389,676	100.14	FTSE MPF Asia Pacific excluding Japan, Australia and New Zealand TR	5%	18,638
Total investments	389,676	100.14			18,638

Asian Equity Fund invests in the following sub-funds of Bonitas Pooled Investment Fund Series (2023: Schroder MPF Asian Fund (Class A)).

	Fair value (HK\$'000)	% of net assets		Fair value (HK\$'000)	% of net assets
Dynamic Asian Equity Fund	275,594	65.07	Smart Asian Equity Fund	146,714	34.64

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

	% of net assets of underlying APIFs	
	2024	2023
Listed equities	97%	99%
Cash and other net assets	3%	1%
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIFs:

	% of net assets of underlying APIFs	
	2024	2023
Hong Kong	32%	34%
Asia Pacific ex Japan ex Hong Kong	65%	65%
Total investments	97%	99%
Cash and other net assets	3%	1%
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of these underlying APIFs as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

Flexi Mixed Asset Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A)	179,966	100.16	FTSE All World	10%	17,997
Total investments	179,966	100.16			17,997

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A)	176,865	100.08	FTSE All World	5%	8,843
Total investments	176,865	100.08			8,843

Flexi Mixed Asset Fund invests in Allianz Choice Flexi Balanced Fund (Class A).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Listed equities	19%	17%
Bonds	77%	78%
Cash and other net assets	4%	5%
Net assets attributable to	100%	100%

The following table shows the net market exposures of the underlying APIF:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Hong Kong	6%	8%
Japan	7%	2%
Asia Pacific ex Japan ex Hong	4%	3%
North America	70%	70%
Europe	4%	4%
Other	5%	8%
Total investments	96%	95%
Cash and other net assets	4%	5%
Net assets attributable to	100%	100%

Refer to page 106 for the net asset value of the underlying APIF as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

RMB Bond Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB)	178,663	98.50	Markit iBoxx ALBI China Offshore Non-Gov't	10%	18,262
Total investments	<u>178,663</u>	<u>98.50</u>			<u>18,262</u>

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB)	168,316	100.92	Markit iBoxx ALBI China Offshore Non-Gov't	5%	8,608
Total investments	<u>168,316</u>	<u>100.92</u>			<u>8,608</u>

RMB Bond Fund invests in Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Bonds	100%	99%
Cash and other net assets	-	1%
Net assets attributable to unitholders	<u>100%</u>	<u>100%</u>

The following table shows the net market exposures of the underlying APIF:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
China	100%	98%
Hong Kong	-	1%
Total investments	<u>100%</u>	<u>99%</u>
Cash and other net assets	-	1%
Net assets attributable to unitholders	<u>100%</u>	<u>100%</u>

Refer to page 106 for the net asset value of the underlying APIF as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Core Accumulation Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Invesco Pooled Investment Fund – Core Accumulation Fund (Class A)	666,726	99.76	60% FTSE MPF All-World Index (Unhedged Total Return) + 37% FTSE MPF World Government Bond Index (HKD Hedged Total Return) + 3% MPFA Prescribed Savings Rate	10%	69,071
Total investments	<u>666,726</u>	<u>99.76</u>			<u>69,071</u>

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund

Invesco Pooled Investment Fund – Core Accumulation Fund (Class A)	569,456	99.73	60% FTSE MPF All-World Index (Unhedged Total Return) + 37% FTSE MPF World Government Bond Index (HKD Hedged Total Return) + 3% MPFA Prescribed Savings Rate	5%	29,391
Total investments	<u>569,456</u>	<u>99.73</u>			<u>29,391</u>

Core Accumulation Fund invests in Invesco Pooled Investment Fund – Core Accumulation Fund (Class A) which in turns invests in two approved pooled investment funds as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Listed equities	60%	60%
Bonds	36%	39%
Cash and other net assets	4%	1%
Net assets attributable to unitholders	<u>100%</u>	<u>100%</u>

The following table shows the net market exposures of the underlying APIF:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Hong Kong	2%	1%
Japan	5%	6%
Asia Pacific ex Japan ex Hong Kong	13%	9%
North America	56%	57%
Europe	19%	25%
Other	1%	1%
Total investments	<u>96%</u>	<u>99%</u>
Cash and other net assets	<u>4%</u>	<u>1%</u>
Net assets attributable to unitholders	<u>100%</u>	<u>100%</u>

Refer to page 106 for the net asset value of the underlying APIF as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

Age 65 Plus Fund

	Fair value	% of net assets	Relevant index for the investments (Note 1)	% of reasonable possible change of the relevant index (Note 2)	Change in net asset value (Note 3)
<u>As at 31 December 2024</u> (HK\$'000)					
Approved Pooled Investment Fund					
Invesco Pooled Investment Fund - Age 65 Plus Fund (Class A)	420,199	99.46	20% FTSE MPF All-World Index (Unhedged Total Return) + 77% FTSE MPF World Government Bond Index (HKD Hedged Total Return) + 3% MPFA Prescribed Savings Rate	10%	45,359
Total investments	420,199	99.46			45,359

As at 31 December 2023
(HK\$'000)

Approved Pooled Investment Fund					
Invesco Pooled Investment Fund - Age 65 Plus Fund (Class A)	384,397	99.50	20% FTSE MPF All-World Index (Unhedged Total Return) + 77% FTSE MPF World Government Bond Index (HKD Hedged Total Return) + 3% MPFA Prescribed Savings Rate	5%	20,700
Total investments	384,397	99.50			20,700

Age 65 Plus Fund invests in Invesco Pooled Investment Fund – Age 65 Plus Fund (Class A) which in turns invests in two approved pooled investment funds as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Listed equities	20%	20%
Bonds	76%	80%
Cash and other net assets	4%	-
Net assets attributable to unitholders	100%	100%

The following table shows the net market exposures of the underlying APIF:

	<u>% of net assets of underlying APIF</u>	
	<u>2024</u>	<u>2023</u>
Hong Kong	1%	-
Japan	4%	6%
Asia Pacific ex Japan ex Hong Kong	19%	12%
North America	45%	45%
Europe	26%	35%
Other	1%	2%
Total investments	96%	100%
Cash and other net assets	4%	-
Net assets attributable to unitholders	100%	100%

Refer to page 106 for the net asset value of the underlying APIF as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

Notes

- ¹ Relevant index for the investments represents the relevant market index which has similar investment portfolio composition as the underlying investments.
- ² The analysis is based on the assumption that the relevant index increased/decreased by 10% (2023: 5%), with all other variables held constant and that the fair value of the constituent funds' investments moved according to the historical correlation with the index. The investment managers have used their view of what would be a "reasonable shift" in each key market to estimate the change for use in the market sensitivity analysis. Changes in market index % are revised annually depending on investment managers' current view of market volatility and other relevant factors.
- ³ Change in net asset value of the constituent funds is calculated based on the fair value of investments multiplied by the estimated % of reasonable possible change of the relevant index and the historical correlation of the constituent funds' investments with the index. Disclosures above are shown in absolute terms, changes and impacts could be positive or negative.
- ⁴ The net asset value of the underlying APIFs invested by the constituent funds as at 31 December 2024 and 2023 are as follow:

	2024	2023
	HK\$ million	HK\$ million
Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A)	2,337	2,282
Bonitas Pooled Investment Fund Series – Dynamic Asian Equity Fund (Class A)*	3,937	-
Bonitas Pooled Investment Fund Series – Dynamic China & Hong Kong Equity Fund (Class A)*	7,140	-
Bonitas Pooled Investment Fund Series – Dynamic European Equity Fund (Class A)*	2,641	-
Bonitas Pooled Investment Fund Series – Dynamic Global Bond Fund (Class A)*	5,236	-
Bonitas Pooled Investment Fund Series – Smart Asian Equity Fund (Class A)*	2,339	-
Bonitas Pooled Investment Fund Series – Smart China & Hong Kong Equity Fund (Class A)*	2,782	-
Bonitas Pooled Investment Fund Series – Smart European Equity Fund (Class A)*	710	-
Bonitas Pooled Investment Fund Series – Smart Global Bond Fund (Class A)*	3,149	-
Bonitas Pooled Investment Fund Series – Smart Japanese Equity Fund (Class A)*	1,263	-
Bonitas Pooled Investment Fund Series – Smart North American Equity Fund (Class A)*	6,829	-
Fidelity Global Investment Fund – Hong Kong Equity Fund (Class A)**	-	16,342
Invesco Pooled Investment Fund – Age 65 Plus Fund (Class A)	3,404	3,017
Invesco Pooled Investment Fund – Core Accumulation Fund (Class A)	7,841	5,901
Invesco Pooled Investment Fund – Global Balanced Fund (Class B)**	-	544
Invesco Pooled Investment Fund – Global Stable Fund (Class B)**	-	1,041
Invesco Pooled Investment Fund – Global Stable Growth Fund (Class B)**	-	394
Invesco Pooled Investment Fund – RMB Bond Fund (Class B)	1,388	1,411
Schroder MPF Asian Fund (Class A)**	-	2,160
Sun Life IF Global Bond Fund (Class A)**	-	3,686
Sun Life IF Global Equity Fund (Class A)**	-	2,180

* newly invested by the constituent funds in 2024

** disposed of by the constituent funds in 2024

The constituent funds' maximum exposure to loss from their interests in APIFs is equal to the total fair value of their investments in the APIFs.

Once the constituent funds have disposed of their units in APIFs, the constituent funds cease to be exposed to any risk from the APIFs.

The constituent funds' investment strategies entail trading on other funds on a regular basis. As at 31 December 2024 and 2023, the constituent funds had no capital commitment obligations and no amounts due to APIFs for unsettled purchases.

The net gain/(loss) incurred on investments in APIFs during the year ended 31 December 2024 and 2023 are stated in the respective constituent funds' statement of comprehensive income.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

(ii) Interest rate risk

The constituent funds of the Plan which invested in interest bearing financial assets are subject to interest rate risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash of the constituent funds are invested in short-term commercial papers or deposits.

The majority of the financial assets and liabilities of E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund are non-interest bearing. Their interest bearing financial assets comprise bank balances. The investment managers consider these funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. As a result, no sensitivity analysis on interest rate movements is required.

The majority of the financial assets and liabilities of the Plan are non-interest bearing. The only interest bearing financial assets comprise bank balances. Any excess cash and cash equivalents of the Plan are placed with banks and have no significant exposure to interest rate risk. As such, no interest rate risk sensitivity is disclosed.

The table below summarised the exposure to bank balances of E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund as at 31 December 2024 and 2023:

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

	As at 31 December 2024		As at 31 December 2023	
	Fair value HK\$	% of net assets	Fair value HK\$	% of net assets
E30 Mixed Asset Fund - Bank balances	<u>2,238,317</u>	<u>0.49</u>	<u>106,744</u>	<u>0.02</u>
E50 Mixed Asset Fund - Bank balances	<u>2,097,362</u>	<u>0.55</u>	<u>150,121</u>	<u>0.04</u>
E70 Mixed Asset Fund - Bank balances	<u>1,122,458</u>	<u>0.21</u>	<u>129,154</u>	<u>0.02</u>
Global Bond Fund - Bank balances	<u>1,185,362</u>	<u>0.82</u>	<u>126,192</u>	<u>0.09</u>
Global Equity Fund - Bank balances	<u>1,058,998</u>	<u>0.24</u>	<u>172,898</u>	<u>0.05</u>
China and Hong Kong Equity Fund - Bank balances	<u>65,523</u>	<u>0.01</u>	<u>733,654</u>	<u>0.12</u>
Asian Equity Fund - Bank balances	<u>1,238,434</u>	<u>0.29</u>	<u>68,751</u>	<u>0.02</u>
Flexi Mixed Asset Fund - Bank balances	<u>58,511</u>	<u>0.03</u>	<u>49,296</u>	<u>0.03</u>
RMB Bond Fund - Bank balances	<u>67,176</u>	<u>0.04</u>	<u>50,345</u>	<u>0.03</u>
Core Accumulation Fund - Bank balances	<u>854,601</u>	<u>0.13</u>	<u>727,088</u>	<u>0.13</u>
Age 65 Plus Fund - Bank balances	<u>549,808</u>	<u>0.13</u>	<u>497,121</u>	<u>0.13</u>

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

The table below summarised the MPF Conservative Fund's exposure to interest rate risk, categorised by remaining maturity period:

MPF Conservative Fund

At 31 December 2024
(HK\$'000)

	Up to 3 months	3-12 months	Over 12 months	Non-interest bearing	Total
Bank balances	65,991	-	-	-	65,991
Financial assets at fair value through profit or loss	1,295,012	384,230	-	-	1,679,242
Other assets	-	-	-	8,985	8,985
Total assets	1,361,003	384,230	-	8,985	1,754,218
Total liabilities	-	-	-	(47,888)	(47,888)
Total interest sensitivity gap	1,361,003	384,230	-		

At 31 December 2023
(HK\$'000)

	Up to 3 months	3-12 months	Over 12 months	Non-interest bearing	Total
Bank balances	60,163	-	-	-	60,163
Financial assets at fair value through profit or loss	1,262,779	276,937	-	-	1,539,716
Other assets	-	-	-	9,256	9,256
Total assets	1,322,942	276,937	-	9,256	1,609,135
Total liabilities	-	-	-	(5,401)	(5,401)
Total interest sensitivity gap	1,322,942	276,937	-		

At 31 December 2024, should interest rates have changed by 1% (2023: 1%) with all other variables remaining constant, the change in net assets attributable to members would be as follows:

	As at 31 December 2024		As at 31 December 2023	
	Estimated % change in interest rate	Change in net assets attributable to members HK\$'000	Estimated % change in interest rate	Change in net assets attributable to members HK\$'000
MPF Conservative Fund	± 1%	17,452	± 1%	15,999

The investment managers monitor the constituent funds' overall interest sensitivity on a daily basis.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

(iii) Currency risk

As at 31 December 2024 and 2023, the Plan did not have any assets or liabilities denominated in currencies other than its functional currency, Hong Kong dollar. As a result, the Plan is not subject to significant currency risk.

Certain constituent funds hold financial assets denominated in currencies other than their functional currency, Hong Kong dollar. These constituent funds are therefore exposed to currency risk, as the value of their financial assets denominated in other currencies will fluctuate due to changes in exchange rates.

Except for the MPF Conservative Fund of which its Hong Kong dollar effective currency exposure must be maintained at 100% as required by the General Regulation, all other constituent funds are required to maintain their Hong Kong dollar effective currency exposure at a minimum of 30% as required by the General Regulation. The investment managers may enter into forward foreign exchange contracts from time to time to manage currency exposure. The constituent funds and their counterparty settled the forward foreign exchange contracts on a net basis. Refer to Note 12 for details of outstanding forward foreign exchange contracts as at 31 December 2024 and 2023.

The table below summarises the relevant constituent funds' monetary and non-monetary exposures to currency risk and impact on net assets should the currencies have strengthened or weakened by 5% against the Hong Kong dollar, with all other variables remaining constant, as at 31 December 2024 and 2023.

The investment managers do not consider there to be a change in the current Hong Kong dollar peg to the United States dollar that would have a material impact on the below constituent funds, consequently no sensitivity analysis has been performed on the Hong Kong dollar to United States dollar currency pair.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E30 Mixed Asset Fund

At 31 December 2024	
Original currencies	
Hong Kong dollar	
equivalent (HK\$'000)	US\$
Assets	
Monetary assets	-
Non-monetary assets	-
Liabilities	
Monetary liabilities	(39)
Non-monetary liabilities	-
Estimated % change in the relevant exchange rate of the foreign currency against Hong Kong dollar	
Impact on net assets attributable to members	
Monetary	
Non-monetary	

At 31 December 2023, the constituent fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, the constituent fund was not subject to currency risk.

E50 Mixed Asset Fund

At 31 December 2024	
Original currencies	
Hong Kong dollar	
equivalent (HK\$'000)	US\$
Assets	
Monetary assets	-
Non-monetary assets	-
Liabilities	
Monetary liabilities	(23)
Non-monetary liabilities	-
Estimated % change in the relevant exchange rate of the foreign currency against Hong Kong dollar	
Impact on net assets attributable to members	
Monetary	
Non-monetary	

At 31 December 2023, the constituent fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, the constituent fund was not subject to currency risk.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E70 Mixed Asset Fund

At 31 December 2024	
Original currencies	
Hong Kong dollar	
equivalent (HK\$'000)	US\$
Assets	
Monetary assets	-
Non-monetary assets	-
Liabilities	
Monetary liabilities	(21)
Non-monetary liabilities	-
Estimated % change in the relevant exchange rate of the foreign currency against Hong Kong dollar	
Impact on net assets attributable to members	
Monetary	
Non-monetary	

At 31 December 2023, the constituent fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, the constituent fund was not subject to currency risk.

Global Bond Fund

At 31 December 2024	
Original currencies	
Hong Kong dollar	
equivalent (HK\$'000)	US\$
Assets	
Monetary assets	1
Non-monetary assets	-
Liabilities	
Monetary liabilities	(17)
Non-monetary liabilities	-
Estimated % change in the relevant exchange rate of the foreign currency against Hong Kong dollar	
Impact on net assets attributable to members	
Monetary	
Non-monetary	

At 31 December 2023, the constituent fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, the constituent fund was not subject to currency risk.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Global Equity Fund

At 31 December 2024

Original currencies

Hong Kong dollar equivalent (HK\$'000)	US\$
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Assets

Monetary assets	-
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Non-monetary assets	-
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Liabilities

Monetary liabilities	(68)
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Non-monetary liabilities	-
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Estimated % change in the
relevant exchange rate of
the foreign currency
against Hong Kong dollar

Impact on net assets
attributable to members

Monetary

Non-monetary

At 31 December 2023, the constituent fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, the constituent fund was not subject to currency risk.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

RMB Bond Fund

At 31 December 2024

Original currencies

Hong Kong dollar
equivalent (HK\$'000) CNY

Assets

Monetary assets -

Non-monetary assets -

Liabilities

Monetary liabilities (4)

Non-monetary liabilities -

Estimated % change in the
relevant exchange rate of
the foreign currency
against Hong Kong dollar ±5%

Impact on net assets
attributable to members

Monetary -

Non-monetary -

At 31 December 2023

Original currencies

Hong Kong dollar
equivalent (HK\$'000) CNY

Assets

Monetary assets 105

Non-monetary assets -

Liabilities

Monetary liabilities (1,553)

Non-monetary liabilities -

Estimated % change in the
relevant exchange rate of
the foreign currency
against Hong Kong dollar ±5%

Impact on net assets
attributable to members

Monetary ±72

Non-monetary -

At 31 December 2024 and 2023, the MPF Conservative Fund, China and Hong Kong Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, Core Accumulation Fund and Age 65 Plus Fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, these constituent funds are not subject to currency risk.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

(b) Credit risk

The Plan and its constituent funds are exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Plan and its constituent funds are exposed arises from the investments in debt securities. The Plan and its constituent funds are also exposed to counterparty credit risk on trading derivative products, bank balances, amounts receivable on sale of financial assets at fair value through profit or loss, interest receivable, contributions receivable and other receivables.

The MPF Conservative Fund also invests in debt securities, certificates of deposit and fixed deposits and it therefore exposed to credit risk if the issuers default and will not repay the principal amount at maturity and interest as scheduled. Investment transactions are settled upon delivery using approved brokers. The credit risk of default is considered minimal, and the counterparty risk is mitigated as delivery of investments sold is only made to brokers against payment. In a purchase, payment is made when the securities are received from the broker. The transaction will fail if either party fails to meet their respective obligations.

The credit risk is mitigated as the debt securities held are subject to the requirements of (i) minimum credit rating, and (ii) maximum holding of 10% of net asset value of any single issuer except for those issued or guaranteed by the government and other bodies permitted by the Mandatory Provident Fund Schemes Authority of Hong Kong.

As at 31 December 2024, the MPF Conservative Fund's financial assets which were potentially subject to concentration of credit risk consisted of investments held with the sub-custodian. As at 31 December 2024, the sub-custodian had a credit rating of A-1+ (2023: A-1+).

As at 31 December 2024 and 2023, the Plan and its constituent funds held debt securities, certificates of deposit, fixed deposits and bank balances with the following credit ratings, which are rated by well-known rating agencies and the table below sets out credit rating as a percentage of the respective asset balances of the Plan and each constituent fund respectively.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

	<u>The Plan</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u>100%</u>	<u>100%</u>

	<u>MPF Conservative Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Debt Securities and Certificates of Deposit</u>		
P-1/A-1+/F1+	100%	100%
	<u>100%</u>	<u>100%</u>

<u>Bank Balances and Fixed Deposits</u>		
P-1/A-1+/F1+	79%	77%
P-2/A-2/F2	21%	23%
	<u>100%</u>	<u>100%</u>

	<u>E30 Mixed Asset Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u>100%</u>	<u>100%</u>

	<u>E50 Mixed Asset Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u>100%</u>	<u>100%</u>

	<u>E70 Mixed Asset Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u>100%</u>	<u>100%</u>

BCT (MPF) INDUSTRY CHOICE
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Global Bond Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

Global Equity Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

China and Hong Kong Equity Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

Asian Equity Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

Flexi Mixed Asset Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

RMB Bond Fund

Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	100%	100%
	<u> </u>	<u> </u>

BCT (MPF) INDUSTRY CHOICE
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	<u>Core Accumulation Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	<u>100%</u>	<u>100%</u>

	<u>Age 65 Plus Fund</u>	
Portfolio by rating category (Moody's, Standard & Poor's and Fitch)	2024	2023
Rating		
<u>Bank Balances</u>		
P-1/A-1+/F1+	<u>100%</u>	<u>100%</u>

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets available for benefits for the Plan and its constituent funds and the statement of net assets for the constituent funds.

The Plan and its constituent funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Trustee considers both historical analysis and forward looking information in determining any expected credit loss.

At 31 December 2024 and 2023, bank balances were held with counterparties with credit rating of P-2/A-2/F2 or higher and the remaining balance of receivables mainly comprised amounts receivable on sale of financial assets at fair value through profit or loss, interest receivable, amounts receivable on subscription, contributions receivable, amounts receivable on funds switching and other receivables which were due to be settled within 6 months. Applying the requirements of HKFRS 9, the expected credit loss is immaterial for the Plan and its constituent funds and, as such, no expected credit loss has been recognised within the financial statements of the Plan and its constituent funds.

(c) Liquidity risk

The constituent funds are exposed to daily cash redemptions of units. The constituent funds therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of. All investments in APIFs permit redemptions on a daily basis and with a short settlement period. The investment managers consider the liquidity risk is low.

BCT (MPF) INDUSTRY CHOICE

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The table below analyses the Plan's and constituent funds' financial liabilities into relevant maturity groupings based on the remaining period at the year end date to the contractual maturity date. In addition, the derivative financial instruments as disclosed below are net settled and are analysed based on their contractual maturities which are considered to be essential to an understanding of the timing of cash flows based on the investment strategy of the respective constituent funds. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

The Plan

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	644,352	-	3,553
Amounts payable on purchase of financial assets at fair value through profit or loss	42,614,482	-	-
Benefits and forfeitures payable	30,523,401	-	-
Amounts received not yet recognised as contributions	76,408,000	-	-
Accruals and other payables	8,637,849	523,588	3,343,509
Total financial liabilities	158,828,084	523,588	3,347,062
At 31 December 2023			
Liabilities:			
Derivative financial instruments	1,420,688	-	132,587
Benefits and forfeitures payable	26,799,527	-	-
Amounts received not yet recognised as contributions	55,177,694	-	-
Accruals and other payables	6,663,419	476,677	3,307,910
Total financial liabilities	90,061,328	476,677	3,440,497

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

MPF Conservative Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Amounts payable on purchase of financial assets at fair value through profit or loss	41,829,824	-	-
Amounts payable on redemption	3,345,570	-	-
Amounts payable on funds switching	354,575	-	-
Accruals and other payables	1,270,609	153,863	933,123
	<hr/>	<hr/>	<hr/>
Total financial liabilities	46,800,578	153,863	933,123
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	2,478,739	-	-
Amounts payable on funds switching	656,277	-	-
Accruals and other payables	1,196,908	133,954	935,119
	<hr/>	<hr/>	<hr/>
Total financial liabilities	4,331,924	133,954	935,119
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E30 Mixed Asset Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	119,090	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	6,239	-	-
Amounts payable on redemption	551,181	-	-
Amounts payable on funds switching	9,404	-	-
Accruals and other payables	553,753	41,858	263,665
	<u>1,239,667</u>	<u>41,858</u>	<u>263,665</u>
Total financial liabilities	<u>1,239,667</u>	<u>41,858</u>	<u>263,665</u>
	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	604,067	-	-
Amounts payable on funds switching	267	-	-
Accruals and other payables	572,954	40,150	285,609
	<u>1,177,288</u>	<u>40,150</u>	<u>285,609</u>
Total financial liabilities	<u>1,177,288</u>	<u>40,150</u>	<u>285,609</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E50 Mixed Asset Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	24,632	-	-
Amounts payable on redemption	740,386	-	-
Accruals and other payables	463,168	34,953	218,598
Total financial liabilities	1,228,186	34,953	218,598

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	335,275	-	-
Amounts payable on funds switching	15,070	-	-
Accruals and other payables	469,902	34,235	236,234
Total financial liabilities	820,247	34,235	236,234

E70 Mixed Asset Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	20,860	-	-
Amounts payable on redemption	1,284,146	-	-
Amounts payable on funds switching	154,162	-	-
Accruals and other payables	654,589	46,702	306,838
Total financial liabilities	2,113,757	46,702	306,838

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	753,892	-	-
Amounts payable on funds switching	82,885	-	-
Accruals and other payables	647,685	45,203	325,301
Total financial liabilities	1,484,462	45,203	325,301

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Global Bond Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	88,163	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	3,305	-	-
Amounts payable on redemption	433,492	-	-
Amounts payable on funds switching	103,054	-	-
Accruals and other payables	164,038	15,914	80,371
Total financial liabilities	792,052	15,914	80,371

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	97,839	-	-
Amounts payable on funds switching	44,444	-	-
Accruals and other payables	91,225	14,245	79,364
Total financial liabilities	233,508	14,245	79,364

Global Equity Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	68,250	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	462,680	-	-
Amounts payable on redemption	934,912	-	-
Amounts payable on funds switching	2,520,918	-	-
Accruals and other payables	555,118	34,351	231,514
Total financial liabilities	4,541,878	34,351	231,514

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	522,670	-	-
Amounts payable on funds switching	167,822	-	-
Accruals and other payables	230,490	25,555	188,315
Total financial liabilities	920,982	25,555	188,315

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

China and Hong Kong Equity Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Amounts payable on purchase of financial assets at fair value through profit or loss	164,449	-	-
Amounts payable on redemption	1,848,566	-	-
Amounts payable on funds switching	992,543	-	-
Accruals and other payables	876,029	45,798	370,951
Total financial liabilities	3,881,587	45,798	370,951

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	332,055	-	-
Amounts payable on funds switching	703,466	-	-
Accruals and other payables	351,623	58,039	404,297
Total financial liabilities	1,387,144	58,039	404,297

Asian Equity Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	197,460	-	-
Amounts payable on purchase of financial assets at fair value through profit or loss	147,985	-	-
Amounts payable on redemption	484,128	-	-
Amounts payable on funds switching	51,421	-	-
Accruals and other payables	538,292	36,385	235,916
Total financial liabilities	1,419,286	36,385	235,916

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	242,687	-	-
Amounts payable on funds switching	275,230	-	-
Accruals and other payables	279,901	33,060	229,793
Total financial liabilities	797,818	33,060	229,793

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Flexi Mixed Asset Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Amounts payable on redemption	446,467	-	-
Amounts payable on funds switching	13,374	-	-
Accruals and other payables	153,474	18,883	101,454
Total financial liabilities	613,315	18,883	101,454

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	235,479	-	-
Amounts payable on funds switching	13,882	-	-
Accruals and other payables	148,876	16,852	102,709
Total financial liabilities	398,237	16,852	102,709

RMB Bond Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Derivative financial instruments	129,450	-	-
Amounts payable on redemption	308,357	-	-
Amounts payable on funds switching	25,818	-	-
Accruals and other payables	165,326	17,558	20,027
Total financial liabilities	628,951	17,558	20,027

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Derivative financial instruments	1,420,688	-	132,587
Amounts payable on redemption	206,949	-	-
Amounts payable on funds switching	4,585	-	-
Accruals and other payables	150,879	15,428	-
Total financial liabilities	1,783,101	15,428	132,587

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

Core Accumulation Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Amounts payable on redemption	476,498	-	-
Amounts payable on funds switching	2,847,462	-	-
Accruals and other payables	338,059	46,571	354,851
Total financial liabilities	3,662,019	46,571	354,851

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	290,660	-	-
Amounts payable on funds switching	2,048,231	-	-
Accruals and other payables	279,447	34,479	306,149
Total financial liabilities	2,618,338	34,479	306,149

Age 65 Plus Fund

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
Liabilities:			
Amounts payable on redemption	729,072	-	-
Amounts payable on funds switching	1,638,469	-	-
Accruals and other payables	211,835	30,752	226,201
Total financial liabilities	2,579,376	30,752	226,201

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
Liabilities:			
Amounts payable on redemption	281,495	-	-
Amounts payable on funds switching	1,286,842	-	-
Accruals and other payables	189,733	25,477	215,020
Total financial liabilities	1,758,070	25,477	215,020

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

The investment managers manage the liquidity risk of each constituent fund by investing predominantly in investments that they expect to be able to liquidate normally, within 7 days or less. The table below analyses the Plans' and constituent funds' expected liquidity of financial assets held.

	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2024			
The Plan	5,942,607,033	496,004,115	32,938,898
MPF Conservative Fund	1,225,275,427	496,004,115	32,938,887
E30 Mixed Asset Fund	459,684,653	-	-
E50 Mixed Asset Fund	384,052,675	-	-
E70 Mixed Asset Fund	541,990,016	-	-
Global Bond Fund	145,338,502	-	-
Global Equity Fund	441,316,662	-	-
China and Hong Kong Equity Fund	741,928,035	-	-
Asian Equity Fund	425,235,846	-	-
Flexi Mixed Asset Fund	180,412,790	-	-
RMB Bond Fund	182,056,815	-	-
Core Accumulation Fund	672,366,243	-	-
Age 65 Plus Fund	425,315,747	-	-
	Less than 1 month HK\$	1-3 months HK\$	Over 3 months HK\$
At 31 December 2023			
The Plan	5,436,107,001	478,230,444	31,649,242
MPF Conservative Fund	1,099,255,534	478,230,444	31,648,787
E30 Mixed Asset Fund	480,758,514	-	-
E50 Mixed Asset Fund	394,503,181	-	-
E70 Mixed Asset Fund	545,136,234	-	-
Global Bond Fund	140,219,149	-	-
Global Equity Fund	356,818,579	-	-
China and Hong Kong Equity Fund	620,564,977	-	-
Asian Equity Fund	390,188,966	-	-
Flexi Mixed Asset Fund	177,234,926	-	-
RMB Bond Fund	168,715,460	-	-
Core Accumulation Fund	573,967,313	-	-
Age 65 Plus Fund	388,316,589	-	-

At 31 December 2024 and 2023, no individual member held more than 10% of each constituent fund's units.

II. Capital risk management

The capital of the constituent funds is represented by the net assets attributable to members. Subscriptions and redemptions during the year are shown in the statement of changes in net assets attributable to members of the respective constituent funds. The amount of net assets attributable to members can change significantly on a daily basis as the constituent funds are subject to daily subscriptions and redemptions at the discretion of members. The objective of the constituent funds when managing capital is to safeguard the constituent funds' ability to continue as a going concern in order to provide returns for members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the constituent funds.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

In order to maintain or adjust the capital structure, the policy of the constituent funds is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the trust deed of the constituent funds.

The Trustee monitors capital on the basis of the value of net assets attributable to members.

III. Fair value estimation

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the constituent funds is the last traded price; the quoted market price for financial liabilities is the current asking price.

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

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

HKFRS 13 requires the constituent funds to classify 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).

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

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 constituent funds. The constituent funds consider observable data to be 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 constituent funds’ investments and derivative financial instruments (by class) measured at fair value at 31 December 2024 and 2023:

MPF Conservative Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Debt securities and certificates of deposit	-	851,293,413	851,293,413
- Fixed deposits	827,948,681	-	827,948,681
	<u>827,948,681</u>	<u>851,293,413</u>	<u>1,679,242,094</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Debt securities and certificates of deposit	-	727,392,366	727,392,366
- Fixed deposits	812,323,731	-	812,323,731
	<u>812,323,731</u>	<u>727,392,366</u>	<u>1,539,716,097</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E30 Mixed Asset Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	454,277,320	454,277,320
- Derivative financial instruments	-	2,675,313	2,675,313
	<u>-</u>	<u>456,952,633</u>	<u>456,952,633</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(119,090)	(119,090)
	<u>-</u>	<u>(119,090)</u>	<u>(119,090)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	479,994,951	479,994,951
	<u>-</u>	<u>479,994,951</u>	<u>479,994,951</u>

E50 Mixed Asset Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	379,500,595	379,500,595
- Derivative financial instruments	-	1,706,993	1,706,993
	<u>-</u>	<u>381,207,588</u>	<u>381,207,588</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(24,632)	(24,632)
	<u>-</u>	<u>(24,632)</u>	<u>(24,632)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	394,040,616	394,040,616
	<u>-</u>	<u>394,040,616</u>	<u>394,040,616</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E70 Mixed Asset Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	538,691,547	538,691,547
- Derivative financial instruments	-	1,650,872	1,650,872
	<u>-</u>	<u>540,342,419</u>	<u>540,342,419</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(20,860)	(20,860)
	<u>-</u>	<u>(20,860)</u>	<u>(20,860)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	544,113,009	544,113,009
	<u>-</u>	<u>544,113,009</u>	<u>544,113,009</u>

Global Bond Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	142,582,667	142,582,667
- Derivative financial instruments	-	1,088,928	1,088,928
	<u>-</u>	<u>143,671,595</u>	<u>143,671,595</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(88,163)	(88,163)
	<u>-</u>	<u>(88,163)</u>	<u>(88,163)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	139,749,225	139,749,225
	<u>-</u>	<u>139,749,225</u>	<u>139,749,225</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Global Equity Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	434,953,545	434,953,545
- Derivative financial instruments	-	1,482,605	1,482,605
	<u>-</u>	<u>436,436,150</u>	<u>436,436,150</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(68,250)	(68,250)
	<u>-</u>	<u>(68,250)</u>	<u>(68,250)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	355,397,726	355,397,726
	<u>-</u>	<u>355,397,726</u>	<u>355,397,726</u>

China and Hong Kong Equity Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	739,057,347	739,057,347
	<u>-</u>	<u>739,057,347</u>	<u>739,057,347</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	618,857,123	618,857,123
	<u>-</u>	<u>618,857,123</u>	<u>618,857,123</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Asian Equity Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment funds	-	422,307,577	422,307,577
- Derivative financial instruments	-	998,105	998,105
	<u>-</u>	<u>423,305,682</u>	<u>423,305,682</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(197,460)	(197,460)
	<u>-</u>	<u>(197,460)</u>	<u>(197,460)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	389,675,940	389,675,940
	<u>-</u>	<u>389,675,940</u>	<u>389,675,940</u>

Flexi Mixed Asset Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	179,966,450	179,966,450
	<u>-</u>	<u>179,966,450</u>	<u>179,966,450</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	176,864,724	176,864,724
	<u>-</u>	<u>176,864,724</u>	<u>176,864,724</u>

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

RMB Bond Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	178,662,987	178,662,987
- Derivative financial instruments	-	2,940,698	2,940,698
	<u>-</u>	<u>181,603,685</u>	<u>181,603,685</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(129,450)	(129,450)
	<u>-</u>	<u>(129,450)</u>	<u>(129,450)</u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	168,316,465	168,316,465
- Derivative financial instruments	-	105,488	105,488
	<u>-</u>	<u>168,421,953</u>	<u>168,421,953</u>
Liabilities			
Financial liabilities held for trading			
- Derivative financial instruments	-	(1,553,275)	(1,553,275)
	<u>-</u>	<u>(1,553,275)</u>	<u>(1,553,275)</u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Core Accumulation Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	666,726,147	666,726,147
	<u> </u>	<u> </u>	<u> </u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	569,455,783	569,455,783
	<u> </u>	<u> </u>	<u> </u>

Age 65 Plus Fund

As at 31 December 2024

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	420,199,372	420,199,372
	<u> </u>	<u> </u>	<u> </u>

As at 31 December 2023

	Level 1 HK\$	Level 2 HK\$	Total balance HK\$
Assets			
Financial assets held for trading			
- Approved pooled investment fund	-	384,397,242	384,397,242
	<u> </u>	<u> </u>	<u> </u>

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Investments whose values are based on quoted market prices in active markets are therefore classified within level 1. The constituent funds do not adjust the quoted price for these instruments.

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

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As of 31 December 2024 and 2023, the constituent funds did not hold any investments classified in level 3.

There were no transfers between levels of investments held by the constituent funds for the years ended 31 December 2024 and 2023.

The assets and liabilities of the constituent funds in the statement of net assets excluding financial assets at fair value through profit or loss at 31 December 2024 and 2023 are carried at amortised cost; their carrying values are a reasonable approximation of fair value. There are no other financial assets and liabilities not carrying at fair value but for which the fair value is disclosed.

8. Financial assets at fair value through profit or loss

	<u>2024</u> HK\$	<u>2023</u> HK\$
BCT (Industry) MPF Conservative Fund		
Debt securities	298,601,349	203,726,960
Certificates of deposit	552,692,064	523,665,406
Fixed deposits	827,948,681	812,323,731
	<hr/>	<hr/>
Investments, at fair value (at cost: 2024: HK\$1,670,698,914; 2023: HK\$1,530,665,472)	1,679,242,094	1,539,716,097
	<hr/>	<hr/>
BCT (Industry) E30 Mixed Asset Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$466,060,212; 2023: HK\$372,269,259) (Refer to Note 12 for the investment in derivative financial instruments)	454,277,320	479,994,951
	<hr/>	<hr/>
BCT (Industry) E50 Mixed Asset Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$383,941,703; 2023: HK\$270,939,029) (Refer to Note 12 for the investment in derivative financial instruments)	379,500,595	394,040,616
	<hr/>	<hr/>
BCT (Industry) E70 Mixed Asset Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$536,924,517; 2023: HK\$359,908,017) (Refer to Note 12 for the investment in derivative financial instruments)	538,691,547	544,113,009
	<hr/>	<hr/>

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

	<u>2024</u> HK\$	<u>2023</u> HK\$
BCT (Industry) Global Bond Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$149,506,606; 2023: HK\$151,291,573) (Refer to Note 12 for the investment in derivative financial instruments)	142,582,667	139,749,225
BCT (Industry) Global Equity Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$428,997,647; 2023: HK\$283,296,435) (Refer to Note 12 for the investment in derivative financial instruments)	434,953,545	355,397,726
BCT (Industry) China and Hong Kong Equity Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$667,346,496; 2023: HK\$789,738,026)	739,057,347	618,857,123
BCT (Industry) Asian Equity Fund		
Approved pooled investment funds, at fair value (at cost: 2024: HK\$424,054,767; 2023: HK\$345,992,598) (Refer to Note 12 for the investment in derivative financial instruments)	422,307,577	389,675,940
BCT (Industry) Flexi Mixed Asset Fund		
Approved pooled investment fund, at fair value (at cost: 2024: HK\$149,981,602; 2023: HK\$149,637,843)	179,966,450	176,864,724
BCT (Industry) RMB Bond Fund		
Approved pooled investment fund, at fair value (at cost: 2024: HK\$172,297,072; 2023: HK\$161,040,943) (Refer to Note 12 for the investment in derivative financial instruments)	178,662,987	168,316,465
BCT (Industry) Core Accumulation Fund		
Approved pooled investment fund, at fair value (at cost: 2024: HK\$539,233,508; 2023: HK\$488,057,011)	666,726,147	569,455,783
BCT (Industry) Age 65 Plus Fund		
Approved pooled investment fund, at fair value (at cost: 2024: HK\$390,538,484; 2023: HK\$366,431,596)	420,199,372	384,397,242
Total investments, at fair value	<u>6,236,167,648</u>	<u>5,760,578,901</u>
Total investments, at cost	<u>5,979,581,528</u>	<u>5,269,267,802</u>

9. Accrued benefits

The total accrued benefits vested in the members' accounts amounted to HK\$6,280,558,337 as at 31 December 2024 (2023: HK\$5,823,901,804).

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

10. Taxation

The Plan is not subject to Hong Kong profits tax as it is not considered to be carrying on a business in Hong Kong.

11. Transactions with related parties/associates

Certain constituent funds invest directly in the units of other unit trusts managed by the investment managers as disclosed in Note 4.

Except as disclosed in Note 4 and below, the Plan and its constituent funds did not have any transactions with related parties including the Sponsor, the Trustee, the investment managers and their associates or delegates of the investment managers during the years ended 31 December 2024 and 2023. All transactions were entered into in the ordinary course of business and on normal commercial terms.

- (a) At the 31 December 2024, the Plan and its constituent funds held investments in units of the sub-funds of Bonitas Pooled Investment Fund Series of HK\$3,111,370,598 (2023: Nil). Bonitas Pooled Investment Fund Series and its sub-funds, the Plan and its constituent funds have the common sponsor and trustee.
- (b) At the year end date, the Plan and its constituent funds had bank balances and placed deposits with, the shareholders or associated entities of the Trustee as follows:

	<u>2024</u> HK\$	<u>2023</u> HK\$
Bank balances	153,250,293	125,023,496
Fixed deposits	143,281,394	190,948,077

- (c) Income earned by the Plan and its constituent funds from the shareholders or associated entities of the Trustee for the year ended 31 December 2024 and 2023 was as follows:

	<u>2024</u> HK\$	<u>2023</u> HK\$
Bank interest	1,524,139	500,415
Interest income from fixed deposits	9,624,676	13,810,880

- (d) Interest receivable from the shareholders or associated entities of the Trustee at the year end date was as follows:

	<u>2024</u> HK\$	<u>2023</u> HK\$
Interest receivable from fixed deposits	1,114,521	1,882,336

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

- (e) During the year ended 31 December 2024, bank charges amounting to HK\$57,353 (2023: HK\$55,082) were paid by the Plan and its constituent funds to the shareholders or associated entities of the Trustee.

- (f) During the year ended 31 December 2024, a fund service fee of HK\$135,000 (2023: HK\$135,000) had been charged by the Trustee to E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund and RMB Bond Fund.

- (g) During the year ended 31 December 2024, certain expenses of RMB Bond Fund, which BCT Financial Limited acts as the sponsor, were borne by BCT Financial Limited amounted to HK\$78,038 (2023: HK\$94,066).

- (h) During the year ended 31 December 2024, Global Bond Fund, Global Equity Fund, China and Hong Kong Equity Fund and Asian Equity Fund received a rebate of management fee of HK\$251,065 (2023: Nil) from BCT Financial Limited, the sponsor of the Plan.

- (i) During the year ended 31 December 2024, Global Bond Fund and Global Equity Fund received rebate of maintenance fee from Franklin Templeton Investment (Asia) Limited, the investment manager of the constituent funds, amounted to Nil (2023: HK\$485,729).

- (j) The Trustee is entitled to receive reimbursement from the Plan and its constituent funds for expenses that paid by the Trustee on behalf of the Plan and its constituent funds, such expenses have been included in the statement of changes in net assets available for benefits – plan and constituent funds and statement of comprehensive income – constituent funds. As at 31 December 2024, the total amount due to the Trustee from the Plan and its constituent funds amounted to HK\$773,231 (2023: HK\$818,780).

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

12. Derivative financial instruments

Outstanding forward foreign exchange contracts as at the year end were as follows:

E30 Mixed Asset Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
EUR3,923,000	HK\$33,251,348	17 January 2025	1,518,484
GBP817,000	HK\$8,243,122	17 January 2025	278,963
JPY300,693,000	HK\$15,820,951	17 January 2025	867,769
US\$700,000	HK\$5,444,281	17 January 2025	10,097
		Total unrealised gain	2,675,313
Open contracts:			
HK\$2,342,059	EUR280,000	17 January 2025	(77,159)
HK\$4,660,751	US\$600,000	17 January 2025	(2,880)
US\$7,273,000	HK\$56,422,116	17 January 2025	(39,051)
		Total unrealised loss	(119,090)
		Net unrealised gain	2,556,223

No outstanding spot or forward exchange contracts were held by E30 Mixed Asset Fund as at 31 December 2023.

E50 Mixed Asset Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
EUR2,255,000	HK\$19,113,380	17 January 2025	872,848
GBP510,000	HK\$5,145,645	17 January 2025	174,138
JPY227,876,000	HK\$11,989,687	17 January 2025	657,627
US\$165,000	HK\$1,283,295	17 January 2025	2,380
		Total unrealised gain	1,706,993
Open contracts:			
HK\$2,019,659	US\$260,000	17 January 2025	(1,248)
US\$4,355,000	HK\$33,785,001	17 January 2025	(23,384)
		Total unrealised loss	(24,632)
		Net unrealised gain	1,682,361

No outstanding spot or forward exchange contracts were held by E50 Mixed Asset Fund as at 31 December 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

E70 Mixed Asset Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
EUR1,884,000	HK\$15,968,784	17 January 2025	729,244
GBP478,000	HK\$4,822,781	17 January 2025	163,212
JPY262,801,000	HK\$13,827,265	17 January 2025	758,416
		Total unrealised gain	1,650,872
Open contracts:			
US\$3,885,000	HK\$30,138,859	17 January 2025	(20,860)
		Total unrealised loss	(20,860)
		Net unrealised gain	1,630,012

No outstanding spot or forward exchange contracts were held by E70 Mixed Asset Fund as at 31 December 2023.

Global Bond Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
EUR89,000	HK\$727,412	17 January 2025	7,498
EUR1,842,000	HK\$15,612,792	17 January 2025	712,987
GBP347,000	HK\$3,501,057	17 January 2025	118,482
HK\$1,435,347	US\$185,000	17 January 2025	830
JPY84,355,000	HK\$4,438,335	17 January 2025	243,440
US\$50,000	HK\$388,877	17 January 2025	721
US\$90,000	HK\$699,966	17 January 2025	1,286
US\$280,000	HK\$2,177,357	17 January 2025	3,684
		Total unrealised gain	1,088,928
Open contracts:			
HK\$737,952	US\$95,000	17 January 2025	(456)
HK\$760,909	JPY15,000,000	17 January 2025	(14,973)
HK\$1,511,500	EUR180,000	17 January 2025	(55,493)
US\$3,211,000	HK\$24,910,135	17 January 2025	(17,241)
		Total unrealised loss	(88,163)
		Net unrealised gain	1,000,765

No outstanding spot or forward exchange contracts were held by Global Bond Fund as at 31 December 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

Global Equity Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
EUR1,794,000	HK\$15,205,944	17 January 2025	694,408
GBP487,000	HK\$4,913,587	17 January 2025	166,285
JPY213,472,000	HK\$11,231,822	17 January 2025	616,058
US\$600,000	HK\$4,663,726	17 January 2025	5,854
		Total unrealised gain	1,482,605
Open contracts:			
US\$12,711,000	HK\$98,608,760	17 January 2025	(68,250)
		Total unrealised loss	(68,250)
		Net unrealised gain	1,414,355

No outstanding spot or forward exchange contracts were held by Global Equity Fund as at 31 December 2023.

Asian Equity Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts:			
INR24,000,000	HK\$2,208,237	17 January 2025	28,562
INR84,940,000	HK\$7,806,985	17 January 2025	92,751
KRW397,000,000	HK\$2,235,776	17 January 2025	144,896
KRW728,220,000	HK\$4,165,542	17 January 2025	330,225
TWD24,000,000	HK\$5,862,237	17 January 2025	179,265
TWD32,922,000	HK\$8,018,022	17 January 2025	222,406
		Total unrealised gain	998,105
Open contracts:			
HK\$2,147,613	TWD9,000,000	17 January 2025	(16,498)
HK\$2,297,731	INR25,000,000	17 January 2025	(27,236)
HK\$2,406,403	KRW448,000,000	17 January 2025	(46,921)
HK\$4,842,615	TWD20,000,000	17 January 2025	(106,805)
		Total unrealised loss	(197,460)
		Net unrealised gain	800,645

No outstanding spot or forward exchange contracts were held by Asian Equity Fund as at 31 December 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

RMB Bond Fund

Contract to deliver	In exchange for	Settlement date	Unrealised gain/(loss) HK\$
<u>2024</u>			
Open contracts: CNY59,000,000	HK\$65,608,000	10 January 2025	2,940,698
		Total unrealised gain	2,940,698

Open contracts: HK\$4,372,200	CNY4,000,000	10 January 2025	(123,569)
HK\$58,421,000	CNY55,000,000	10 January 2025	(2,328)
CNY56,000,000	HK\$59,598,560	10 April 2025	(3,553)
		Total unrealised loss	(129,450)
		Net unrealised gain	2,811,248
			=====
<u>2023</u>			
Open contracts: HK\$52,785,600	CNY48,000,000	10 January 2024	105,488
		Total unrealised gain	105,488

Open contracts: CNY48,000,000	HK\$51,470,400	10 January 2024	(1,420,688)
CNY55,000,000	HK\$60,716,150	10 April 2024	(132,587)
		Total unrealised loss	(1,553,275)
		Net unrealised loss	(1,447,787)
			=====

BCT (MPF) INDUSTRY CHOICE

NOTES TO THE FINANCIAL STATEMENTS

13. Payments charged to default investments strategy (“DIS”) constituent funds or scheme or members who invest the constituent funds

In accordance with the Mandatory Provident Fund legislation, the aggregate of the payments for services of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund must not, in a single day, exceed a daily rate of 0.75% per annum of the net asset value of each of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund divided by the number of days in the year.

The above aggregate of the payments for services include, but are not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager, the Custodian and the Sponsor and/or promoter (if any) of each of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund and its underlying investment fund(s), and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund and its underlying investment fund(s), but do not include any out-of-pocket expenses incurred by each of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund and their underlying investment fund(s).

In accordance with the Mandatory Provident Fund legislation, the total amount of all payments that are charged to or imposed on a DIS constituent fund or members who invest in a DIS constituent fund, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to a DIS constituent fund, shall not in a single year exceed 0.2% per annum of the net asset value (the sum of net asset value of the relevant DIS constituent fund as at the last dealing day of each month of the relevant year divided by the number of months) of each of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund.

For this purpose, out-of-pocket expenses include; for example; annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of the net asset value and transaction costs incurred by a DIS constituent fund in connection with recurrent acquisition of investments for the DIS constituent fund (including, for example, costs incurred in acquiring underlying investment funds) and annual statutory expenses (such as compensation fund levy where relevant) of the DIS constituent fund.

Out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on a DIS constituent fund and such out-of-pocket expenses are not subject to the above statutory limit.

Payment for services, out-of-pocket expenses and other payment charged to the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund are disclosed below. Payments for services and out-of-pocket expenses are those defined in the MPF Ordinance.

BCT (MPF) INDUSTRY CHOICE

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During the year ended 31 December 2024 and 2023

	BCT (Industry) Core Accumulation Fund		BCT (Industry) Age 65 Plus Fund	
	2024	2023	2024	2023
	HK\$	HK\$	HK\$	HK\$
Payment for services				
- Trustee, administration and custodian fees	3,712,768	3,001,271	2,362,413	2,106,695
Total payment for services of each DIS Fund	<u>3,712,768</u>	<u>3,001,271</u>	<u>2,362,413</u>	<u>2,106,695</u>
Total payment for services of each DIS Fund*	0.59%	0.59%	0.59%	0.59%
Proportionate of the underlying investment funds fee rate of the underlying investment funds of each DIS Fund**	<u>0.16%</u>	<u>0.16%</u>	<u>0.16%</u>	<u>0.16%</u>
Total Payment for Services expressed as a percentage of net asset value of the DIS Fund	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>	<u>0.75%</u>
	HK\$	HK\$	HK\$	HK\$
Out-of-pocket expenses				
- Safe custody and bank charges	5,363	4,955	4,813	4,571
- Auditors' remuneration	72,340	68,563	46,205	48,286
- Professional indemnity insurance	8,833	8,493	5,626	5,967
- Miscellaneous expenses	452,665	393,184	291,402	277,734
Total payment for out-of-pocket expenses	<u>539,201</u>	<u>475,195</u>	<u>348,046</u>	<u>336,558</u>
Other payments				
- Legal and other professional fees (non-recurring)	21,906	29,372	14,405	20,290
Total payments on each DIS Fund	<u>4,273,875</u>	<u>3,505,838</u>	<u>2,724,864</u>	<u>2,463,543</u>
Out-of-pocket expenses expressed as a percentage of average net asset value as at the last dealing day of each month of the DIS Fund	<u>0.08%</u>	<u>0.09%</u>	<u>0.09%</u>	<u>0.09%</u>

**The payment for service fees of 0.59%, which represents daily payment for services of each DIS Fund as a percentage of daily NAV, is the maximum fee rate allowed to charge to each DIS Fund on a daily basis.*

***The proportionate of the underlying investment fund fee rate paid to the specified person as disclosed in the prospectus of the underlying investment funds*

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

14. Financial instruments by category

As at 31 December 2024 and 2023, apart from financial assets at fair value through profit or loss and derivative financial instruments as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets which are classified as "financial assets at fair value through profit or loss", all other financial assets as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets, including amounts receivable on sale of financial assets at fair value through profit or loss, interest receivable, contributions receivable, amounts receivable on subscription, amounts receivable on funds switching, other receivables and bank balances, are categorised as "financial assets at amortised cost".

In addition, as at 31 December 2024 and 2023, all other financial liabilities as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets, including amounts payable on purchase of financial assets at fair value through profit or loss, benefits and forfeitures payable, amounts payable on redemption, amounts payable on funds switching, accruals and other payables and amounts received not yet recognised as contributions, are categorised as "other financial liabilities".

15. Soft commission arrangements

For the years ended 31 December 2024 and 2023, the investment managers did not enter into any soft commission arrangements with brokers in relation to dealings in the assets of the Plan and its constituent funds.

16. Security lending arrangements

The Plan and its constituent funds had no security lending arrangements as at 31 December 2024 and 2023.

17. Bank loans and other borrowings

As at 31 December 2024 and 2023, the Plan and its constituent funds had no bank loans or other borrowings.

18. Negotiability of assets

As at 31 December 2024 and 2023, there were no statutory or contractual requirements restricting the negotiability of the assets of the Plan and its constituent funds.

19. Commitments

The Plan and its constituent funds had no commitments as at 31 December 2024 and 2023.

20. Contingent liabilities

The Plan and its constituent funds had no contingent liabilities as at 31 December 2024 and 2023.

BCT (MPF) INDUSTRY CHOICE
NOTES TO THE FINANCIAL STATEMENTS

21. Marketing expenses

There have been no advertising expenses, promotional expenses or commissions or brokerage fees paid and payable to the MPF intermediaries deducted from the Plan or its constituent funds during the years ended 31 December 2024 and 2023.

22. Approval of financial statements

The financial statements were approved for issue by the Trustee on 20 June 2025.

BCT (MPF) INDUSTRY CHOICE

INDEPENDENT AUDITOR'S ASSURANCE REPORT

FOR THE YEAR ENDED

31 DECEMBER 2024

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BCT (MPF) INDUSTRY CHOICE (THE "PLAN")

We have audited the financial statements of the Plan for the year ended 31 December 2024 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised) "The Audit of Retirement Schemes" as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and have issued an unqualified auditor's report thereon dated 20 June 2025.

Pursuant to section 102 of the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), we are required to report whether the Plan complied with certain requirements of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "Ordinance") and the General Regulation.

Trustee's Responsibility

The General Regulation requires the Trustee to ensure that:

- (a) proper accounting and other records are kept in respect of the constituent funds of the Plan, the Plan assets and all financial transactions entered into in relation to the Plan;
- (b) the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority (the "MPFA") under section 28 of the Ordinance with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation are complied with;
- (c) the requirements under sections 34DB(1)(a), (b), (c) and (d), 34DC(1), 34DD(1) and (4) of the Ordinance are complied with; and
- (d) the Plan assets are not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to report solely to the Trustee, in accordance with section 102 of the General Regulation, on the Plan's compliance with the above requirements based on the results of the procedures performed by us, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BCT (MPF) INDUSTRY CHOICE ("THE PLAN") (CONTINUED)

Auditor's Responsibility (Continued)

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 860.1 (Revised) "The Audit of Retirement Schemes" as issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance on whether the Plan has complied with the above requirements.

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended in Practice Note 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the Trustee regarding the Plan's compliance with the above requirements.

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

Opinion

Based on the foregoing:

- (a) in our opinion:
 - (i) proper accounting and other records have been kept during the year ended 31 December 2024 in respect of the constituent funds of the Plan, the Plan assets and all financial transactions entered into in relation to the Plan; and
 - (ii) the requirements specified in the guidelines made by the MPFA under section 28 of the Ordinance with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation have been complied with, in all material respects, as at 31 December 2024, 30 September 2024 and 30 April 2024; and
 - (iii) the requirements specified in the Ordinance under sections 34DB(1)(a), (b), (c) and (d), 34DC(1) and 34DD(1) and (4)(a) with respect to the investment of accrued benefits and control of payment for services relating to BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund have been complied with, in all material respects, as at 31 December 2024, 30 September 2024 and 30 April 2024; and
 - (iv) the requirements specified in section 34DD(4)(b) of the Ordinance with respect to the controls of out-of-pocket expenses of the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund have been complied with, in all material respects, as at 31 December 2024.
- (b) as at 31 December 2024, the Plan assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BCT (MPF) INDUSTRY CHOICE ("THE PLAN") (CONTINUED)

Other Matter

The requirements specified in the Ordinance under sections 34DI(1) and (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and sections 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund are not applicable to the Trustee during the year ended 31 December 2024 as the Trustee has completed the relevant transitional provisions during the year ended 31 December 2017. Accordingly, there is no reporting on these sections.

Intended Users and Purpose

This report is intended solely for submission by the Trustee to the MPFA pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purpose.



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 June 2025

BCT (MPF) Industry Choice
Governance Report
For the year ended 31 December 2024

Section 1: Trustee's Governance Framework

Cultures and Values

1. BCT, as the trustee of BCT (MPF) Industry Choice, is committed to cultivating a culture of strong governance. Integral to such a commitment is the nurturing of a corporate culture and the adoption of core values.
2. The corporate culture stems from trustee fiduciary duties and certain statutory duties and the recognition by the Board and management of the importance of serving scheme members with honesty, integrity and fairness as well as the core values of the Governance Charter for MPF Trustees launched by the MPFA in 2018 and endorsed by BCT.
3. Our Governance Framework is intended to be aligned with and to put in practice such culture and values. The manners, in which this framework is implemented, is intended to reflect the business principles and practices based on such values.

Board and Board Committees

4. The Board of Directors oversee the efficient operation of BCT by directing and supervising its affairs in a responsible and effective manner. Generally, each Director has a duty, both individually and collectively as a board, to act in the best interests of our scheme members and to ensure that BCT's operation is being exercised with the level of care, skill, diligence, and prudence that is reasonably expected of a prudent person acting in similar capacity and familiar with the operation of the relevant services.
5. The Board is ultimately responsible for, besides its business operations and performances, ensuring that BCT complies with the relevant statutory and regulatory requirements. The duties of the Board and its committees are set out in their respective terms of reference.
6. The membership of the Board, as of 31 December 2024, includes three Independent Non-executive Directors ("INEDs"), and at least one of them attends most of the Board Committee meetings. Board composition and desirable attributes of the Board membership (for respectively a director and an INED) are set out in the Governance Framework, and BCT will, on an ongoing basis, seek to ensure that the INEDs sitting on the Board are appropriate in terms of their number and range of their skills and backgrounds for the purposes of good corporate governance.
7. The Board meets at least 4 times a year where matters reported to it cover business, finance, risks/internal audit, legal/compliance and market developments.
8. Each director is required to declare his/her interest in any transaction, arrangement, contract, or proposed transaction, arrangement or contract with BCT either in a written notice or prior to or at a Board meeting.
9. With the assistance of a number of Board Committees (including the Investment Committee, Audit Committee, Risk Committee and Human Resources Committee), the Board discharges its responsibilities for the different aspects of the affairs of BCT by, among others:

In terms of overall operation

- overseeing the implementation of business plans and policies of BCT, and the review and monitoring of business, operation, and controls.

In terms of investment

- monitoring the overall performance of the retirement schemes and investment funds under BCT's trusteeship including (a) the setting of investment related policies, (b) providing comments and/or making decisions on resolution of issues relating to investment policies and scheme/fund management and administration, fund establishment/removal and investment manager monitoring/appointment/replacement.

In terms of internal controls, compliance, and audit

- overseeing the (a) effective implementation of system of internal control, financial reporting, controls and regulatory compliance, (b) review and monitoring of the audit process according to applicable standards and compliance with all relevant legislation, codes and guidelines and (c) review of the effectiveness of the internal audit function and approval of audit plans.

In terms of risk management

- reviewing and approving the overall risk tolerance, risk appetite and risk management strategy of BCT; and overseeing risk management strategy implementation, risk culture, risk experience and the adequacy and effectiveness of overall risk management framework.

In terms of human resources

- monitoring the human resources policies and the design and operation of remuneration system as well as ensuring compliance with employment legislation, codes and regulations, and maintaining leadership pipeline for the organization (Learning & Development of Human Resources Department ("HRD") also arranging training and maintaining training schedules for staff).

10. The Managing Director & CEO is appointed by the Board. The responsibilities of the Managing Director & CEO, who is also a member of the Board, include:

- representing the Board in managing BCT and setting and implementing BCT's objectives and strategic functions/directions;
- providing all the information necessary for the Board to monitor the performance of management; and
- establishing and maintaining frameworks for respectively proper internal controls, risk management and legal and regulatory compliance.

Management and Reporting Lines

11. Management and staff at all levels participate in the discharge of BCT's duties and the upholding of its core values by carrying out, on a day-to-day basis, their respective roles and responsibilities according to, among others:

- Policies, processes and procedures at corporate and departmental levels
- Employee Staff Handbook (including the Code of Conduct)
- Deliberations at meetings of management committees (including the Fiduciary Oversight Review Committee which conducts reviews and gives recommendations where appropriate on various key functions carried out by different departments, to facilitate BCT's proper discharge of its fiduciary and statutory duties as trustee)

12. Management is responsible for providing the Board and the Board Committees with adequate and timely information to enable Directors to make an informed decision on matters placed before them, for example:

- Internal Audit Department ("IAD") reports directly to the Audit Committee while administratively to the Managing Director & CEO. It also, where appropriate, submits to the Board reports on matters pertaining to audit.
- Legal & Compliance Department ("LCD"), which reports to the Managing Director & CEO, also provides regular reports to the Board on legal/ compliance matters and has direct access

to the Directors where appropriate (such as when LCD directly reports significant events to the Board within stipulated timeline). It also submits regular reports to the Board on complaints, passive breaches and other compliance matters.

- Risk Management Department (“RMD”), which reports to the Managing Director & CEO, also provides regular reports to Risk Committee and the Board on risk management matters and has direct access to the Directors where appropriate.
- HRD, which reports to the Managing Director & CEO, also provides regular reports to the Human Resources Committee on key human resources matters.
- Investment Analysis & Product Department (currently known as “*Investment Solution*” effective April 2025), which is responsible for day-to-day investment performance monitoring, summarizes the outcomes of such monitoring (including those relating to the use of watchlist mechanism, if applicable), and report the same to the Investment Committee.

Section 2: Assessment Areas

Value-for-money Assessment

1. BCT aims to deliver value-for-money MPF products and services to our scheme members, and the delivery of value-for-money for scheme members is assessed through the design and adoption of scheme/service features which are conducive to delivering:
 - competitive fund performance
 - competitive fee level
 - competitive services to scheme members
 - suitable range of funds
 - Performance of investment managers

Where “Competitiveness” here is generally determined by measuring against what is generally regarded as the “average” offered or achieved by peers in the market.

2. In the assessment of the Scheme, considerations were also given to the fact that industry scheme is designed for the catering industry and construction industry both of which are characterized by high worker mobility, which, in turn, gives rise to lots of participating causal members, lots of cash and paper-based transactions, high transaction volume (due to daily contribution) and high operating costs in general (as compared with master trust schemes).
3. Based on such criteria and consideration, BCT believes that the Scheme as a whole (being one of the two industry schemes in MPF market) is able to deliver value for money services and fund products to participating members for their retirement, in the sense that despite the challenge of high operating cost abovementioned, 7 out of 12 constituent funds still outperformed the performance medians of the respective fund categories of the constituent funds (on an after-fee basis). Please refer to the tables below for assessment details.

Table 1 – Summary of Value-for-money Assessment

Ref.	Assessment Criteria	Assessment Results	Follow-up actions / plans
(i)	Fund performance ¹	Refer to Table 2 below	Refer to Table 3 below
(ii)	Fee level ²	Refer to Table 4 below.	On-going review
(iii)	Services to scheme members ³	Remain competitive, including different e-services Multi-source Advisory services/tools (including AI advisor facilitating members’ managing their MPF accounts) are offered to scheme members without separate fee charges.	On-going review
(iv)	Range of funds ⁴	Satisfactory – appropriate fund range of 12 CFs covering different fund types and investment policies and objectives to suit members of an industry scheme.	On-going review

(v)	Performance of Investment Manager ⁵	Refer to Table 5 below	On-going review
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Notes:

1. Fund performance is monitored in accordance with prescribed schedules, with monthly fund performance reports prepared for the Directors, and detailed reports developed for quarterly Investment Committee meetings. Underperforming funds (against benchmarks/appropriate peer group) will be placed on the watchlist for closer monitoring. Investment managers/delegates will also be invited to present to Directors and answer questions related to their fund performance. Investment manager will also be requested to answer questions related to their fund performance (particularly those raised by the MPFA).
2. Management review process is in place to ensure that the fee structure remains competitive against market peers. Regular review of fee structure of the Scheme is conducted, with a view to achieving fund expense ratios (“FERs”) which are lower than the weighted average FER of the entire market. FERs of constituent funds (save for (i) those of DIS funds which already have fee-capped arrangement and (ii) funds that are classified as “Low Fee Funds”) are also compared to the industry average.
3. Regular review of service level reports is conducted. Service level and quality are monitored by comparing the service standards with peers at the MPFA’s Trustee Service Comparative Platform. All client comments and feedbacks are reported to and centralized at a designated team, which categorizes comments / feedback and a summary report is prepared for Management review. Regular reviews of the effectiveness of the digital take-up programs are conducted to facilitate enhancement of support services according to review results.
4. Regular review of the diversity of the fund ranges to meet the needs of scheme members with different outcome expectations and risk appetites in the accumulation and post-retirement phases. Addition and removal of investment fund products in the MPF market are monitored regularly. Input from customers (provided via frontline staff and market research team) is also taken into consideration. Investment policies and objectives of constituent funds are regularly reviewed.
5. The selection of investment manager is based upon reputation; track record; their credit worthiness; their experiences; their expertise; their effectiveness and professionalism in carrying out their responsibilities; their financial standing; their service standards; the reasonableness of their fees and the other charges, their eligibility to act as investment manager for MPF schemes / funds and the comprehensiveness of their responses in due diligence reviews at the outset (with or without a site visit as appropriate) and thereafter on an annual basis. Monthly fund performance reports are received from each of the investment managers and/or delegates. If weak performance was to persist and/or there was any eligibility issue, considerations would be given to manager replacement as appropriate.

Table 2 – Assessment on Fund Performance

Name of constituent fund (CF)	Name of benchmark/ performance target [Note 3]	Annualized net return (% per annum) [Note 1]							
		1 year [Note 2]		5 years		10 years		Since launch	
		CF	Benchmark/ performance target	CF	Benchmark/ performance target	CF	Benchmark/ performance target	CF	Benchmark/ performance target
BCT (Industry) China and Hong Kong Equity Fund	Lipper-Hong Kong Equity Median	15.99	15.13	-5.01	-4.80	0.41	0.24	5.72	5.72
BCT (Industry) Asian Equity Fund	Lipper-Asia ex Japan Equity Median	9.74	9.49	1.59	1.12	3.17	3.10	6.57	6.59
BCT (Industry) Global Equity Fund	Lipper-Global Equity Median	16.88	15.24	7.11	7.82	5.24	6.52	6.37	7.00
BCT (Industry) E70 Mixed Asset Fund	Lipper-Lifestyle - (>60-80% Equity) Median	6.22	7.38	0.15	1.60	2.15	3.01	3.45	3.81
BCT (Industry) E50 Mixed Asset Fund	Lipper-Lifestyle - (>40-60% Equity) Median	3.85	4.33	-0.23	0.44	1.49	1.92	3.19	3.19
BCT (Industry) E30 Mixed Asset Fund	Lipper-Lifestyle - (>20-40% Equity) Median	1.57	2.00	-0.68	-0.71	0.82	0.97	2.79	2.63
BCT (Industry) Flexi Mixed Asset Fund	Year End 5-Year Average Composite Consumer Price Index Hong Kong (FER adjusted ⁶)	2.79	1.27	2.21	1.27	1.91	1.49	2.80	1.54
BCT (Industry) Core Accumulation Fund	Lipper-Default Investment Strategy - Core Accumulation Fund Median	11.03	10.81	5.84	5.76	n/a	n/a	5.84	5.98
BCT (Industry) Age 65 Plus Fund	Lipper-Default Investment Strategy - Age 65 Plus Fund Median	3.81	3.42	1.05	0.96	n/a	n/a	1.95	1.96
BCT (Industry) RMB Bond Fund	Lipper-RMB Bond Fund Median	0.96	1.00	1.24	1.25	0.52	0.51	0.37	0.37
BCT (Industry) Global Bond Fund	Lipper-Global Bond Median	-3.54	-2.83	-3.79	-2.96	-2.58	-0.93	0.92	1.37
BCT (Industry) MPF Conservative Fund	MPF Prescribed Savings Rates	3.33	0.77	1.46	0.32	0.90	0.18	0.82	0.42

Notes:

1. Figures highlighted in grey represent the annualized net returns of the CFs which are lower than the respective benchmarks or performance targets.
2. The above one-year annualized return is calculated with a simple return on a unit NAV-to-NAV basis on the last dealing day of the relevant year, while the net annualized investment return as shown in the performance table is calculated with reference to the last calendar day of the relevant year if the year-end day is not a dealing day.

^FER adjustment was done by simple deduction of 2024 FER from the benchmark of the respective periods of the fund.

3. During the financial year 2024, and with a view to facilitating scheme members to assess the fund performance for comparison in the MPF industry, the benchmarks/performance targets have been changed from market indices to performance medians of the respective fund categories of the constituent funds (except for the BCT (Industry) MPF Conservative Fund and the BCT (Industry) Flexi Mixed Asset Fund, which the latter is uncategorized under Lipper's classification). Data is obtained from the data source: "Lipper on MPF Performance", where the relevant information is publicly available and accessible by scheme members.

Table 3 – Follow-up Actions/ Plans to Improve Value for Scheme Members¹

Name of constituent fund (CF)	Investment Manager	Follow-up actions/ plans
BCT (Industry) E50/E70 Mixed Asset Fund	Amundi Hong Kong Limited	To address the underperformance of relevant CFs, a fund restructure exercise was implemented with effect on 2 September 2024. Each of the relevant CFs was restructured from a feeder fund structure investing in a single approved pooled investment fund ("APIF"), to a portfolio management fund structure investing in a portfolio of APIFs to enhance the investment flexibility. A new investment manager was appointed, to leverage on its relevant experience and expertise, to perform asset allocation among the underlying APIFs.
BCT (Industry) Global Bond Fund		

Notes:

1. BCT's performance monitoring mechanism operates in such a way that for any of the constituent funds, if its 1-year performance is below the benchmark/target and the market median, no immediate action would be required unless the underperformance persists. Accordingly, only constituent funds which have underperformed in two consecutive financial periods are covered in this governance report; notwithstanding that, BCT has maintained regular dialogues with all investment managers to understand their latest investment strategies and discuss fund performance matters. Watchlist mechanism is also in place for closer monitoring of underperformed funds where applicable.

Table 4 – Assessment on Fee Level

Name of constituent fund (CF)	Launch date	Net asset value (HKD' m)	Fund Expense Ratio (FER) (expressed as a percentage per annum) [Note 1]	Fund category	Industry average FER [Note 2]
BCT (Industry) China and Hong Kong Equity Fund	1/10/2002	737.6	1.67560	Equity Fund - Hong Kong Equity Fund	1.42906
BCT (Industry) Asian Equity Fund	1/5/2004	423.5	1.74461	Equity Fund - Asia Equity Fund	1.49784
BCT (Industry) Global Equity Fund	1/10/2002	436.5	1.49977	Equity Fund - Global Equity Fund	1.36168
BCT (Industry) E70 Mixed Asset Fund	1/12/2000	539.5	1.69592	Mixed Assets Fund - 61% to 80% Equity	1.38768
BCT (Industry) E50 Mixed Asset Fund	1/12/2000	382.6	1.69870	Mixed Assets Fund - 41% to 60% Equity	1.37968
BCT (Industry) E30 Mixed Asset Fund	1/12/2000	458.1	1.68707	Mixed Assets Fund - 21% to 40% Equity	1.43822
BCT (Industry) Flexi Mixed Asset Fund	1/8/2005	179.7	1.63473	Mixed Assets Fund - Uncategorized Mixed Asset Fund	1.39820
BCT (Industry) Core Accumulation Fund	1/4/2017	668.3	0.85490	Mixed Assets Fund - Default Investment Strategy - Core Accumulation Fund	0.80370
BCT (Industry) Age 65 Plus Fund	1/4/2017	422.5	0.85349	Mixed Assets Fund - Default Investment Strategy - Age 65 Plus Fund	0.80000
BCT (Industry) RMB Bond Fund	4/3/2013	181.4	1.27371	Bond Fund - RMB Bond Fund	1.23603
BCT (Industry) Global Bond Fund	1/10/2002	144.5	1.58107	Bond Fund - Global Bond Fund	1.29967
BCT (Industry) MPF Conservative Fund	1/12/2000	1706.3	0.97483	Money Market Fund - MPF Conservative Fund	1.03171

Notes:

- Figures highlighted in grey represent the FERs of the CFs are above the respective Industry average FERs under the same fund category. This was the result of specificity of industry scheme operation although BCT strives to manage the FER of the Scheme as low as possible. Upon the onboarding of the Scheme to the eMPF Platform in future, it is expected that there will be a fee reduction of 1.5 to 39 basis points for a number of constituent funds, thereby likely giving rise to lowered FERs by then.
- Relevant information from MPFA's website has been used to compile the industry average FERs of respective fund category as of 31 December 2024.

Table 5 – Assessment on Performance of Investment Manager(s)

Name of constituent fund (CF)	Investment manager of CF	Investment vehicle ¹	Year of last due diligence review on investment manager of CF ²
BCT (Industry) Global Bond Fund*	Amundi Hong Kong Limited	2 or more APIFs and/ or ITCIS(s)	2024
BCT (Industry) Asian Equity Fund*		2 or more APIFs and/ or ITCIS(s)	2024
BCT (Industry) Global Equity Fund*		2 or more APIFs and/ or ITCIS(s)	2024
BCT (Industry) China and Hong Kong Equity Fund*		2 or more APIFs and / or ITCIS(s)	2024
BCT (Industry) E30 Mixed Asset Fund*		2 or more APIFs and / or ITCIS(s)	2024
BCT (Industry) E50 Mixed Asset Fund*		2 or more APIFs and / or ITCIS(s)	2024
BCT (Industry) E70 Mixed Asset Fund*		2 or more APIFs and / or ITCIS(s)	2024
BCT (Industry) RMB Bond Fund	Invesco Hong Kong Limited	Single APIF	2024
BCT (Industry) Age 65 Plus Fund		Single APIF	2024
BCT (Industry) Core Accumulation Fund		Single APIF	2024
BCT (Industry) MPF Conservative Fund	Invesco Hong Kong Limited	Direct investment: 100% in Hong Kong dollar denominated bank deposits and short-term debt securities	2024
BCT (Industry) Flexi Mixed Asset Fund	Allianz Global Investors Asia Pacific Limited	Single APIF	2024

Notes:

1. The single APIF or two or more ITCISs/APIFs (in which other constituent funds invest) include those managed by the same investment manager of the CF or its affiliates.

* With effective from 2 September 2024, relevant changes to the fund structure, the investment manager and investment policies were made in relation to (i) BCT (Industry) E70/50/30 Mixed Asset Fund (ii) BCT (Industry) Global Bond Fund (iii) BCT (Industry) Global Equity Fund (iv) BCT (Industry) Asian Equity Fund and (v) BCT (Industry) China and Hong Kong Equity Fund (formerly known as BCT (Industry) Hong Kong Equity Fund).

2. Apart from standing review items, there were particular discussions with investment managers as regards their oversight of counterparties (e.g. brokers and banks) and outsourced service provider(s), training and communication on investment guidelines and rules, portfolio carbon footprint, and severe weather trading.

Conflict-of-interest monitoring

Our policy is that the protection of interest of members and the proper discharge of trustee fiduciary duties should have priority over other obligations, rights and/or considerations, and in line with such policy:

- There is a clear separation of the trustee role from the sponsor role so that the responsibilities for respectively trustee obligations/ rights/ considerations and sponsor obligations/ rights/ considerations are taken up by different departments.
- All staff are required to strictly observe the BCT's Code of Conduct and they have a clear understanding (acquired through induction programs and on-going training).
- Conflict of Interest Policy and Whistle-blowing Policy are also in place, and issues relating to business ethics, conflict of interest and other violations (if any) will be investigated by IAD.

Sustainable Investing Strategy and Implementation Progress

4. With the exception of the BCT (Industry) MPF Conservative Fund which is directly investing in a portfolio of Hong Kong dollar denominated bank deposits and short-term debt securities, as of 31 December 2024, 7 CFs under the Scheme are investing in 2 or more APIFs and / or ITCIS(s), while the remaining 4 CFs are investing in a single APIF. The CFs are managed by 3 Investment Managers, namely Amundi Hong Kong Limited, Invesco Hong Kong Limited and Allianz Global Investors Asia Pacific Limited.
5. BCT's ESG Taskforce was established to oversee governance from environmental, social and governance (ESG) perspectives, and integrate and address ESG issues in relation to different aspects of our business. Training and communications (e.g. website contents) have been provided to all staff and scheme members to raise ESG awareness.
6. BCT considers that ESG factors, including climate change, can have a financially material impact on the investment risk and return outcomes of the MPF scheme. It is therefore in members' best interests that ESG factors are taken into account in the investment and risk management processes, and ensuring that such factors are properly taken into account which constitutes the focus of the ESG integration strategy for the Scheme.
7. A key element to implementing the ESG integration strategy for the Scheme is to ensure that the investment managers of the CFs of the Scheme and the underlying funds invested into by such CFs ("Relevant Funds") incorporate the integration of ESG factors into their investment and risk management processes in manners that align with the Scheme's ESG integration strategy. BCT incorporates ESG integration considerations into its investment manager selection, appointment and monitoring processes. Parent companies of the investment managers of the CFs/Relevant Funds are all signatories to the United Nations Principles for Responsible Investment, and signatories to those principles are committed to integrating ESG considerations into their investment analysis and decision-making processes. This is borne out by the ESG investment and ESG risk management framework implemented by the said investment managers to ensure that they properly take into account financially material ESG considerations when making investment decisions.
8. BCT requests and reviews information on the ESG investment and ESG risk management framework adopted by the said investment managers to ensure that they align with the ESG integration strategy for the Scheme. BCT assesses the implementation of the ESG investment and ESG risk management frameworks of the said investment managers to ensure that they properly take relevant and material ESG factors into account in their investment and risk management processes. Such assessments are carried out by way of our regular investment manager due diligence exercises/site visits (in which investment managers are requested to demonstrate to us how their ESG investment and ESG risk management frameworks are implemented with evidence and examples).
9. BCT expects the investment managers to use their influence as institutional investors to pursue the trustee's rights and duties as a shareholder including voting, along with and, where relevant and appropriate, engaging with underlying investee companies to promote good corporate governance, accountability and positive change. BCT also requires that investment managers report to us or to respond to our queries on ESG matters at least annually or on an ad hoc basis.
10. The ESG integration strategy for the Scheme is being developed and the directors of the Board of BCT participate in the monitoring of the progress of its implementation through necessary updates/ briefings presented by members of senior management at Board Committee (namely Investment Committee and/ or Risk Committee) meetings and, where applicable, also at Board meetings. BCT will continue to monitor and make improvements to the implementation of that strategy.

11. As of 31 December 2024, the portfolio carbon footprint for the Scheme is set out below:

Name of constituent fund (CF)	Investment manager of CF	Financed Carbon Emissions (tons CO ₂ e/\$M invested) [Note 1]	Financed Carbon Emissions Coverage (%)
BCT (Industry) Global Bond Fund	Amundi Hong Kong Limited	19.67	99.67
BCT (Industry) China and Hong Kong Equity Fund		88.02	98.83
BCT (Industry) Asian Equity Fund		63.17	99.06
BCT (Industry) Global Equity Fund		40.38	99.41
BCT (Industry) E70 Mixed Asset Fund		62.13	99.29
BCT (Industry) E50 Mixed Asset Fund		59.02	99.40
BCT (Industry) E30 Mixed Asset Fund		55.92	99.51
BCT (Industry) Flexi Mixed Asset Fund	Allianz Global Investors Asia Pacific Limited	48.10	94.49
BCT (Industry) Core Accumulation Fund	Invesco Hong Kong Limited	50.95	59.11
BCT (Industry) Age 65 Plus Fund		50.95	19.53
BCT (Industry) RMB Bond Fund		11.54	63.30
BCT (Industry) MPF Conservative Fund		1.12	33.82

Note 1: All expressed in tons of CO₂ equivalent per year and per million dollars invested (in USD).

Source: Carbon data is provided by investment managers of CFs based on the portfolio holdings as of 31 December 2024.

Methodology: In accordance with the Consultation Conclusions on the Management and Disclosure of Climate-related Risks by Fund Managers issued by the Securities and Futures Commission (SFC) in August 2021, BCT adopts the following methodology for calculating portfolio carbon footprint of funds:

Portfolio carbon footprint is a representation of carbon emissions normalised by the portfolio's market value and expressed in tons of carbon dioxide equivalent emissions (CO₂e) per million dollars invested. Below is the formula for the calculation of portfolio carbon footprint:

$$\sum_N^i \left(\frac{\text{Current value of investment}_i}{\text{Investee company's enterprise value}_i} \times \frac{\text{Investee company's Scope 1 and Scope 2 GHG emissions}_i}{\text{Current portfolio value (\$ million)}} \right)$$

Definitions: Definitions of Scope 1 and Scope 2 GHG emissions (i.e. greenhouse gas emissions) according to the Global GHG Accounting & Reporting Standard published by Partnership for Carbon Accounting Financials (PCAF) are set out below:

- **Scope 1:** Direct GHG emissions that occur from sources owned or controlled by the reporting company, i.e., emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
- **Scope 2:** Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company. Scope 2 emissions physically occur at the facility where the electricity, steam, heating, or cooling is generated.

Limitations: Our investment manager(s) engage(s) multiple service providers to ensure the accuracy and comprehensiveness of our carbon footprint data. These providers use different methodologies and data sources, which may result in variations in reported emissions. While we strive for accuracy, the carbon footprint data is subject to inherent uncertainties due to estimation methods, data availability, and reporting boundaries. We continuously work to improve our data collection and reporting processes.

Section 3 - Other Actions Taken

1. On 31 January 2024, BCT has, in collaboration with Magnum Research Limited, launched the first AI Advisor “MARIO” in the MPF market. By combining artificial intelligence technology and big data analysis, MARIO assists members’ making of investment decisions catering to each member’s preferences and investment needs.
2. We seek to enhance our fund products to suit members’ various investment needs. After due consideration of all relevant factors in protecting members’ interest and obtaining the necessary regulatory approval, we had taken effect, on 2 September 2024, relevant changes to the fund structure, the investment manager and investment policies (“Restructuring”) in relation to several constituent funds of the Scheme (“Relevant CFs”), namely (i) BCT (Industry) E70/50/30 Mixed Asset Fund (ii) BCT (Industry) Global Bond Fund (iii) BCT (Industry) Global Equity Fund (iv) BCT (Industry) Asian Equity Fund and (v) BCT (Industry) China and Hong Kong Equity Fund (formerly known as BCT (Industry) Hong Kong Equity Fund). Besides, the overall total management fees for BCT (Industry) Global Bond Fund and BCT (Industry) Hong Kong Equity Fund were reduced with effect on the effective date. Please refer to the “Notice to Participating Employers and Members” issued on 18 March 2024 for more details of the changes.
3. In support of the implementation of arrangements for maintaining normal operations of the Hong Kong securities and derivatives markets during severe weather conditions, with effect from 1 November 2024, online fund switching of constituent funds of the Scheme and change of investment mandate instructions were made available via website and mobile apps, if applicable, on a severe weather trading day (“SWT Day”). Furthermore and with effect from the same date, the de-risking of the Default Investment Strategy would continue to be processed on an SWT Day (as originally scheduled to take place) despite the severe weather; and other communication channels, including the hotline, email, WhatsApp, chatbot and live chat (if applicable), would also be available on an SWT Day.
4. We continued to review fund performance based on our monitoring mechanism (particularly those on the watchlist) and by way of making requests to the investment managers to take measures to address their performance. The investment strategies provided by the investment managers were generally considered appropriate for improving/enhancing fund performance.

Statement on Approval of Scheme’s Governance Report

The Scheme’s Governance Report was endorsed by the Board on 26 June 2025.