

# **Metzler Fund Solutions plc**

**Annual Report and Audited Financial Statements  
For the Year Ended 31 March 2024**

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## Directors' Report

The Directors present their Annual Report together with the Audited Financial Statements of Metzler Fund Solutions plc (the "Company") for the year ended 31 March 2024.

### Principal Activities

Metzler Fund Solutions plc is an investment company with variable capital organised under the laws of Ireland and has its registered office at Kilmore House, Spencer Dock, North Wall Quay, Dublin 1, Ireland. The Company is authorised as a qualifying investor scheme under the Alternative Investment Fund Managers Directive ('AIFMD') by the Central Bank of Ireland (the Central Bank) pursuant to the Companies Act 2014.

The purpose for which the Company is established is the collective investment in securities of capital raised from Qualifying Investors with the aim of spreading investment risk and giving members of the Company the benefit of the result of the management of its Funds.

The Company has one sub-fund (the 'Fund') as at 31 March 2024, which was active on this date:

Metzler China Equity RMB Fund      Launched on 2 January 2013

### Universal Investment Ireland as Manager and Administrator of the Company

Universal-Investment Ireland Fund Management Limited, trading as Universal Investment Ireland, acted as Manager and Administrator of the Company during the fiscal year.

In accordance with the AIFM agreement, the AIFM has appointed Metzler Asset Management GmbH as Investment Manager of the Fund. Metzler Asset Management GmbH has in turn appointed Zhong Ou Asset Management International Limited ("ZOAM") as Sub-Investment Manager.

### Significant Events during the Year

#### Results

The results of operations for the year are stated on page 16 of the financial statements (Statement of Comprehensive Income).

#### Review of the Performance of the Company

A detailed performance review for the Fund is included in the Investment Review section on pages 6 to 8.

#### Principal Risks and Uncertainties

A description of the risks and uncertainties facing the Fund is included in Note 12 to the financial statements.

#### Changes to the Independent Auditor

On 31 March 2024, Deloitte was appointed as the Independent Auditors to the Company. PricewaterhouseCoopers resigned as Independent Auditors on 29 February 2024.

#### Changes to the Sub-Investment Manager

On 31 January 2024, Zhong Ou Asset Management International Limited ("ZOAM") was appointed as Sub-Investment Manager to the Company. Further details can be found in the Fund Supplement.

#### Updates to the Prospectus

On 12 July 2023, the Prospectus was updated to reflect sustainability-related disclosure requirements and changes to the Board of Directors of the Company. Further details can be found in the Prospectus.

#### Updates to the Fund Supplement

On 31 January 2024, the Fund Supplement was updated to reflect the change in Sub-Investment Manager.

#### Acquisition by CACEIS of RBC Investor Services

CACEIS and Royal Bank of Canada (RBC) announced during 2022, that they had signed a memorandum of understanding for the acquisition by CACEIS of the European asset servicing business of RBC Investor Services. The acquisition was completed on 3 July 2023 and CACEIS now acts as registrar and transfer agent of the Company.

## Directors' Report

### Significant Events during the Year (continued)

#### Changes to the Board of Directors of the Company

Dr. Rainer Matthes resigned from the Board of Directors of the Company with effect as of 14 December 2023.

Mr. Christian Rausch was appointed to the Board of Directors of the Company with effect as of 14 December 2023.

#### Events since the Year End Date

There were no events since the year end date which require disclosure in the financial statements.

#### Future Developments

It is the intention of the Directors to continue to develop the investment activities of the Company.

#### Directors

The following individuals served as Directors of the Company during the financial year:

Robert Burke (Independent Director) - Irish  
Dr. Rainer Matthes - German - Resigned 14 December 2023  
Damien Owens - Irish  
Christian Rausch - Appointed 14 December 2023  
Philip Schätzle - German  
Deirdre Yaghootfam - (Independent Director) - Irish

#### Directors' and Secretary's Interests

None of the Directors, the Company Secretary or their families held, at 31 March 2024 or during the year, any beneficial interest in the shares of the Company.

#### Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its changes in net assets attributable to holders of redeemable participating shares for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

In carrying out the above requirements the Directors have appointed Universal Investment Ireland to act as AIFM of the Company.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014, the Central Bank of Ireland AIF Rulebook and to enable those financial statements to be audited. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company. In this regard they have entrusted the assets of the Company to a depositary for safe-keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors of the Company have approved the adoption of the Irish Fund Industry Association Corporate Governance Code (the Code).

## Directors' Report

### Connected Persons

The Central Bank of Ireland AIF Rulebook section on "Dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these" states that any transaction carried out with these "connected parties" must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Board of Directors is satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out, as outlined above, are applied to all transactions with connected parties; and the AIFM is satisfied that transactions with connected parties entered into during the period complied with the obligations set out in this paragraph.

### Political and Charitable Contributions

The Company made no disclosable political donations, charitable contributions, or incurred any disclosable political expenditure during the year.

### Accounting Records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regards to maintaining adequate accounting records by appointing Universal Investment Ireland, the Manager and Administrator, which employs accounting personnel with the appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at Kilmore House, Spencer Dock, Northwall Quay,

### Statement of Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware. Each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

### Independent Auditor

The auditors, Deloitte have been appointed and have indicated their willingness to continue in office in accordance with the Companies Act 2014.

On behalf of the Board on: 24 September 2024



**Damien Owens**  
Director



**Deirdre Yaghootfam**  
Director

## Investment Review

### Metzler China Equity RMB Fund

#### Investment Objective

The investment objective of the Fund is to achieve long term capital appreciation. The investment objective will be obtained by investing predominantly in A-Shares of Chinese companies, denominated in Renminbi listed on the Shanghai and Shenzhen stock exchanges.

The Fund promotes environmental and social characteristics within the meaning of Article 8 of SFDR, please see page 41 for further details. The Fund invests in companies that apply good corporate governance.

#### Fund Report

The Fund recorded an increase in value of 6.38% in the first quarter of year 2024 (from January 1st to March 31st) while the benchmark, MSCI China A Onshore Net Euro Index increased 0.99% in Euro term, outperformed by 5.39%.

On 1st December 2023, Zhong Ou Asset Management International (referred to as 'ZOAM Intl.' or 'we' hereafter) officially took over as the Sub-Investment Manager for Metzler Fund Solutions plc. Since takeover, we made some portfolio adjustments in order to optimise performance. The investment focuses were mainly on industrial and material sectors, which on average accounted for more than 40%. Compared to the MSCI China Equity benchmark, we underweighted information technology, financials, and consumer sectors during the quarter.

Within the industrial sector, we favoured electric equipment industry, like power grid companies, consumer electronics, and export-related companies. Power grid companies are expected to benefit from global upcycle investment to improve efficiencies. Consumer electronics manufacturers exposed to the Apple supply chain and will likely benefit from both demand recovery and AI-driven initiatives. In the longer-term, we are very positive on China's capital goods companies due to their strong global competitiveness. In terms of raw materials, we are optimistic about copper and aluminium that benefit from supply constraints and price resilience. Though coal-related industries outperformed, due to ESG considerations, we had no such exposure.

In the IT sector, we are mainly concerned about overcapacity issues, especially in the new energy industry. Although the performance of new energy industry was strong at the end of last year, we believe that the overcapacity issues may last longer-than-expected, so we are underweight. We are also underweight banks due to concerns over potential bad debt risks and lower Net Interest Margins.

During the first quarter, our overweighted industrial and materials, and underweighted information technology were major positive contributors, adding more than 7.0% to the portfolio. On the other hand, allocation in real estate, health care, and consumer discretionary were major draggers, which in total contributed negatively for over 1.5%.

To further support the domestic economy, the Chinese authorities are expected to announce more supportive policies during the year. In February, the People's Bank of China (the PBC), the country's Central Bank, lowered the 5-year Loan Prime Rate (LPR) interest rate by 25 bps, which exceeded market expectations. This move will reduce mortgage interest rates, which will aid the real estate market to stabilise and recover.

## Investment Review

### Metzler China Equity RMB Fund

#### Fund Report (continued)

In March 2024, the so-called “Two Sessions”, one of the most important events each year including the National People’s Congress (NPC) of China and the Chinese People’s Political Consultative Conference (CPPCC), took place from March 4th to March 11th. Before the start, the Government Work Report was firstly delivered to review progress over the past 12 months and set targets and priorities for the year ahead. The key takeaways from the meetings focused on Gross Domestic Product (GDP) growth, science and technology, consumption, real estate, governance, and geopolitics.

- The government signalled confidence in China’s economy by setting the GDP growth target of 5%. Though current headwinds, macro pressure, and higher base in year 2023 are challenging, the government remains confident to achieve this year’s goal.
- The new term, “new productive forces”, first mentioned by Mr. Xi Jinping in September 2023, which refers to the technologies necessary for China’s innovation-led growth and infrastructure spend. This is part of the government’s ambition to develop emerging futuristic technologies into new economic drivers, such as solar, battery, electric vehicles (EV), and other relevant industries.
- To boost domestic consumption remains the priority, the Government statements place a strong emphasis on expanding domestic demand in 2023, and this remained high on the agenda at the Two Sessions. Several stimulus plans have been released and we expect more to come. Policies to support “new consumption” focused on digital, green, and healthy consumption will be implemented. This could be focused on automobiles and housing appliances, as well as promoting the recovery of services including catering, tourism, and other recreation.
- Policy wise, the overall direction of “strengthening and improving efficiency of proactive fiscal policy” was maintained and a moderately more supportive fiscal policy stance is expected this year. On the monetary policy side, a “prudent monetary policy” continues to be the priority. The People’s Bank of China (PBC) has already eased monetary policies this year with a 50bps Required Reserve Rate (RRR) cut and a 25bps cut to the 5-year Loan Prime Rate (LPR).

Performance in review period % -19.92

#### Portfolio Structure of the Fund as at 31.03.2024

	31.03.2024
<b>Analysis, by geographical area</b>	<b>%</b>
Cayman Islands	8.79
China	85.91
Hong Kong	1.83
Cash and Other Net Assets	3.47
	<b>100.00</b>
	31.03.2024
<b>Analysis, by asset class</b>	<b>%</b>
Equity	96.53
Cash and Other Net Assets	3.47
	<b>100.00</b>

## Investment Review

### Metzler China Equity RMB Fund

Net Assets EUR	31,896,334
Shares in Issue	140,953.312
Net Asset Value per Shares EUR	226.29
ISIN	IE00B79N9Y56
WKN	A1J4BX

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>Cayman Islands</b>									
CHINA OVER.PPTY H.HD-.001	HKD	-	1,400,000	200,000	1,200,000	-	-	614,802.11	1.93
HORIZON CONSTR.DEVELOPM.	HKD	-	15,778	15,778	-	-	-	-	-
LI AUTO INC. CL.A	HKD	-	60,400	60,400	-	-	-	-	-
MEITUAN CL.B	HKD	84,220	-	84,220	-	1,417,313.04	1.62	-	-
SINO BIOPH.SUBDIV.HD-.025	HKD	-	1,600,000	-	1,600,000	-	-	571,732.83	1.79
TENCENT HLDGS HD-.00002	HKD	87,700	92,800	135,500	45,000	3,967,897.64	4.52	1,617,582.68	5.07
<b>Total Cayman Islands</b>						<b>5,385,210.68</b>	<b>6.14</b>	<b>2,804,117.62</b>	<b>8.79</b>
<b>China</b>									
37 INT.ENT.NET.T.GR.A YC1	CNY	743,100	431,200	1,174,300	-	2,832,497.52	3.24	-	-
ADV.MIC.FABR.EQUIP. A YC1	CNY	-	212,712	212,712	-	-	-	-	-
AGRICULT.BNK OF CH. AYC 1	CNY	-	1,940,300	1,940,300	-	-	-	-	-
AIER EYE HOSPIT.GR. A YC1	CNY	-	327,738	327,738	-	-	-	-	-
ALUMINUM CORP. CHINA YC 1	CNY	-	1,002,000	1,002,000	-	-	-	-	-
ANHUI GUJING DIST. A YC 1	CNY	76,000	1,000	77,000	-	3,014,014.31	3.43	-	-
ANHUI HUA.BITC.CO.LTD YC1	CNY	-	15,000	15,000	-	-	-	-	-
ANHUI KOUZI DISTIL. A YC1	CNY	281,364	-	281,364	-	2,653,879.47	3.02	-	-
ANKER INNO.TECH. A YC 1	CNY	-	26,000	-	26,000	-	-	255,026.08	0.80
BANK OF CHENGDU A YC1	CNY	-	508,700	508,700	-	-	-	-	-
BANK OF COMMUN. A YC 1	CNY	-	1,691,500	1,691,500	-	-	-	-	-
BANK OF HANGZHOU A YC 1	CNY	-	817,500	817,500	-	-	-	-	-
BANK OF JIANGSU CO.A YC 1	CNY	-	1,360,400	1,360,400	-	-	-	-	-
BANK OF NINGBO CO. A YC 1	CNY	448,842	512,763	607,198	354,407	1,642,310.22	1.87	945,472.85	2.96
BAOSHAN IRON+STEEL A YC 1	CNY	-	624,500	624,500	-	-	-	-	-
BE.-SH.HI-SPEED RAIL.AYC1	CNY	-	1,295,300	1,295,300	-	-	-	-	-
BEIJ.KINGS.OFF.SOFTW. A 1	CNY	57,559	24,823	82,382	-	3,647,660.31	4.16	-	-
BEIJING NEW BUILD. A	CNY	-	268,300	268,300	-	-	-	-	-
BEIJING TONGRENT. A YC 1	CNY	-	126,300	126,300	-	-	-	-	-
BEIJING WANTAI BIO. A YC1	CNY	-	172,126	142,126	30,000	-	-	266,929.77	0.84
BEIJING YANJING BRE.-A-YC1	CNY	1,633,284	771,300	2,404,584	-	3,065,771.97	3.49	-	-
BETHEL AUTOM.SAF.SYS.A 1	CNY	179,900	-	179,900	-	1,716,615.93	1.96	-	-
BLOOMAGE BIOTECHNOLOGY A1	CNY	-	54,846	54,846	-	-	-	-	-
BOE TECH.GRP A YC 1	CNY	-	1,721,300	1,721,300	-	-	-	-	-
BYD CO.LTD A YC1	CNY	-	37,200	37,200	-	-	-	-	-
CHAOZHOU THREE A YC1	CNY	-	280,000	120,000	160,000	-	-	509,667.75	1.60

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>China (continued)</b>									
CHINA CONSTR.BANK A YC 1	CNY	-	1,474,911	1,474,911	-	-	-	-	-
CHINA CSSC HLDGS A YC1	CNY	-	1,249,293	819,208	430,085	-	-	1,906,761.79	5.97
CHINA ENERGY ENG. A YC 1	CNY	228,200	-	228,200	-	73,683.91	0.08	-	-
CHINA GALAXY SECS H YC 1	HKD	-	1,240,000	-	1,240,000	-	-	563,402.95	1.77
CHINA INT.CAP.CORP.A YC 1	CNY	-	156,400	156,400	-	-	-	-	-
CHINA MERCH.SECUR. A YC 1	CNY	-	445,900	445,900	-	-	-	-	-
CHINA MERCHANTS BK A YC 1	CNY	388,415	775,200	923,134	240,481	1,783,405.51	2.03	991,591.63	3.11
CHINA NAT. CHEM. ENG. A	CNY	-	588,100	588,100	-	-	-	-	-
CHINA PACIFIC IN.GR.A YCA	CNY	-	494,700	494,700	-	-	-	-	-
CHINA PETRO.+ CHEM. A YC1	CNY	-	600,000	-	600,000	-	-	478,197.92	1.50
CHINA RAILWAY GROUP A YC1	CNY	1,672,400	1,563,000	3,235,400	-	1,541,589.00	1.76	-	-
CHINA STATE CONS. ENG. A	CNY	60	2,983,971	2,984,031	-	46.63	-	-	-
CHINA STHN AIRL.CO. A YC1	CNY	1,656,000	-	1,656,000	-	1,746,123.96	1.99	-	-
CHINA TOURISM GR.DU.FR. A	CNY	26,900	27,100	54,000	-	660,408.37	0.75	-	-
CHINA UTD NETW.COMM.A YC1	CNY	-	1,267,300	1,267,300	-	-	-	-	-
CHINA VANKE CO A	CNY	-	340,100	340,100	-	-	-	-	-
CHINA XD ELECTRIC A YC 1	CNY	-	1,100,000	-	1,100,000	-	-	756,890.43	2.37
CHINA YANGTZE POWER A YC1	CNY	-	475,400	425,331	50,069	-	-	159,426.81	0.50
CHINA ZHENHUA GRP A YC 1	CNY	-	92,000	92,000	-	-	-	-	-
CHONG QING CHAN.AUT.A YC1	CNY	-	508,460	508,460	-	-	-	-	-
CHONGQING BREWERY A YC1	CNY	50,209	-	50,209	-	840,875.29	0.96	-	-
CHONGQING TAIJI IND.A YC1	CNY	-	164,958	114,958	50,000	-	-	217,059.83	0.68
CMOC GROUP LTD. A YC1	CNY	-	3,105,000	855,000	2,250,000	-	-	2,355,432.26	7.37
CN MERCH.SH.IND.Z. A YC1	CNY	-	413,400	413,400	-	-	-	-	-
CN NORTHN RARE E.GR.A YC1	CNY	-	284,739	284,739	-	-	-	-	-
CN RES SANJIU M.+P.A YC 1	CNY	-	95,874	95,874	-	-	-	-	-
CONT.AMPEREX TECH. A YC 1	CNY	9,901	169,161	137,016	42,046	538,639.98	0.61	1,017,060.32	3.19
COSCO SHIP.ENER.TRAN.CO.A	CNY	-	460,000	-	460,000	-	-	940,122.75	2.95
COSCO SHIP.HLDG.CO.A YC 1	CNY	-	639,500	639,500	-	-	-	-	-
CRRC CORP. LTD. A YC 1	CNY	-	956,935	956,935	-	-	-	-	-
CSC FINANCIAL CO. A YC 1	CNY	-	360,600	360,600	-	-	-	-	-
DAQIN RAILWAY CO. A YC 1	CNY	-	804,000	804,000	-	-	-	-	-
EAST MONEY INFORM. A YC 1	CNY	493,320	483,897	977,217	-	1,323,883.22	1.51	-	-
ENN NATURAL GAS A YC1	CNY	-	232,800	232,800	-	-	-	-	-
EVERBRIGHT SECUR. AYC 1	CNY	-	344,956	344,956	-	-	-	-	-
FOCUS MEDIA INFO.T.A YC 1	CNY	-	755,500	755,500	-	-	-	-	-

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>China (continued)</b>									
FOXCONN INDUSTRIAL A YC1	CNY	-	1,201,200	1,201,200	-	-	-	-	-
FUJIAN ANJOY FOOD CL.AYC1	CNY	60,987	-	60,987	-	1,337,027.09	1.52	-	-
FUYAO GLASS IND.GP -A-YC1	CNY	-	123,400	123,400	-	-	-	-	-
GANFENG LITHIUM GROUP A	CNY	-	79,332	79,332	-	-	-	-	-
GF SECS CO. LTD. A YC1	CNY	-	412,400	412,400	-	-	-	-	-
GIGADEVICE SEMICOND.A 1	CNY	102,001	-	102,001	-	1,667,263.59	1.90	-	-
GOERTEK INC. A YC1	CNY	-	395,275	395,275	-	-	-	-	-
GREAT WALL MOTOR A YC1	CNY	-	180,000	180,000	-	-	-	-	-
GREE ELETTRIC AP.INC.A YC1	CNY	-	383,200	383,200	-	-	-	-	-
GUANG.BAIY.PHAR.HO.A YC1	CNY	-	204,600	204,600	-	-	-	-	-
GUANGDONG HAID GROUP A	CNY	-	108,400	108,400	-	-	-	-	-
GUANGZHOU SHIYUAN EL.TECH	CNY	80,824	-	80,824	-	810,535.71	0.92	-	-
GUOTAI JUNAN SEC. CO. YC1	CNY	-	413,300	413,300	-	-	-	-	-
HAIER SMART HOME CO.A YC1	CNY	637,163	221,900	859,063	-	1,936,125.95	2.21	-	-
HAITONG SECURITIES A YC1	CNY	-	623,300	623,300	-	-	-	-	-
HENAN SHEN.COAL+POW.A YC1	CNY	-	599,990	-	599,990	-	-	1,489,154.22	4.67
HENGLI PETROCHEM.A YC1	CNY	-	208,000	208,000	-	-	-	-	-
HITHINK ROY.FL.IF.N A YC1	CNY	30,200	-	30,200	-	826,637.91	0.94	-	-
HUADONG MEDICINE CO.A YC1	CNY	64,300	-	64,300	-	399,215.15	0.45	-	-
HUATAI SECURIT.CO.A YC1	CNY	-	456,400	456,400	-	-	-	-	-
HUB.FEIL.QUARTZ GLASS A 1	CNY	-	208,300	208,300	-	-	-	-	-
HUIZHOU DESAY SV A YC1	CNY	-	62,700	62,700	-	-	-	-	-
HUNDSUN TECHNOLOG. A YC1	CNY	412,117	99,800	511,917	-	2,938,565.71	3.35	-	-
IFLYTEK CO. LTD. A YC1	CNY	289,250	293,860	583,110	-	2,467,836.76	2.81	-	-
IMEIK TECHN.DEV.CO. A YC1	CNY	4,600	7,100	11,700	-	344,362.12	0.39	-	-
INDUSTRIAL BANK CO. A YC1	CNY	-	370,000	370,000	-	-	-	-	-
INNER MONG. YILI I.G A YC1	CNY	-	321,845	231,800	90,045	-	-	320,868.17	1.01
IRAY TECHNO.A688301 YC1	CNY	-	14,000	14,000	-	-	-	-	-
JA SOLAR TECHNOLOGY A	CNY	-	206,251	206,251	-	-	-	-	-
JIANGSU HENG.PHAR. A YC1	CNY	150,500	325,886	344,500	131,886	863,422.12	0.98	780,909.51	2.45
JIANGSU HENGLI HYDR.A YC1	CNY	270,856	-	270,856	-	2,403,076.76	2.74	-	-
JIANGSU YANGHE BREW. AYC1	CNY	-	89,500	89,500	-	-	-	-	-
JIANGSU ZHONGTIAN A YC1	CNY	-	160,000	160,000	-	-	-	-	-
JIANGXI COPPER CO. -A-YC1	CNY	-	271,900	271,900	-	-	-	-	-
KWEICHOW MOUTAI A YC1	CNY	26,064	4,100	22,877	7,287	6,355,540.07	7.24	1,588,848.54	4.98
LB GROUP CO. LTD. A YC1	CNY	-	637,600	517,600	120,000	-	-	283,689.76	0.89

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>China (continued)</b>									
LINGYI ITECH (GUAN.)A YC1	CNY	-	1,389,000	1,389,000	-	-	-	-	-
LONGI GREEN ENERG.T.A YC1	CNY	-	543,548	543,548	-	-	-	-	-
LUXSHARE PRECISION INDS.A	CNY	-	590,000	40,000	550,000	-	-	2,096,600.59	6.57
LUZHOU LAO JIAO CO.A YC 1	CNY	58,000	95,739	130,670	23,069	1,979,932.47	2.26	547,025.25	1.72
METALLURG.CORP.O.CN.A YC1	CNY	-	1,611,100	1,611,100	-	-	-	-	-
MONTAGE TECHNOLOGY A YC1	CNY	-	113,114	113,114	-	-	-	-	-
MUYUAN FOODS CO.LTD.A YC1	CNY	-	308,000	30,000	278,000	-	-	1,497,879.37	4.70
NAT.SILICON CO.LTD A YC1	CNY	-	304,633	304,633	-	-	-	-	-
NAURA TECHNOLOGY GR.A YC1	CNY	30,700	76,644	107,344	-	1,093,490.58	1.25	-	-
NEW CN LIFE INSUR.A YC1 1	CNY	-	349,300	279,300	70,000	-	-	270,517.54	0.85
NINESTAR CORP. A YC 1	CNY	-	178,100	178,100	-	-	-	-	-
NINGBO DEYE TECHNOL. AYC1	CNY	-	32,592	32,592	-	-	-	-	-
NINGBO OR.WIR.+CABL.A YC1	CNY	-	257,228	257,228	-	-	-	-	-
OPPEIN HOME GRP INC. YC1	CNY	57,500	-	57,500	-	930,471.07	1.06	-	-
ORIENT SECUR.CO.LTD.A YC1	CNY	-	2,240,186	2,240,186	-	-	-	-	-
PEOPL.INS.CO.(GR.)O.V.YC1	CNY	-	600,800	600,800	-	-	-	-	-
PICC PROPERTY+CASU. H YC1	HKD	-	910,000	330,000	580,000	-	-	708,229.31	2.22
PING AN INS.C.CHINA A YC1	CNY	384,600	607,189	991,789	-	2,349,709.26	2.68	-	-
PINGAN BANK CO. A YC 1	CNY	870,005	-	870,005	-	1,460,537.88	1.66	-	-
POLY DEV.HOLD.GRP A YC 1	CNY	717,100	1,092,101	1,809,201	-	1,357,568.93	1.55	-	-
POSTAL SVS BK A601658 YC1	CNY	-	2,396,200	2,396,200	-	-	-	-	-
POWER CONST.CORP.OF CH. A	CNY	1,801,700	195,500	1,997,200	-	1,721,123.42	1.96	-	-
QI AN XIN TECH.GR. A YC1	CNY	-	125,226	125,226	-	-	-	-	-
S.F. HOLDING YC 1	CNY	-	146,300	146,300	-	-	-	-	-
SAILUN GROUP CO.LTD.A YC1	CNY	-	626,940	526,900	100,040	-	-	186,766.63	0.59
SANGFOR TECH.A 300454 YC1	CNY	-	56,450	56,450	-	-	-	-	-
SANY HEAVY INDUSTRY A YC1	CNY	-	492,400	492,400	-	-	-	-	-
SG MICRO CORP A YC1	CNY	-	74,765	74,765	-	-	-	-	-
SHANDONG GOLD MINI.A YC 1	CNY	-	728,583	728,583	-	-	-	-	-
SHANDONG HUALU HEN.A YC 1	CNY	-	325,644	325,644	-	-	-	-	-
SHANDONG LINGL.TYRE A YC1	CNY	-	114,900	114,900	-	-	-	-	-
SHANG.FOS.PHARM.GR.A YC 1	CNY	-	198,100	198,100	-	-	-	-	-
SHANGH.BAOS.SOFTW. A YC 1	CNY	498,456	232,600	731,056	-	3,886,778.75	4.44	-	-
SHANGHAI INTL PORT(GRP) A	CNY	-	1,163,300	1,163,300	-	-	-	-	-
SHANGHAI M+G STAT.A YC 1	CNY	73,300	-	73,300	-	482,198.08	0.55	-	-
SHANGHAI SIYUAN ELE.A YC1	CNY	-	283,000	22,000	261,000	-	-	1,947,057.39	6.10

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>China (continued)</b>									
SHANXI XING HUA C.F.A YC1	CNY	7,200	30,000	37,200	-	262,772.31	0.30	-	-
SHENZ.CAPCHEM TECH.A YC 1	CNY	-	238,220	238,220	-	-	-	-	-
SHENZHEN INOV.TECHN.A YC1	CNY	94,300	106,000	200,300	-	888,192.34	1.01	-	-
SHENZHEN MINDRAY YC1	CNY	96,700	2,700	99,400	-	4,038,473.30	4.60	-	-
SHENZHEN TRANSS.HLD.A YC1	CNY	-	82,670	82,670	-	-	-	-	-
SICHUAN CHUANTOU EN.A YC1	CNY	-	307,000	307,000	-	-	-	-	-
SINOMINE RES.GRP. A YC 1	CNY	-	133,812	133,812	-	-	-	-	-
SPRING AIRLINES A YC 1	CNY	-	40,000	40,000	-	-	-	-	-
STARPOWER SEMICON.D. A YC1	CNY	-	30,100	30,100	-	-	-	-	-
SUNGROW POWER SUPPLY AYC1	CNY	-	243,116	243,116	-	-	-	-	-
SUNRESIN NEW MAT. A YC 1	CNY	-	60,000	60,000	-	-	-	-	-
SUPCON TECHNOLOGY A YC 1	CNY	-	129,983	129,983	-	-	-	-	-
SUZHOU MAXWELL TECH.A YC1	CNY	-	35,152	35,152	-	-	-	-	-
TCL TECHNOLOGY GR. A YC 1	CNY	-	2,017,700	1,417,700	600,000	-	-	358,264.03	1.12
TCL ZHONGH.REN.EN. A YC 1	CNY	-	254,350	254,350	-	-	-	-	-
TIANSHAN ALU.GRP. A YC 1	CNY	-	760,600	760,600	-	-	-	-	-
TITAN WIND ENER.SU.A YC 1	CNY	-	851,000	851,000	-	-	-	-	-
TONGWEI CO. LTD A YC 1	CNY	-	184,500	184,500	-	-	-	-	-
TSINGTAO BREWERY A YC 1	CNY	-	100,900	100,900	-	-	-	-	-
UNIGR.GUOXIN MIC. A YC 1	CNY	-	70,000	70,000	-	-	-	-	-
WANHUA CHEMICAL GR.CO.YC1	CNY	116,300	121,600	190,824	47,076	1,493,990.19	1.70	485,279.17	1.52
WEICHAI POWER A YC 1	CNY	1,038,474	48,800	1,087,274	-	1,754,489.29	2.00	-	-
WENS FOODSTUFF GRP A YC 1	CNY	-	321,100	321,100	-	-	-	-	-
WEST.SUPERC.TECHS A YC 1	CNY	-	188,978	188,978	-	-	-	-	-
WINGTECH TECHNOLOGY A YC1	CNY	-	127,521	127,521	-	-	-	-	-
WUHAN GUIDE INFRAR. A YC1	CNY	-	550,154	550,154	-	-	-	-	-
WULIANGYE YIBIN CO.A YC 1	CNY	20,700	108,600	129,300	-	546,357.08	0.62	-	-
WUS PRINT.CI.KUSHAN A YC1	CNY	390,770	480,359	871,129	-	1,125,116.87	1.29	-	-
WUXI APPTec CO. A YC1	CNY	15,616	155,120	170,736	-	166,332.43	0.19	-	-
WUXI LEAD INTEQ A YC1	CNY	-	187,960	187,960	-	-	-	-	-
XCMG CONSTR. MACH. A YC 1	CNY	-	1,100,000	300,000	800,000	-	-	636,572.15	2.00
YANTAI JEREH OILF.SERV. A	CNY	-	79,907	79,907	-	-	-	-	-
YEALINK NETWORK TEC.A YC1	CNY	171,390	-	171,390	-	1,745,405.01	1.99	-	-
YONGHUI SUPERSTORES A YC1	CNY	9	-	9	-	4.15	-	-	-
YTO EXPRESS GRP CO.A YC 1	CNY	-	149,920	-	149,920	-	-	290,838.23	0.91
YUNNAN ALUMIN. A YC 1	CNY	-	1,014,397	1,014,397	-	-	-	-	-

## Metzler China Equity RMB Fund

### Portfolio and Statement of Changes in Investments Year Ended 31 March 2024

Asset Name	Asset Currency	Opening Holding	Acquisitions	Disposals	Closing Holding	Opening Fair Value EUR	Opening Total Net Assets %	Closing Fair Value EUR	Closing Total Net Assets %
<b>Equity Investments</b>									
<b>China (continued)</b>									
YUNNAN BAIYAO GRP. A YC 1	CNY	-	220,440	120,440	100,000	-	-	647,079.17	2.03
YUTONG BUS CO. LTD. A YC1	CNY	-	330,700	330,700	-	-	-	-	-
ZANGGE MINING A YC1	CNY	-	240,000	-	240,000	-	-	914,880.26	2.87
ZHEJ.SANHUA INT A YC1	CNY	-	260,100	260,100	-	-	-	-	-
ZHEJIANG CHINT EL. A YC 1	CNY	-	234,000	234,000	-	-	-	-	-
ZHEJIANG DAHUA TECH.A YC1	CNY	-	303,000	303,000	-	-	-	-	-
ZHEJIANG JIN.ME.+EL.A YC1	CNY	-	108,000	108,000	-	-	-	-	-
ZHEJIANG JUHUA CO. A YC 1	CNY	144,500	329,974	144,500	329,974	342,286.77	0.39	990,222.20	3.10
ZHEJIANG WEIX.N.BUI.A YC1	CNY	393,010	-	393,010	-	1,280,054.81	1.46	-	-
ZHONGJI INNOLIGHT A YC 1	CNY	-	135,850	135,850	-	-	-	-	-
ZHUZHOU CRRC TIME.E.A YC1	CNY	-	125,848	125,848	-	-	-	-	-
ZOOMLION HEA.I.S.+T.A YC1	CNY	-	686,000	686,000	-	-	-	-	-
ZTE CORP. A YC 1	CNY	-	715,373	715,373	-	-	-	-	-
<b>Total China</b>						<b>78,336,299.53</b>	<b>89.27</b>	<b>27,403,724.63</b>	<b>85.91</b>
<b>Hong Kong</b>									
CSPC PHARMACEUT.GR.	HKD	-	800,000	-	800,000	-	-	582,145.18	1.83
FAR EAST HORIZON	HKD	-	576,000	576,000	-	-	-	-	-
<b>Total Hong Kong</b>						-	-	<b>582,145.18</b>	<b>1.83</b>
<b>Total Equity Investments</b>						<b>83,721,510.21</b>	<b>95.41</b>	<b>30,789,987.43</b>	<b>96.53</b>
<b>Investment in Transferable Securities at Fair Value</b>						<b>83,721,510.21</b>	<b>95.41</b>	<b>30,789,987.43</b>	<b>96.53</b>
<b>Total Investments</b>								<b>30,789,987.43</b>	<b>96.53</b>
<b>Net Current Assets</b>								<b>1,106,346.31</b>	<b>3.47</b>
<b>Total Net Assets</b>								<b>31,896,333.74</b>	<b>100.00</b>

All Transferable Securities are listed or traded on a Recognised Market

Analysis of total assets	Total Assets in %
Investment in Transferable Securities	96.53
Other current assets	3.47
	<b>100.00</b>

## Metzler Fund Solutions plc

### Fund Summary Information Year Ended 31 March 2024

	NAV per Share in EUR	Shares in Issue	Net Asset Value in EUR
<b>Metzler China Equity RMB Fund</b>			
31 March 2022	350.58	385,773.312	135,246,273
31 March 2023	282.58	310,523.312	87,747,704
31 March 2024	226.29	140,953.312	31,896,334

# Metzler Fund Solutions plc

## Statement of Comprehensive Income Year Ended 31 March 2024

		Metzler China Equity RMB Fund	Metzler China Equity RMB Fund
	Notes	31.03.2024 EUR	31.03.2023 EUR
<b>Income</b>			
Income from Investments	1 (iv)	1,735,018	1,021,733
Bank Interest	1 (iv)	69,677	-
Net (loss)/gains on financial assets at fair value through profit or loss	2	(17,007,599)	(20,442,556)
		<b>(15,202,904)</b>	<b>(19,420,823)</b>
<b>Expenses</b>			
AIFM fees	3	1,032,647	1,891,617
Depositary fees	3	44,354	64,462
Other expenses	4	197,982	122,923
		<b>1,274,983</b>	<b>2,079,002</b>
<b>Net (expenditure)/income from operations</b>		<b>(16,477,887)</b>	<b>(21,499,825)</b>
<b>Finance Costs</b>			
Bank Interest		-	(4,967)
<b>Net (expenditure)/income before tax</b>		<b>(16,477,887)</b>	<b>(21,504,792)</b>
Withholding tax		(171,496)	(102,154)
<b>Change in net assets attributable to holders of redeemable shares from operations before equalisation</b>		<b>(16,649,383)</b>	<b>(21,606,946)</b>
Net income/(expense) equalisation		-	1,255,167
<b>Change in net assets attributable to holders of redeemable shares from operations after equalisation</b>		<b>(16,649,383)</b>	<b>(20,351,779)</b>

The accompanying notes form an integral part of the financial statements.

On behalf of the Board:



Damien Owens  
Director



Deirdre Yaghootfam  
Director

Date: 24 September 2024


# Metzler Fund Solutions plc

## Statement of Financial Position as at 31 March 2024

		Metzler China Equity RMB Fund	Metzler China Equity RMB Fund
	Notes	31.03.2024 EUR	31.03.2023 EUR
<b>Current Assets</b>			
<i>Financial assets at fair value through profit or loss - held for trading</i>			
Transferable securities	5	30,789,987	83,721,510
<i>Loans and receivables</i>			
Cash at bank	6	1,310,101	4,526,902
Debtors	7	14	-
<b>Total Current Assets</b>		<b>32,100,102</b>	<b>88,248,412</b>
<b>Current Liabilities</b>			
<i>Financial liabilities measured at amortised cost</i>			
Creditors	8	203,768	500,708
<b>Total current liabilities (excluding net assets attributable to holders of redeemable shares)</b>		<b>203,768</b>	<b>500,708</b>
<b>Net assets attributable to holders of redeemable shares</b>		<b>31,896,334</b>	<b>87,747,704</b>
<b>Net asset per redeemable share</b>		<b>226.29</b>	<b>282.58</b>
<b>Number of redeemable shares in issue</b>		<b>140,953.312</b>	<b>310,523.312</b>

The accompanying notes form an integral part of the financial statements.

On behalf of the Board:



Damien Owens  
Director



Deirdre Yaghootfam  
Director

Date: 24 September 2024

## Metzler Fund Solutions plc

### Statement of Changes in Net Assets Attributable to the Holders of Redeemable Shares Year Ended 31 March 2024

	Metzler China Equity RMB Fund	Metzler China Equity RMB Fund
	31.03.2024 EUR	31.03.2023 EUR
Net assets at start of the year	87,747,704	135,246,273
Proceeds from the issue of shares	5,783,360	8,074,304
Payment for shares redeemed	(44,985,347)	(33,965,927)
Net income equalisation	-	(1,255,167)
Results from operations for the year	(16,649,383)	(20,351,779)
Net assets at the end of the year	<b>31,896,334</b>	<b>87,747,704</b>
<b>Share transactions</b>		
Shares in issue at the start of the year	310,523.312	385,773.312
Shares issued during the year	22,000.000	26,800.000
Shares redeemed during the year	(191,570.000)	(102,050.000)
Shares in issue at the end of the year	<b>140,953.312</b>	<b>310,523.312</b>

The accompanying notes form an integral part of the financial statements.

## Notes to the Financial Statements

### General

Metzler Fund Solutions plc ("the Company") was incorporated on 24 October 2007 under the laws of the Republic of Ireland as a qualifying investor scheme and the Alternative Investment Fund (the "AIF") has its registered office at Kilmore House, Spencer Dock, North Wall Quay, Dublin 1, Ireland. The Company was authorised as a qualifying investor scheme by the Central Bank pursuant to Companies Act 2014. The Company is managed by Universal Investment Ireland (the "AIFM").

The Company is organised as an umbrella fund and currently contains one active sub-fund, namely:

Metzler China Equity RMB Fund (the "Fund")                      Commenced trading on 2 January 2013

### Presentation of Financial Statements

The financial statements are prepared under the historical cost convention modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

The Statement of Comprehensive Income is on page 16. The Statement of Financial Position is on page 17.

In the opinion of the Directors the financial statements give the information required by the Companies Act 2014.

## 1. Significant Accounting Policies

The following is a summary of the significant accounting policies adopted by the Company:

### i) Basis of Accounting

The financial statements are prepared in accordance with Financial Reporting Standard 102 ("FRS 102"): The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2014. The financial statements are prepared on a fair value basis for financial assets and financial liabilities designated at fair value through profit or loss ("FVTPL"). All other assets and liabilities are stated at amortised cost or redemption amount (redeemable shares). The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

### Standards and amendments to existing standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023. None of these are expected to have a material effect on the financial statements of the Company.

### Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates and judgements. It also requires the Board of Directors, based on the advice of the Manager, to exercise its judgement in the process of applying the Company's accounting policies. The estimates and associated judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Universal Investment Ireland, as the Manager, makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results.

Information about assumptions and estimation uncertainties that have a significant risk or resulting in material adjustment within the next financial year, as well as critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in Notes 1(ii) and 5.

## Notes to the Financial Statements

### 1. Significant Accounting Policies (continued)

#### ii) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

##### **Classification**

The Company classifies its financial assets and liabilities into the categories below in accordance with FRS 102.

##### **Financial Assets and Liabilities at Fair Value Through Profit or Loss**

The Company recognises and measures financial assets and financial liabilities in accordance with International Accounting Standard 39 ("IAS 39") as permitted by FRS 102 and has applied Sections 11 and 12 of FRS 102 for disclosures. The category of financial assets and liabilities at fair value through profit or loss is sub-divided into two sub-categories. However, the Company has classified all of its financial assets as held for trading. Financial assets held for trading include equities. These instruments are acquired principally for the purpose of generating a profit from fluctuations in price. Financial assets classified as loans and receivables include cash at bank and debtor balances.

##### **Recognition/Derecognition**

The Company recognises financial assets and financial liabilities when all significant rights and access to the benefits from the assets and the exposure to the risks inherent in those benefits are transferred to the Company. Financial assets and financial liabilities at fair value through profit or loss (FVTPL) are initially recognised at the transaction price on trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Comprehensive Income. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

##### **Measurement**

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, with transaction costs for such instruments being recognised in the Statement of Comprehensive Income. 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 Comprehensive Income in the period in which they arise. Financial assets classified as loans and receivables are carried at amortised cost less impairment loss if any. Financial liabilities, other than those measured at fair value, are measured at amortised cost using the effective interest rate. Financial liabilities measured at amortised cost include management fees, payable for investments/redemptions and accounts payable.

## Notes to the Financial Statements

### 1. Significant Accounting Policies (continued)

#### ii) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss (continued)

##### **Fair Value Measurement Principles**

Fair value is the price for which the asset could be exchanged, or liability transferred, between knowledgeable willing parties in an arm's length transaction. The best evidence of fair value is a quoted market price for an identical asset in an active market. Quoted in an active market refers to quoted prices that are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value of financial instruments is based on their quoted market prices at the reporting date, without any deduction for estimated future selling costs. Financial assets and liabilities are priced at current closing prices.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including the use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

When discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the reporting date. Fair values of unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

##### **Fair Value Disclosures**

A key disclosure required in the financial statements is the categorisation of fair value measurements within a three-level hierarchy that reflects the significance of inputs used in measuring fair values. The fair value hierarchy in place for the Company is as described in Note 5.

##### **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

##### **Amortised Cost Measurement**

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction in the case of assets for impairment or uncollectability in the case of a financial asset.

## Notes to the Financial Statements

### 1. Significant Accounting Policies (continued)

#### ii) Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss (continued)

##### **Impairment**

A financial asset not classified at FVTPL is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Fund would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

#### iii) Security Transactions

Security transactions are recorded in the accounts of the Company promptly on the trade date upon which the transaction takes place.

#### iv) Income from Investments

Dividend income relating to investments is recognised in the Statement of Comprehensive Income on the ex-dividend date.

Interest income from investments and bank interest are accounted for on an effective interest rate basis.

#### v) Expenses

The AIFM's fee, Depositary fee and other expenses are charged to the Statement of Comprehensive Income on an accruals basis.

#### vi) Realised and Unrealised Gains and Losses on Sale of Investments

The computation of realised gains and losses on the sale of investments is made on the basis of average cost. Net gain from financial instruments at FVTPL includes all realised and unrealised fair value changes, and foreign exchange differences.

## Notes to the Financial Statements

### 1. Significant Accounting Policies (continued)

#### vii) Foreign Currency Translation

The functional currency of the Company is Euro ("EUR") as the Board of Directors has determined that this reflects the Company's primary economic environment. The presentation currency of the Company is also Euro. Transactions in foreign currencies are translated at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Euro at the foreign currency closing exchange rate ruling at the reporting date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the Statement of Comprehensive Income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to Euro at the foreign currency exchange rates ruling at the dates that the values were determined. Foreign currency exchange differences relating to investment at fair value through profit or loss and derivative financial instruments are included in net gains/losses on financial assets at fair value through profit or loss. All other foreign currency exchange differences relating to monetary items, including cash are presented in the Statement of Comprehensive Income.

#### viii) Cash Flow Statement

The Company has availed of the exemption available to open-ended investment funds under FRS 102 (Section 7.1A(c)) and is not presenting a cash flow statement.

#### ix) Going Concern

The Company's activities, together with the factors likely to affect its future development, performance and position are set out in the financial statements, together with its financial and liquidity positions. In addition, the notes to the financial statements address the Company's financial risk management objective, details of the financial instruments used by the Fund and its exposure to credit and liquidity risks. The Board of Directors has a reasonable expectation that the Company has adequate resources to continue in operational existence for twelve months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### x) Net Asset Value per Share

The Net Asset Value per redeemable share is determined by dividing the value of the Net Assets of the class of redeemable shares by the total number of redeemable shares in issue at the time.

#### xi) Distributions

Distributions payable on redeemable shares are recognised in the Statement of Comprehensive Income as finance costs.

#### xii) Redeemable Shares

Redeemable shares are redeemable at the shareholders option and are classified as financial liabilities. The redeemable shares can be put back to the Company at any time for cash equal to a proportionate share of the Fund's net asset value. The redeemable share is carried at the redemption amount that is payable at the reporting date if the shareholder exercised their right to put the share back to the Company.

## Notes to the Financial Statements

### 1. Significant Accounting Policies (continued)

#### xiii) Transaction Fees

Transaction fees are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

#### xiv) Equalisation

On the purchase or sale of redeemable shares in the Company, an amount per share which, in the opinion of the AIFM, represents the net income per share of the Fund accrued but undistributed up to the time of the issue or redemption is allocated to a separate income account. This is achieved by allocating a portion of subscription/reinvestment proceeds corresponding to the net earnings per Share already gained by the Fund into an account which is known as the Equalisation Account. This Income and Expense Equalisation procedure is undertaken to ensure that each share of Metzler Fund Solutions plc represents the same amount of capital and interest in the net accrued earnings of the individual Fund at any given time so that the earnings per share are not diluted by any allotments of new shares or increased by any redemptions of existing shares.

#### xv) Capital Gains Tax

Capital Gains tax has not been paid or accrued for during the year.

### 2. Net Gain/(Loss) on Financial Assets at Fair Value through Profit or Loss

	Metzler China Equity RMB Fund 31.03.2024 EUR	Metzler China Equity RMB Fund 31.03.2023 EUR
Realised gains on transferable securities	4,510,617	14,707,905
Realised losses on transferable securities	(22,278,982)	(37,380,404)
Realised gains on currencies	3,335	41,164
Realised losses on currencies	(276,237)	(61,019)
Change in unrealised gains on transferable securities	1,603,471	2,325,148
Change in unrealised losses on transferable securities	(674,608)	-
Change in unrealised gains on currencies	104,806	-
Change in unrealised losses on currencies	-	(75,350)
	<b>(17,007,599)</b>	<b>(20,442,556)</b>

## Notes to the Financial Statements

### 3. AIFM and Depositary/Trustee Fees

An AIFM fee of up to 2.5% (current AIFM fee is 1.8%) of the Net Asset Value of the Fund is payable to the AIFM (out of which the Investment Manager receives a fee) in respect of each class of Participating Shares. The AIFM fees accrue daily and are payable quarterly in arrears. The Depositary shall be entitled to receive in respect of the Fund a fee not exceeding 0.8% (current depositary fee is approximately 0.09%) which is calculated by reference to the market value of the investments that the Fund may make in the relevant market. This fee is payable monthly in arrears. In addition, the depositary shall be paid an annual Trustee fee per the Fund not exceeding 0.03% of the net asset value of the Fund. The Depositary shall also be entitled to be paid by the Company transaction charges and any out-of-pocket expenses incurred by the Depositary in the performance of its duties and functions under the Depositary Agreement.

### 4. Other Expenses & Transaction Fees

#### i) Other expenses:

Other expenses include audit fees of EUR 16,000 (excluding VAT) (31 March 2023: EUR 19,500 (excluding VAT)) for the statutory audit of the Company and Directors' fees EUR 30,000 (31 March 2023: EUR 30,000). The balance comprises legal fees, transaction fees and other miscellaneous expenses. There are no fees in respect of other assurance services, tax advisory services or advisory services payable to the statutory auditors during the year.

#### ii) Transaction fees:

Transaction fees, as per table below, are included within net gains/(losses) on financial assets at fair value through profit or loss.

	<b>Metzler China Equity RMB Fund 31.03.2024 EUR</b>	<b>Metzler China Equity RMB Fund 31.03.2023 EUR</b>
Transaction fees	477,222	892,164
	<b>477,222</b>	<b>892,164</b>

### 5. Fair Value Information

A key disclosure required in the financial statements is the categorisation of fair value measurements within a three-level hierarchy that reflects the significance of inputs used in measuring fair values.

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

## Notes to the Financial Statements

### 5. Fair Value Information (continued)

	Level 1 31.03.2024 EUR	Level 2 31.03.2024 EUR	Level 3 31.03.2024 EUR	Total 31.03.2024 EUR	Level 1 31.03.2023 EUR	Level 2 31.03.2023 EUR	Level 3 31.03.2023 EUR	Total 31.03.2023 EUR
<b>Metzler China Equity RMB Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
<i>Held for trading</i>								
Equity Investments	30,789,987	-	-	30,789,987	83,721,510	-	-	83,721,510
<b>Total Assets</b>	<b>30,789,987</b>	<b>-</b>	<b>-</b>	<b>30,789,987</b>	<b>83,721,510</b>	<b>-</b>	<b>-</b>	<b>83,721,510</b>

### 6. Cash at bank

EUR 26,345 or 2.0% (31 March 2023: EUR 2,858,714 or 63.1%) of the cash balance is held under the control of the sub-custodian, Industrial and Commercial Bank of China. The remaining EUR 1,283,756 or 98.0% (31 March 2023: EUR 1,668,188 or 36.9%) is under the control of Brown Brothers Harriman Trustee Services (Ireland) Limited.

### 7. Debtors

	Metzler China Equity RMB Fund 31.03.2024 EUR	Metzler China Equity RMB Fund 31.03.2023 EUR
Investment income receivable	14	-
	<b>14</b>	<b>-</b>

### 8. Creditors

	Metzler China Equity RMB Fund 31.03.2024 EUR	Metzler China Equity RMB Fund 31.03.2023 EUR
AIFM fees	130,469	389,481
Depositary fees	38,117	64,276
Other expenses	35,182	46,951
	<b>203,768</b>	<b>500,708</b>

## Notes to the Financial Statements

### 9. Share Capital

The authorised share capital of the Company consists of the following:

#### Participating Shares

The Company has a variable share capital consisting of redeemable shares. The authorised share capital of the Company is 100,000,000,000 shares of no par value and two Subscriber Shares of €1 each. As at 31 March 2024, the Company had one class of redeemable shares, which was active: Metzler China Equity RMB Fund Shares. The number of redeemable shares in issue for the class at 31 March 2024 and 31 March 2023 is included in the Statement of Financial Position on page 17.

### 10. Taxation

Under the Taxes Consolidation Act 1997 of Ireland, as amended, the Company will not be liable for tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a 'Relevant Period', a 'Relevant Period' being an eight year period beginning with the acquisition of the shares by the shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A chargeable event does not include:

- (i) Any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (ii) An exchange of shares representing one Fund of the Company; or
- (iii) An exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another Fund or
- (iv) Certain exchanges of shares between spouses and former spouses.

A chargeable event will not occur in respect of shareholders who are neither resident nor ordinarily resident in Ireland and who provide the Company with a relevant declaration to that effect. In the absence of an appropriate declaration, the Company will be required to withhold Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the year. Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Company or its shareholders.

### 11. Related Party Transactions

The following transactions with related parties were entered into during the year by the Company in the ordinary course of business and on normal commercial terms:

Universal Investment Ireland, as AIFM, earned a management fee (out of which the Investment Manager received a fee) of EUR 1,032,647, (31 March 2023: EUR 1,891,617) of which EUR 130,469 (31 March 2023: EUR: 389,481) was due at the year end.

93.89% (31 March 2023: 86.60%) of the shares in the Fund as of the year end are held in the name of B. Metzler seel. Sohn & Co. AG.

## Notes to the Financial Statements

### 12. Financial Risk Management

The Fund is exposed to a variety of financial risks in pursuing its stated investment objectives. These risks are defined in FRS 102 as including market risk (which in turn includes currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Fund takes exposure to these risks to generate investment returns on its respective portfolios, although these risks can also potentially result in a reduction of its Net Assets. The Sub-Investment Manager uses its best endeavours to minimise the potentially adverse effects of these risks to the performance of the Fund where it can do so while still managing the investments of the Fund in a way that is consistent with its investment objective and policy. The risks, and the measures adopted by the Fund for managing these risks, are detailed below. There have been no changes to the risk management processes during the year.

#### a) Market Price Risk

Market price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices. It represents the potential loss a Fund might suffer through holding market positions in the face of price movements, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The market prices of the Fund's securities may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as overall economic trends or events, government actions or interventions, market disruptions caused by trade disputes or other factors, political factors or adverse investor sentiment. The market prices of securities also may go down due to events or conditions that affect particular sectors, industries or issuers. Adverse market conditions may be prolonged and may not have the same impact on all types of securities.

The Fund is principally invested in equities and has adopted a number of investment restrictions which are set out in the Prospectus which limit its exposure to adverse changes in the price of any individual financial asset. In addition, the Sub-Investment Manager considers the asset allocation of the Fund on a daily basis in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Fund's investment objectives.

The maximum risk arising from an investment in a financial instrument of the Fund is determined by the fair value of its financial instruments.

#### b) Relative VaR

The AIFM employs comprehensive risk management systems to calculate and monitor VaR and leverage levels in its Fund.

#### Value at Risk ("VaR")

A sophisticated risk measurement technique called relative Value-at-Risk(VaR) is used to measure the market risk of the Fund.

The calculation of VaR is carried out for the Fund using the following quantitative standards:

- (i) the calculation model used is the Historical Simulation model;
- (ii) the confidence level is 99%;
- (iii) the holding period is 10 days;
- (iv) the historical observation period is 1 year;
- (v) stress tests are carried out monthly and the results are monitored by the Manager. Appropriate stress tests are used to measure any potential major depreciation of the Funds value as a result of unexpected changes in the risk parameters, to analyse potential situations in which the use of derivative instruments would bring about a loss; and
- (vi) back-testing of the Fund is carried out daily, to compare the potential market risk amount calculated by the model to the actual change in the value of the portfolio. The results are monitored by the Manager.

## Notes to the Financial Statements

### 12. Financial Risk Management (continued)

#### b) Relative VaR (continued)

##### Value at Risk ("VaR") (continued)

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- A 10-day holding period assumes that it is possible to hedge or dispose of positions within that period. This may not be the case for certain highly illiquid assets or in situations in which there is severe general market illiquidity.
- A 99% confidence level does not reflect losses that may occur beyond this level, meaning that within the model used there is a 1% probability that losses could exceed the VaR.
- VaR is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the trading day.
- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature.
- The VaR measure is dependent upon the Fund's position and the volatility of market prices.
- The VaR of an unchanged position reduces if market price volatility declines and vice versa.

For the year ended 31 March 2024 and 31 March 2023, details of the lowest, the highest and the average utilisation of the VaR limit calculated for the Fund are as follows:

	Metzler China Equity RMB Fund 31.03.2024	Metzler China Equity RMB Fund 31.03.2023
	%	%
Lowest Utilisation	39.95	38.56
Highest Utilisation	61.41	58.99
Average Utilisation	48.89	48.50

#### VaR Analysis

Comparative analysis of the VaR of the Fund as at 31 March 2024 and as at 31 March 2023:

	Metzler China Equity RMB Fund 31.03.2024	Metzler China Equity RMB Fund 31.03.2023
	%	%
Value at risk %	7.45	13.37
Value at risk EUR	2,377,563	11,727,532

## Notes to the Financial Statements

### 12. Financial Risk Management (continued)

#### c) Level of Leverage

Leverage, through the use of derivatives, can be calculated daily using both the gross and commitment methods, details as follows:

##### i) Gross method -

With this approach, leverage is calculated as the total value of open long and short positions held at any one time (with no netting and hedging arrangements applied) divided by the Net Asset Value of the Fund.

##### ii) Commitment method -

With this approach, leverage is calculated as the total value of open long and short positions held at any one time, with netting and hedging arrangements applied, divided by the Net Asset Value of the Fund.

No leverage was used by the Fund during the year or during the prior year.

#### Metzler China Equity RMB Fund

It is prohibited for the Fund to borrow in the People's Republic of China (PRC). The Fund will only borrow for temporary purposes in a situation where the Fund's cash account, held outside the PRC, goes into overdraft or otherwise at the discretion of the Sub-Investment Manager (e.g., resulting from margin requirements or time differences in settlement).

#### d) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A portion of the financial assets of the Company is denominated in currencies other than Euro, the functional currency of the Company, with the effect that the Net Assets and total return can be affected by currency movements. The total currency exposure at 31 March 2024 and 31 March 2023 is per the table below.

Fund Currency	Investments & Non Monetary Assets/ (Liabilities)	Monetary Net Unhedged Assets/ (Liabilities)	5% effect	Investments & Non Monetary Assets/ (Liabilities)	Monetary Net Unhedged Assets/ (Liabilities)	5% effect
	31.03.2024 EUR	31.03.2024 EUR	31.03.2024 EUR	31.03.2023 EUR	31.03.2023 EUR	31.03.2023 EUR
<b>Metzler China Equity RMB Fund</b>						
CNY	26,132,092	14,792	26,146,884	1,307,344	78,336,300	2,857,985
GBP	-	1	1	-	-	9
HKD	4,657,895	38	4,657,933	232,897	5,385,211	36
USD	-	(41,766)	(41,766)	(2,088)	-	(79,699)
<b>Total</b>	<b>30,789,987</b>	<b>(26,935)</b>	<b>30,763,052</b>	<b>1,538,153</b>	<b>83,721,511</b>	<b>2,778,331</b>
						<b>86,499,842</b>
						<b>4,324,992</b>

## Notes to the Financial Statements

### 12. Financial Risk Management (continued)

#### d) Currency Risk (continued)

At 31 March 2024, had the Euro strengthened by 5% in relation to the currencies detailed in the table below, with all other variables held constant, total Net Assets attributable to holders of redeemable shares and the Net Assets at the end of the year in aggregate would have decreased/increased by the amounts shown in the table above. The analysis is performed on the same basis for the comparative year.

The currency risk of the Fund is actively managed and reviewed on a daily basis by the Sub-Investment Manager by monitoring and considering the country and associated currency allocation of the Fund's portfolio and by initiating adjustments to these allocations where appropriate, taking due account of the investment objectives of the Fund and the best interests of shareholders.

#### e) Interest Rate Risk Profile of Financial Assets

Interest rate risk is the risk that the fair value and future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company may be in the future exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

#### Metzler China Equity RMB Fund

The financial instruments of the Fund at year end are equity instruments. At the year end, the Fund's investment in equity instruments is non-interest bearing. Any excess cash is held with the Depositary and invested at short term market interest rates. As a result, the Fund's investment in equities and cash is subject to limited indirect and direct exposure respectively to fair value interest rate risk due to the prevailing levels of market interest rates.

#### f) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. During the reporting year, daily redemption of shares was permitted from the Fund, subject to the provisions of the Fund Prospectus. The Fund invests the majority of its assets in securities that are traded on an active market and are thus considered to be liquid as they can be readily disposed of in the event that cash needs to be raised to meet redemptions or to pay expenses. The Company's financial liabilities are redeemable participating shares, short term creditors and accruals all payable within one year.

## Notes to the Financial Statements

### 12. Financial Risk Management (continued)

#### f) Liquidity risk (continued)

	Metzler China Equity RMB Fund	Metzler China Equity RMB Fund
	31.03.2024 EUR	31.03.2023 EUR
<b>Less than 1 month</b>		
Accrued expenses	130,469	389,481
Redeemable participating shares	31,896,334	87,747,704
	<b>32,026,803</b>	<b>88,137,185</b>
<b>1-3 months</b>		
Accrued expenses	42,177	79,742
	<b>42,177</b>	<b>79,742</b>
<b>3 months - 1 year</b>		
Accrued expenses	31,122	31,485
	<b>31,122</b>	<b>31,485</b>
<b>Total</b>	<b>32,100,102</b>	<b>88,248,412</b>

The AIFM will monitor the liquidity of the investments held by a Fund and will seek to ensure that, together with the use of borrowing and redemption deferrals, if these are deemed necessary, redemption requests are always capable of being met as they fall due.

#### g) Credit risk

Credit risk arises where the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. Credit risk exists in relation to cash held on overnight deposit with credit institutions. In addition, the Fund is exposed to a credit risk on parties with whom it trades equity instruments. However, transactions in these financial instruments are generally settled or paid for on delivery, or cleared through the appropriate clearing system for the market on which the instruments are traded. The risk of default is not considered to be material as delivery of securities sold is generally only made once the Depositary has received confirmation of payment. Payment is also generally only made on a purchase once confirmation of delivery of the securities has been received by the Depositary. The trade will fail if either party fails to deliver the required confirmations.

Substantially all of the Company's securities and cash are held on a fiduciary basis by Brown Brothers Harriman Trustee Services (Ireland) Limited (the 'Depositary') and its sub-custodian Industrial and Commercial Bank of China Limited. The parent of the Depositary, BBH & Co., is currently rated A+ by Fitch (31 March 2023: A+ by Fitch). The Company will however be exposed to the credit risk of a credit institution holding its deposits. The cash held on overnight deposit by the Fund is held with recognised and reputable financial institutions, with a minimum credit rating of A-2 by S&P, which form part of the Depositary's list of financial institutions with whom it places money on overnight deposit. The Investment and Sub-Investment Manager regularly reviews the credit concentration of the Fund.

## Notes to the Financial Statements

### 12. Financial Risk Management (continued)

#### g) Credit risk (continued)

Brown Brother Harriman Trustee Services (Ireland) Limited held a number of cash amounts on overnight deposits with a list of credit institutions, as of 31 March 2024 and 31 March 2023 for Metzler China Equity RMB Fund as follows:

	On Overnight Deposit Balance	On Overnight Deposit Balance
	31.03.2024	31.03.2023
	EUR	EUR
ANZ, Melbourne	-	9
Bank of Nova Scotia Canada	115	-
Barclays Bank PLC	1	-
BBVA	-	43,252
Citibank	-	15,957
Royal Bank of Canada London	28,772	-
SEB	-	43,254
Sumitomo	43,579	43,254

#### h) Regulatory Risk

The Company has exposure to the Chinese A-share equities which are subject to the rules of the Shanghai and Shenzhen Stock Exchanges and ultimately to the policies of the Chinese government. Furthermore, foreign investments in the China A-share market are governed by Qualified Foreign Institutional Investors (QFII) rules and quotas as set by the regulatory agencies, Chinese Securities Regulatory Commission (CSRC) and State Administration for Foreign Exchange (SAFE). The Company invest a significant portion of its assets in securities of issuers located in China or with significant exposure to Chinese issuers or countries. Investments in Chinese securities, including certain Hong Kong-listed securities, involves risks specific to China.

### 13. Financial Derivative Instruments Contracts

There were no open financial derivative contracts as of the year end or the prior year end.

### 14. Exchange Rates

The Euro exchange rates used 31 March 2024 and 31 March 2023 were:

Currency	Currency Code	FX Rate 31.03.2024	FX Rate 31.03.2023
British Pound	GBP	0.8547	0.8784
Hong Kong Dollar	HKD	8.4515	8.5271
US Dollar	USD	1.0799	1.0863
Yuan Renminbi	CNY	7.8043	7.4638

## **Notes to the Financial Statements**

### **15. Soft Commissions**

There were no soft commission arrangements affecting the Company during the year or in the prior year.

### **16. Investments**

All the investments held at the year end are transferable securities or traded on a Recognised Market.

### **17. Changes to the Prospectus**

On 12 July 2023, the Prospectus was updated to reflect sustainability-related disclosure requirements and changes to the Board of Directors of the Company. Further details can be found in the Prospectus.

### **18. Segregated Liability**

The Company is structured as an umbrella Fund with segregated liability between its individual Funds. If other Funds were in existence, each Fund would bear its own liabilities and would not be liable for the liabilities of other Funds.

### **19. Significant Events during the Year**

#### **Changes to the Independent Auditor**

On 31 March 2024, Deloitte was appointed as the Independent Auditors to the Company. PricewaterhouseCoopers resigned as Independent Auditors on 29 February 2024.

#### **Changes to the Sub-Investment Manager**

On 1 December 2023, Zhong Ou Asset Management International Limited ("ZOAM") was appointed as Sub-Investment Manager to the Company. Further details can be found in the Fund Supplement.

#### **Updates to the Fund Supplement**

On 31 January 2024, the Fund Supplement was updated to reflect the change in Sub-Investment Manager.

#### **Acquisition by CACEIS of RBC Investor Services**

CACEIS and Royal Bank of Canada (RBC) announced during 2022, that they had signed a memorandum of understanding for the acquisition by CACEIS of the European asset servicing business of RBC Investor Services. The acquisition was completed on 3 July 2023 and CACEIS now acts as registrar and transfer agent of the Company.

## **Notes to the Financial Statements**

### **19. Significant Events during the Year (continued)**

#### **Changes to the Board of Directors of the Company**

Dr. Rainer Matthes resigned from the Board of Directors of the Company with effect as of 14 December 2023.

Mr. Christian Rausch was appointed to the Board of Directors of the Company with effect as of 14 December 2023.

### **20. Events since the Year End Date**

There were no events since the year end date which require disclosure in the financial statements.

### **21. Approval of the Financial Statements**

The financial statements were signed by the Directors on 24 September 2024.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METZLER FUND SOLUTIONS PLC

### Report on the audit of the financial statements

#### Opinion on the financial statements of Metzler Fund Solutions plc ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 March 2024 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Net Assets Attributed to the Holders of Redeemable Shares; and
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METZLER FUND SOLUTIONS PLC

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 directors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinion on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

#### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

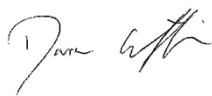
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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METZLER FUND SOLUTIONS PLC

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Darren Griffin  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

26 September 2024

## Report of the Depositary to the Shareholders

We have inquired into the conduct of Universal Investment Ireland (the Manager and Alternative Investment Fund Manager (the "AIFM")) and Metzler Asset Management GmbH (the Investment Manager) for the period from 1 April 2023 to 31 March 2024, in our capacity as Depositary to Metzler Fund Solutions plc (the Company).

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with the Central Bank of Ireland AIF Rulebook, Chapter 6 iii, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Regulatory Obligations of the Depositary

Our regulatory obligations are outlined in:

- AIFM Regulations - European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No 257 of 2013) which implemented Directive 2011/61/EU into Irish Law: Chapter 4;
- Commission Delegated Regulation (EU) No 231/2013: Articles 83 - 102; and
- Chapter 6: AIF Depositary Requirements: AIF Rulebook.

One of those obligations is to enquire into the conduct of the AIFM, the Investment Manager and the Fund in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the constitutional documentation and the investment funds legislation. It is the overall responsibility of the AIFM and the Investment Manager to comply with these provisions. If the AIFM and the Investment Manager has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its obligations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and

(ii) otherwise in accordance with the provisions of the constitutional documentation and the investment fund legislation.



Brown Brothers Harriman Trustee Services (Ireland) Ltd.  
30 Herbert Street  
Dublin 2  
Ireland

Date: 24 September 2024

## Additional Disclosures to the Shareholders of Metzler Fund Solutions plc - Unaudited

### 1. Material Changes and Periodic Risk Management Disclosures

#### a) Material Changes in the Disclosures to Investors

There have been no material changes to any item required to be disclosed to investors as prescribed under the AIFMD.

#### b) Assets Subject to Special Arrangements

There have been no assets subject to special arrangements, as per Article 108(2) of the AIFMD Level II Delegated Regulations, during the reporting period or at the year end.

#### c) Breaches and Potential Breaches

There have been no breaches or potential breaches, reported by the Depositary, during the reporting period.

#### d) Operational Risks

A designated person responsible for operational risks performs the following tasks:

- i) Identifies the operational risks applicable to the AIFM and each Fund under management;
- ii) Ensures that adequate and effective controls are put in place to minimise operational risk; and
- iii) Monitors the remedies applied to new operational risk issues that have been identified and reported.

### 2. Remuneration Disclosures

Sustainability and the avoidance of excessive risks have always been given top priority in the Universal Investment Group remuneration policy, which is thus based on a long-term perspective. The Universal Investment Group remuneration policy, which is applied to all group companies, is a component of the overall low risk business strategy of the Universal Investment Group.

The Universal Investment Group's remuneration to staff comprises of fixed (base salary) and variable (bonus or special payments) remuneration components. The base salary element provides employees with appropriate compensation for their work which reflects the tasks and responsibilities entrusted to them, and encourages the long-term commitment of employees to the Universal Investment Group. This system thus rules out any significant dependence on variable remuneration components so that the possibility of employees being rewarded for taking unreasonable risks is avoided. The remuneration of staff is not linked to the performance of individual Funds.

One of the key aims of the remuneration policy is to ensure no unnecessary risk are taken, by identified staff, on behalf of, Universal Investment Ireland, the funds under management and the underlying shareholders. The Board of Universal Investment Ireland in applying this remuneration policy aims to avoid or appropriately manage any relevant conflicts of interest and believes the adoption of the stated remuneration policy achieves this objective.

#### Remuneration information of Universal Investment Ireland as Management Company

In deciding on an equitable allocation for Metzler Fund Solutions plc of the total remuneration of Universal Investment Ireland, criteria such as the number of sub-funds in the Company, assets under management and resources required to manage the daily business of the sub-funds were factored into the calculation.

Proportional amount of employee remuneration:	EUR	118,501
of which fixed remuneration	EUR	114,673
of which variable remuneration	EUR	3,828
of those who exercise an influence over the risk profile of the Funds	EUR	55,797
Number of employees/directors		29

#### Remuneration information of Metzler Asset Management GmbH as EU Investment Manager

Total amount of employee remuneration:	EUR	21,711,265
of which fixed remuneration	EUR	17,514,081
of which variable remuneration	EUR	4,197,184
Remuneration paid directly from the Fund	EUR	-
Number of employees		191
Total amount of remuneration paid to certain employee groups:	EUR	3,212,784
of which managing director	EUR	1,054,181
of which other executives	EUR	2,158,603
of which other risktakers	EUR	-
of which employees with control functions	EUR	-
of which employees with the same income level	EUR	-

#### Remuneration information of Zhong Ou Asset Management International Limited as Asian Sub-Investment Manager

Proportional amount of employee remuneration:	EUR	1,655,827
of which fixed remuneration	EUR	1,232,230
of which variable remuneration	EUR	423,597
of those who exercise an influence over the risk profile of the Funds		197,091
Number of employees		13

The Investment Manager and Sub-Investment Manager also have appropriate remuneration policies in place during the reporting period 31 March 2024.

# **Sustainable Finance Disclosure Regulation ("SFDR") Disclosure - Unaudited**

## **Article 8 Mutual Fund**

The following Sub-Fund is classified as a product promoting environmental or social characteristics within the meaning of the Disclosure Regulation Article 8.

Metzler China Equity RMB Fund

### **Consideration of Principal Adverse Impacts ("PAI") indicators at Sub-Fund level**

The Manager does not consider adverse impacts of investment decisions on sustainability factors. As the investment management function of the Sub-Fund has been delegated to the Sub-Investment Manager who undertakes the investment decisions on behalf of the Sub-Fund, the Manager relies on the investment policies and processes of the delegate Sub-Investment Manager. Even though the consideration of principal adverse impacts on sustainability factors ("PAI") is not binding at the Manager's entity level, the consideration of PAI is binding at the level of the Sub-Fund.

### **Reference to annexes for Article 8**

Information on the environmental and/or social characteristics and about the consideration of PAI is available in the Annexes in Appendix 1 starting on page 44. "Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088.

### **Information on Classification and Taxonomy**

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## Management and Administration

<b>Registered Office</b>	Kilmore House Spencer Dock North Wall Quay Dublin 1 Ireland
<b>Directors of the Company</b>	Robert Burke (Independent Director) - Irish Dr. Rainer Matthes - German - Resigned 14 December 2023 Damien Owens - Irish Christian Rausch - German - Appointed 14 December 2023 Philip Schätzle - German Deirdre Yaghootfam (Independent Director) - Irish
<b>AIFM and Administrator</b>	Universal-Investment Ireland Fund Management Limited (trading as Universal Investment Ireland) Kilmore House Spencer Dock North Wall Quay Dublin 1 Ireland
<b>Investment Manager</b>	Metzler Asset Management GmbH Untermainanlage 1 60329 Frankfurt am Main Germany
<b>Distributor</b>	Metzler Asset Management GmbH Untermainanlage 1 60329 Frankfurt am Main Germany
<b>Registrar and Transfer Agent</b>	CACEIS Investor Services Ireland Limited (From: 3 July 2023) 4th Floor One George's Quay Plaza George's Quay Dublin 2 Ireland
<b>Registrar and Transfer Agent</b>	RBC Investor Services Ireland Limited (Until: 3 July 2023) 4th Floor One George's Quay Plaza George's Quay Dublin 2 Ireland
<b>Company Secretary</b>	Robert Burke Riverside One Sir John Rogerson's Quay Dublin 2 Ireland

## Management and Administration

### Legal Advisors

McCann FitzGerald Solicitors  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Depository

Brown Brothers Harriman Trustee Services (Ireland) Limited  
30 Herbert Street  
Dublin 2  
Ireland

### Sub-Custodian

Industrial and Commercial Bank of China Limited  
No.55 FuXingMenNei Street  
Xicheng District  
Beijing  
Republic of China

### Independent Auditors

Deloitte Ireland LLP (Appointed: 31 March 2024)  
Chartered Accountants and Registered Auditors  
Deloitte & Touche House  
29 Earlsfort Terrace  
Dublin 2  
Ireland

### Independent Auditors

PricewaterhouseCoopers (Resigned: 29 February 2024)  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

## ANNEX

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of

**environmentally sustainable economic activities.**

That Regulation does not lay down a list of socially sustainable economic activities.

Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:**  
Metzler China Equity RMB Fund

**Legal entity identifier: (LEI-Code):**  
63540044PMUUNS7UOB67

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

☒ ☒ ☐ **Yes**

- ☐ It made **sustainable investments with an environmental objective: \_\_\_\_%**
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective: \_\_\_\_%**

☒ ☐ ☒ **No**

- ☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with a social objective
- ☒ It promoted E/S characteristics but **did not make any sustainable investments.**



## To what extent were the environmental and/or social characteristics promoted by this financial product met?

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

This Fund promoted environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

Due to the range of investments the Fund can invest in, the environmental and social characteristics promoted by the Fund address a range of environmental, social, and corporate governance ("ESG") issues.

The Fund's assets are invested in securities of issuers that meet defined minimum standards in terms of ESG criteria. Each issuer of equities and/or corporate bonds undergoes a sustainability analysis undertaken by the Sub-Investment Manager prior to acquisition. The ESG performance of an issuer is systematically evaluated on the basis of various environmental and social criteria, as well as information by which corporate governance practices can be assessed. These criteria relate to the following issues:

### Environmental

- Climate change mitigation
- Avoidance of detrimental impacts on ecosystems and loss of biodiversity

### Social

- Universal human rights
- Prohibition of child and forced labour
- Health and safety in the workplace

### Corporate Governance

- Principles of anti-corruption under the UN Global Compact.

The environmental characteristics of the Fund could contribute positively to the taxonomy objective to protect and restore biodiversity and ecosystems.

The Fund promotes these environmental and social characteristics through the Sub-Investment Manager's consideration of ESG criteria using the following approaches as further outlined below:

- (i) Exclusions,
- (ii) ESG integration and
- (iii) Engagement. The abbreviation "ESG" stands for the three aspects of sustainability (i) environmental; (ii) social; and (iii) good corporate governance.

i. Exclusions

The Fund applied activity-based exclusions. Companies with the following activities are excluded if they:

originate from issuers that engage in the following controversial business areas to an extent beyond the specified threshold:

- (a) generate more than 5% of their revenue with electricity from thermal coal;
- (b) generate more than 5% of their revenue from thermal coal mining or uranium mining;
- (c) generate more than 5% of their revenue from the extraction of crude oil and natural gas using non-conventional methods (fracking, oil sands);
- (d) generate more than 5% of their revenue from the production and trade of military equipment;
- (e) produce and/or distribute outlawed weapons, such as landmines and ABC weapons, with no minimum revenue threshold;
- (f) generate more than 5% of their revenue from tobacco, including end products such as cigarettes or cigars and/or
- (g) generate more than 5% of their revenue from the operation of nuclear power plants, also excluded are companies that generate more than 5% of revenue from the manufacture of essential components for nuclear power plants.

- violate one of over 100 internationally recognised standards. These include, in particular, the United Nations Global Compact, and the United Nations Guiding Principles on Business & Human Rights. The ten principles of the United Nations Global Compact promote sustainable and responsible corporate development in order to make globalisation more socially and ecologically responsible. They fall under the categories of human rights, labour standards, environmental and corruption prevention.

The Fund applied norm-based screening in connection with UN Global Compact, OECD Guidelines and ILO Standards (International Labour Organisation).

ii. ESG Integration

The aim of ESG integration is to improve the risk/return profile of the Fund by integrating sustainability aspects into the traditional investment analysis process. The assessment of an issuer's sustainability is carried out by the Sub-Investment Manager using published information from the issuers. The Sub-Investment Manager utilises top-down quantitative screening and bottom-up fundamental research on sectors and stocks by applying ESG factors. The in-house fundamental ESG framework is developed by the Sub-Investment Manager specifically for various sectors.

In terms of the materiality of ESG key issues and sustainability aspects, the Sub-Investment Manager combines external ESG research and local sector research to determine the weight of ESG factors included in its framework.

In ESG integration, environmental, social and corporate governance criteria are considered by the Sub-Investment Manager when making investment decisions. In this context, the investment universe only includes investments that do not fall under the above exclusion criteria.

Key figures on climate and other environmental concerns, negative impacts in the areas of social and employee matters, human rights and anti-corruption are all considered. The Sub-Investment Manager's analysis covers the following areas:

- climate change and other environmental issues, water scarcity and pollution; and
- social and employment impacts such as employee rights and welfare, data protection and data security, product quality and safety.

In addition, the Sub-Investment Manager may also rely on the sustainability assessment of external providers to evaluate the above criteria. External data providers collect information from companies or issuers on how they deal with sustainability issues and generally also assess these and make this information available to the Sub-Investment Manager.

When considering a possible violation of the ten principles of the UN Global Compact, the Sub-Investment Manager generally refers to the information in the sustainability assessments of external data providers.

### iii. Engagement

The engagement involved discussions regarding business relevant ESG challenges related to the underlying companies. The Sub-Investment Manager enters into a dialogue with the businesses in which it invests and addresses relevant ESG parameters. In doing so, it also seeks to exert its influence to ensure that continuous improvements can be achieved by the investee companies on the relevant ESG parameters.

The Sub-Investment Manager engages with underlying companies via dialogue. The Sub-Investment Manager has mandated Columbia Threadneedle Investments to engage with companies.

If information is available at the underlying asset level, various calculation methods are applied to summarise this at the Fund level.

The following sustainability indicators are used to measure the attainment of the environmental and social characteristics promoted by the Fund:

#### **(a) ESG Rating**

Using a rules-based methodology, MSCI ESG Research (an independent provider of ESG data, reports and ratings based on published methodologies) assesses the extent to which a company is exposed to ESG risks and opportunities. The rating is based on a seven-point scale and ranges from a leading (AAA, AA), to an above-average (A, BBB, BB), to a lagging (B, CCC) assessment.

### **(b) CO2 Footprint**

Indicates how many tonnes of CO2 are produced on average per EUR 1 million in revenue by the companies included in the Fund's portfolio. Scope 1 emissions caused directly by the companies themselves are considered, as are Scope 2 emissions caused by the use of indirect, purchased energy. CO2 emissions include the six greenhouse gases of the Kyoto Protocol, which are converted into a CO2 equivalent.

### **(c) Number of business dialogues conducted, and successes achieved**

The Sub-Investment Manager addresses business-relevant sustainability challenges in its discussions with businesses and reports on the number of business dialogues conducted and the successes achieved.

### **(d) Compliance with the exclusion criteria**

Exclusion criteria are applied in respect of the Fund as outlined at (i) above. Compliance with the exclusion criteria is continuously monitored and reported by the Sub-Investment Manager at regular intervals.

The Sub-Investment Manager may conduct its own in-house research using both publicly available information and information sourced from third-party ESG data providers to assess exclusions and ESG integration as outlined at (i) and (ii) above, and to provide an internal view on the rating of a company from an ESG perspective. In this case, the Sub-Investment Manager will ensure that investments are screened for all sustainability indicators.

## ● ***How did the sustainability indicators perform?***

All sustainability indicators of the Fund, which serve to fulfill the ecological and/or social characteristics of the Fund, were complied with during the reference period.

In addition, the Fund took the following binding sustainability factors into account in its strategy and discloses the adverse effects of these:

- Exposure to companies active in the fossil fuel sector (Metric: Share of investments in companies active in the fossil fuel sector)
- Activities negatively affecting biodiversity-sensitive areas (Metric: Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas)
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (Metric: Share of investments in companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises)
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (Metric: Share of investments in investee companies involved in the manufacture or selling of controversial weapons)

## ● ***...and compared to previous periods?***

Not applicable.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

----- How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

----- Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**How did this financial product consider principal adverse impacts on sustainability factors?** The following PAI were considered:

#### **Environmental Adverse Impact Indicators**

- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas

#### **Social Adverse Impact Indicators**

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)
- Number of identified cases of severe human rights issues and incidents

The principal adverse impact indicators are taken into account by exclusion criteria.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **01/04/2023 - 31/03/2024**

Largest Investment	Sector	% Assets*	Country
Kweichow Moutai Co. Ltd.	Consumer Staples	5.56	China
Luxshare Precision Industry Co. Ltd.	Information Technology	3.33	China
Contemporary Amperex Technology Co. Ltd.	Industrials	3.24	China
China Merchants Bank Co. Ltd.	Financials	3.14	China
Sieyuan Electric Co. Ltd	Industrials	3.09	China
China CSSC Holdings Ltd.	Industrials	2.95	China
CMOC Group Ltd.	Materials	2.88	China
Tencent Holdings Ltd.	Telecommunication Services	2.74	Cayman Islands
Muyuan Foods Co. Ltd.	Consumer Staples	2.44	China
Henan Shenhua Coal & Power Co. Ltd.	Materials	2.12	China
Bank of Ningbo Co. Ltd.	Financials	2.09	China
Ping An Insurance [Group] Co. of China Ltd.	Financials	1.98	China
Wanhua Chemical Group Co. Ltd.	Materials	1.76	China
Jiangsu Hengrui Pharmaceuticals Co. Ltd.	Health Care	1.67	China
Luzhou Lao Jiao Co. Ltd.	Consumer Staples	1.52	China

\*Average % asset



## What was the proportion of sustainability-related investments?

The Fund did not commit to invest in sustainable investments during the reference period.

### What was the asset allocation?

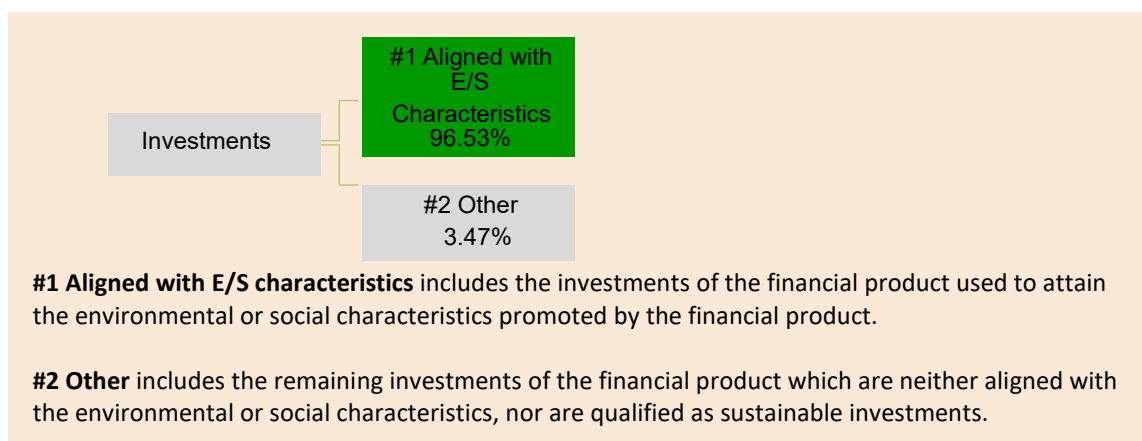
As at 31 March 2024, 96.53% of the assets of the financial product were used to meet the environmental and social characteristics promoted.

**Asset allocation** describes the share of investments in specific assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



● ***In which economic sectors were the investments made?***

Top 5 Sectors	% Assets
Industrials	18.23
Financials	16.90
Information Technology	14.62
Consumer Staples	13.08
Materials	12.12



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy <sup>1</sup>?**

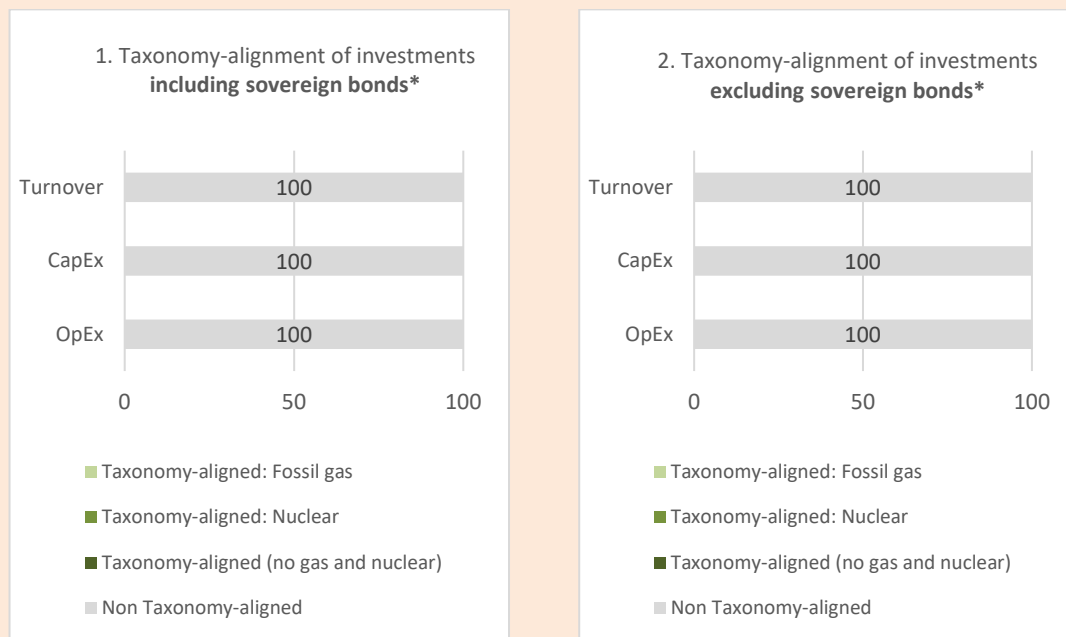
- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

This Fund does not currently commit to investing in economic activities that are classified as enabling or transitional activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable.



### What was the share of socially sustainable investments?

Not applicable.



### What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The other investments include hedging instruments, investments for diversification purposes and cash instruments.

For other investments that do not form part of the Fund's sustainability strategy, there are no binding criteria for the Sub-Investment Manager to consider minimum environmental and/or social safeguards. This is either due to the nature of the assets, where at the time of the preparation of this Annex, there are no legal requirements or standard market procedures regarding how to consider minimum environmental and/or social safeguards for such assets or investments are specifically excluded from the sustainability strategy and are then also not subject to the consideration of minimum environmental and/or social safeguards.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Our engagement involved discussions regarding business relevant ESG challenges related to the underlying companies. The Sub-Investment Manager entered into a dialogue with the businesses in which it invested and addressed relevant ESG parameters. In doing so, it also sought to exert its influence to ensure that continuous improvements could be achieved by the companies on the relevant ESG parameters.

The Sub-Investment Manager engages with underlying companies via dialogue. The Sub-Investment Manager has also mandated Columbia Threadneedle Investments to engage with underlying companies via dialogue and voting rights.

If information is available at the underlying asset level, various calculation methods are applied to summarise this at the Fund level.



### How did this financial product perform compared to the reference benchmark?

Not applicable.



#### ***How does the reference benchmark differ from a broad market index?***

Not applicable.



#### ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.



#### ***How did this financial product perform compared with the reference benchmark?***

Not applicable.



#### ***How did this financial product perform compared with the broad market index?***

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.