



INCOME PARTNERS

Interim Report 2023

INCOME PARTNERS RMB BOND FUND

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

SEMI-ANNUAL FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

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MANAGEMENT AND ADMINISTRATION

MANAGER AND QFI HOLDER

Income Partners Asset Management (HK) Limited
Suites 3503-04
Cambridge House, Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

DIRECTORS OF THE MANAGER

Emil Nguy Hoc Ty
Dasher Karl Franklin (appointed on 21 June 2023)
Doggett John Blackman (appointed on 21 June 2023)
Haenni Gregoire Marie (appointed on 21 June 2023)

TRUSTEE

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Three Garden Road
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Hong Kong

CUSTODIAN AND ADMINISTRATOR

Citibank, N.A., Hong Kong Branch
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Three Garden Road
Central
Hong Kong

REGISTRAR AND PROCESSING AGENT

Citicorp Financial Services Limited
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Kwun Tong, Kowloon
Hong Kong

QFI CUSTODIAN

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SOLICITORS TO THE MANAGER

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AUDITORS

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Quarry Bay
Hong Kong

SWISS REPRESENTATIVE AGENT

Acolin Fund Services AG, Geneva Branch
Leutschenbachstrasse 50
8050 Zurich
Switzerland

INCOME PARTNERS RMB BOND FUND

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MANAGER'S REPORT

TO THE UNITHOLDERS OF INCOME PARTNERS RMB BOND FUND

We are pleased to provide you with the annual report of the Income Partners RMB Bond Fund (the "Sub-Fund"). The Sub-Fund seeks long-term interest income and capital appreciation through investing all or substantially all of its assets in RMB-denominated fixed income securities issued within the PRC through (i) the China exchange traded bond market using the QFI status of the Manager, (ii) the China interbank bond market using Bond Connect (as defined in the Explanatory Memorandum) and/or the QFI status of the Manager and/or (iii) other means as may be permitted by the relevant regulations from time to time.

2023 PERFORMANCE OVERVIEW

For the first six months of 2023, the Income Partners RMB Bond Fund (the "Fund") generated a total return¹ as per below table:

Class of Shares	ISIN Code	Bloomberg ticker	Fund Class Inception Date	YTD 2023 Return	Annualized Dividend Yield*
Class 1A Acc (USD)	HK0000204450	IPRB1AA HK	3-Sep-18	-4.26%	-
Class 1B Dis (RMB)	HK0000204468	IPRB1BD HK	Not yet launched	-. ²	-
Class 1B Acc (RMB)	HK0000204476	IPRB1BA HK	4-Jun-15	-. ²	-
Class 2A Dis (USD)	HK0000204526	IPRB2AD HK	8-Jul-14	-. ²	-
Class 2A Acc (USD)	HK0000204534	IPRB2AA HK	4-Jul-14	-4.41%	-
Class 2B Dis (RMB)	HK0000204542	IPRB2BD HK	11-Jul-14	0.33%	1.0%
Class 2B Acc (RMB)	HK0000204559	IPRB2BA HK	4-Jul-14	2.10%	-
Class 2C Dis (HKD)	HK0000204567	IPRB2CD HK	15-Jun-18	-. ²	-
Class 2C Acc (HKD)	HK0000204575	IPRB2CA HK	Not yet launched	-. ²	-
Class 2D Dis (EUR)	HK0000204583	IPRB2DD HK	1-Aug-14	-. ²	-
Class 2D Acc (EUR)	HK0000204591	IPRB2DA HK	9-Jul-14	-. ²	-
Class 4A Acc (USD)	HK0000563327	IPRB4AA HK	29-Jun-20	-3.97%	-

* Annualized Dividend Yield: $[(1 + \text{distribution per unit} / \text{ex-dividend NAV})^{\text{distribution frequency}}] - 1$. Yield figures are estimates and are based on the latest dividend distribution and the ex-dividend NAV of the previous month. Yield figures are for reference only. Positive dividend yield does not imply positive return. Dividend rate is not guaranteed and distributions may be paid from capital.

¹ Adjusted for monthly dividend distributions

² As per Hong Kong SFC's guidelines for advertising applicable to collective investment schemes, performance information may be presented after the share classes have attained an investment track record of over 6 months.

INCOME PARTNERS RMB BOND FUND

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MARKET OVERVIEW AND OUTLOOK

During 1Q 2023, the Chinese economy exceeded market expectation with a 4.5% YoY growth, driven by front-loaded government investment, pent-up housing demand post-reopening, and stronger-than-expected exports. However, in Q2, the growth momentum retreated notably, with manufacturing PMIs unexpectedly falling below 50 in April, May and June. Private investment and housing sales growth declined further into negative territory, and domestic demand remained sluggish with weak consumer and private entrepreneur confidence. To boost demand, the central bank cut benchmark rates by 10bps in mid-June.

The domestic CNY bond market range-traded during 1Q 2023 as economy recovered. The 10-year China government bond (CGB) yield traded in a tight range of 15bps between 2.80% to 2.95%. As the economic recovery faded in 2Q, bonds rallied, and 10-year CGB yield reached 2.60% post the surprise rate cut in mid-June. For the portfolio, we kept the duration close to the benchmark during 1Q. We slightly over-weighted in late May amid rate cut expectations and took profit after the central bank delivered the rate cut.

With regards to currency, the RMB followed the overall movements of the USD index in 1Q 2023, but weakened in 2Q due to mounting economic pressure. We anticipate that the USD is approaching its peak, as the US rate hiking cycle is coming to an end. Consequently, we maintain a positive outlook towards the RMB in the medium to long term.

Looking ahead, we do not anticipate a massive stimulus from the government, as it maintains its modest GDP growth target of 5% for 2023. Additional fiscal stimulus measures, including the issuance of special government bonds and tax cuts, could be rolled out following the July Politburo meeting.

As of second quarter-end, the portfolio yield stood at 2.9%, with a duration of 5.9 years.

INCOME PARTNERS RMB BOND FUND

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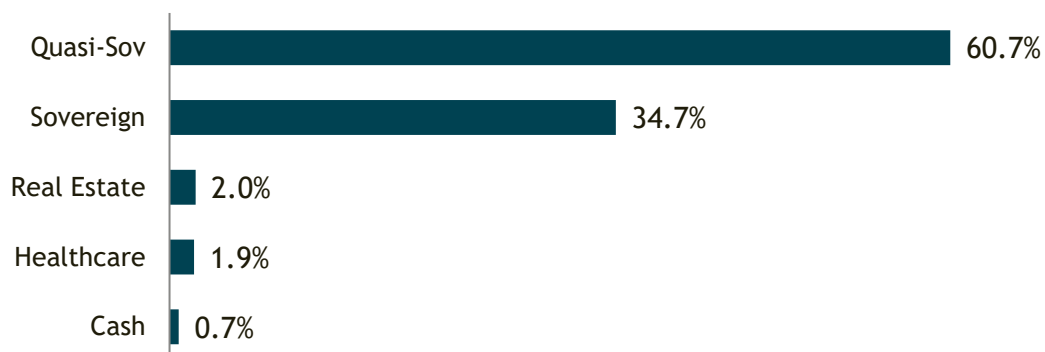
PORTFOLIO OVERVIEW AS OF 30 JUNE 2023

The following financial information is extracted and calculated before audit adjustments. For the detail of the audit adjustments, please refer to Note 6 to the financial statements.

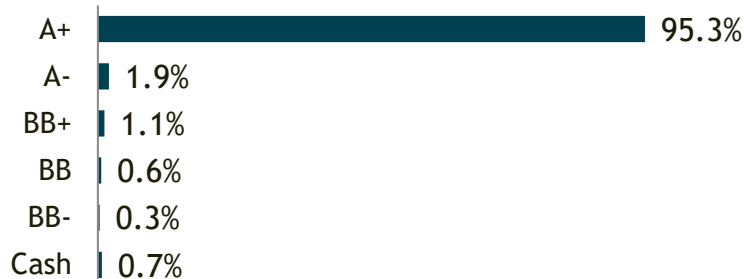
Modified Duration:	Average Credit Rating ¹ :	Yield to Maturity (YTM):
5.8 years	A+	2.9%

Top 5 Holdings	97.3%
China Government Bond	34.7%
China Development Bank	23.0%
Agricultural Development Bank of China	19.0%
The Export-Import Bank of China	18.7%
SINOPHARM GROUP CO	1.9%

Industry Exposure



Credit Rating Exposure



Total exposures may differ due to rounding. Please note the ratings exposures shown here include some of Income Partners' own implied internal ratings. Where S&P/Moody's/Fitch ratings for bond holdings are not available, Income Partners' internal credit ratings apply.

Source: Income Partners, based on 30 June 2023

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2023

	Note	As at 30 June 2023 (unaudited) RMB	As at 31 December 2022 (audited) RMB
Assets			
Cash and cash equivalents		542,152	1,157,584
Financial assets at fair value through profit or loss		52,909,522	53,414,857
Interest receivable		394,089	906,983
Prepayments		48,698	7,202
Total assets		53,894,461	55,486,626
Liabilities			
Custodian fee payable	2(c)	17,681	17,774
Management fee payable	2(a)	2,955	4,263
Trustee fee payable	2(b)	42,435	42,659
Redemptions payable		-	975,811
Accruals and other payables		139,992	214,090
Total liabilities (excluding net assets attributable to unitholders)		203,063	1,254,597
Net assets attributable to unitholders		53,691,398	54,232,029
Total liabilities		53,894,461	55,486,626
Represented by:			
Net assets attributable to unitholders (in accordance with the Prospectus of the Fund)	6	53,894,461	55,486,626

For the number of units in issue, please refer to Note 4 for details.

The accompanying notes are an integral part of these financial statements.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**For the six months ended 30 June 2023**

	Note	For the six months ended 30 June 2023 (Unaudited) RMB	For the six months ended 30 June 2022 (Unaudited) RMB
Income			
Interest income on financial assets at fair value through profit or loss		725,086	12,738,907
Interest income on bank deposits	2(d), 2(e)	2,940	50,978
Net gains/(losses) on financial assets at fair value through profit or loss		353,981	(1,332,811)
Net foreign exchange differences		<u>(34)</u>	<u>166,513</u>
Total income		<u>1,081,973</u>	<u>11,623,587</u>
Expenses			
Management fee	2(a)	(19,285)	(2,117,152)
Trustee fee	2(b)	(249,096)	(427,026)
Custodian fee	2(c)	(103,790)	(244,808)
Auditors remuneration		(109,173)	(83,662)
Legal fees		(20,180)	(71,050)
Bank charges		(3,590)	(1,039)
Brokerage fees and other transaction costs		(6,795)	(2,442)
Other expenses		<u>(196,237)</u>	<u>(252,113)</u>
Total expenses		<u>(708,146)</u>	<u>(3,199,292)</u>
Operating profit		373,827	8,424,295
Finance costs			
Distributions to unitholders	5	<u>(3,140)</u>	<u>(4,824)</u>
Profit before taxation		<u>370,687</u>	<u>8,419,471</u>
Taxation			
Distribution tax		<u>(119)</u>	<u>(331)</u>
Increase in net assets attributable to unitholders and total comprehensive income during the period		<u>370,568</u>	<u>8,419,140</u>

The accompanying notes are an integral part of these financial statements.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

For the six months ended 30 June 2023

		For the six months ended 30 June 2023 (Unaudited) RMB	For the six months ended 30 June 2022 (Unaudited) RMB
Net assets attributable to unitholders at the beginning of the period		54,232,029	924,972,913
Issuance of redeemable units		11,994	223,304,378
Redemption of redeemable units		(923,193)	(1,088,595,766)
Increase in net assets attributable to unitholders from operations		<u>370,568</u>	<u>8,419,140</u>
Net assets attributable to unitholders of redeemable units at the end of the period		<u>53,691,398</u>	<u>68,100,665</u>
		For the six months ended 30 June 2023 (Unaudited) Units	For the six months ended 30 June 2022 (Unaudited) Units
Units outstanding at the beginning of the period		77,133	1,286,395
Units issued	4	124	295,641
Units redeemed	4	<u>(3,224)</u>	<u>(1,433,630)</u>
Units outstanding at the end of the period		<u><u>74,033</u></u>	<u><u>148,406</u></u>

The accompanying notes are an integral part of these financial statements.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)

For the six months ended 30 June 2023

1 Summary of significant accounting policies

The unaudited interim financial statements of the Sub-Fund have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong, and the relevant disclosure provisions of the Trust Deed dated 23 June 2014, and the relevant disclosure provisions specified in Appendix E of the SFC Code.

The financial statements have been prepared under the historical cost basis, except for financial assets classified at fair value through profit or loss that have been measured at fair value. The financial statements are presented in RMB and all values are rounded to the nearest RMB except where otherwise indicated.

The accounting policies applied are consistent with those of the annual financial statements for the period ended 30 June 2023, as described in the Notes to the Financial Statements of the semi-annual financial statements.

2 Transactions with the Manager and its connected persons

Connected persons of the Manager are those as defined in the SFC Code. All transactions entered into during the period between the Sub-Fund and the Manager and its connected persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with connected persons except for what is disclosed below.

(a) Management fees

For the period ended 30 June 2023, the Manager is entitled to receive a management fee from the Sub-Fund, 0.50% per annum (with maximum of 1.5%) for Class 1 units, and at a rate of 0.80% per annum (with maximum of 1.5%) for Class 2 units with respect to the net asset value of the Sub-Fund calculated and accrued and payable monthly in arrears.

Total management fees for the six months ended 30 June 2023 amounted to RMB19,285 (30 June 2022: RMB2,117,152), with RMB2,955 (30 June 2022: RMB162,225) remaining payable as at 30 June 2023.

(b) Trustee fee

For the period ended 30 June 2023, the Trustee is entitled to receive a trustee fee from the Sub-Fund based on a percentage of the net asset value of the Sub-Fund. For first US\$250 million of the net asset value of the Sub-Fund, 0.10% per annum will be payable, and for the remaining balance of the net asset value of the Sub-Fund, 0.08% per annum will be payable, subject to a minimum monthly fee of US\$6,000. The fees are accrued and payable monthly in arrears.

Administration fee for the above fund administration services form part of the trustee fee mentioned above.

Total trustee fee/administration fee for the six months ended 30 June 2023 amounted to RMB249,096 (30 June 2022: RMB427,026), with RMB42,435 (30 June 2022: RMB40,949) remaining payable as at 30 June 2023.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

2 Transactions with the Manager and its connected persons (Continued)

(c) Custodian fee

Pursuant to the Fund Administration Services Agreement between the Manager, the Trustee and Citibank, N.A. (the “Custodian”), the Trustee separately acting as a fund administrator has agreed to procure financial, accounting, administrative and other services to the Sub-Fund and has appointed the Custodian to provide these services.

Under the Trust deed, Citicorp Financial Services Limited is the transfer agent of the Fund.

The Trustee has appointed Citibank, N.A. (“Citibank”), acting through its Hong Kong Branch, to act as the Custodian of the Sub-Fund’s assets.

The Custodian and registrar fee are also entitled to fees payable out of the assets of the Sub-Fund, such fees being at rates agreed between the Manager, the Trustee and the Custodian or the Registrar (as the case may be) from time to time. The custodian’s and the Registrar fees will be accrued daily and payable on a monthly basis.

Total custodian fee for the six months ended 30 June 2023 amounted to RMB103,790 (30 June 2022: RMB244,808), with RMB17,681 (30 June 2022: RMB23,481) remaining payable as at 30 June 2023.

Total registrar fee for the six months ended 30 June 2023 amounted to RMB20,758 (30 June 2022: RMB19,368), with RMB3,536 (30 June 2022: RMB3,302) remaining payable as at 30 June 2023.

Total financial statement preparation fee for the six months ended 30 June 2023 amounted to RMB34,672 (30 June 2022: RMB32,687), with RMB34,387 (30 June 2022: RMB32,180) remaining payable as at 30 June 2023.

(d) Bank deposits held by the Trustee's affiliates

As at 30 June 2023, the Sub-Fund placed bank deposits amounted to RMB430,041 (31 December 2022: RMB220,652) with Citibank N.A., Hong Kong branch, a related company of the Trustee and Register. Bank interest income amounted to RMB1,747 for the period ended 30 June 2023 (30 June 2022: RMB47,669) has been earned by the Sub-Fund.

(e) Bank deposits held by the Custodian

As at 30 June 2023, the Sub-Fund placed bank deposits amounted to RMB112,111 (31 December 2022: RMB936,932) with Industrial and Commercial Bank of China (“ICBC”). Bank interest income amounted to RMB1,193 for the period ended 30 June 2023 (30 June 2022: RMB3,309) has been earned by the Sub-Fund.

(f) Cross Trade

During the period ended 30 June 2023 and 30 June 2022, there were no investment holdings which were bought from or sold to other funds also managed by the Manager of the Sub-Fund.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

2 Transactions with the Manager and its connected persons (Continued)

(g) Holdings in the Sub-Fund

The Sub-Fund allows the Manager, its connected persons and other funds managed by the Manager to subscribe for, and redeem, units in the Sub-Fund. The holdings in the Sub-Fund by the Manager and its connected persons as at 30 June 2023 and 30 June 2022 were as follows:

Details of transactions held by Income Partners All Season Asian Credit Fund, a fund managed by the Manager, are shown below:

	30 June 2023 Class 4A USD (Accumulation)	30 June 2022 Class 4A USD (Accumulation)
Number of units held as at period end	-	20,462
Market value of units held as at period end (RMB)	-	15,435,063
Total units subscribed during the period	-	-
Total subscription during the period (RMB)	-	-
Total units redeemed during the period	-	-
Total redemption during the period (RMB)	-	-

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

2 Transactions with the Manager and its connected persons (Continued)

(g) Holdings in the Sub-Fund (Continued)

Details of transactions held by Income Partners Managed Volatility High Yield Bond Fund, a fund managed by the Manager, are shown below:

	30 June 2023 Class 4A USD (Accumulation)	30 June 2022 Class 4A USD (Accumulation)	30 June 2023 Class 2B RMB (Accumulation)	30 June 2022 Class 2B RMB (Accumulation)
Number of units held as at period end	63,800	53,140	-	-
Market value of units held as at period end (RMB)	49,119,978	40,084,748	-	-
Total units subscribed during the period	-	53,140	-	-
Total subscription during the period (RMB)	-	40,108,829	-	-
Total units redeemed during the period	-	-	-	-
Total redemption during the period (RMB)	-	-	-	-

All transactions entered into during the period between the Sub-Fund and the Manager and its connected persons were carried out in the normal course of business and on normal commercial terms.

3 Soft commission arrangements

The Manager and/or any of its connected person reserves the right to effect transactions by or through the agency of another person with whom the Manager and/or any of its connected person has an arrangement under which that party will from time to time provide to or procure for the Manager and/or any of its connected person goods or services for which no direct payment is made but instead the Manager and/or any of its connected person undertakes to place business with that party. The Manager shall procure that no such arrangements are entered into unless the goods and services to be provided pursuant thereto are of demonstrable benefit to the unitholders (taken as a body and in their capacity as such) whether by assisting the Manager in its ability to manage the relevant Sub-Fund or otherwise and the transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates. Such goods and services may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

3 Soft commission arrangements (Continued)

Since the inception of the Sub-Fund, the Manager had not participated in any soft dollar arrangements in respect of any transactions for the accounts of the Sub-Fund.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

4 Number of units in issue

The following is the subscription/(redemption) of units of the Sub-Fund for the six months ended 30 June 2023:

	Class 1A USD (Accumulation) units Number of units	Class 2A USD (Accumulation) units Number of units	Class 2B RMB (Distribution) units Number of units	Class 2B RMB (Accumulation) units Number of units	Class 4A USD (Accumulation) units Number of units	Total Number of units
At the beginning of the period	546.348	5,950.659	6,383.878	452.556	63,799.701	77,133.142
Subscription of units	-	-	120.251	3.260	-	123.511
Redemption of units	-	(958.405)	(2,217.605)	(47.644)	-	(3,223.654)
At the end of the period	<u>546.348</u>	<u>4,992.254</u>	<u>4,286.524</u>	<u>408.172</u>	<u>63,799.701</u>	<u>74,032.999</u>

INCOME PARTNERS RMB BOND FUND

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NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

4 Number of units in issue (Continued)

The following is the subscription/(redemption) of units of the Sub-Fund for the six months ended 30 June 2022:

	Class 1A USD (Accumulation) units Number of units	Class 2A USD (Accumulation) units Number of units	Class 2B RMB (Distribution) units Number of units	Class 2B RMB (Accumulation) units Number of units	Class 4A USD (Accumulation) units Number of units	Total Number of units
At the beginning of the period	1,181,636.728	6,126.405	10,026.399	68,142.998	20,462.000	1,286,394.530
Subscription of units	240,943.367	-	58.709	1,499.070	53,139.668	295,640.814
Redemption of units	<u>(1,422,033.747)</u>	<u>(175.746)</u>	<u>-</u>	<u>(11,420.484)</u>	<u>-</u>	<u>(1,433,629.977)</u>
At the end of the period	<u>546.348</u>	<u>5,950.659</u>	<u>10,085.108</u>	<u>58,221.584</u>	<u>73,601.668</u>	<u>148,405.367</u>

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

4 Number of units in issue (Continued)

Units can be issued and redeemed on each valuation day. A valuation day is each business day on which the net asset value of a unit or a class of unit falls to be calculated and in relation to each subscription day or redemption day (as the case may be) of any class or classes of units means either such subscription day or redemption day (as the case may be) or such other business day or day as the Trustee and the Manager may from time to time determine, either generally or in relation to a class of units. The unitholders may redeem the units on any valuation day by no later than the redemption deadline. Redemption requests received after such time will be deemed to have been received on the next business day.

As stated in the explanatory memorandum, redemption deadline refers to 5:00 p.m. (Hong Kong time) on the business day immediately preceding the relevant redemption day by which a redemption request in respect of the Sub-Fund or a class of units must be received or such other time or on such other business day or day as the Manager may from time to time determine generally or in relation to any particular jurisdiction in which units of the Sub-Fund or the relevant class may from time to time be sold.

Applications for redemption of units may be made to the processing agent by completing the redemption form and sent by post or by facsimile to the processing agent at the business address or facsimile number on the redemption form. The redemption form is available from the processing agent and/or the authorised distributors.

A redemption form received by the processing agent by the redemption deadline of a redemption day will be dealt with on that redemption day. If an application for redemption of units is received after the redemption deadline in respect of a redemption day then the application will be held over until the next redemption day provided that the Manager may in the event of system failure which is beyond the reasonable control of the Manager or events of natural disaster and with the approval of the Trustee (or the registrar on its behalf) after taking into account the interest of other unitholders of the Sub-Fund, exercise its discretion to accept a redemption request in respect of a redemption day which is received after the redemption deadline if it is received prior to the valuation point relating to that redemption day. Notwithstanding the aforesaid, where in the reasonable opinion of the Trustee (or the registrar on its behalf), the Trustee's or the registrar's operational requirements cannot support accepting any such redemption request, the Manager shall not exercise its discretion to accept any redemption request.

A request for redemption once given cannot be revoked without the consent of the Manager.

The Manager may suspend the redemption or delay the payment of redemption proceeds during any periods in which the determination of the net asset value of the Sub-Fund is suspended under certain conditions as set out in the explanatory memorandum of the Sub-Fund.

With a view to protecting the interests of unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of units of the Sub-Fund redeemed on any dealing day to 10% of the total number of units of the Sub-Fund in issue. In this event, the limitation will apply pro rata so that all unitholders of the Sub-Fund who have validly requested to redeem units of the Sub-Fund on that dealing day will redeem the same proportion of such units of the Sub-Fund.

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**For the six months ended 30 June 2023****5 Distribution to unitholders**

	For the six months ended 30 June 2023 (unaudited) RMB	For the six months ended 30 June 2022 (unaudited) RMB
Undistributed income at 1 January	64,374,099	40,955,010
Increase in net assets attributable to unitholders during the period	370,568	8,419,140
Distribution to unitholders	3,140	4,824
Unrealized losses/(gains) on financial assets at fair value through profit or loss	600,974	13,909,010
Undistributed income before distribution	65,348,781	63,287,984
Monthly distribution declared on 4 January 2022 of RMB0.08 per unit for Class 2B	-	(802)
Monthly distribution declared on 7 February 2022 of RMB0.08 per unit for Class 2B	-	(803)
Monthly distribution declared on 1 March 2022 of RMB0.08 per unit for Class 2B	-	(804)
Monthly distribution declared on 1 April 2022 of RMB0.08 per unit for Class 2B	-	(804)
Monthly distribution declared on 5 May 2022 of RMB0.08 per unit for Class 2B	-	(805)
Monthly distribution declared on 1 June 2022 of RMB0.08 per unit for Class 2B	-	(806)
Monthly distribution declared on 3 January 2023 of RMB0.09 per unit for Class 2B	(574)	-
Monthly distribution declared on 1 February 2023 of RMB0.08 per unit for Class 2B	(511)	-
Monthly distribution declared on 1 March 2023 of RMB0.08 per unit for Class 2B	(511)	-
Monthly distribution declared on 3 April 2023 of RMB0.08 per unit for Class 2B	(512)	-
Monthly distribution declared on 4 May 2023 of RMB0.08 per unit for Class 2B	(512)	-
Monthly distribution declared on 1 June 2023 of RMB0.08 per unit for Class 2B	(520)	-
Undistributed income at 30 June	65,345,641	63,283,160

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

5 Distribution to unitholders (Continued)

The amount available for distribution is the total net amount receivable by the Sub-Fund in respect of the relevant period ("Total Income") minus any expenses chargeable against income, subject to adjustments made in accordance with the Trust Deed. Total Income would include amount receivable by way of interests (e.g. generated from bank deposits and debt securities), or other receipts as determined by the Manager to be in the nature of income. Unrealized capital gains or losses do not form part of Total Income and therefore would not impact on the amounts available for distribution.

	30 June 2023 RMB
Distribution declared on 3 January 2023: - Class 2B RMB (Distribution) at RMB0.09 per unit	574
Distribution declared on 1 February 2023: - Class 2B RMB (Distribution) at RMB0.08 per unit	511
Distribution declared on 1 March 2023: - Class 2B RMB (Distribution) at RMB0.08 per unit	511
Distribution declared on 3 April 2023: - Class 2B RMB (Distribution) at RMB0.08 per unit	512
Distribution declared on 4 May 2023: - Class 2B RMB (Distribution) at RMB0.08 per unit	512
Distribution declared on 1 June 2023: - Class 2B RMB (Distribution) at RMB0.08 per unit	520
	<hr/> <hr/> <u>3,140</u>

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

5 Distribution to unitholders (Continued)

	30 June 2022 RMB
Distribution declared on 4 January 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	802
Distribution declared on 7 February 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	803
Distribution declared on 1 March 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	804
Distribution declared on 1 April 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	804
Distribution declared on 5 May 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	805
Distribution declared on 1 June 2022: - Class 2B RMB (Distribution) at RMB0.08 per unit	806
	<hr/> <u>4,824</u>

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2023

6 Net assets attributable to unitholders

The published net asset value per unit issued is calculated in accordance with the explanatory memorandum while the net asset value per unit as reported in the statement of financial position included the adjustment for recognition of various fees incurred by the Sub-Fund in profit or loss.

A reconciliation of the net assets attributable to unitholders as reported in the statement of financial position to the net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions is provided below:

	As at 30 June 2023 (Unaudited) RMB	As at 31 December 2022 (Audited) RMB
Published net assets attributable to unitholders	53,691,398	55,207,840
Adjustments on redemption	-	(975,811)
	<u>53,691,398</u>	<u>54,232,029</u>
Net assets attributable to unitholders as per unaudited financial statements	<u>53,691,398</u>	<u>54,232,029</u>

	As at 30 June 2023 (Unaudited) RMB	As at 31 December 2022 (Audited) RMB
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
(in accordance with the Prospectus of the Fund)		
Class 1A USD (Accumulation) Units	780.01	776.22
Class 2A USD (Accumulation) Units	738.62	736.12
Class 2B RMB (Distribution) Units	97.25	97.41
Class 2B RMB (Accumulation) Units	100.53	100.19
Class 4A USD (Accumulation) Units	769.91	764.27

	As at 30 June 2023 (Unaudited) Class Currency	As at 31 December 2022 (Audited) Class Currency
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
(in accordance with the Prospectus of the Fund)		
Class 1A USD (Accumulation) Units	107.37	112.15
Class 2A USD (Accumulation) Units	101.67	106.37
Class 2B RMB (Distribution) Units	97.25	97.41
Class 2B RMB (Accumulation) Units	100.53	100.19
Class 4A USD (Accumulation) Units	105.98	110.43

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 June 2023

QUOTED DEBT SECURITIES (98.54%)

	Holding/ nominal value	Fair value RMB	% of net assets
Denominated in RMB (98.54%)			
<i>China (98.54%)</i>			
Agricul Dev Bank Adbch 2.96 04/17/30	10,000,000	10,117,840	18.84%
China Dev Bank Sdbc 2.69 06/16/27	10,000,000	10,060,410	18.74%
China Dev Bank Sdbc 3.87 08/01/23	1,000,000	1,002,220	1.87%
China Dev Bank Sdbc 4.59 08/01/38	1,000,000	1,182,170	2.20%
China Govt Bond Cgb 3.12 10/25/52	7,000,000	7,106,610	13.24%
China Govt Bond Cgb 1.67 10/25/23	1,900,000	1,899,886	3.54%
China Govt Bond Cgb 2.75 02/17/32	1,800,000	1,803,888	3.36%
China Govt Bond Cgb 2.01 01/15/24	3,600,000	3,605,796	6.71%
China Govt Bond Cgb 2.05 04/25/24	400,000	400,784	0.75%
China Govt Bond Cgb 2.56 10/21/23	2,000,000	2,045,920	3.81%
China Govt Bond Cgb 3.27 08/22/46	500,000	519,171	0.97%
China Govt Bond Cgb 3.52 04/25/46	1,000,000	1,075,620	2.00%
Country Garden R Cgregc 4.50 08/01/23	600,000	586,788	1.09%
Exp-lmp Bk China Eximch 2.57 06/10/25	10,000,000	10,046,860	18.71%
Sino Ocean Hold Sinoce 5.50 03/20/24	500,000	300,005	0.56%
Sinopharm Group Cpharm 3.20 11/03/24	1,000,000	1,007,600	1.88%
Yukhui Group Yukhu 3.90 09/14/25	600,000	147,954	0.27%

TOTAL NET ASSETS

Total debt securities (Cost: RMB51,821,895)	52,909,522	98.54%
Cash and cash equivalents	542,152	1.01%
Other net assets	239,724	0.45%
Total net assets	53,691,398	100.00%
Total investment, at cost	51,821,895	

INCOME PARTNERS RMB BOND FUND

(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the six months ended 30 June 2023

<u>QUOTED DEBT SECURITIES</u>	At	<u>Movement in holdings</u>		At
	1 January 2023	Additions	Disposals	30 June 2023
Denominated in RMB				
<i>China</i>				
Agricul Dev Bank Adbch 2.96 04/17/30	10,000,000	-	-	10,000,000
China Dev Bank Sdbc 2.69 06/16/27	10,000,000	-	-	10,000,000
China Dev Bank Sdbc 3.87 08/01/23	1,000,000	-	-	1,000,000
China Dev Bank Sdbc 4.59 08/01/38	1,000,000	-	-	1,000,000
China Govt Bond Cgb 3.12 10/25/52	-	7,000,000	-	7,000,000
China Govt Bond Cgb 1.67 10/25/23	2,200,000	5,800,000	6,100,000	1,900,000
China Govt Bond Cgb 1.88 07/15/23	2,200,000	-	2,200,000	-
China Govt Bond Cgb 2.01 01/15/24	-	3,600,000	-	3,600,000
China Govt Bond Cgb 2.05 04/25/24	-	400,000	-	400,000
China Govt Bond Cgb 2.56 10/21/23	-	2,000,000	-	2,000,000
China Govt Bond Cgb 2.57 05/20/23	1,400,000	-	1,400,000	-
China Govt Bond Cgb 2.75 02/17/32	-	1,800,000	-	1,800,000
China Govt Bond Cgb 3.27 08/22/46	3,000,000	-	2,500,000	500,000
China Govt Bond Cgb 3.52 04/25/46	-	1,000,000	-	1,000,000
Country Garden R Cgregc 4.50 08/01/23	600,000	-	-	600,000
Exp-Imp Bk China Eximch 2.57 06/10/25	10,000,000	-	-	10,000,000
Exp-Imp Bk China Eximch 3.23 03/23/30	10,000,000	-	10,000,000	-
Gemdale Corp Gemdal 5.38 05/28/23	500,000	-	500,000	-
Sino Ocean Hold Sinoce 5.50 03/20/24	-	500,000	-	500,000
Sinopharm Group Cpharm 3.20 11/03/24	1,000,000	-	-	1,000,000
Yukhui Group Yukhu 3.90 09/14/25	600,000	-	-	600,000