

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
(An open ended umbrella unit trust under the laws of Hong Kong)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
(An open ended umbrella unit trust under the laws of Hong Kong)

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INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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MANAGEMENT AND ADMINISTRATION

MANAGER

Income Partners Asset Management (HK) Limited
Suite 3503-4
Cambridge House
Taikoo Place
979 King's Road
Hong Kong

DIRECTORS OF THE MANAGER

Emil Nguy
Francis Tjia (resigned on 31 August 2022)
Eva Siu Wai Ip (resigned on 31 August 2022)
Yang Lin (resigned on 31 August 2022)

TRUSTEE AND PRINCIPAL OFFICE

Cititrust Limited
50th Floor, Champion Tower
Three Garden Road, Central
Hong Kong

ADMINISTRATOR

Citibank N.A., Hong Kong Branch
50th Floor, Champion Tower
Three Garden Road, Central
Hong Kong

REGISTRAR AND PROCESSING AGENT

Citicorp Financial Services Limited
Citi Tower, One Bay East
83 Hoi Bun Road
Kwun Tong
Kowloon, Hong Kong

**SOLICITORS TO THE MANAGER
IN RESPECT OF HONG KONG LAW**

Akin Gump Strauss Hauer & Feld
Units 1801-08 & 10, 18/F, Gloucester Tower
The Landmark, 15 Queen's Road Central
Central, Hong Kong

CUSTODIAN

Citibank N.A., Hong Kong Branch
50th Floor, Champion Tower
Three Garden Road, Central
Hong Kong

AUDITOR

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

SWISS REPRESENTATIVE AGENT

Acolin Fund Services AG, Geneva Branch
6, Cours de Rive
CH-1204 Geneva
Switzerland

MANAGER'S REPORT
INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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2022 PERFORMANCE OVERVIEW

For the year 2022, the **Income Partners Managed Volatility High Yield Bond Fund (the "Sub-Fund")** generated a total return as per below table:

Class of Shares	ISIN Code	Bloomberg ticker	Fund Class Inception Date	FY 2022 Return	Annualised Dividend Yield ^{1*}
Class 1A Accumulation (USD)	HK0000421336	IRHY1AA HK	8-Jan-18	-19.82%	-
Class 1A Distribution (USD)	HK0000421328	IPRHY1A HK	7-May-13 (re-activated on 3-Aug-2021)	-19.81%	10.5%
Class 1B Accumulation (RMB)	HK0000421351	IRHY1BA HK	26-Jun-19	- ²	-
Class 1E Distribution (USD-H)	HK0000490067	IPRHY1E HK	25-Mar-19	-13.26%	9.2%
Class 2A Accumulation (USD)	HK0000421419	IRHY2AA HK	27-Jul-11	-20.22%	-
Class 2A Distribution (USD)	HK0000421401	IPRHY2A HK	3-Aug-11	-20.21%	10.5%
Class 2B Accumulation (RMB)	HK0000421435	IRHY2BA HK	27-Jul-11	-13.08%	-
Class 2B Distribution (RMB)	HK0000421427	IPRHY2B HK	27-Jul-11	-13.08%	12.5%
Class 2C Distribution (USD)	HK0000421443	IPRHY2C HK	10-Aug-11	-20.22%	11.3%
Class 2D Accumulation (HKD)	HK0000421468	IRHY2DA HK	21-Feb-18	-20.23%	-
Class 2D Distribution (HKD)	HK0000421450	IPRHY2D HK	9-Feb-18	-20.23%	10.5%
Class 2E Accumulation (AUD)	HK0000421484	IRHY2EA HK	7-Mar-18	-14.74%	-
Class 2E Distribution (AUD)	HK0000421476	IPRHY2E HK	4-May-18	-14.74%	8.8%
Class 2F Accumulation (AUD-H)	HK0000421500	IRHY2FA HK	13-Oct-15	-14.59%	-
Class 2F Distribution (AUD-H)	HK0000421492	IPRHY2F HK	2-May-19	-14.62%	8.6%
Class 2G Accumulation (USD-H)	HK0000421526	IRHY2GA HK	13-Oct-15	-13.70%	-
Class 2G Distribution (USD-H)	HK0000421518	IPRHY2G HK	19-Oct-15	-13.69%	9.4%
Class 2I Accumulation (SGD-H)	HK0000421567	IRHY2IA HK	30-Apr-19	-14.03%	-
Class 2I Distribution (SGD-H)	HK0000421559	IPRHY2I HK	24-Apr-19	-14.03%	9.4%

¹ Annualized Dividend Yield: [(1 + distribution per unit / ex-dividend NAV) ^ 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. Data as of 31 December 2022.

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Class of Shares	ISIN Code	Bloomberg ticker	Fund Class Inception Date	FY 2022 Return	Annualised Dividend Yield ^{2*}
Class 2K Accumulation (EUR-H)	HK0000490034	IRHY2KA HK	8-May-19	-15.78%	-
Class 2K Distribution (EUR-H)	HK0000490026	IPRHY2K HK	7-May-19	-15.73%	7.1%
Class 2L Accumulation (HKD-H)	HK0000490059	IRHY2LA HK	7-May-19	-14.33%	-
Class 2L Distribution (HKD-H)	HK0000490042	IPRHY2L HK	17-Apr-19	-14.29%	9.5%
Class 2XB Acc (RMB)	HK0000706074	-	22-Dec-21	12.63%	-
Class 2XG Acc (USD Hedged)	HK0000706090	-	14-Jul-21	²	-

*The Sub-Fund paid dividend distribution to Distribution share class holders.

#According to Interim Provisions on the Administration of Publicity and Promotional Materials of Publicly Offered Securities Investment Funds by China Securities Regulatory Commission, any performance interval displayed shall be more than six months.

² 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. Data as of 31 December 2022.

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MARKET OVERVIEW AND OUTLOOK

In 2022, the Asian high yield market weakened significantly, mainly due to correction in the Chinese real estate sector, higher US treasury yield and China COVID lockdowns. Chinese property developers' USD bonds remained under pressure as more private-owned developers defaulted or sought to extend their public bonds amid liquidity crunch. Prolonged Chinese Zero-Covid control and a hawkish Fed also weighed on global risk sentiment.

Market rebounded strongly in November following China's policies to fine-tune COVID control measures and further support the property sector.

Relaxation of COVID control policies. After China's newly elected Politburo Standing Committee met for first time on 10th Nov, the State Council announced 20 measures to fine-tune China's Zero COVID policy. The central government called for more targeted COVID control and recalibrated pandemic responses to reduce the impact to the real economy and prepare to the ultimate reopening. Subsequently, we started to see local governments across the country apply more adaptive and localized approaches to contain the pandemic, so as to minimize the impact of previous measures to people's daily life.

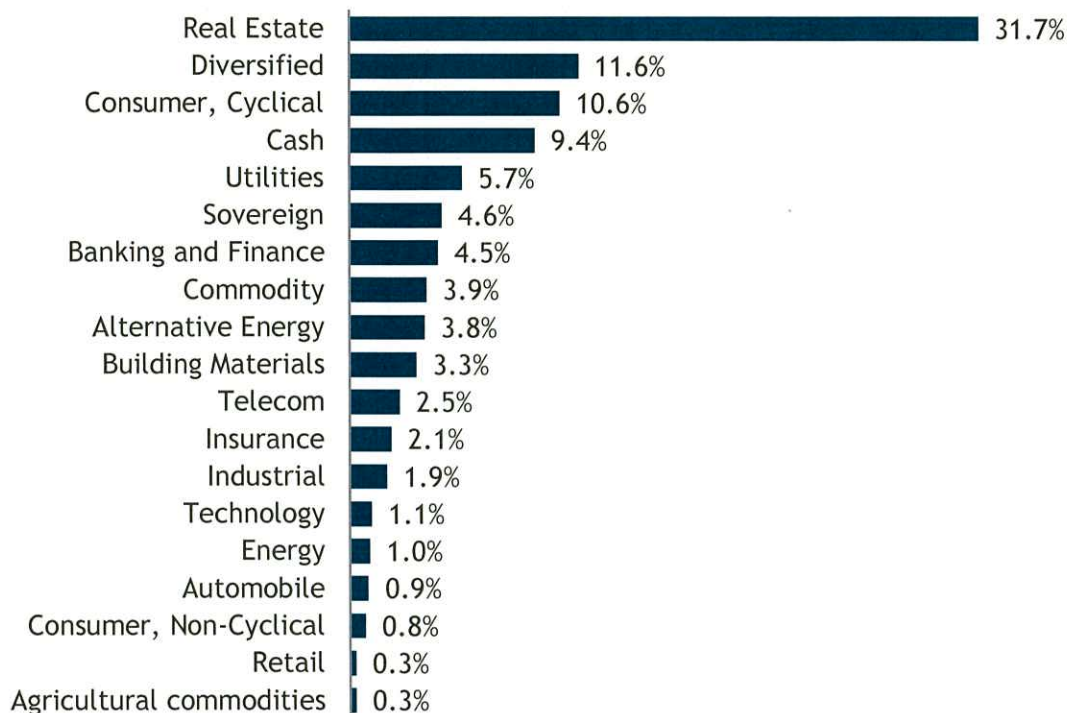
"Three Arrows" for property sector financing, including a series of measures announced to support property sector: bank loans (1st arrow) – RMB1.3trn of credit lines provided to developers by commercial banks; more quota for bond issuance (2nd arrow) – RMB250bn quota for developers to issue CBICL-guaranteed bonds; and equity refinancing (3rd arrow) – five measures to end the ban on local share sales by listed property developers. These additional funding channels will help improve the liquidity of qualified developers significantly.

Market extended the rally in December as China abandoned the COVID-Zero policy and embraced for reopening. We expect more supportive measures from the government to stabilize economic growth and especially to restore consumer confidence in 2023. We think current valuation of Asian high yield market remains cheap, with an average yield to maturity of 13.9% at 2022 year end, comparing with 8.93% of US high yield market.

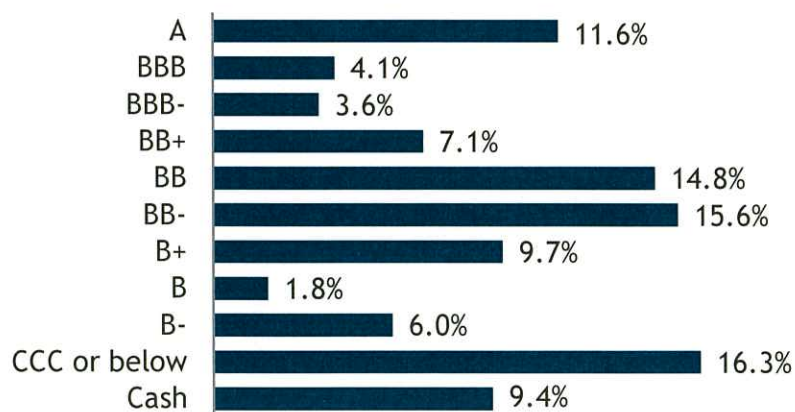
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PORTFOLIO OVERVIEW AS OF 31 DECEMBER 2022

Industry Exposure



Credit Rating Exposure



Total exposures may differ due to rounding. Please note the ratings exposures shown here use the best rating out of S&P/Moody's/Fitch 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 31 December 2022

**TRUSTEE'S REPORT
TO THE UNITHOLDERS OF INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD
BOND FUND**

(Sub-Fund of Income Partners Strategy Fund)

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We hereby confirm that, in our opinion, the Manager of the Income Partners Managed Volatility High Yield Bond Fund (the "Sub-Fund") as a Sub-Fund of Income Partners Strategy Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 17 November 2010, as amended for the year ended 31 December 2022.



.....
Cititrust Limited,
the Trustee
19 April 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD
BOND FUND**

Opinion

What we have audited

The financial statements of Income Partners Managed Volatility High Yield Bond Fund (the "Sub-Fund"), which are set out on pages 11 to 72, comprise:

- the statement of financial position as at year end date;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund, a sub-fund of Income Partners Strategy Trust as at 31 December 2022, and of its financial transactions and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Sub-Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The Trustee and the Manager (the "Management") of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE TRUSTEE OF INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD
BOND FUND**

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Fund is responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 17 November 2010 (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT (Continued)
TO THE TRUSTEE OF INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD
BOND FUND**

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

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



PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19 April 2023

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 RMB	2021 RMB
Assets - current assets			
Financial assets at fair value through profit or loss	3(a)	371,825,676	592,012,535
Derivative financial instruments	3(a)	2,711,553	5,480,592
Interest receivable		8,568,804	10,064,520
Subscriptions receivable		-	331,642
Prepayments and other receivables		952,132	1,232,384
Amounts due from brokers		2,893,957	3,350,538
Margin deposits		15,990,154	23,747,735
Bank balances		21,123,888	65,614,408
Total assets		<u>424,066,164</u>	<u>701,834,354</u>
Liabilities – current liabilities			
Derivative financial instruments	3(a)	838,014	845,963
Amounts due to brokers		1,550,221	2,018,626
Other liabilities and accrued expenses	12	1,204,987	1,701,347
Redemptions payable		2,359,639	2,464,402
Total Liabilities (excluding net assets attributable to unitholders)		<u>5,952,861</u>	<u>7,030,338</u>
Net assets attributable to unitholders (in accordance with IFRS)	10, 11	<u>418,113,303</u>	<u>694,804,016</u>
Net assets attributable to unitholders (in accordance with Prospectus)	10	418,113,303	694,992,168
Adjustments for different bases adopted by the Sub-Fund in arriving at the net assets attributable to unitholders	10	-	(188,152)

Approved and authorised for issue by the Manager on 19 April 2023.

Emil NGUY
Income Partners Asset Management (HK) Limited

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

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 RMB	2021 RMB
Income			
Debt interest income		26,855,034	45,273,593
Net losses on financial assets and liabilities at fair value through profit or loss	7	(118,661,289)	(126,850,720)
Net foreign exchange gains/(losses)		6,105,999	(2,300,766)
Bank interest income		409,851	39,226
Other income		222,766	195,666
Total investment income		<u>(85,067,639)</u>	<u>(83,643,001)</u>
Expenses			
Management fee	9(a)	(7,187,886)	(11,730,038)
Trustee fee	9(b)	(69,188)	(65,744)
Custodian, administration, compliance monitoring, financial statement preparation fee and registrar and processing agent fee	9(g)	(936,944)	(1,220,226)
Auditor's remuneration		(387,427)	(321,273)
Other operating expenses		(409,839)	(287,061)
Legal and professional fees		(294,902)	(574,434)
Total operating expenses		<u>(9,286,186)</u>	<u>(14,198,776)</u>
Operating loss		(94,353,825)	(97,841,777)
Finance costs			
Distributions to holders of redeemable units	13	(29,513,576)	(44,967,600)
Loss after distributions		<u>(123,867,401)</u>	<u>(142,809,377)</u>
Adjustment for establishment and authorisation costs	10	(188,152)	(227,925)
Decrease in net assets attributable to unitholders from operations		<u>(124,055,553)</u>	<u>(143,037,302)</u>

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INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 RMB	2021 RMB
Net assets attributable to unitholders of redeemable units at the beginning of the year		694,992,168	976,077,829
Proceeds from subscription		43,861,443	252,837,762
Payments on redemption		(196,684,755)	(390,886,121)
Net redemption		(152,823,312)	(138,048,359)
Decrease in net assets attributable to unitholders from operations		(124,055,553)	(143,037,302)
Net assets attributable to unitholders of redeemable units at the end of the year	11	418,113,303	694,992,168
		Number of redeemable units	
		2022	2021
Class 1A USD (Distribution)			
Units in issue at beginning of the year		20,000	1,867
Issue of units during the year		-	20,000
Redemption of units during the year		-	(1,867)
Units in issue at end of the year	11	20,000	20,000
Class 1A USD (Accumulation)			
Units in issue at beginning of the year		75,737	42,155
Issue of units during the year		38,005	33,582
Redemption of units during the year		(9,039)	-
Units in issue at end of the year	11	104,703	75,737
Class 1E USD (Distribution)			
Units in issue at beginning of the year		24,477	42,784
Issue of units during the year		-	3,500
Redemption of units during the year		(10,002)	(21,807)
Units in issue at end of the year	11	14,475	24,477
Class 2A USD (Distribution)			
Units in issue at beginning of the year		200,768	241,411
Issue of units during the year		1,309	37,189
Redemption of units during the year		(54,825)	(77,832)
Units in issue at end of the year	11	147,252	200,768

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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)**

	Note	Number of redeemable units	
		2022	2021
Class 2A USD (Accumulation)			
Units in issue at beginning of the year		33,033	39,152
Issue of units during the year		216	4,894
Redemption of units during the year		(7,668)	(11,013)
Units in issue at end of the year	11	<u>25,581</u>	<u>33,033</u>
Class 2B RMB (Distribution)			
Units in issue at beginning of the year		1,430,312	1,468,901
Issue of units during the year		42,920	333,298
Redemption of units during the year		(676,160)	(371,887)
Units in issue at end of the year	11	<u>797,072</u>	<u>1,430,312</u>
Class 2B RMB (Accumulation)			
Units in issue at beginning of the year		198,106	208,360
Issue of units during the year		-	32,139
Redemption of units during the year		(58,883)	(42,393)
Units in issue at end of the year	11	<u>139,223</u>	<u>198,106</u>
Class 2C USD (Distribution)			
Units in issue at beginning of the year		42,544	43,796
Issue of units during the year		243	16,641
Redemption of units during the year		(6,058)	(17,893)
Units in issue at end of the year	11	<u>36,729</u>	<u>42,544</u>
Class 2D HKD (Distribution)			
Units in issue at beginning of the year		1,030,267	1,735,984
Issue of units during the year		33,844	114,573
Redemption of units during the year		(201,497)	(820,290)
Units in issue at end of the year	11	<u>862,614</u>	<u>1,030,267</u>
Class 2D HKD (Accumulation)			
Units in issue at beginning of the year		57,461	64,781
Issue of units during the year		2,851	9,766
Redemption of units during the year		(4,383)	(17,086)
Units in issue at end of the year	11	<u>55,929</u>	<u>57,461</u>

The accompanying form an integral part of these financial statements.

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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)**

	Note	Number of redeemable units	
		2022	2021
Class 2E AUD (Distribution)			
Units in issue at beginning of the year		1,957	5,064
Issue of units during the year		123	-
Redemption of units during the year		(1,612)	(3,107)
Units in issue at end of the year	11	<u>468</u>	<u>1,957</u>
Class 2E AUD (Accumulation)			
Units in issue at beginning of the year		114	2,000
Issue of units during the year		-	114
Redemption of units during the year		-	(2,000)
Units in issue at end of the year	11	<u>114</u>	<u>114</u>
Class 2F AUD-Hedged (Distribution)			
Units in issue at beginning of the year		23,767	47,015
Issue of units during the year		57	121
Redemption of units during the year		(5,011)	(23,369)
Units in issue at end of the year	11	<u>18,813</u>	<u>23,767</u>
Class 2F AUD-Hedged (Accumulation)			
Units in issue at beginning of the year		9,364	14,848
Issue of units during the year		-	-
Redemption of units during the year		-	(5,484)
Units in issue at end of the year	11	<u>9,364</u>	<u>9,364</u>
Class 2G USD-Hedged (Distribution)			
Units in issue at beginning of the year		278,887	422,145
Issue of units during the year		10,458	7,312
Redemption of units during the year		(60,466)	(150,570)
Units in issue at end of the year	11	<u>228,879</u>	<u>278,887</u>
Class 2G USD-Hedged (Accumulation)			
Units in issue at beginning of the year		27,655	73,931
Issue of units during the year		904	33,687
Redemption of units during the year		(9,573)	(79,963)
Units in issue at end of the year	11	<u>18,986</u>	<u>27,655</u>

The accompanying form an integral part of these financial statements.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
(An open ended umbrella unit trust under the laws of Hong Kong)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)**

	Note	Number of redeemable units	
		2022	2021
Class 2I SGD-Hedged (Distribution)			
Units in issue at beginning of the year		37,801	63,762
Issue of units during the year		-	6,199
Redemption of units during the year		(4,913)	(32,160)
Units in issue at end of the year	11	<u>32,888</u>	<u>37,801</u>
Class 2I SGD-Hedged (Accumulation)			
Units in issue at beginning of the year		11,711	17,176
Issue of units during the year		-	-
Redemption of units during the year		-	(5,465)
Units in issue at end of the year	11	<u>11,711</u>	<u>11,711</u>
Class 2J EUR-Hedged (Distribution)			
Units in issue at beginning of the year		-	1,700
Issue of units during the year		-	-
Redemption of units during the year		-	(1,700)
Units in issue at end of the year	11	<u>-</u>	<u>-</u>
Class 2K EUR-Hedged (Distribution)			
Units in issue at beginning of the year		14,807	14,807
Issue of units during the year		-	-
Redemption of units during the year		(2,728)	-
Units in issue at end of the year	11	<u>12,079</u>	<u>14,807</u>
Class 2K EUR-Hedged (Accumulation)			
Units in issue at beginning of the year		4,907	31,197
Issue of units during the year		-	22,480
Redemption of units during the year		(4,023)	(48,770)
Units in issue at end of the year	11	<u>884</u>	<u>4,907</u>
Class 2L HKD-Hedged (Distribution)			
Units in issue at beginning of the year		120,646	135,358
Issue of units during the year		7,026	40,580
Redemption of units during the year		(72,467)	(55,292)
Units in issue at end of the year	11	<u>55,205</u>	<u>120,646</u>

The accompanying form an integral part of these financial statements.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)**

	Note	Number of redeemable units	
		2022	2021
Class 2L HKD-Hedged (Accumulation)			
Units in issue at beginning of the year		10,856	63,105
Issue of units during the year		-	1,928
Redemption of units during the year		(6,918)	(54,177)
Units in issue at end of the year	11	<u>3,938</u>	<u>10,856</u>
Class 2XB RMB (Accumulation)			
Units in issue at beginning of the year		499,990	-
Issue of units during the year		93,484	499,990
Redemption of units during the year		(521,049)	-
Units in issue at end of the year	11	<u>72,425</u>	<u>499,990</u>
Class 2XG USD-Hedged (Accumulation)			
Units in issue at beginning of the year		49,999	-
Issue of units during the year		-	49,999
Redemption of units during the year		(49,999)	-
Units in issue at end of the year	11	<u>-</u>	<u>49,999</u>
Class 4C USD -Hedged (Accumulation)			
Units in issue at beginning of the year		9,784	9,784
Issue of units during the year		-	-
Redemption of units during the year		(3,514)	-
Units in issue at end of the year	11	<u>6,270</u>	<u>9,784</u>

The accompanying form an integral part of these financial statements.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 RMB	2021 RMB
Cash flow from operating activities		
Loss after distributions	(123,867,401)	(142,809,377)
Adjustment for:		
Interest income	(27,264,885)	(45,312,819)
Distributions to holders of redeemable units	29,513,576	44,967,600
Operating loss before working capital changes	(121,618,710)	(143,154,596)
Decrease in financial assets at fair value through profit or loss	220,186,859	292,305,441
Decrease in derivative financial instruments - assets	2,769,039	13,180,717
Decrease in derivative financial instruments - liabilities	(7,949)	(133,438)
Decrease/(increase) in prepayments and other receivables	280,252	(433,757)
Decrease in margin deposits	7,757,581	354,281
Decrease/(increase) in amounts due from brokers	456,581	(1,924,973)
Decrease in other liabilities and accrued expenses	(496,360)	(254,011)
Decrease in amounts due to brokers	(468,405)	(11,489,902)
Cash generated from operations activities	108,858,888	148,449,762
Interest received	28,760,601	51,350,968
Net cash generated from operating activities	137,619,489	199,800,730
Cash flows from financing activities		
Proceeds on issuance of redeemable units	44,193,085	253,406,517
Payments on redemption of redeemable units	(196,789,518)	(389,505,189)
Distributions paid	(29,513,576)	(44,967,600)
Net cash used in financing activities	(182,110,009)	(181,066,272)
Net (decrease)/increase in cash and cash equivalents	(44,490,520)	18,734,458
Cash and cash equivalents at the beginning of the year	65,614,408	46,879,950
Cash and cash equivalents at end of the year	21,123,888	65,614,408
Analysis of balances of cash and cash equivalents		
Bank balances	21,123,888	65,614,408

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

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
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NOTES TO THE FINANCIAL STATEMENTS

1 General information

Income Partners Managed Volatility High Yield Bond Fund (the “Sub-Fund”) is a sub-fund of Income Partners Strategy Fund, in respect of which a separate class or classes of units will be issued. The Sub-Fund’s investment objective is to maximise total investment returns, comprising capital appreciation and interest income by investing in high yield debt instruments that are below investment grade or unrated.

The Sub-Fund was first established as an exempted Cayman Islands unit trust. The Sub-Fund is governed by a trust deed dated 17 November 2010, as amended, varied or supplemented from time to time between Income Partners Asset Management (HK) Limited (the “Manager”) as a manager and Cititrust Limited (the “Trustee”) as a trustee.

The date of commencement of operations of the Sub-Fund is 27 July 2011.

On 14 November 2017, the Trust is authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) under Section 104 of the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In order to achieve its investment objectives, the Sub-Fund will invest primarily (that is, at least two-thirds of the Net Asset Value of the Sub-Fund) in high yield debt instruments, which are below investment grade or unrated. However, during exceptional circumstances (e.g. market crash or major crisis) or adverse market conditions, the Sub-Fund may be invested temporarily up to 100% of its Net Asset Value in investment grade bonds, short-term money market instruments, cash and/or cash equivalents.

Effective from 4 December 2015, the subscription dealing deadline and redemption dealing deadline were amended so unitholders can give shorter notice of subscriptions and redemptions respectively. Both the subscription dealing deadline and redemption dealing deadline became 5:00 p.m. (Hong Kong time) on the same relevant Dealing Day (or such other day or time as the Manager may from time to time determine), i.e. same day dealing.

The Explanatory Memorandum has been updated by way of an addendum in order to reflect the change in the registrar and processing agent of the Sub-Fund (the “Addendum”) with effect from the Effective Date.

Cititrust Limited is the Trustee of the Sub-Fund and is registered as a trust company in Hong Kong. The Trustee is a member of Citigroup Inc.

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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with International Financial Reporting Standards (“IFRSs”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires the use of accounting estimates. It also requires the Trustee and the Manager (together, the “Management”) to exercise its judgement in the process of applying the Sub-Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

All references to Net Asset Value (“NAV”) throughout these financial statements refer to net assets attributable to unitholders unless otherwise stated.

Standards and amendments to existing standards effective 1 January 2022

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 1 January 2022 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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(An open ended umbrella unit trust under the laws of Hong Kong)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(b) Foreign currency translation

(i) Functional and presentation currency

The Sub-Fund's subscriptions and redemptions of redeemable units are mainly denominated in off-shore Renminbi ("RMB" or "CNH"). The primary activity of the Sub-Fund is to invest in RMB denominated bonds issued in Hong Kong which are traded in off-shore Renminbi. The performance of the Sub-Fund is measured and reported to unitholders in off-shore RMB. The management considers off-shore Renminbi as the currency that most faithfully represents the economic effects of the transactions, events and conditions (the "functional currency"). The Sub-Fund's financial statements are presented in 'off-shore Renminbi', which is the Sub-Fund's functional and presentation currency.

All references to RMB or CNH throughout these financial statements refer to off-shore Renminbi unless otherwise stated. On-shore Renminbi will be presented as CNY throughout these financial statements.

(ii) Translations and balances

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

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within 'net foreign exchange losses'.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'Net losses on financial assets and liabilities at fair value through profit or loss'.

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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(c) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

(i) Assets

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

(ii) Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Sub-Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss. The Sub-Fund's policy requires the Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information. All derivatives are carried in assets when amounts are receivable by the Sub-Fund and in liabilities when amounts are payable by the Sub-Fund.

(ii) Recognition, derecognition and measurement

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

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

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

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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(c) Financial assets and financial liabilities at fair value through profit or loss (Continued)

(iii) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the statement of financial position date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Sub-Fund utilises the mid-market price for both financial assets and financial liabilities where the mid-market price falls within the bid-ask spread. In circumstances where the mid-market price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Debt securities are fair valued based on quoted prices. The fair value of debt securities not quoted in an active market may be determined by the Sub-Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Sub-Fund would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Sub-Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry.

Investments in other investment funds are valued by reference to their net asset value which the Directors consider as approximation of their fair values. If the net asset value of the investment funds is not available or the Directors consider that such net asset value is not reflective of the fair value, the Directors may exercise judgment and discretion to determine the fair value of the investment funds.

(iv) Transfers between levels of the fair value hierarchy

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

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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(d) Derivative financial instruments

Derivative financial instruments are deemed to be held for trading purposes and initially recognised in the statement of financial position at fair value. Fair values are obtained from quoted market prices and pricing models as appropriate. In the event that quoted prices of certain derivative financial instruments are unavailable, the Manager will use other valuation methods that the Manager deems appropriate, such as pricing the said instruments based on comparable risk assets with similar characteristics in the market. All derivatives are carried in assets when amounts are receivable by the Sub-Fund and in liabilities when amounts are payable by the Sub-Fund. Changes in fair values of derivatives are included in the statement of comprehensive income.

(e) 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(f) Amounts due from and due to brokers

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Cash held with Barclays Bank PLC, Citibank N.A., Hong Kong Branch, KGI Securities (Singapore) Pte. Ltd. and UBS AG, are margin accounts with the brokers and do not include in cash and cash equivalents.

(h) Accrued expenses

Accrued expenses are accounted for on an accruals basis and charged to the statement of comprehensive income.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(i) Redeemable units

The Sub-Fund issues 24 (2021: 25) classes of redeemable units which are redeemable at the unitholder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Sub-Fund at any dealing date for cash equal to a proportionate unit of the Sub-Fund's net asset value attributable to the unit class. The redeemable units are redeemable daily.

The redeemable units are carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the unit back to the Sub-Fund.

Redeemable units are issued and redeemed at the holder's option at prices based on the Sub-Fund's NAV per unit at the time of issue or redemption. The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units with the total number of outstanding redeemable units for each respective class. In accordance with the provisions of the Sub-Fund's regulations, investment positions are valued based on the mid price for the purpose of determining the NAV per unit for subscriptions and redemptions.

(j) Revenue recognition

Debt interest income is recognised in the statement of comprehensive income for all interest bearing instruments on an accrual basis using the effective interest rate method. It represents interest income on debt securities at fair value through profit or loss.

Other income is accounted for on an accrual basis.

(k) Distributions payable to holders of redeemable units

Proposed distributions to holders of redeemable units are recognised in the statement of comprehensive income when they are appropriately authorised and no longer at the discretion of the Sub-Fund. During the year, distributions were declared to the redeemable unitholders of Class 1A, Class 1E, Class 2A, Class 2B, Class 2C, Class 2D, Class 2E, Class 2F, Class 2G, Class 2I, Class 2K and Class 2L. The distribution on the redeemable units is recognised as a finance cost in the statement of comprehensive income.

(l) Taxation

The Sub-Fund was established in the Cayman Islands and was re-domiciled to the jurisdiction of Hong Kong as an open ended umbrella unit trust under the laws of Hong Kong on 30 May 2018.

The Sub-Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Investment income and capital gains are recorded gross of any withholding tax in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(m) Collateral

Cash collateral provided by the Sub-Fund is identified in the statement of financial position as margin account with the broker and is not included as a component of cash and cash equivalents. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Sub-Fund classifies that asset in its statement of financial position separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the collateral provided is made in the notes to the financial statements.

(n) Structured entities

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

The Sub-Fund considers all of its investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Investee Funds are managed by the Manager and applied various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Sub-Fund holds redeemable shares in each of its Investee Funds.

The change in fair value of each Investee Fund is included in the statement of comprehensive income in 'net losses on financial assets and financial liabilities at fair value through profit or loss'.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management

The Sub-Fund's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk.

The principal investment objective of the Sub-Fund is to provide a return of capital growth and income in RMB or RMB equivalent terms. The Sub-Fund mainly invests in the Renminbi instruments which are below investment grade or unrated with long-only position. The portfolio of the Sub-Fund is expected to maintain a level of diversity across countries and industries.

The Sub-Fund uses different methods to measure and manage the various types of risk to which it is exposed, these methods are explained below.

(a) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Sub-Fund's investment in debt securities and derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Manager monitors the Sub-Fund's market price risk on a daily basis and the Trustee reviews it on a daily basis. The following table discloses the financial asset investments at fair value through profit or loss of the Sub-Fund by product type:

	2022 RMB	2021 RMB
Financial assets at fair value through profit or loss		
Corporate bonds	303,729,592	495,325,388
Government bonds	19,334,934	96,687,147
Investment fund ⁽¹⁾	48,761,150	-
	<u>371,825,676</u>	<u>592,012,535</u>

⁽¹⁾ The investment fund represents Income Partners RMB Bond Fund ("IPRMBBF"), which is managed by the Manager of the Sub-Fund. Refer to Note 9 for details.

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NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

(a) Market price risk (Continued)

The following tables disclose the financial assets at fair value through profit or loss of the Sub-Fund by country:

	2022		2021	
	RMB	% of NAV	RMB	% of NAV
Corporate bonds				
Australia	1,299,416	0.31	9,680,606	1.39
Peoples' Republic of China	128,745,606	30.79	239,907,242	34.51
Hong Kong	53,994,837	12.91	117,687,118	16.93
India	46,717,072	11.17	33,406,799	4.81
Indonesia	15,059,124	3.60	33,960,092	4.89
Japan	-	-	16,039,079	2.31
Macao	31,535,401	7.54	18,255,115	2.63
Mongolia	2,215,803	0.53	1,314,230	0.19
Philippines	11,409,418	2.73	15,953,736	2.30
Singapore	2,202,225	0.53	2,941,524	0.42
British Virgin Islands	911,148	0.22	-	-
United Kingdom	3,826,948	0.92	-	-
Vietnam	5,812,594	1.39	6,179,847	0.89
Total corporate bonds	303,729,592⁽²⁾	72.64	495,325,388⁽²⁾	71.27
Government bonds				
Peoples' Republic of China	-	-	64,319,099	9.25
Mongolia	5,391,728	1.29	9,795,329	1.41
Sri Lanka	7,802,142	1.87	6,450,265	0.93
Pakistan	6,141,064	1.47	16,122,454	2.32
Total government bonds	19,334,934⁽²⁾	4.63	96,687,147⁽²⁾	13.91
Investment Fund				
Peoples' Republic of China	48,761,150	11.66	-	-
Total investment fund	48,761,150	11.66	-	-
Total financial assets at fair value through profit or loss	371,825,676	88.93	592,012,535	85.18

⁽²⁾ The amount represents only the fair value of the debt instruments without accrued interests, which are separately disclosed as interest receivable on the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

(a) Market price risk (Continued)

The following tables disclose the financial assets at fair value through profit or loss of the Sub-Fund by sector:

	2022		2021	
	RMB	% of NAV	RMB	% of NAV
Corporate bonds				
Agricultural commodities	1,250,952	0.30	1,138,403	0.16
Alternative energy	15,497,553	3.71	6,426,163	0.92
Automobile	3,826,948	0.92	-	-
Banking and Finance	18,316,625	4.38	100,725,657	14.49
Building materials	13,758,790	3.29	2,731,764	0.39
Commodity	15,615,712	3.73	29,612,210	4.26
Consumer, Cyclical	43,575,153	10.42	36,495,750	5.25
Consumer, Non-Cyclical	3,196,844	0.76	15,064,228	2.17
Energy	4,111,151	0.98	8,878,267	1.28
Industrial	7,631,478	1.83	16,186,199	2.33
Insurance	8,684,078	2.08	22,991,339	3.31
Real Estate	128,583,374	30.75	162,869,456	23.44
Retail	1,259,510	0.30	3,205,154	0.46
Technology	4,563,922	1.09	6,299,334	0.91
Telecom	10,335,910	2.47	32,001,169	4.60
Utilities	23,521,592	5.63	50,700,295	7.30
Total corporate bonds	303,729,592	72.64	495,325,388⁽²⁾	71.27
Government bonds				
Sovereign	19,334,934	4.63	96,687,147	13.91
Total government bonds	19,334,934	4.63	96,687,147⁽²⁾	13.91
Investment Fund				
Diversified	48,761,150	11.66	-	-
Total investment fund	48,761,150	11.66	-	-
Total financial assets at fair value through profit or loss	371,825,676	88.93	592,012,535	85.18

⁽²⁾ The amount represents only the fair value of the debt instruments without accrued interests, which are separately disclosed as interest receivable on the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

(a) Market price risk (Continued)

Derivative financial instruments

The following table discloses the derivative financial instruments of the Sub-Fund by product type:

	2022 RMB	2021 RMB
Derivative financial assets		
Forward foreign exchange contracts (Note (i))	2,711,553	5,480,592
	<u>2,711,553</u>	<u>5,480,592</u>
Derivative financial liabilities		
Forward foreign exchange contracts (Note (i))	838,014	845,963
	<u>838,014</u>	<u>845,963</u>

(i) Forward foreign exchange contracts

Open currency forward contracts as at 31 December 2022 are detailed below:

Counterparty	Notional amount		Unrealised gains/(losses) RMB
	Amount bought	Amount sold	
<u>UBS AG</u>			
Long CNH/Short USD 30-JAN-23	CNH6,000,000	USD860,975	56,064
<u>Barclays Bank PLC</u>			
Long CNH/Short USD 09-JAN-23	CNH55,000,000	USD7,925,323	189,647
Long CNH/Short USD 09-JAN-23	CNH7,000,000	USD1,004,521	52,901
Long CNH/Short USD 31-JAN-23	CNH90,000,000	USD12,934,751	708,561
<u>Citibank N.A.. Hong Kong Branch</u>			
Long AUD/Short CNH 20-JAN-23	AUD1,083,530	CNH5,057,011	34,621
Long AUD/Short CNH 20-JAN-23	AUD824,041	CNH3,845,934	26,330
Long CNH/Short USD 17-JAN-23	CNH60,000,000	USD8,614,988	460,049
Long CNH/Short USD 20-JAN-23	CNH12,661	USD1,827	39
Long CNH/Short USD 20-JAN-23	CNH12,931	USD1,857	101
Long CNH/Short USD 20-JAN-23	CNH13,000,000	USD1,867,988	103,887
Long CNH/Short USD 31-JAN-23	CNH65,000,000	USD9,342,011	510,038
Long CNH/Short USD 31-JAN-23	CNH65,000,000	USD9,341,205	515,613
Long EUR/Short CNH 20-JAN-23	EUR704,425	CNH5,239,398	(38,431)
Long EUR/Short CNH 20-JAN-23	EUR62,563	CNH465,332	(3,413)
Long HKD/Short CNH 20-JAN-23	HKD3,147,961	CNH2,815,124	(23,923)
Long HKD/Short CNH 20-JAN-23	HKD296,429	CNH265,087	(2,253)
Long SGD/Short CNH 20-JAN-23	SGD1,885,312	CNH9,682,977	36,617
Long SGD/Short CNH 20-JAN-23	SGD879,672	CNH4,518,002	17,085
Long USD/Short CNH 20-JAN-23	USD11,845,376	CNH82,456,411	(610,063)
Long USD/Short CNH 20-JAN-23	USD525,351	CNH3,657,000	(27,057)
Long USD/Short CNH 20-JAN-23	USD1,732,868	CNH12,062,605	(89,247)
Long USD/Short CNH 20-JAN-23	USD847,094	CNH5,896,672	(43,627)

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3 Financial risk management (Continued)

(a) Market price risk (Continued)

(i) Forward foreign exchange contracts (Continued)

	Unrealised gains/(losses)
Total unrealised gains on forward foreign currency contracts	2,711,553
Total unrealised (losses) on forward foreign currency contracts	<u>(838,014)</u>

Open currency forward contracts as at 31 December 2021 are detailed below:

Counterparty	Notional amount		Unrealised gains/(losses) RMB
	Amount bought	Amount sold	
<u>UBS AG</u>			
Long CNH/Short USD 26/01/2022	CNH76,500,000	USD11,891,780	819,263
Long CNH/Short USD 28/02/2022	CNH80,000,000	USD12,431,912	726,247
Long CNH/Short USD 07/03/2022	CNH25,000,000	USD3,894,325	156,109
<u>Barclays Bank PLC</u>			
Long CNH/Short USD 26/01/2022	CNH81,000,000	USD12,590,058	875,325
Long CNH/Short USD 28/02/2022	CNH70,000,000	USD10,876,327	645,602
<u>Citibank N.A., Hong Kong Branch</u>			
Long AUD/Short CNH 20/01/2022	AUD1,772,520	CNH8,145,337	43,421
Long AUD/Short CNH 20/01/2022	AUD1,432,460	CNH6,582,648	35,091
Long CNH/Short AUD 20/01/2022	CNH2,019,806	AUD436,912	1,342
Long CNH/Short AUD 20/01/2022	CNH66,291	AUD14,586	(1,093)
Long CNH/Short AUD 20/01/2022	CNH82,015	AUD18,046	(1,352)
Long CNH/Short EUR 20/01/2022	CNH84,348	EUR11,683	145
Long CNH/Short EUR 20/01/2022	CNH2,807,092	EUR389,747	(1,867)
Long CNH/Short HKD 20/01/2022	CNH80,745	HKD98,543	348
Long CNH/Short HKD 20/01/2022	CNH8,834	HKD10,781	38
Long CNH/Short SGD 20/01/2022	CNH54,166	SGD11,505	(50)
Long CNH/Short SGD 20/01/2022	CNH143,885	SGD30,743	(989)
Long CNH/Short USD 20/01/2022	CNH1,295,523	USD202,683	6,179
Long CNH/Short USD 20/01/2022	CNH207,546	USD32,470	990
Long CNH/Short USD 20/01/2022	CNH312,716	USD49,022	872
Long CNH/Short USD 20/01/2022	CNH126,145	USD19,735	602
Long CNH/Short USD 20/01/2022	CNH63,705	USD9,986	178
Long CNH/Short USD 20/01/2022	CNH42,762	USD6,700	144
Long CNH/Short USD 20/01/2022	CNH55,119	USD8,643	136
Long CNH/Short USD 20/01/2022	CNH30,496	USD4,782	75
Long CNH/Short USD 20/01/2022	CNH12,312	USD1,928	48
Long CNH/Short USD 20/01/2022	CNH232	USD36	1
Long CNH/Short USD 24/02/2022	CNH164,500,000	USD25,570,065	1,486,843

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3 Financial risk management (Continued)

(a) Market price risk (Continued)

(i) Forward foreign exchange contracts (Continued)

Open currency forward contracts as at 31 December 2021 are detailed below:

Counterparty	Notional amount		Unrealised gains/(losses) RMB
	Amount bought	Amount sold	
<u>Citibank N.A., Hong Kong Branch</u>			
Long CNH/Short USD 28/02/2022	CNH60,000,000	USD9,321,456	560,429
Long CNH/Short USD 14/03/2022	CNH13,000,000	USD2,036,161	4,477
Long EUR/Short CNH 20/01/2022	EUR809,295	CNH5,857,434	(24,724)
Long EUR/Short CNH 20/01/2022	EUR1,118,093	CNH8,092,420	(34,158)
Long HKD/Short CNH 20/01/2022	HKD978,238	CNH800,962	(2,870)
Long HKD/Short CNH 20/01/2022	HKD8,940,893	CNH7,320,625	(26,229)
Long SGD/Short CNH 20/01/2022	SGD2,802,908	CNH13,123,700	85,023
Long SGD/Short CNH 20/01/2022	SGD1,043,844	CNH4,887,456	31,664
Long USD/Short CNH 20/01/2022	USD1,338	CNH8,534	(25)
Long USD/Short CNH 20/01/2022	USD5,796	CNH36,987	(117)
Long USD/Short CNH 20/01/2022	USD6,233	CNH39,889	(241)
Long USD/Short CNH 20/01/2022	USD15,544	CNH99,356	(478)
Long USD/Short CNH 20/01/2022	USD955,083	CNH6,100,510	(24,920)
Long USD/Short CNH 20/01/2022	USD1,836,912	CNH11,733,122	(47,928)
Long USD/Short CNH 20/01/2022	USD2,983,879	CNH19,059,272	(77,855)
Long USD/Short CNH 20/01/2022	USD4,429,974	CNH28,296,083	(115,588)
Long USD/Short CNH 20/01/2022	USD18,606,543	CNH118,847,710	(485,479)
Total unrealised gains on forward foreign currency contracts			<u>5,480,592</u>
Total unrealised (losses) on forward foreign currency contracts			<u>(845,963)</u>

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3 Financial risk management (Continued)

(b) Currency risk

Foreign currency risk arises as the fair value and future cash flows of monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rate.

The Sub-Fund has exposure to fluctuation in currency exchange rates where it invests in assets and liabilities denominated in currencies other than Renminbi, the functional currency. The sensitivity of the Sub-Fund's NAV as a whole in percentage terms to movements in specific currencies can be derived from the tables below. The Manager monitors the Sub-Fund's currency position on a daily basis.

IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. Management however monitors the exposure on all foreign currency denominated assets and liabilities. The table below summarises the Sub-Fund's exposure to currency risks in respect of its monetary and non-monetary assets and liabilities, including off statement financial position exposure on derivatives and notional value of open currency forward contracts, as at the statement of financial position date on 31 December 2022 and 2021.

	Net exposure equivalent	
	2022 RMB	2021 RMB
Monetary items		
Australian Dollar ("AUD")	58,348	34,719
Euro ("EUR")	44,585	53,760
Hong Kong Dollar ("HKD")	630,323	435,312
Singapore Dollar ("SGD")	83,072	12,642
United States Dollar ("USD")	<u>(328,359,586)</u>	<u>(529,609,880)</u>
Non-monetary items		
USD	<u>371,825,676</u>	<u>527,693,435</u>

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3 Financial risk management (Continued)

(b) Currency risk (Continued)

The table below summarises the impact of increases or decreases of the key currency exchange rates to which the Sub-Fund's net assets (monetary and non-monetary) are exposed. The analysis is based on the assumption that the exchange rates increased or decreased by the respective percentage with all other variables held constant.

	2022		2021	
	Estimated reasonable possible change against RMB +/-	Impact on NAV and profit after tax RMB +/-	Estimated reasonable possible change against RMB +/-	Impact on NAV and profit after tax RMB +/-
AUD	1.9%	1,135	5%	1,736
EUR	2.7%	1,182	5%	2,688
HKD	9.0%	56,525	5%	21,766
SGD	9.7%	8,044	5%	632
USD	9.0%	3,891,215	5%	95,822

The Manager has used their view of what would be a "reasonable shift" in exchange rates to estimate the change for use in currency risk sensitivity analysis above.

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in exchange rate % are revised annually depending on the Manager's current view of exchange rates volatility and other relevant factors.

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3 Financial risk management (Continued)

(c) Interest rate risk

The Sub-Fund is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows. The tables below summarise the Sub-Fund's exposure to interest rate risks at the statement of financial position date. Included in the table are the Sub-Fund's assets and liabilities at fair values, categorised by the earlier of contractual repricing or maturity dates. The fair values of derivative financial instruments are included below under the heading 'Non-interest bearing'. The interest rate exposures for all interest rate derivative financial instruments represent the net notional amounts of all the contracts. Refer to Note 3(a) for details.

	Maturity up to 1 year RMB	Maturity 1-5 years RMB	Maturity over 5 years RMB	Non-interest bearing RMB	Total RMB
As at 31 December 2022					
Assets					
Financial assets at fair value through profit or loss					
- Corporate bonds	25,581,786	223,066,459	55,081,347	-	303,729,592
- Government bonds	5,391,728	13,943,206	-	-	19,334,934
- Investment fund	-	-	-	48,761,150	48,761,150
Derivative financial instruments					
- Forward foreign exchange contracts	-	-	-	2,711,553	2,711,553
Interest receivable	-	-	-	8,568,804	8,568,804
Prepayments and other receivables	-	-	-	952,132	952,132
Amounts due from brokers	-	-	-	2,893,957	2,893,957
Bank and margin deposits	37,114,042	-	-	-	37,114,042
Total assets	68,087,556	237,009,665	55,081,347	63,887,596	424,066,164
Liabilities					
Derivative financial instruments					
- Forward foreign exchange contracts	-	-	-	(838,014)	(838,014)
Amounts due to brokers	-	-	-	(1,550,221)	(1,550,221)
Other liabilities and accrued expenses	-	-	-	(1,204,987)	(1,204,987)
Redemptions payable	-	-	-	(2,359,639)	(2,359,639)
Total liabilities (excluding net assets attributable to unitholders)	-	-	-	(5,952,861)	(5,952,861)

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3 Financial risk management (Continued)

(c) Interest rate risk (Continued)

	Maturity up to 1 year RMB	Maturity 1-5 years RMB	Maturity over 5 years RMB	Non-interest bearing RMB	Total RMB
As at 31 December 2021					
Assets					
Financial assets at fair value through profit or loss					
- Corporate bonds	136,337,969	252,463,563	106,523,856	-	495,325,388
- Government bonds	9,735,935	6,545,422	80,405,790	-	96,687,147
- Investment funds	-	-	-	-	-
Derivative financial instruments					
- Forward foreign exchange contracts	-	-	-	5,480,592	5,480,592
Interest receivable	-	-	-	10,064,520	10,064,520
Subscriptions receivable	-	-	-	331,642	331,642
Prepayments and other receivables	-	-	-	1,232,384	1,232,384
Amounts due from brokers	-	-	-	3,350,538	3,350,538
Bank and margin deposits	89,362,143	-	-	-	89,362,143
Total assets	235,436,047	259,008,985	186,929,646	20,459,676	701,834,354
Liabilities					
Derivative financial instruments					
- Forward foreign exchange contracts	-	-	-	(845,963)	(845,963)
Amounts due to brokers	-	-	-	(2,018,626)	(2,018,626)
Other liabilities and accrued expenses	-	-	-	(1,701,347)	(1,701,347)
Redemptions payable	-	-	-	(2,464,402)	(2,464,402)
Total liabilities (excluding net assets attributable to unitholders)	-	-	-	(7,030,338)	(7,030,338)

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3 Financial risk management (Continued)

(c) Interest rate risk (Continued)

At 31 December 2022, if interest rates on the margin account, cash and cash equivalents had been 10 basis points higher or lower with all variables held constant, net assets attributable to unitholders would have been RMB37,114 (2021: RMB89,362) higher or lower as a result of higher or lower interest income.

The table below summarises the average effective interest rate for monetary financial instruments at the statement of financial position date. For puttable or callable financial instruments, the effective interest rates are based on the lower of yield to maturity, yield to call or yield to put.

	2022 %	2021 %
Assets		
Bank balances	2.72	0.12
Margin deposits	3.98	0.07
Investments at fair value through profit or loss		
- Corporate bonds	16.23	8.42
- Government bonds	14.10	4.96
	<u> </u>	<u> </u>

The majority of the Sub-Fund's interest rate exposure on debt instruments are RMB denominated. Interest rate exposures are expressed in terms of rate of weighted modified duration. The Manager and Trustee monitor the interest rate risks by quantifying (a) market exposure in percentage terms; and (b) exposure in duration terms by different countries.

The figures in the tables below imply the interest rate exposure in duration terms. Given a 100 bps change in the rate of all debt securities held by the Sub-Fund as at 31 December 2022, the percentage change in the debt securities will be the total weighted average modified duration multiplied by 1%, i.e. 1.95% (2021: 3.86%), while holding all other variables constant. The sensitivity of the Sub-Fund's debt securities as a whole in percentage terms to movements in specific types of interest rate exposure can be derived from the tables below.

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NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

(c) Interest rate risk (Continued)

Portfolio weighted average modified duration analysis by country

Country	Portfolio Weighted Average Modified Duration (Debt securities)	
	2022	2021
Australia	0.01	0.06
Hong Kong	0.48	0.60
India	0.23	0.17
Indonesia	0.11	0.20
Japan	-	0.01
Macao	0.29	0.10
Mongolia	0.01	0.02
People's Republic of China	0.65	2.47
Pakistan	0.05	0.08
Philippines	0.05	0.07
Singapore	0.01	0.01
Sri Lanka	-	0.04
United Kingdom	0.02	-
Vietnam	0.04	0.03
Total	<u>1.95</u>	<u>3.86</u>

(d) Credit risk

The Sub-Fund is exposed to credit risk, which is the risk that counterparty will be unable to pay amounts in full when they fall due.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in debt securities. The Sub-Fund is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, collateral, and other receivable balances.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss.

(i) Investment's credit risk

The Sub-Fund's credit risk concentration is spread between debt securities and derivative products as discussed above under market risk diversification. The credit ratings of the debt securities range from BBB to NR (2021: BBB to NR). Debt securities which are not rated represent approximately 18.10% (2021: 22.12%) of the NAV of the Sub-Fund. The Manager will regularly monitor the credit risk of all investments by assessing global credit market and the impact of different scenarios. The analysis below summarises the credit quality of the Sub-Fund's debt portfolio as a percentage of NAV at the year end.

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3 Financial risk management (Continued)

(d) Credit risk (Continued)

(i) Investment's credit risk (Continued)

Credit rating (best rating of Standard & Poor's/Moody's/Fitch)	2022 % of NAV	2021 % of NAV
BBB	4.06	2.72
BBB-	3.15	6.19
BB+	4.65	11.52
BB	11.05	14.38
BB-	14.12	9.58
B+	5.93	6.15
B	1.82	3.73
B-	5.44	5.54
CCC+	1.94	1.07
CCC	0.75	-
CCC-	2.33	0.45
CC	1.87	-
C	2.05	1.73
NR	18.10	22.12
Total	<u>77.26⁽³⁾</u>	<u>85.18⁽³⁾</u>

⁽³⁾ The percentage is calculated based on the fair value of the debt instruments without accrued interests, which are separately disclosed as interest receivable on the statement of financial position.

As at 31 December 2022, 36 (2021: 2) investments of RMB5,558,936 (2021: RMB2,246,441) defaulted. The Manager monitors each issuer's credit risk by performing intensive credit analysis and constantly monitoring any changes in its risk factors.

As at 31 December 2022, the Manager considered that the unrated debt securities which have a credit quality similar to the investment grade or above represented approximately 0.36% (2021: 15.28%) of the NAV of the Sub-Fund.

Details of the investments are disclosed in Note 3(a). As refer to Note 3(d)(ii), assets placed with the broker and custodian by the Sub-Fund is amounted to RMB411,651,271 (2021: RMB686,855,270).

The forward foreign exchange contracts are entered into with reputable international financial institutions. At any time, the net exposure of the Sub-Fund to the obligations of any one issuer will not normally exceed 10% of the gross assets, except for securities issued or guaranteed by government, sovereign and quasi-sovereign entities, public or local authorities.

The tables above provide detailed snapshots of the credit market risks embedded in the Sub-Fund as at 31 December 2022 and 2021. Credit market risks are generally quantified by (a) market exposure in percentage terms; and (b) exposure in duration terms. The weighted spread duration is the spread duration multiplied by the allocation of NAV.

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3 Financial risk management (Continued)

(d) Credit risk (Continued)

Credit risk is monitored by running scenarios based on different assumptions of correlations. The Manager monitors the Sub-Fund's credit exposures on a daily basis and the Trustee reviews it on a daily basis.

(ii) Assets with the brokers and custodian

The Sub-Fund is exposed to credit risk on its bank deposits and balances, and assets held with the brokers.

Accordingly, the Sub-Fund has a significant credit risk towards the brokers and custodian to the extent that the brokers and custodian may be unable to fulfill their obligation to return the Sub-Fund's cash and assets. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund. As at 31 December 2022 and 2021, the aggregate value of the Sub-Fund's assets held with the brokers and custodian were as follows:

	2022 RMB	2021 RMB
<u>Deposits with brokers and custodian</u>		
Citibank N.A., Hong Kong Branch	21,123,888	65,614,408
	-----	-----
<u>Assets pledged with brokers and custodian</u>		
Barclays Bank PLC	5,029,447	8,328,943
Citibank N.A., Hong Kong Branch	4,112,778	2,742,572
KGI Securities (Singapore) Pte. Ltd.	1,578,741	1,449,020
UBS AG	5,269,188	11,227,200
	-----	-----
	15,990,154	23,747,735
	-----	-----
<u>Other assets with brokers and custodian</u>		
Barclays Bank PLC	951,109	1,520,927
Citibank N.A., Hong Kong Branch	373,530,056	594,270,581
UBS AG	56,064	1,701,619
	-----	-----
	374,537,229	597,493,127
	-----	-----
Total assets placed with the brokers and financial institutions	411,651,271	686,855,270
	=====	=====

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3 Financial risk management (Continued)

(d) Credit risk (Continued)

(ii) Assets with the brokers and custodian (Continued)

The credit ratings represented that of the ultimate holding companies of the broker and custodian as issued by Standard & Poor's at year end were as follows:

	2022	2021
Barclays Bank PLC	A	A
Citibank N.A., Hong Kong Branch	A+	A+
KGI Securities (Singapore) Pte. Ltd.	BBB	BBB
UBS AG	A+	A+

The Manager of the Sub-Fund monitors the Sub-Fund's credit risk position on a daily basis.

All transactions are settled/paid for upon delivery using approved and reputable brokers. Delivery of securities sold is only made when the brokers have received payment. Payment is made on a purchase when the securities have been received by the brokers. The trade will fail if either party fails to meet its obligation.

(e) Offsetting and amounts subject to master netting arrangements and similar agreements

The Sub-Fund was subject to four (2021: four) master netting agreements with its financial instrument counterparties. All of the financial assets and liabilities of the Sub-Fund are held with these counterparties and margin balances are maintained by the Sub-Fund for the purpose of providing collateral on derivative positions.

The following table presents the Sub-Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument and by counterparty.

	A	B	C = A - B
	Gross amounts of recognised financial liabilities/assets	Gross amounts of recognised liabilities/assets set-off in the statement of financial position	Net amounts of financial assets/liabilities presented in the statement of financial position
	RMB	RMB	RMB
At 31 December 2022			
Financial assets			
Derivative financial instruments	2,711,553	-	2,711,553
Margin deposits	15,990,154	-	15,990,154
Financial liabilities			
Derivative financial instruments	838,014	-	838,014

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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

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

The liquidity of the Sub-Fund's investments in corporate bonds and other derivative financial instruments may vary substantially depending on market conditions. The liquidity of the various instruments in the Asian debt markets has fluctuated and changed substantially over time. The market for relatively illiquid securities tends to be thinner than the market for more liquid securities.

Investments in relatively illiquid securities may restrict the ability of the Sub-Fund to dispose of its investments at a price and time that it wishes to do so. The risk of illiquidity also arises in the case of over-the-counter transactions. There is no regulated market in such contracts and the bid and offer prices are established solely by dealers in these contracts.

The table below analyses the Sub-Fund's financial liabilities and derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow.

	Maturity less than 3 months RMB	Maturity up to 1 year RMB	Maturity up to 5 years RMB	Total RMB
As at 31 December 2022				
Derivative financial instruments	838,014	-	-	838,014
Amounts due to brokers	1,550,221	-	-	1,550,221
Other liabilities and accrued expenses	1,204,987	-	-	1,204,987
Redemptions payable	2,359,639	-	-	2,359,639
Net assets attributable to unitholders	<u>418,113,303</u>	<u>-</u>	<u>-</u>	<u>418,113,303</u>

	Maturity less than 3 months RMB	Maturity up to 1 year RMB	Maturity up to 5 years RMB	Total RMB
As at 31 December 2021				
Derivative financial instruments	845,963	-	-	845,963
Amounts due to brokers	2,018,626	-	-	2,018,626
Other liabilities and accrued expenses	1,701,347	-	-	1,701,347
Redemptions payable	2,464,402	-	-	2,464,402
Net assets attributable to unitholders	<u>694,804,016</u>	<u>-</u>	<u>-</u>	<u>694,804,016</u>

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3 Financial risk management (Continued)

(f) Liquidity risk (Continued)

The redeemable units are redeemable on a daily basis at the unitholder's option. In order to control liquidity risk, the Manager, with the approval of the Trustee, may limit the number of redeemable units, which are redeemed on any redemption day to redeemable units representing in aggregate 10% of the NAV of the Sub-Fund. Furthermore, no redemption of a holding of redeemable units may be made which would result in the unitholder retaining redeemable units which have a value of less than the following amount, unless the Manager in its sole discretion determines to permit the redemption:

	Minimum holding amount
Class 1A USD (Distribution) Units	USD50,000
Class 1A USD (Accumulation) Units	USD50,000
Class 1E USD (Distribution) Units	USD50,000
Class 2A USD (Distribution) Units	USD2,000
Class 2A USD (Accumulation) Units	USD2,000
Class 2B RMB (Distribution) Units	RMB10,000
Class 2B RMB (Accumulation) Units	RMB10,000
Class 2C USD (Distribution) Units	USD2,000
Class 2D HKD (Distribution) Units	HKD10,000
Class 2D HKD (Accumulation) Units	HKD10,000
Class 2E AUD (Distribution) Units	AUD100,000
Class 2E AUD (Accumulation) Units	AUD100,000
Class 2F AUD-Hedged (Distribution) Units	AUD100,000
Class 2F AUD-Hedged (Accumulation) Units	AUD100,000
Class 2G USD-Hedged (Distribution) Units	USD2,000
Class 2G USD-Hedged (Accumulation) Units	USD2,000
Class 2H SGD (Distribution) Units	SGD1,000
Class 2H SGD (Accumulation) Units	SGD1,000
Class 2I SGD-Hedged (Distribution) Units	SGD1,000
Class 2I SGD-Hedged (Accumulation) Units	SGD1,000
Class 2J EUR (Distribution) Units	EUR1,000
Class 2J EUR (Accumulation) Units	EUR1,000
Class 2K EUR-Hedged (Distribution) Units	EUR1,000
Class 2K EUR-Hedged (Accumulation) Units	EUR1,000
Class 2L HKD-Hedged (Distribution) Units	HKD10,000
Class 2L HKD-Hedged (Accumulation) Units	HKD10,000
Class 2XB RMB (Accumulation) Units	RMB10,000
Class 2XG USD-Hedged (Accumulation) Units	USD2,000
Class 4C USD-Hedged (Accumulation) Units	USD100,000

As at 31 December 2022, the total assets of the Sub-Fund amounted to RMB424,066,164 (2021: RMB701,834,354). The Manager manages the Sub-Fund's liquidity risk by investing predominantly in listed and quoted bonds and derivatives that the Manager considered them as highly liquid for disposal.

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4 Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on mid-market prices at the close of trading on the year end date. The Sub-Fund measures both financial assets and financial liabilities at mid-market price.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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4 Fair value estimation (Continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

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

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities measured at fair value. Please refer to Note 3(a) for disclosure of the Sub-Fund's financial assets and liabilities by class.

	Level 2 RMB	Total RMB
As at 31 December 2022		
Assets		
Financial assets at fair value through profit or loss:		
- Corporate bonds	303,729,592 ⁽⁴⁾	303,729,592 ⁽⁴⁾
- Government bonds	19,334,934 ⁽⁴⁾	19,334,934 ⁽⁴⁾
- Investment fund	48,761,150	48,761,150
Derivative financial assets:		
- Forward foreign exchange contracts	2,711,553	2,711,553
	<u>374,537,229</u>	<u>374,537,229</u>
Liabilities		
Derivative financial liabilities:		
- Forward foreign exchange contracts	838,014	838,014
	<u>838,014</u>	<u>838,014</u>

⁽⁴⁾ The amount represents only the fair value of the debt instruments without accrued interests, which are separately disclosed as interest receivable on the statement of financial position.

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4 Fair value estimation (Continued)

	Level 2 RMB	Total RMB
As at 31 December 2021		
Assets		
Financial assets at fair value through profit or loss:		
- Corporate bonds	495,325,388 ⁽⁴⁾	495,325,388 ⁽⁴⁾
- Government bonds	96,687,147 ⁽⁴⁾	96,687,147 ⁽⁴⁾
Derivative financial assets:		
- Forward foreign exchange contracts	5,480,592	5,480,592
	<u>597,493,127</u>	<u>597,493,127</u>
Liabilities		
Derivative financial liabilities:		
- Forward foreign exchange contracts	845,963	845,963
	<u>845,963</u>	<u>845,963</u>

⁽⁴⁾ The amount represents only the fair value of the debt instruments without accrued interests, which are separately disclosed as interest receivable on the statement of financial position.

Investments whose values are based on quoted market prices in active markets are classified within level 1, include futures. The Sub-Fund does not adjust the quoted price for these instruments. As at 31 December 2022 and 2021, the Sub-Fund did not hold any investment, classified in level 1.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted/tradable market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include corporate bonds, government bonds, investment funds and forward foreign exchange contracts. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As observable prices are not available for these securities, the Sub-Fund has used valuation techniques to derive the fair value. As at 31 December 2022 and 2021, the Sub-Fund did not hold any investment, classified in level 3.

Management considers the carrying value of the Sub-Fund's other financial assets and financial liabilities are a reasonable approximation of fair value.

There is no transfer between the levels of fair value hierarchy during the year ended 31 December 2022 and 2021.

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5 Critical accounting estimates and judgments

(a) Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of financial instruments

The Sub-Fund may, from time to time, hold financial instruments that are not quoted in active markets, whereby the arranging banks or placement banks would be the sole providers of mark to market prices. Fair values of such instruments are determined by using valuation techniques. The Sub-Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel at the Manager. The Manager also closely monitors the coupon and principal payment of these fixed income and debt instruments.

In certain cases, the Manager may determine the prices or make adjustments to the market values of investments at their discretion if they believe that an adjustment is required to arrive at the fair value of the investment.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The Sub-Fund holds financial instruments that are not actively traded on an exchange such as unlisted bonds and derivative instruments which may not trade in an active market and whose fair value has been determined by reference to quotations provided by the relevant brokers. Their quotations may be indicative quotes only and may not necessarily represent actual transactions price nor may represent a binding offer price. The Management considers that the above valuation approach as the best estimate of the fair value of the investments. Actual transacted prices may differ from the quotes provided by the relevant brokers.

The investment funds held by the Sub-Fund are subject to the terms and conditions of the respective offering documentation of the investment funds. The investment funds are primarily valued on the latest available redemption price of such units/shares for each investment fund, as determined by the respective fund administrators or fund managers of such investment fund. If necessary, the Directors make adjustments to the net asset value of various investment funds to obtain the best estimate of fair value.

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5 Critical accounting estimates and judgments (Continued)

(b) Critical judgments

Functional currency

The Manager considers RMB the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The RMB is the currency in which the Sub-Fund measures its performance and reports its results.

6 Financial instruments by category

The following tables disclose the financial assets and liabilities of the Sub-Fund by category:

	At amortised cost RMB	At fair value through profit or loss RMB	Total RMB
As at 31 December 2022			
Financial assets			
Financial assets at fair value through profit or loss	-	371,825,676	371,825,676
Derivative financial instruments	-	2,711,553	2,711,553
Interest receivable	8,568,804	-	8,568,804
Prepayments and other receivables	952,132	-	952,132
Amounts due from brokers	2,893,957	-	2,893,957
Margin deposits	15,990,154	-	15,990,154
Bank balances	21,123,888	-	21,123,888
	<u>49,528,935</u>	<u>374,537,229</u>	<u>424,066,164</u>
Financial liabilities			
Derivative financial instruments	-	838,014	838,014
Amounts due to brokers	1,550,221	-	1,550,221
Other liabilities and accrued expenses	1,204,987	-	1,204,987
Redemptions payable	2,359,639	-	2,359,639
	<u>5,114,847</u>	<u>838,014</u>	<u>5,952,861</u>

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6 Financial instruments by category (Continued)

The following tables disclose the financial assets and liabilities of the Sub-Fund by category:

	At amortised cost RMB	At fair value through profit or loss RMB	Total RMB
As at 31 December 2021			
Financial assets			
Financial assets at fair value through profit or loss	-	592,012,535	592,012,535
Derivative financial instruments	-	5,480,592	5,480,592
Interest receivable	10,064,520	-	10,064,520
Subscriptions receivable	331,642	-	331,642
Prepayments and other receivables	1,232,384	-	1,232,384
Amounts due from brokers	3,350,538	-	3,350,538
Margin deposits	23,747,735	-	23,747,735
Bank balances	65,614,408	-	65,614,408
	<u>104,341,227</u>	<u>597,493,127</u>	<u>701,834,354</u>
Financial liabilities			
Derivative financial instruments	-	845,963	845,963
Amounts due to brokers	2,018,626	-	2,018,626
Other liabilities and accrued expenses	1,701,347	-	1,701,347
Redemptions payable	2,464,402	-	2,464,402
	<u>6,184,375</u>	<u>845,963</u>	<u>7,030,338</u>

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7 Net losses on financial assets and liabilities at fair value through profit or loss

The following table discloses the net realised and change in unrealised losses on financial assets and liabilities at fair value through profit and loss of the Sub-Fund:

	2022 RMB	2021 RMB
Realised losses on:		
Financial assets and liabilities at fair value through profit or loss	(31,310,870)	(85,186,673)
Derivative financial instruments	(26,925,985)	26,265,782
	<u>(58,236,855)</u>	<u>(58,920,891)</u>
Change in unrealised losses on:		
Financial assets and liabilities at fair value through profit or loss	(57,663,343)	(54,821,067)
Derivative financial instruments	(2,761,091)	(13,108,762)
	<u>(60,424,434)</u>	<u>(67,929,829)</u>
Net losses on financial assets and liabilities at fair value through profit or loss	<u>(118,661,289)</u>	<u>(126,850,720)</u>

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8 Structured entities

The Sub-Fund's investments in Investment Fund are subject to the terms and conditions of the respective Investee Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Investee Fund. The Investee Fund in the investment portfolio is managed by portfolio managers who are compensated by the Investee Fund for its services. Such compensation generally consists of an asset based fee and a performance based incentive fee and is reflected in the valuation of the Sub-Fund's investment in each of the Investee Fund.

The right of the Sub-Fund to request redemption of its investments in IPRMBBF is on every business day.

The exposure to investments in Investee Fund at fair value by strategy employed is disclosed in the following table. The investment is included in financial assets at fair value through profit or loss in the statement of financial position.

As at 31 December 2022,

Strategy	Number of Investee Fund	Net Asset Value of Investee Fund RMB million	Investment fair value RMB	% of net assets attributable to holders of redeemable shares
Fixed income	1	55.21	<u>48,761,150</u>	<u>11.66</u>

As at 31 December 2021, there was no investment in Investee Fund.

The investment fund represents IPRMBBF, which is managed by the Manager of the Sub-Fund.

The principal investment objective of IPRMBBF is to seek long-term interest income and capital appreciation through investing RMB-denominated fixed income securities through RQFII quota. IPRMBBF mainly invests bonds in the Peoples' Republic of China ("PRC") which carry a credit rating grade of at least BBB- or equivalent assigned by one of the local rating agencies recognised by the relevant authorities in the PRC.

The Sub-Fund's investment strategy entails trading in other funds on a regular basis. Total purchases and total sales in the investee fund during the year ended 31 December 2022 were RMB48,156,039 and RMBNil. No purchase and sales in Investee Fund during the year ended 31 December 2021. The Sub-Fund intends to continue opportunistic trading in other funds.

As at 31 December 2022 and 31 December 2021 there were no capital commitment obligations and no amounts due to investee fund for unsettled purchases.

During the year ended 31 December 2022, net gain of RMB605,111 (2021: Nil) incurred on investments in the Investee Fund.

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9 Transactions with related parties and connected persons

The following is a summary of transactions entered into during the year between the Sub-Fund and its related parties including the Manager, Trustee and their connected persons. Connected persons are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with the connected persons except for those disclosed below.

All transactions were entered into during the year between the Sub-Fund and the Manager, Trustee and their connected persons were carried out in the ordinary course of business and on normal commercial terms.

(a) Management fee

Pursuant to the Sub-Fund's explanatory memorandum, the Manager is entitled to receive a management fee calculated in the following basis:

Class	Management fee (% of NAV p.a. of the relevant Class)
Class 1A USD (Distribution) Units	1.00%
Class 1A USD (Accumulation) Units	1.00%
Class 1E USD (Distribution) Units	1.00%
Class 2A USD (Distribution) Units	1.50%
Class 2A USD (Accumulation) Units	1.50%
Class 2B RMB (Distribution) Units	1.50%
Class 2B RMB (Accumulation) Units	1.50%
Class 2C USD (Distribution) Units	1.50%
Class 2D HKD (Distribution) Units	1.50%
Class 2D HKD (Accumulation) Units	1.50%
Class 2E AUD (Distribution) Units	1.50%
Class 2E AUD (Accumulation) Units	1.50%
Class 2F AUD-Hedged (Distribution) Units	1.50%
Class 2F AUD-Hedged (Accumulation) Units	1.50%
Class 2G USD-Hedged (Distribution) Units	1.50%
Class 2G USD-Hedged (Accumulation) Units	1.50%
Class 2H SGD (Distribution) Units	1.50%
Class 2H SGD (Accumulation) Units	1.50%
Class 2I SGD-Hedged (Distribution) Units	1.50%
Class 2I SGD-Hedged (Accumulation) Units	1.50%
Class 2J EUR (Distribution) Units	1.50%
Class 2J EUR (Accumulation) Units	1.50%
Class 2K EUR-Hedged (Distribution) Units	1.50%
Class 2K EUR-Hedged (Accumulation) Units	1.50%
Class 2L HKD-Hedged (Distribution) Units	1.50%
Class 2L HKD-Hedged (Accumulation) Units	1.50%
Class 2XB RMB (Accumulation) Units	1.50%
Class 2XG USD-Hedged (Accumulation) Units	1.50%
Class 4C USD-Hedged (Accumulation) Units	0.00%

The management fee is accrued daily and payable monthly in arrears.

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9 Transactions with related parties and connected persons (Continued)

(a) Management fee (Continued)

Total management fees for the year ended 31 December 2022 amounted to RMB7,187,886 (2021: RMB11,730,038) with RMB489,816 (2021: RMB811,322) outstanding as at 31 December 2022.

The Manager will give one month's prior notice to unitholders should there be any increase of the management fee from the current level up to the maximum level of 2% per annum of the net asset value of the Sub-Fund.

(b) Trustee fee

The trustee fee paid to the Trustee accrued from the assets of the Sub-Fund is based on 0.0075% (2021: 0.0075%) per annum of the NAV of the Sub-Fund, subject to a minimum of USD10,000 (2021: USD10,000) per annum. The current fee payable to the Trustee from the assets of the Sub-Fund is less than 1% per annum of the NAV of the Sub-Fund. The Trustee will give one month's prior notice to unitholders should there be any increase of the trustee fee from the current level up to the maximum level of 1% per annum of the NAV of the Sub-Fund.

The table below summarises the trustee fees and trustee fee payable by Sub-Fund as at 31 December 2022 and 2021:

	2022 RMB	2021 RMB
Trustee fee	<u>69,188</u>	<u>65,744</u>
Trustee fee payable	<u>5,925</u>	<u>5,413</u>

(c) Investments in fund managed by the Manager

As refer to Note 3(a), as at 31 December 2022, the Sub-Fund invested into IPRMBBF (2021: Nil), which is managed by the same Manager of the Sub-Fund.

IPRMBBF was incorporated in Hong Kong under the laws of Hong Kong by a trust deed dated 23 June 2014. The principal investment objective of IPRMBBF is to seek long-term interest income and capital appreciation through investing RMB-denominated fixed income securities through RQFII quota.

The following table summarises the ownership of investment fund managed by the same Manager of the Sub-Fund:

	Holding	Unit price RMB	Fair value RMB
At 31 December 2022			
IPRMBBF	<u>63,800</u>	<u>764.28</u>	<u>48,761,150</u>

During the year ended 31 December 2022 and 31 December 2021, the Sub-Fund did not receive any dividend income from its investment in IPRMBBF, which is managed by the Manager of the Sub-Fund.

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9 Transactions with related parties and connected persons (Continued)

(d) Cross trade

During the year ended 31 December 2022 and 2021, there were no investment holdings which were bought or sold from/to other funds also managed by the Manager of the Sub-Fund.

(e) Holdings of units of the Sub-Fund

The holdings of units of the Sub-Fund by the Manager and its connected persons as at 31 December 2022 and 2021 were as follows.

Units held by the portfolio managers of the Sub-Fund:

	Units outstanding at 1 January 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2022
<u>2022</u>				
Class 4C USD -Hedged (Accumulation)	-	6,270	-	6,270
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Units held by a related party of the Directors of the Manager:

	Units outstanding at 1 January 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2022
<u>2022</u>				
Class 2B RMB (Distribution)	56,097	-	(56,097)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Units outstanding at 1 January 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2022
<u>2021</u>				
Class 2B RMB (Distribution)	-	56,097	-	56,097
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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9 Transactions with related parties and connected persons (Continued)

(e) Holdings of units of the Sub-Fund (Continued)

Units held by management committee member of the Manager:

	Units outstanding at 1 January 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2022
2022				
Class 4C USD -Hedged (Accumulation)	3,514	-	(3,514)	-

	Units outstanding at 1 January 2021	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2021
2021				
Class 4C USD -Hedged (Accumulation)	3,514	-	-	3,514

(f) Bank balances

Bank balances are maintained with Citibank N.A., Hong Kong Branch, an affiliate of the Trustee. Bank balances deposited with affiliates of the Trustee at 31 December 2022 and 31 December 2021 and interest income earned during the year on these bank balances at the year end of the year are summarised below:

	2022 RMB	2021 RMB
Bank balances deposited	21,123,888	65,614,408
Interest income earned	118,149	13,380

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9 Transactions with related parties and connected persons (Continued)

(g) Custodian, administration, compliance monitoring, financial statement preparation fee and registrar and processing agent fee

Citibank N.A., Hong Kong Branch N.A. acts as the fund administrator and provides financial, accounting, administrative and other services to the Sub-Fund.

Citicorp Financial Services Limited is the Registrar and Processing Agent of the Sub-Fund.

The Trustee has appointed Citibank N.A., Hong Kong Branch to act as custodian of the Sub-Fund's assets.

The custodian, administrator and registrar and processing agent 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, the Administrator or the Registrar and Processing Agent (as the case may be) from time to time. The Administrator's, the Custodian's, the Registrar and Processing Agent's fees, financial statement preparation fee and the compliance monitoring fee will accrue daily and payable on a monthly basis.

Total custodian, administration, compliance monitoring, financial statement preparation fee and registrar and processing agent fee for the year ended 31 December 2022 amounted to RMB936,944 (2021: RMB1,220,226) with RMB108,450 (2021: RMB120,009) outstanding as at 31 December 2022.

Total custodian fee for the year ended 31 December 2022 amounted to RMB205,173 (2021: RMB193,112) with RMB17,774 (2021: RMB16,238) outstanding as at 31 December 2022.

Total administration fee for the year ended 31 December 2022 amounted to RMB561,441 (2021: RMB808,353) with RMB46,703 (2021: RMB60,665) outstanding as at 31 December 2022.

Total registrar and processing agent fee for the year ended 31 December 2022 amounted to RMB42,989 (2021: RMB73,531) with RMB3,555 (2021: RMB3,248) outstanding as at 31 December 2022.

Total compliance monitoring fee for the year ended 31 December 2022 amounted to RMB52,092 (2021: RMB80,835) with RMB3,505 (2021: RMB5,662) outstanding as at 31 December 2022.

Total financial statement preparation fee for the year ended 31 December 2022 amounted to RMB75,249 (2021: RMB64,395) with RMB36,913 (2021: RMB34,196) outstanding as at 31 December 2022.

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NOTES TO THE FINANCIAL STATEMENTS

10 Reconciliation between NAV per statement of assets and liabilities and published NAV (due to amortisation of SFC authorisation costs)

The SFC authorisation costs were amortised over 5 years commencing from the date of authorisation (i.e. 5 December 2017). As at 31 December 2022, all costs had been amortised. The accounting policy of the Sub-Fund for the purpose of financial statements preparation in compliance with IFRS is to expense SFC authorisation costs in the statement of comprehensive income as incurred. The differences between expensing the SFC authorisation costs as incurred in accordance with IFRS and capitalisation and amortisation of the SFC authorisation costs indicated in the Prospectus of the Sub-Fund resulted in adjustments in the net asset value.

	2022 RMB	2021 RMB
Accounting net assets attributable to unitholders as reported in the statement of financial position	418,113,303	694,804,016
Adjustment for different basis adopted by the Sub-Fund in arriving at net assets attributable to unitholders	-	188,152
	<u>418,113,303</u>	<u>694,992,168</u>
Net asset attributable to unitholders (in accordance with the Prospectus)	<u>418,113,303</u>	<u>694,992,168</u>

Net assets attributable to unitholders per unit are calculated based on the net assets attributable to unitholders divided by the total units in issue as at 31 December 2022 and 31 December 2021. The detailed breakdowns are as follows:

Net asset value per unit (in accordance with the Prospectus of the Sub-Fund)	Class Currency	2022	2021
Class 1A USD (Distribution) Units	USD	65.29	88.87
Class 1A USD (Accumulation) Units	USD	83.43	103.93
Class 1E USD (Distribution) Units	USD	59.12	73.90
Class 2A USD (Distribution) Units	USD	54.37	74.19
Class 2A USD (Accumulation) Units	USD	130.96	163.98
Class 2B RMB (Distribution) Units	RMB	57.28	73.33
Class 2B RMB (Accumulation) Units	RMB	140.80	161.81
Class 2C USD (Distribution) Units	USD	58.43	80.31
Class 2D HKD (Distribution) Units	HKD	53.36	72.81
Class 2D HKD (Accumulation) Units	HKD	79.37	99.39
Class 2E AUD (Distribution) Units	AUD	64.86	81.93
Class 2E AUD (Accumulation) Units	AUD	91.48	107.17
Class 2F AUD-Hedged (Distribution) Units	AUD	58.13	73.38
Class 2F AUD-Hedged (Accumulation) Units	AUD	88.81	103.86
Class 2G USD-Hedged (Distribution) Units	USD	52.27	65.68
Class 2G USD-Hedged (Accumulation) Units	USD	91.98	106.45
Class 2I SGD-Hedged (Distribution) Units	SGD	57.87	73.00
Class 2I SGD-Hedged (Accumulation) Units	SGD	75.83	88.10
Class 2K EUR-Hedged (Distribution) Units	EUR	58.79	74.23
Class 2K EUR-Hedged (Accumulation) Units	EUR	71.36	84.64
Class 2L HKD-Hedged (Distribution) Units	HKD	57.63	72.94
Class 2L HKD-Hedged (Accumulation) Units	HKD	76.07	88.69
Class 2XB RMB (Accumulation) Units	RMB	112.76	99.76
Class 2XG USD-Hedged (Accumulation) Units	USD	-	87.56
Class 4C USD-Hedged (Accumulation) Units	USD	84.67	96.55

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

Class	2022 Units	2021 Units
Class 1A USD (Distribution) Units	20,000	20,000
Class 1A USD (Accumulation) Units	104,703	75,737
Class 1E USD (Distribution) Units	14,475	24,477
Class 2A USD (Distribution) Units	147,252	200,768
Class 2A USD (Accumulation) Units	25,581	33,033
Class 2B RMB (Distribution) Units	797,072	1,430,312
Class 2B RMB (Accumulation) Units	139,223	198,106
Class 2C USD (Distribution) Units	36,729	42,544
Class 2D HKD (Distribution) Units	862,614	1,030,267
Class 2D HKD (Accumulation) Units	55,929	57,461
Class 2E AUD (Distribution) Units	468	1,957
Class 2E AUD (Accumulation) Units	114	114
Class 2F AUD-Hedged (Distribution) Units	18,813	23,767
Class 2F AUD-Hedged (Accumulation) Units	9,364	9,364
Class 2G USD-Hedged (Distribution) Units	228,879	278,887
Class 2G USD-Hedged (Accumulation) Units	18,986	27,655
Class 2I SGD-Hedged (Distribution) Units	32,888	37,801
Class 2I SGD-Hedged (Accumulation) Units	11,711	11,711
Class 2J EUR-Hedged (Distribution) Units	-	-
Class 2K EUR-Hedged (Distribution) Units	12,079	14,807
Class 2K EUR-Hedged (Accumulation) Units	884	4,907
Class 2L HKD-Hedged (Distribution) Units	55,205	120,646
Class 2L HKD-Hedged (Accumulation) Units	3,938	10,856
Class 2XB RMB (Accumulation) Units	72,425	499,990
Class 2XG USD-Hedged (Accumulation) Units	-	49,999
Class 4C USD-Hedged (Accumulation) Units	6,270	9,784
	<hr/>	<hr/>
Number of units in issue at 31 December 2022	2,675,602	4,214,950
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NOTES TO THE FINANCIAL STATEMENTS

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

Class	2022 RMB	2021 RMB
Class 1A USD (Distribution) Units	9,037,632	11,291,041
Class 1A USD (Accumulation) Units	60,455,379	50,003,742
Class 1E USD (Distribution) Units	5,922,568	11,489,817
Class 2A USD (Distribution) Units	55,408,279	94,622,719
Class 2A USD (Accumulation) Units	23,187,137	34,408,127
Class 2B RMB (Distribution) Units	45,658,908	104,879,498
Class 2B RMB (Accumulation) Units	19,602,915	32,055,320
Class 2C USD (Distribution) Units	14,851,689	21,702,987
Class 2D HKD (Distribution) Units	40,862,393	61,113,236
Class 2D HKD (Accumulation) Units	3,940,652	4,652,595
Class 2E AUD (Distribution) Units	142,642	739,601
Class 2E AUD (Accumulation) Units	49,006	56,316
Class 2F AUD-Hedged (Distribution) Units	5,143,005	8,045,363
Class 2F AUD-Hedged (Accumulation) Units	3,911,335	4,486,621
Class 2G USD-Hedged (Distribution) Units	82,801,192	116,358,623
Class 2G USD-Hedged (Accumulation) Units	12,087,053	18,701,755
Class 2I SGD-Hedged (Distribution) Units	9,825,340	12,986,594
Class 2I SGD-Hedged (Accumulation) Units	4,584,428	4,855,802
Class 2K EUR-Hedged (Distribution) Units	5,244,529	7,907,954
Class 2K EUR-Hedged (Accumulation) Units	465,788	2,987,894
Class 2L HKD-Hedged (Distribution) Units	2,824,028	7,168,913
Class 2L HKD-Hedged (Accumulation) Units	265,926	784,364
Class 2XB RMB (Accumulation) Units	8,166,698	49,881,068
Class 2XG USD-Hedged (Accumulation) Units	-	27,810,884
Class 4C USD-Hedged (Accumulation) Units	3,674,781	6,001,334
Net assets attributable to unitholders	<u>418,113,303</u>	<u>694,992,168</u>

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

	2022	2021
	RMB	RMB
Net assets attributable to unitholders per unit		
Class 1A USD (Distribution)Units	451.88	564.55
Class 1A USD (Accumulation) Units	577.40	660.23
Class 1E USD (Distribution) Units	409.16	469.42
Class 2A USD (Distribution) Units	376.28	471.30
Class 2A USD (Accumulation)Units	906.40	1,041.63
Class 2B RMB (Distribution) Units	57.28	73.33
Class 2B RMB (Accumulation) Units	140.80	161.81
Class 2C USD (Distribution) Units	404.36	510.13
Class 2D HKD (Distribution) Units	47.37	59.32
Class 2D HKD (Accumulation) Units	70.46	80.97
Class 2E AUD (Distribution) Units	305.03	377.95
Class 2E AUD (Accumulation) Units	430.19	494.36
Class 2F AUD-Hedged (Distribution) Units	273.38	338.51
Class 2F AUD-Hedged (Accumulation) Units	417.68	479.11
Class 2G USD-Hedged (Distribution) Units	361.77	417.23
Class 2G USD-Hedged (Accumulation) Units	636.61	676.23
Class 2I SGD-Hedged (Distribution) Units	298.75	343.56
Class 2I SGD-Hedged (Accumulation) Units	391.47	414.64
Class 2K EUR-Hedged (Distribution) Units	434.15	534.04
Class 2K EUR-Hedged (Accumulation) Units	526.95	608.86
Class 2L HKD-Hedged (Distribution) Units	51.15	59.42
Class 2L HKD-Hedged (Accumulation) Units	67.53	72.25
Class 2XB RMB (Accumulation) Units	112.76	99.76
Class 2XG USD-Hedged (Accumulation) Units	-	556.23
Class 4C USD-Hedged (Accumulation) Units	585.98	613.32

The movements of the redeemable units are disclosed in the statement of changes in net assets attributable to unitholders.

As at 31 December 2022, the Sub-Fund had 4 investors which held 1,186,968, 444,424, 63,800 and 86,507 number of units, representing 18.95%, 26.13%, 10.34% and 10.58% NAV of the Sub-Fund respectively.

As at 31 December 2021, the Sub-Fund had 3 investors which held 1,484,081, 574,446 and 549,989 number of units, representing 19.51%, 28.39% and 11.16% NAV of the Sub-Fund respectively.

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NOTES TO THE FINANCIAL STATEMENTS

12 Other liabilities and accrued expenses

	2022 RMB	2021 RMB
Management fee payable (Note 9(a))	489,816	811,322
Trustee fee payable (Note 9(b))	5,925	5,413
Custodian, administration, compliance monitoring, financial statement preparation fee and registrar and processing agent fee payable (Note 9(g))	108,450	120,009
Auditor's remuneration payable	361,371	335,306
Other payable	239,425	429,297
	<u>1,204,987</u>	<u>1,701,347</u>

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NOTES TO THE FINANCIAL STATEMENTS

13 Distribution to holders of redeemable units

The Manager intends to distribute income or capital attributable to the Distribution Classes monthly on such date as may be determined by the Manager, or such other time or frequency as the Manager considers appropriate.

In the event that the income generated from the Sub-Fund's investments attributable to the relevant Distribution Classes during the relevant period is insufficient to pay distributions as declared, the Manager may in its discretion determine such distributions be paid from capital.

	2022 RMB	2021 RMB
Undistributed income brought forward at the beginning of the year	694,992,168	976,077,829
Net amount paid and payable on allotment and redemption of units	(152,823,312)	(138,048,359)
Loss before distributions and after tax	(94,353,825)	(97,841,777)
Distribution to unitholders	(29,513,576)	(44,967,600)
Adjustment for establishment and authorisation costs	(188,152)	(227,925)
	<u>(124,055,553)</u>	<u>(143,037,302)</u>
Undistributed income carried forward at the end of the year	<u>418,113,303</u>	<u>694,992,168</u>

	2022 RMB
Distribution paid on 5 January 2022 of USD0.77 per unit for Class 1A	98,069
Distribution paid on 5 January 2022 of USD0.50 per unit for Class 1E	77,935
Distribution paid on 5 January 2022 of USD0.47 per unit for Class 2A	600,897
Distribution paid on 5 January 2022 of CND0.64 per unit for Class 2B	915,400
Distribution paid on 5 January 2022 of USD0.55 per unit for Class 2C	149,007
Distribution paid on 5 January 2022 of HKD0.46 per unit for Class 2D	387,050
Distribution paid on 5 January 2022 of AUD0.45 per unit for Class 2E	4,065
Distribution paid on 5 January 2022 of AUD0.46 per unit for Class 2F	50,475
Distribution paid on 5 January 2022 of USD0.44 per unit for Class 2G	781,429
Distribution paid on 5 January 2022 of SGD0.49 per unit for Class 2I	87,352
Distribution paid on 5 January 2022 of EUD0.38 per unit for Class 2K	40,688
Distribution paid on 5 January 2022 of HKD0.49 per unit for Class 2L	48,280
Distribution paid on 8 February 2022 of USD0.48 per unit for Class 1A	61,090
Distribution paid on 8 February 2022 of USD0.40 per unit for Class 1E	62,303
Distribution paid on 8 February 2022 of USD0.40 per unit for Class 2A	509,890
Distribution paid on 8 February 2022 of CND0.51 per unit for Class 2B	717,216
Distribution paid on 8 February 2022 of USD0.46 per unit for Class 2C	117,553
Distribution paid on 8 February 2022 of HKD0.39 per unit for Class 2D	316,030
Distribution paid on 8 February 2022 of AUD0.4 per unit for Class 2E	3,543
Distribution paid on 8 February 2022 of AUD0.36 per unit for Class 2F	38,780
Distribution paid on 8 February 2022 of USD0.35 per unit for Class 2G	594,099
Distribution paid on 8 February 2022 of SGD0.39 per unit for Class 2I	69,563
Distribution paid on 8 February 2022 of EUD0.30 per unit for Class 2K	31,884
Distribution paid on 8 February 2022 of HKD0.39 per unit for Class 2L	35,614

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13 Distribution to holders of redeemable units (Continued)

	2022 RMB
Distribution paid on 3 March 2022 of USDo.48 per unit for Class 1A	60,566
Distribution paid on 3 March 2022 of USDo.40 per unit for Class 1E	61,769
Distribution paid on 3 March 2022 of USDo.40 per unit for Class 2A	499,968
Distribution paid on 3 March 2022 of CNDo.52 per unit for Class 2B	718,891
Distribution paid on 3 March 2022 of USDo.46 per unit for Class 2C	116,587
Distribution paid on 3 March 2022 of HKDo.39 per unit for Class 2D	307,005
Distribution paid on 3 March 2022 of AUDo.41 per unit for Class 2E	3,655
Distribution paid on 3 March 2022 of AUDo.36 per unit for Class 2F	39,067
Distribution paid on 3 March 2022 of USDo.35 per unit for Class 2G	582,146
Distribution paid on 3 March 2022 of SGDo.39 per unit for Class 2I	68,529
Distribution paid on 3 March 2022 of EUDo.31 per unit for Class 2K	26,524
Distribution paid on 3 March 2022 of HKDo.39 per unit for Class 2L	33,155
Distribution paid on 6 April 2022 of USDo.48 per unit for Class 1A	60,967
Distribution paid on 6 April 2022 of USDo.40 per unit for Class 1E	62,178
Distribution paid on 6 April 2022 of USDo.40 per unit for Class 2A	475,488
Distribution paid on 6 April 2022 of CNDo.52 per unit for Class 2B	681,002
Distribution paid on 6 April 2022 of USDo.47 per unit for Class 2C	116,824
Distribution paid on 6 April 2022 of HKDo.39 per unit for Class 2D	305,155
Distribution paid on 6 April 2022 of AUDo.41 per unit for Class 2E	2,498
Distribution paid on 6 April 2022 of AUDo.36 per unit for Class 2F	40,791
Distribution paid on 6 April 2022 of USDo.35 per unit for Class 2G	602,031
Distribution paid on 6 April 2022 of SGDo.39 per unit for Class 2I	69,135
Distribution paid on 6 April 2022 of EUDo.31 per unit for Class 2K	26,381
Distribution paid on 6 April 2022 of HKDo.39 per unit for Class 2L	29,001
Distribution paid on 5 May 2022 of USDo.48 per unit for Class 1A	64,054
Distribution paid on 5 May 2022 of USDo.40 per unit for Class 1E	65,327
Distribution paid on 5 May 2022 of USDo.40 per unit for Class 2A	498,074
Distribution paid on 5 May 2022 of CNDo.52 per unit for Class 2B	663,412
Distribution paid on 5 May 2022 of USDo.47 per unit for Class 2C	122,791
Distribution paid on 5 May 2022 of HKDo.39 per unit for Class 2D	315,829
Distribution paid on 5 May 2022 of AUDo.41 per unit for Class 2E	2,479
Distribution paid on 5 May 2022 of AUDo.36 per unit for Class 2F	40,482
Distribution paid on 5 May 2022 of USDo.35 per unit for Class 2G	633,015
Distribution paid on 5 May 2022 of SGDo.39 per unit for Class 2I	71,006
Distribution paid on 5 May 2022 of EUDo.31 per unit for Class 2K	26,301
Distribution paid on 5 May 2022 of HKDo.39 per unit for Class 2L	28,997
Distribution paid on 6 June 2022 of USDo.48 per unit for Class 1A	64,057
Distribution paid on 6 June 2022 of USDo.40 per unit for Class 1E	65,329
Distribution paid on 6 June 2022 of USDo.40 per unit for Class 2A	472,070
Distribution paid on 6 June 2022 of CNDo.52 per unit for Class 2B	657,145
Distribution paid on 6 June 2022 of USDo.47 per unit for Class 2C	122,851
Distribution paid on 6 June 2022 of HKDo.39 per unit for Class 2D	306,620
Distribution paid on 6 June 2022 of AUDo.41 per unit for Class 2E	2,518
Distribution paid on 6 June 2022 of AUDo.37 per unit for Class 2F	42,266
Distribution paid on 6 June 2022 of USDo.35 per unit for Class 2G	611,135
Distribution paid on 6 June 2022 of SGDo.39 per unit for Class 2I	71,739
Distribution paid on 6 June 2022 of EUDo.31 per unit for Class 2K	26,727
Distribution paid on 6 June 2022 of HKDo.39 per unit for Class 2L	27,557
Distribution paid on 6 July 2022 of USDo.48 per unit for Class 1A	64,198
Distribution paid on 6 July 2022 of USDo.40 per unit for Class 1E	65,474
Distribution paid on 6 July 2022 of USDo.40 per unit for Class 2A	457,599
Distribution paid on 6 July 2022 of CNDo.52 per unit for Class 2B	637,330
Distribution paid on 6 July 2022 of USDo.47 per unit for Class 2C	123,180
Distribution paid on 6 July 2022 of HKDo.39 per unit for Class 2D	303,542
Distribution paid on 6 July 2022 of AUDo.41 per unit for Class 2E	2,418

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13 Distribution to holders of redeemable units (Continued)

	2022 RMB
Distribution paid on 6 July 2022 of AU\$0.37 per unit for Class 2F	40,585
Distribution paid on 6 July 2022 of US\$0.36 per unit for Class 2G	597,392
Distribution paid on 6 July 2022 of S\$0.39 per unit for Class 2I	70,656
Distribution paid on 6 July 2022 of E\$0.31 per unit for Class 2K	26,174
Distribution paid on 6 July 2022 of HK\$0.39 per unit for Class 2L	27,619
Distribution paid on 3 August 2022 of US\$0.48 per unit for Class 1A	64,910
Distribution paid on 3 August 2022 of US\$0.40 per unit for Class 1E	58,073
Distribution paid on 3 August 2022 of US\$0.40 per unit for Class 2A	462,134
Distribution paid on 3 August 2022 of C\$0.52 per unit for Class 2B	617,588
Distribution paid on 3 August 2022 of US\$0.47 per unit for Class 2C	124,611
Distribution paid on 3 August 2022 of HK\$0.39 per unit for Class 2D	299,660
Distribution paid on 3 August 2022 of AU\$0.41 per unit for Class 2E	2,500
Distribution paid on 3 August 2022 of AU\$0.37 per unit for Class 2F	41,965
Distribution paid on 3 August 2022 of US\$0.36 per unit for Class 2G	588,556
Distribution paid on 3 August 2022 of S\$0.40 per unit for Class 2I	74,287
Distribution paid on 3 August 2022 of E\$0.31 per unit for Class 2K	25,958
Distribution paid on 3 August 2022 of HK\$0.40 per unit for Class 2L	22,466
Distribution paid on 5 September 2022 of US\$0.48 per unit for Class 1A	66,273
Distribution paid on 5 September 2022 of US\$0.40 per unit for Class 1E	59,293
Distribution paid on 5 September 2022 of US\$0.40 per unit for Class 2A	464,378
Distribution paid on 5 September 2022 of C\$0.52 per unit for Class 2B	617,667
Distribution paid on 5 September 2022 of US\$0.47 per unit for Class 2C	127,299
Distribution paid on 5 September 2022 of HK\$0.40 per unit for Class 2D	313,859
Distribution paid on 5 September 2022 of AU\$0.41 per unit for Class 2E	2,472
Distribution paid on 5 September 2022 of AU\$0.37 per unit for Class 2F	41,489
Distribution paid on 5 September 2022 of US\$0.36 per unit for Class 2G	600,915
Distribution paid on 5 September 2022 of S\$0.40 per unit for Class 2I	71,591
Distribution paid on 5 September 2022 of E\$0.31 per unit for Class 2K	25,901
Distribution paid on 5 September 2022 of HK\$0.40 per unit for Class 2L	22,944
Distribution paid on 6 October 2022 of US\$0.48 per unit for Class 1A	68,635
Distribution paid on 6 October 2022 of US\$0.40 per unit for Class 1E	41,395
Distribution paid on 6 October 2022 of US\$0.40 per unit for Class 2A	456,025
Distribution paid on 6 October 2022 of C\$0.52 per unit for Class 2B	421,920
Distribution paid on 6 October 2022 of US\$0.47 per unit for Class 2C	124,853
Distribution paid on 6 October 2022 of HK\$0.40 per unit for Class 2D	323,093
Distribution paid on 6 October 2022 of AU\$0.41 per unit for Class 2E	2,421
Distribution paid on 6 October 2022 of AU\$0.37 per unit for Class 2F	32,089
Distribution paid on 6 October 2022 of US\$0.36 per unit for Class 2G	610,699
Distribution paid on 6 October 2022 of S\$0.40 per unit for Class 2I	72,289
Distribution paid on 6 October 2022 of E\$0.31 per unit for Class 2K	26,182
Distribution paid on 6 October 2022 of HK\$0.40 per unit for Class 2L	20,819
Distribution paid on 3 November 2022 of US\$0.48 per unit for Class 1A	69,811
Distribution paid on 3 November 2022 of US\$0.40 per unit for Class 1E	42,104
Distribution paid on 3 November 2022 of US\$0.40 per unit for Class 2A	458,346
Distribution paid on 3 November 2022 of C\$0.52 per unit for Class 2B	406,681
Distribution paid on 3 November 2022 of US\$0.47 per unit for Class 2C	126,261
Distribution paid on 3 November 2022 of HK\$0.40 per unit for Class 2D	318,632
Distribution paid on 3 November 2022 of AU\$0.41 per unit for Class 2E	2,463
Distribution paid on 3 November 2022 of AU\$0.37 per unit for Class 2F	32,644
Distribution paid on 3 November 2022 of US\$0.36 per unit for Class 2G	614,771
Distribution paid on 3 November 2022 of S\$0.40 per unit for Class 2I	67,827
Distribution paid on 3 November 2022 of E\$0.31 per unit for Class 2K	27,058
Distribution paid on 3 November 2022 of HK\$0.40 per unit for Class 2L	20,457
Distribution paid on 3 November 2022 of US\$0.49 per unit for Class 1A	69,444
Distribution paid on 3 November 2022 of US\$0.40 per unit for Class 1E	41,028

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13 Distribution to holders of redeemable units (Continued)

	2022 RMB
Distribution paid on 3 November 2022 of USD0.41 per unit for Class 2A	427,796
Distribution paid on 3 November 2022 of CND0.52 per unit for Class 2B	412,750
Distribution paid on 3 November 2022 of USD0.47 per unit for Class 2C	122,632
Distribution paid on 3 November 2022 of HKD0.40 per unit for Class 2D	313,892
Distribution paid on 3 November 2022 of AUD0.41 per unit for Class 2E	2,530
Distribution paid on 3 November 2022 of AUD0.37 per unit for Class 2F	33,536
Distribution paid on 3 November 2022 of USD0.36 per unit for Class 2G	583,869
Distribution paid on 3 November 2022 of SGD0.40 per unit for Class 2I	68,603
Distribution paid on 3 November 2022 of EUD0.31 per unit for Class 2K	27,651
Distribution paid on 3 November 2022 of HKD0.40 per unit for Class 2L	20,108
	<hr/> <hr/> 29,513,576 <hr/> <hr/>

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
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NOTES TO THE FINANCIAL STATEMENTS

13 Distribution to holders of redeemable units (Continued)

	2021 RMB
Distribution paid on 06 January 2021 of USDo.85 per unit for Class 1A	10,232
Distribution paid on 06 January 2021 of USDo.61 per unit for Class 1E	168,263
Distribution paid on 06 January 2021 of USDo.53 per unit for Class 2A	824,917
Distribution paid on 06 January 2021 of CNYo.63 per unit for Class 2B	925,407
Distribution paid on 06 January 2021 of USDo.54 per unit for Class 2C	152,477
Distribution paid on 06 January 2021 of HKDo.52 per unit for Class 2D	750,762
Distribution paid on 06 January 2021 of AUDo.48 per unit for Class 2E	12,119
Distribution paid on 06 January 2021 of AUDo.48 per unit for Class 2F	112,527
Distribution paid on 06 January 2021 of USDo.55 per unit for Class 2G	1,496,928
Distribution paid on 06 January 2021 of SGDo.52 per unit for Class 2I	162,400
Distribution paid on 06 January 2021 of EURo.37 per unit for Class 2J	4,985
Distribution paid on 06 January 2021 of EURo.36 per unit for Class 2K	42,247
Distribution paid on 06 January 2021 of HKDo.61 per unit for Class 2L	68,670
Distribution paid on 03 February 2021 of USDo.76 per unit for Class 1A	9,184
Distribution paid on 03 February 2021 of USDo.49 per unit for Class 1E	146,790
Distribution paid on 03 February 2021 of USDo.46 per unit for Class 2A	719,012
Distribution paid on 03 February 2021 of CNYo.63 per unit for Class 2B	999,850
Distribution paid on 03 February 2021 of USDo.54 per unit for Class 2C	186,046
Distribution paid on 03 February 2021 of HKDo.45 per unit for Class 2D	637,798
Distribution paid on 03 February 2021 of AUDo.44 per unit for Class 2E	10,997
Distribution paid on 03 February 2021 of AUDo.45 per unit for Class 2F	71,041
Distribution paid on 03 February 2021 of USDo.44 per unit for Class 2G	1,058,815
Distribution paid on 03 February 2021 of SGDo.48 per unit for Class 2I	127,192
Distribution paid on 03 February 2021 of EURo.37 per unit for Class 2K	42,838
Distribution paid on 03 February 2021 of HKDo.48 per unit for Class 2L	65,010
Distribution paid on 03 March 2021 of USDo.76 per unit for Class 1A	9,188
Distribution paid on 03 March 2021 of USDo.49 per unit for Class 1E	146,843
Distribution paid on 03 March 2021 of USDo.47 per unit for Class 2A	731,586
Distribution paid on 03 March 2021 of CNYo.63 per unit for Class 2B	1,001,853
Distribution paid on 03 March 2021 of USDo.55 per unit for Class 2C	181,443
Distribution paid on 03 March 2021 of HKDo.45 per unit for Class 2D	596,902
Distribution paid on 03 March 2021 of AUDo.44 per unit for Class 2E	11,161
Distribution paid on 03 March 2021 of AUDo.45 per unit for Class 2F	60,655
Distribution paid on 03 March 2021 of USDo.44 per unit for Class 2G	969,185
Distribution paid on 03 March 2021 of SGDo.48 per unit for Class 2I	127,209
Distribution paid on 03 March 2021 of EURo.37 per unit for Class 2K	42,726
Distribution paid on 03 March 2021 of HKDo.49 per unit for Class 2L	66,919
Distribution paid on 08 April 2021 of USDo.77 per unit for Class 1A	9,468
Distribution paid on 08 April 2021 of USDo.49 per unit for Class 1E	149,353
Distribution paid on 08 April 2021 of USDo.47 per unit for Class 2A	739,697
Distribution paid on 08 April 2021 of CNYo.63 per unit for Class 2B	973,526
Distribution paid on 08 April 2021 of USDo.55 per unit for Class 2C	177,952
Distribution paid on 08 April 2021 of HKDo.45 per unit for Class 2D	564,460
Distribution paid on 08 April 2021 of AUDo.44 per unit for Class 2E	11,095
Distribution paid on 08 April 2021 of AUDo.45 per unit for Class 2F	60,322
Distribution paid on 08 April 2021 of USDo.44 per unit for Class 2G	967,127
Distribution paid on 08 April 2021 of SGDo.49 per unit for Class 2I	138,791
Distribution paid on 08 April 2021 of EURo.38 per unit for Class 2K	43,493
Distribution paid on 08 April 2021 of HKDo.49 per unit for Class 2L	67,798
Distribution paid on 05 May 2021 of USDo.77 per unit for Class 1A	9,315
Distribution paid on 05 May 2021 of USDo.49 per unit for Class 1E	146,945
Distribution paid on 05 May 2021 of USDo.47 per unit for Class 2A	742,944
Distribution paid on 05 May 2021 of CNYo.63 per unit for Class 2B	996,379
Distribution paid on 05 May 2021 of USDo.55 per unit for Class 2C	137,377
Distribution paid on 05 May 2021 of HKDo.46 per unit for Class 2D	567,493

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NOTES TO THE FINANCIAL STATEMENTS

13 Distribution to holders of redeemable units (Continued)

	2021 RMB
Distribution paid on 05 May 2021 of AUD0.44 per unit for Class 2E	11,167
Distribution paid on 05 May 2021 of AUD0.45 per unit for Class 2F	58,801
Distribution paid on 05 May 2021 of USD0.44 per unit for Class 2G	916,763
Distribution paid on 05 May 2021 of SGD0.49 per unit for Class 2I	138,122
Distribution paid on 05 May 2021 of EURO.38 per unit for Class 2K	43,958
Distribution paid on 05 May 2021 of HKD0.49 per unit for Class 2L	58,162
Distribution paid on 03 June 2021 of USD0.77 per unit for Class 1A	9,176
Distribution paid on 03 June 2021 of USD0.49 per unit for Class 1E	144,756
Distribution paid on 03 June 2021 of USD0.47 per unit for Class 2A	723,662
Distribution paid on 03 June 2021 of CNY0.63 per unit for Class 2B	997,868
Distribution paid on 03 June 2021 of USD0.55 per unit for Class 2C	135,381
Distribution paid on 03 June 2021 of HKD0.46 per unit for Class 2D	539,854
Distribution paid on 03 June 2021 of AUD0.44 per unit for Class 2E	10,998
Distribution paid on 03 June 2021 of AUD0.45 per unit for Class 2F	54,109
Distribution paid on 03 June 2021 of USD0.44 per unit for Class 2G	882,360
Distribution paid on 03 June 2021 of SGD0.49 per unit for Class 2I	124,908
Distribution paid on 03 June 2021 of EURO.38 per unit for Class 2K	43,900
Distribution paid on 03 June 2021 of HKD0.49 per unit for Class 2L	55,784
Distribution paid on 06 July 2021 of USD0.49 per unit for Class 1E	111,941
Distribution paid on 06 July 2021 of USD0.47 per unit for Class 2A	725,500
Distribution paid on 06 July 2021 of CNY0.63 per unit for Class 2B	1,004,075
Distribution paid on 06 July 2021 of USD0.55 per unit for Class 2C	137,308
Distribution paid on 06 July 2021 of HKD0.46 per unit for Class 2D	530,691
Distribution paid on 06 July 2021 of AUD0.45 per unit for Class 2E	6,662
Distribution paid on 06 July 2021 of AUD0.45 per unit for Class 2F	53,147
Distribution paid on 06 July 2021 of USD0.44 per unit for Class 2G	859,100
Distribution paid on 06 July 2021 of SGD0.49 per unit for Class 2I	96,150
Distribution paid on 06 July 2021 of EURO.38 per unit for Class 2K	43,212
Distribution paid on 06 July 2021 of HKD0.49 per unit for Class 2L	56,541
Distribution paid on 04 August 2021 of USD0.49 per unit for Class 1E	98,674
Distribution paid on 04 August 2021 of USD0.47 per unit for Class 2A	729,886
Distribution paid on 04 August 2021 of CNY0.64 per unit for Class 2B	1,011,658
Distribution paid on 04 August 2021 of USD0.55 per unit for Class 2C	151,760
Distribution paid on 04 August 2021 of HKD0.46 per unit for Class 2D	458,738
Distribution paid on 04 August 2021 of AUD0.45 per unit for Class 2E	4,196
Distribution paid on 04 August 2021 of AUD0.45 per unit for Class 2F	52,260
Distribution paid on 04 August 2021 of USD0.44 per unit for Class 2G	832,449
Distribution paid on 04 August 2021 of SGD0.49 per unit for Class 2I	95,605
Distribution paid on 04 August 2021 of EURO.38 per unit for Class 2K	43,295
Distribution paid on 04 August 2021 of HKD0.49 per unit for Class 2L	56,795
Distribution paid on 03 September 2021 of USD0.77 per unit for Class 1A	99,498
Distribution paid on 03 September 2021 of USD0.49 per unit for Class 1E	98,609
Distribution paid on 03 September 2021 of USD0.47 per unit for Class 2A	698,090
Distribution paid on 03 September 2021 of CNY0.64 per unit for Class 2B	1,005,708
Distribution paid on 03 September 2021 of USD0.55 per unit for Class 2C	151,711
Distribution paid on 03 September 2021 of HKD0.46 per unit for Class 2D	451,272
Distribution paid on 03 September 2021 of AUD0.45 per unit for Class 2E	4,177
Distribution paid on 03 September 2021 of AUD0.45 per unit for Class 2F	52,020
Distribution paid on 03 September 2021 of USD0.44 per unit for Class 2G	832,115
Distribution paid on 03 September 2021 of SGD0.49 per unit for Class 2I	95,988
Distribution paid on 03 September 2021 of EURO.38 per unit for Class 2K	42,972
Distribution paid on 03 September 2021 of HKD0.49 per unit for Class 2L	52,705
Distribution paid on 06 October 2021 of USD0.77 per unit for Class 1A	99,344
Distribution paid on 06 October 2021 of USD0.49 per unit for Class 1E	98,456
Distribution paid on 06 October 2021 of USD0.47 per unit for Class 2A	669,152

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13 Distribution to holders of redeemable units (Continued)

	2021 RMB
Distribution paid on 06 October 2021 of CNY0.64 per unit for Class 2B	920,711
Distribution paid on 06 October 2021 of USD0.55 per unit for Class 2C	152,423
Distribution paid on 06 October 2021 of HKD0.46 per unit for Class 2D	428,217
Distribution paid on 06 October 2021 of AUD0.45 per unit for Class 2E	4,134
Distribution paid on 06 October 2021 of AUD0.45 per unit for Class 2F	51,486
Distribution paid on 06 October 2021 of USD0.44 per unit for Class 2G	813,661
Distribution paid on 06 October 2021 of SGD0.49 per unit for Class 2I	88,038
Distribution paid on 06 October 2021 of EURO0.38 per unit for Class 2K	42,179
Distribution paid on 06 October 2021 of HKD0.49 per unit for Class 2L	52,560
Distribution paid on 03 November 2021 of USD0.77 per unit for Class 1A	98,448
Distribution paid on 03 November 2021 of USD0.50 per unit for Class 1E	78,237
Distribution paid on 03 November 2021 of USD0.47 per unit for Class 2A	628,750
Distribution paid on 03 November 2021 of CNY0.64 per unit for Class 2B	913,237
Distribution paid on 03 November 2021 of USD0.55 per unit for Class 2C	152,907
Distribution paid on 03 November 2021 of HKD0.46 per unit for Class 2D	406,112
Distribution paid on 03 November 2021 of AUD0.45 per unit for Class 2E	4,245
Distribution paid on 03 November 2021 of AUD0.45 per unit for Class 2F	52,859
Distribution paid on 03 November 2021 of USD0.44 per unit for Class 2G	805,037
Distribution paid on 03 November 2021 of SGD0.49 per unit for Class 2I	87,983
Distribution paid on 03 November 2021 of EURO0.38 per unit for Class 2K	41,918
Distribution paid on 03 November 2021 of HKD0.49 per unit for Class 2L	49,937
Distribution paid on 03 December 2021 of USD0.77 per unit for Class 1A	98,178
Distribution paid on 03 December 2021 of USD0.5 per unit for Class 1E	78,022
Distribution paid on 03 December 2021 of USD0.47 per unit for Class 2A	614,098
Distribution paid on 03 December 2021 of CNY0.64 per unit for Class 2B	919,005
Distribution paid on 03 December 2021 of USD0.55 per unit for Class 2C	151,662
Distribution paid on 03 December 2021 of HKD0.46 per unit for Class 2D	396,908
Distribution paid on 03 December 2021 of AUD0.45 per unit for Class 2E	4,003
Distribution paid on 03 December 2021 of AUD0.46 per unit for Class 2F	49,647
Distribution paid on 03 December 2021 of USD0.44 per unit for Class 2G	790,593
Distribution paid on 03 December 2021 of SGD0.49 per unit for Class 2I	86,413
Distribution paid on 03 December 2021 of EURO0.38 per unit for Class 2K	40,759
Distribution paid on 03 December 2021 of HKD0.49 per unit for Class 2L	48,332
	<hr/> <hr/> 44,967,600

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

14 Taxation

Hong Kong

The Sub-Fund would only be exposed to Hong Kong profits tax if:

- (i) it is carrying on a trade or business in Hong Kong either on its own account or through any person in Hong Kong as an agent who has the discretionary authority to negotiate and conclude on behalf of the Sub-Fund and regularly exercises the authority to do so; and
- (ii) it is not exempted under the Revenue (Profits Tax Exemption for Offshore Funds) Ordinance 2006, the Inland Revenue (Amendment) (No. 2) Ordinance 2016 and the Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019 (collectively the "Ordinances").

If the Sub-Fund is not exempt under the Ordinances and is treated as carrying on a trade or business in Hong Kong, a liability to profits tax, currently at the rate of 16.5% (2021: 16.5%), would arise in respect of any profits which arise in or are derived from Hong Kong and which are not capital in nature or exempt under the Inland Revenue Ordinance. No provision for Hong Kong profits tax has been made as the Manager believes that no such tax exposure existed at the year end.

People's Republic of China

The Manager considers the enforcement of VAT and surtaxes on interest income arising from debt securities are uncertain as at the date of approval of these financial statements. The Manager has exercised judgment in their assessment of the PRC withholding tax expense and the related tax provision.

As at 31 December 2022 and 2021, the Manager has not provided VAT and surtaxes provision on interest income arising from debt securities in PRC. The Manager after having taken and considered market practice and uncertainty of the enforcement of VAT does not consider that the potential VAT and surtaxes exposure arising from the Sub-Fund's accumulated interest income received from PRC non-government bonds since 1 May 2016 to be material.

15 Soft commission arrangements

The Manager confirms that there has been no soft commission arrangement existing during the year ended 31 December 2022 and 2021 in relation to directing transactions of the Sub-Fund through a broker or dealer.

16 Borrowings

The Sub-Fund had no borrowings as at 31 December 2022 and 2021.

17 Contingent liabilities and commitments

The Sub-Fund had no contingent liabilities and commitment as at 31 December 2022 and 2021.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

18 Negotiability of assets

As at 31 December 2022 and 2021, there was no statutory or contractual requirement restricting the negotiability of the assets of the Sub-Fund.

19 Subsequent event

Subsequent to the year ended 31 December 2022, the Sub-Fund received RMB28,682,740 (2021:RMB26,550,261) in subscriptions and paid RMB56,763,412 (2021:RMB31,510,906) in redemptions. Other than disclosed above, there have been no events subsequent to year end which require adjustment or disclosure in the financial statements in accordance with IFRSs.

20 Approval of the financial statements

The financial statements were approved by the Manager and the Trustee on 19 April 2023.

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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INVESTMENT PORTFOLIO (UNAUDITED)**AS AT 31 DECEMBER 2022**

	Holdings	Fair Value RMB	% of Net Assets*
Quoted Investments			
Australia (0.31%)			
PERENTI FINANCE ASLAU 6 1/2 10/07/25	200,000	1,299,416	0.31
		<u>1,299,416</u>	<u>0.31</u>
British Virgin Islands (0.22%)			
RONGCHANGDA DEV RISSUN 9 1/2 09/17/24	1,000,000	911,148	0.22
		<u>911,148</u>	<u>0.22</u>
Hong Kong (12.91%)			
BANK OF EAST ASIA LTD FRN 29DEC2049	500,000	3,071,916	0.74
CAS CAPITAL NO1 CASHLD 4 PERP	1,050,000	5,700,556	1.36
CELESTIAL DYNASTY LTD 4.25% 27JUN 2029	255,000	1,494,142	0.36
CHINA WATER AFF CWAHK 4.85 05/18/26	500,000	2,974,468	0.71
FEC FINANCE LTD FAEACO 7 3/8 PERP	200,000	1,145,535	0.27
FWD LTD FWDINS 5 1/2 PERP	950,000	5,782,003	1.38
LS FINANCE 2017 LIHKK 4.8 06/18/26	500,000	2,651,604	0.63
MELCO RESORTS MPEL 5 3/4 07/21/28	1,500,000	8,706,848	2.08
NANYANG COMMERC NANYAN 6 1/2 PERP	750,000	4,911,740	1.18
NWD MTN LTD NWDEVL 4 1/8 07/18/29	1,700,000	9,610,327	2.30
RH INTL FINANCE LTD 6.5% 31DEC2049	600,000	2,245,225	0.54
SUN HUNG KAI BVI SUNHKK 5 09/07/26	1,000,000	5,700,473	1.36
		<u>53,994,837</u>	<u>12.91</u>
India (11.17%)			
ABJA INVESTMENT TATAIN 5.95 07/31/24	400,000	2,773,850	0.66
ADANI GREEN ENE ADANIG 4 3/8 09/08/24	300,000	1,892,358	0.45
ADANI TRANSMISSI ADTIN 4 1/4 05/21/36	350,000	1,568,710	0.37
AZURE POWER AZUPOE 3.575 08/19/26	400,000	2,024,163	0.48
CA MAGNUM HLDING HEXWIN 5 3/8 10/31/26	400,000	2,529,622	0.61
GREENKO DUTCH BV GRNKEN 3.85 03/29/26	1,100,000	6,336,822	1.52
GREENKO INVESTMENT CO 4 7/8 08/16/23	659,000	4,473,454	1.07
HDFC BANK LTD HDFCB 3.7 PERP	400,000	2,387,271	0.57
JSW STEEL LTD JSTLIN 5.95 04/18/24	1,000,000	6,876,349	1.64
NETWORK I2I LTD FRN 31DEC2049	700,000	4,635,354	1.11
RENEW POWER PVT LTD 5.875% s 05MAR2027	400,000	2,663,114	0.64
VEDANTA RESOURCE	1,800,000	8,556,005	2.05
		<u>46,717,072</u>	<u>11.17</u>

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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(An open ended umbrella unit trust under the laws of Hong Kong)

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**AS AT 31 DECEMBER 2022**

	Holdings	Fair Value RMB	% of Net Assets*
Quoted Investments (Continued)			
Indonesia (3.60%)			
BUKIT MAKMUR MAN DOIDIJ 7 3/4 02/10/26	600,000	3,544,488	0.85
DELTA MERLIN DUN DUNIAT 0 06/26/32	1,675,000	681,300	0.16
INDIKA ENERGY IV INDYIJ 8 1/4 10/22/25	600,000	4,111,151	0.98
JABABEKA INTL BV KIJAJJ 7 12/15/27	700,000	2,949,643	0.71
MINEJESA CAPITAL BV 4.625% 10AUG2030	200,000	1,223,700	0.29
PAKUWON JATI PWONIJ 4 7/8 04/29/28	200,000	1,222,538	0.29
THETA CAPITAL PTE LTD 8.125% 22JAN2025	250,000	1,326,304	0.32
		<hr/>	
		15,059,124	3.60
		<hr/>	
Macao (7.54%)			
CHAMPION PATH SOCJOG 4 1/2 01/27/26	300,000	1,827,619	0.44
MGM CHINA HOLDIN MGMCHI 5 1/4 06/18/25	500,000	3,283,629	0.78
SANDS CHINA LTD SANLTD 4 3/8 06/18/30	2,000,000	12,034,218	2.88
STUDIO CITY FIN STCITY 6 07/15/25	800,000	4,837,827	1.16
WYNN MACAU LTD WYNMAC 5 1/2 01/15/26	1,500,000	9,552,108	2.28
		<hr/>	
		31,535,401	7.54
		<hr/>	
Mongolia (1.82%)			
MONGO MIN/ENG RE MONMIN 9 1/4 04/15/24	450,000	2,215,803	0.53
MONGOLIA MONGOL 5 5/8 05/01/23	800,000	5,391,728	1.29
		<hr/>	
		7,607,531	1.82
		<hr/>	
Pakistan (1.47%)			
REP OF PAKISTAN PKSTAN 6 7/8 12/05/27		6,141,064	1.47
	2,250,000	<hr/>	
		6,141,064	1.47
		<hr/>	

*Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

(Sub-Fund of Income Partners Strategy Fund)

(An open ended umbrella unit trust under the laws of Hong Kong)

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**AS AT 31 DECEMBER 2022**

	Holdings	Fair Value RMB	% of Net Assets*
Quoted Investments (Continued)			
Peoples' Republic of China (42.45%)			
AAC TECHNOLOGIES AACTEC 3 3/4 06/02/31	400,000	2,034,300	0.49
AGILE GROUP AGILE 5 1/2 04/21/25	500,000	1,838,111	0.44
AGILE GROUP HOLDINGS LTD 6.05% 13OCT2025	300,000	974,946	0.23
AGILE GROUP HOLDINGS LTD FRN 31DEC2049	1,000,000	1,749,530	0.42
AOYUAN PROPERTY CAPG 5 3/8 09/13/22	2,000,000	1,217,540	0.29
CENTRAL CHINA CENCHI 7 1/2 07/14/25	300,000	555,450	0.13
CENTRAL CHINA CENCHI 7 1/4 07/16/24	300,000	603,847	0.14
CFLD CAYMAN INV CHFOTN 9 07/31/21	1,000,000	820,760	0.20
CHINA AOYUAN GROUP LTD 5.88% 01MAR2027	750,000	454,865	0.11
CHINA AOYUAN GROUP LTD 7.95% 19FEB2023	500,000	299,333	0.07
CHINA EVERGRANDE 0% 22JAN2023	2,995,000	1,514,414	0.36
CHINA OIL CHIOIL 4.7 06/30/26	500,000	2,874,322	0.69
CHINA SCE GRP CHINSC 5.95 09/29/24	250,000	757,295	0.18
CHINA SCE GRP CHINSC 6 02/04/26	750,000	2,040,533	0.49
CHINA SCE GRP CHINSC 7 05/02/25	250,000	721,825	0.17
CHINA SOUTH CITY CSCHCN 7 1/4 11/20/22	200,000	828,443	0.20
CIFI HOLDINGS CIFIHG 4.45 08/17/26	1,400,000	2,528,348	0.61
CIFI HOLDINGS CIFIHG 5 1/4 05/13/26	1,400,000	2,523,213	0.60
COUNTRY GARDEN COGARD 3 1/8 10/22/25	1,500,000	6,387,935	1.53
COUNTRY GARDEN COGARD 4.8 08/06/30	1,000,000	3,697,677	0.88
COUNTRY GARDEN COGARD 7 1/4 04/08/26	1,500,000	6,655,985	1.59
COUNTRY GARDEN COGARD 8 01/27/24	500,000	2,699,325	0.65
DEXIN CHINA HLDN DEXICN 9.95 12/03/22	500,000	627,042	0.15
EASY TACTIC LTD GZRFP 6 1/2 07/11/27	1,524,885	2,228,733	0.53
EHI CAR SERVICES EHCAR 7 09/21/26	400,000	1,702,702	0.41
FANTASIA HOLDING 0.00% 01JUN2023	2,000,000	1,107,358	0.26
FORTUNE STAR FOSUNI 5 05/18/26	700,000	3,333,003	0.80
FORTUNE STAR FOSUNI 5.05 01/27/27	1,050,000	4,657,010	1.11
FRANSHION BRILLA CHJMAO 4 1/4 07/23/29	336,000	1,833,945	0.44
GEMDALE EVER GEMDAL 4.95 08/12/24	300,000	1,776,023	0.42
GRNLGR 5.875% 03JUL2024	1,250,000	2,930,261	0.70
INCOME PART RMB BOND-4A USDA	63,800	48,761,150	11.66
KAISA GROUP 0% 30JUN2023	550,000	528,577	0.13
KAISA GROUP KAISAG 9 3/4 09/28/23	2,500,000	2,435,532	0.58
KWG GROUP KWGPRO 5.95 08/10/25	250,000	713,831	0.17
KWG GROUP KWGPRO 6 08/14/26	500,000	1,343,295	0.32
KWG GROUP KWGPRO 6.3 02/13/26	1,000,000	2,681,607	0.64
KWG PROPERTY KWGPRO 5 7/8 11/10/24	500,000	1,499,052	0.36
LOGAN GROUP CO LTD 0.00% 06JUL2026	1,000,000	1,582,900	0.38
LOGAN GROUP CO LTD 0.00% 12JUL2025	750,000	1,186,188	0.28
NEW METRO GLOBAL FTLNHD 4 1/2 05/02/26	700,000	3,258,589	0.78
NEW METRO GLOBAL FTLNHD 4 5/8 10/15/25	500,000	2,422,831	0.58

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

(Sub-Fund of Income Partners Strategy Fund)

(An open ended umbrella unit trust under the laws of Hong Kong)

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**AS AT 31 DECEMBER 2022**

	Holdings	Fair Value RMB	% of Net Assets*
Quoted Investments (Continued)			
Peoples' Republic of China (42.45%)			
POWERLONG PWRLNG 4.9 05/13/26	250,000	501,703	0.12
POWERLONG PWRLNG 5.95 04/30/25	750,000	1,532,463	0.37
POWERLONG REAL ESTATE 6.25% 10AUG2024	400,000	860,002	0.21
RED SUN PROPRTI 0.00% 03 OCT 2099	250,000	175,620	0.04
RED SUN PROPERTIES GRP 0.00% 13JAN2025	500,000	355,151	0.08
RED SUN PROPERTIES GRP 0.00% 16APR2025	250,000	181,226	0.04
RKPF 2019 E LTD ROADKG 7 3/4 PERP	1,550,000	4,989,913	1.19
RONSHINE CHINA 0.00% 15DEC2023	500,000	244,830	0.06
RONSHINE CHINA 0.00% 22JAN2023	750,000	418,841	0.10
RONSHINE CHINA 0.00% 25JAN2025	250,000	160,048	0.04
SHIMAO GROUP HOLDINGS LT 0.00% 11JAN2031	1,000,000	1,277,199	0.31
SHIMAO GRP HLDGS 0.00% 13JUL2030	1,000,000	1,264,396	0.30
SHIMAO PROPERTY 0.00% 21FEB2024	1,000,000	1,307,289	0.31
SHUI ON DEVELOP SHUION 5 1/2 03/03/25	800,000	4,715,187	1.13
SINO OCEAN LAND SINOCE 2.7 01/13/25	500,000	1,990,546	0.48
SINO OCEAN LAND SINOCE 4 3/4 08/05/29	1,600,000	6,159,570	1.47
SUNAC CHINA HLDG 0.00% 09JUL2023	250,000	383,983	0.09
SUNAC CHINA HLDG 0.00% 19APR2023	250,000	381,715	0.09
SUNAC CHINA HOLDINGS LTD 0.00% 20OCT2024	2,500,000	3,855,085	0.92
TIMES CHINA HLDG LTD 6.75% 08JUL2025	750,000	857,303	0.21
TIMES CN HLDG TPHL 6.2 03/22/26	500,000	575,411	0.14
TIMES PROPERTY TPHL 6.6 03/02/23	1,000,000	1,664,498	0.40
WENS FOODSTUFF GWFOOD 3.258 10/29/30	250,000	1,250,952	0.30
WEST CHINA CEM WESCHI 4.95 07/08/26	700,000	4,108,590	0.98
YANGO CAYMAN 0.00% 08SEP2022	500,000	86,512	0.02
YANGO JUSTICE 0.00% 15APR2023	250,000	56,406	0.01
YANGO JUSTICE INTL 0% 25NOV2023	1,750,000	408,650	0.10
YANLORD LAND HK YLLGSP 5 1/8 05/20/26	200,000	1,165,785	0.28
YUZHOU PROPRTIE YUZHOU 8 1/2 02/04/23	250,000	204,169	0.05
YUZHOU PROPRTIE YUZHOU 7 3/8 01/13/26	1,000,000	674,174	0.16
YUZHOU GROUP YUZHOU 6.35 01/13/27	1,000,000	658,394	0.16
YUZHOU PROPRTIE YUZHOU 6 10/25/23	1,000,000	626,004	0.15
YUZHOU PROPRTIE YUZHOU 8 3/8 10/30/24	250,000	156,501	0.04
ZHENRO PROPRTIE ZHPRHK 8.3% 15SEP2023	500,000	193,788	0.05
ZHENRO PROPRTIE ZHPRHK 7.1% 10SEP2024	2,000,000	775,151	0.19
ZHONGAN ONLINE ZHONAN 3 1/2 03/08/26	500,000	2,902,075	0.69
		177,506,756	42.45

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
 (Sub-Fund of Income Partners Strategy Fund)
 (An open ended umbrella unit trust under the laws of Hong Kong)

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2022

	Holdings	Fair Value RMB	% of Net Assets*
Quoted Investments (Continued)			
Philippines (2.73%)			
JOLLIBEE WORLDWIDE PTE L FRN 31DEC2049	200,000	1,259,509	0.30
SMC GLOBAL POWER SMCGL 5.95 PERP	2,000,000	10,149,909	2.43
		<u>11,409,418</u>	<u>2.73</u>
Singapore (0.53%)			
LMIRT CAPITAL PTE LTD 7.25% 19JUN2024	450,000	2,202,225	0.53
		<u>2,202,225</u>	<u>0.53</u>
Sri Lanka (1.87%)			
REP OF SRI LANKA 0.00% 11MAY2027	3,700,000	7,802,142	1.87
		<u>7,802,142</u>	<u>1.87</u>
United Kingdom (0.92%)			
JAGUAR LAND ROVER AUTOMO 7.75% 15OCT2025	600,000	3,826,948	0.92
		<u>3,826,948</u>	<u>0.92</u>
Vietnam (1.39%)			
MONG DUONG FIN MONDFI 5 1/8 05/07/29	1,000,000	5,812,594	1.39
		<u>5,812,594</u>	<u>1.39</u>
Other net assets		<u>46,287,627</u>	<u>11.07</u>
Net assets attributable to unitholders as at 31 December 2022		<u>418,113,303</u>	
Total investments, at cost		<u>510,526,663</u>	

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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STATEMENT OF MOVEMENT IN INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 31 DECEMBER 2022

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments				
Australia				
NEWCASTLE COAL NCI AU 4.4 09/29/27	1,000,000	-	(1,000,000)	-
PERENTI FINANCE AS LAU 6 1/2 10/07/25	500,000	-	(300,000)	200,000
British Virgin Islands				
RONGCHANGDA DEV RISSUN 9 1/2 09/17/24	-	1,000,000	-	1,000,000
Hong Kong				
BANK OF EAST ASIA LTD FRN 29DEC2049	2,000,000	-	(2,000,000)	-
BANK OF EAST ASIA LTD FRN 31DEC2049	-	1,500,000	(1,000,000)	500,000
CAS CAPITAL NO1 CASH LD 4 PERP	2,500,000	-	(1,450,000)	1,050,000
CELESTIAL DYNASTY LTD 4.25% 27JUN2029	1,000,000	-	(745,000)	255,000
CHINA WATER AFF CWAHK 4.85 05/18/26	500,000	-	-	500,000
FEC FINANCE LTD FAEACO 7 3/8 PERP	850,000	-	(650,000)	200,000
FWD LTD FWDINS 5 1/2 PERP	950,000	-	-	950,000
FWD LTD FWDINS 6 1/4 12/31/49	1,700,000	-	(1,700,000)	-
LS FINANCE 2017 LIH HK 4.8 06/18/26	500,000	-	-	500,000
MELCO RESORTS MPEL 5 3/4 07/21/28	2,000,000	-	(500,000)	1,500,000
NANYANG COMMERC NANYAN 6 1/2 PERP	-	1,000,000	(250,000)	750,000
NANYANG COMMERCIAL BANK FRN 31DEC2049	2,000,000	-	(2,000,000)	-
NWD MTN LTD NWDEVL 4 1/8 07/18/29	3,000,000	200,000	(1,500,000)	1,700,000
RH INTL FINANCE LTD 6.5% 31DEC2049	600,000	-	-	600,000
SUN HUNG KAI BVI SUN HKC 5 09/07/26	1,000,000	-	-	1,000,000

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**STATEMENT OF MOVEMENT IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2022**

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
India				
ABJA INVESTMENT TATAIN 5.95 07/31/24	-	400,000	-	400,000
ADANI GREEN ENE ADANIG 4 3/8 09/08/24	-	300,000	-	300,000
ADANI TRANSMISSI ADTIN 4 1/4 05/21/36	1,000,000	-	(650,000)	350,000
AZURE POWER AZUPOE 3.575 08/19/26	-	400,000	-	400,000
CA MAGNUM HLDING HEXWIN 5 3/8 10/31/26	-	400,000	-	400,000
GREENKO DUTCH BV GRNKEN 3.85 03/29/26	-	1,100,000	-	1,100,000
GREENKO INVESTMENT CO 4 7/8 08/16/23	1,000,000	659,000	(1,000,000)	659,000
HDFC BANK LTD HDFCB 3.7 PERP	-	400,000	-	400,000
JSW STEEL LTD JSTLIN 5.95 04/18/24	-	1,000,000	-	1,000,000
NETWORK I2I LTD FRN 31DEC2049	-	700,000	-	700,000
POWER FIN CORP POWFIN 3.35 05/16/31	1,000,000	-	(1,000,000)	-
RENEW POWER PVT LTD 5.875% 05MAR2027	-	400,000	-	400,000
VEDANTA RESOURCE	-	1,800,000	-	1,800,000
VEDANTA RESOURCE VEDLN 6 3/8 07/30/22	1,250,000	-	(1,250,000)	-
VEDANTA RESOURCES PLC 6.125% 09AUG2024	1,250,000	-	(1,250,000)	-
Indonesia				
APL REALTY HLDG APLNIJ 5.95 06/02/24	250,000	-	(250,000)	-
BUKIT MAKMUR MAN DOIDIJ 7 3/4 02/10/26	600,000	-	-	600,000
DELTA MERLIN DUN DUNIAT 0 06/26/32	1,675,000	-	-	1,675,000
DELTA MERLIN DUNIA TEXTI FRN 26JUN2028	1,675,000	-	(1,675,000)	-
INDIKA ENERGY IV INDYIJ 8 1/4 10/22/25	850,000	-	(250,000)	600,000
INDOFOOD CBP SUK ICBPIJ 3.398 06/09/31	1,000,000	-	(1,000,000)	-
JABABEKA INTL BV KIJAIJ 6 1/2 10/05/23	500,000	500,000	(1,000,000)	-
JABABEKA INTL BV KIJAIJ 7 12/15/27	-	700,000	-	700,000

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(Established in the Cayman Islands as an exempted unit trust)

**STATEMENT OF MOVEMENT IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2022**

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Indonesia				
MEDCO PLATINUM R MEDCIJ 6 3/4 01/30/25	500,000	-	(500,000)	-
MINEJESA CAPITAL BV 4.625% 10AUG2030	1,000,000	-	(800,000)	200,000
PAKUWON JATI PWONIJ 4 7/8 04/29/28	-	200,000	-	200,000
THETA CAPITAL PTE LTD 8.125% 22JAN2025	250,000	-	-	250,000
Japan				
SOFTBANK GROUP CORP FRN 31DEC2049	500,000	-	(500,000)	-
SOFTBANK GRP COR SOFTBK 5 3/8 07/30/22	2,000,000	-	(2,000,000)	-
Macao				
CHAMPION PATH SOCJOG 4 1/2 01/27/26	-	500,000	(200,000)	300,000
CHAMPION PATH SOCJOG 4.85 01/27/28	500,000	-	(500,000)	-
MGM CHINA HOLDIN MGMCHI 5 1/4 06/18/25	500,000	-	-	500,000
SANDS CHINA LTD SANLTD 4 3/8 06/18/30	-	2,000,000	-	2,000,000
STUDIO CITY FIN STCITY 6 07/15/25	500,000	500,000	(200,000)	800,000
WYNN MACAU LTD WYNMAC 5 1/2 01/15/26	1,500,000	-	-	1,500,000
Mongolia				
MONGO MIN/ENG RE MONMIN 9 1/4 04/15/24	250,000	200,000	-	450,000
MONGOLIA MONGOL 5 1/8 12/05/22	500,000	-	(500,000)	-
MONGOLIA MONGOL 5 5/8 05/01/23	1,000,000	-	(200,000)	800,000
Pakistan				
REP OF PAKISTAN PKSTAN 6 7/8 12/05/27	1,500,000	750,000	-	2,250,000
THRD PKSTN SUKUK PKSTAN 5 5/8 12/05/22	1,000,000	-	(1,000,000)	-

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**STATEMENT OF MOVEMENT IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2022**

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Peoples' Republic of China				
AAC TECHNOLOGIES AACTEC 3 3/4 06/02/31	1,000,000	-	(600,000)	400,000
AGILE GROUP AGILE 4.85 08/31/22	200,000	-	(200,000)	-
AGILE GROUP AGILE 5 1/2 04/21/25	-	500,000	-	500,000
AGILE GROUP HOLDINGS LTD 6.05% 13OCT2025	-	300,000	-	300,000
AGILE GROUP HOLDINGS LTD FRN 31DEC2049	1,000,000	-	-	1,000,000
AOYUAN PROPERTY CAPG 5 3/8 09/13/22	1,000,000	1,000,000	-	2,000,000
CENTRAL CHINA CENCHI 7 1/2 07/14/25	-	300,000	-	300,000
CENTRAL CHINA CENCHI 7 1/4 07/16/24	-	300,000	-	300,000
CFLD CAYMAN INV CHFOTN 9 07/31/21	1,000,000	-	-	1,000,000
CHALIECO HK CORP CHALUM 5 PERP	2,000,000	-	(2,000,000)	-
CHINA AOYUAN GROUP LTD 7.95% 19FEB2023	500,000	500,000	(500,000)	500,000
CHINA AOYUAN GRP CAPG 5.88 03/01/27	750,000	750,000	(750,000)	750,000
CHINA EVERGRANDE 0% 22JAN2023	2,995,000	-	-	2,995,000
CHINA GOVT BOND CGB 3.72 04/12/51	10,000,000	-	(10,000,000)	-
CHINA GOVT BOND CGB 3.81 09/14/50	50,000,000	-	(50,000,000)	-
CHINA OIL CHIOIL 4.7 06/30/26	500,000	-	-	500,000
CHINA SCE GRP CHINSC 5.95 09/29/24	250,000	-	-	250,000
CHINA SCE GRP CHINSC 6 02/04/26	750,000	-	-	750,000
CHINA SCE GRP CHINSC 7 05/02/25	250,000	-	-	250,000
CHINA SOUTH CITY CSCHCN 7 1/4 11/20/22	-	500,000	(300,000)	200,000
CHONG HING BANK CHOHIN 3.876 07/26/27	1,000,000	-	(1,000,000)	-
CIFI HOLDINGS CIFIHG 4.45 08/17/26	-	1,400,000	-	1,400,000
CIFI HOLDINGS CIFIHG 5 1/4 05/13/26	-	1,400,000	-	1,400,000

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AS AT 31 DECEMBER 2022**

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Peoples' Republic of China				
COUNTRY GARDEN COGARD 3 1/8 10/22/25	-	2,500,000	(1,000,000)	1,500,000
COUNTRY GARDEN COGARD 4.8 08/06/30	-	2,000,000	(1,000,000)	1,000,000
COUNTRY GARDEN COGARD 7 1/4 04/08/26	-	1,500,000	-	1,500,000
COUNTRY GARDEN COGARD 8 01/27/24	-	500,000	-	500,000
DEXIN CHINA HLDN DEXICN 9.95 12/03/22	500,000	-	-	500,000
EASY TACTIC LTD GZRFPR 5 7/8 02/13/23	250,000	-	(250,000)	-
EASY TACTIC LTD GZRFPR 6 1/2 07/11/27	-	1,524,885	-	1,524,885
EHI CAR SERVICES EHICAR 7 09/21/26	400,000	-	-	400,000
FANTASIA HOLDING 0.00% 01JUN2023	-	2,000,000	-	2,000,000
FAR EAST HORIZON LTD FRN 29DEC2049	1,000,000	-	(1,000,000)	-
FORTUNE STAR FOSUNI 5 05/18/26	-	700,000	-	700,000
FORTUNE STAR FOSUNI 5 1/4 03/23/22	2,000,000	-	(2,000,000)	-
FORTUNE STAR FOSUNI 5.05 01/27/27	-	1,050,000	-	1,050,000
FRANSHION BRILLA CHJMAO 4 1/4 07/23/29	1,436,000	-	(1,100,000)	336,000
GEMDALE EVER GEMDAL 4.95 08/12/24	-	300,000	-	300,000
GREENLAND GLB GRNLGR 5.6 11/13/22	250,000	-	(250,000)	-
GRNLGR 5.875% 03JUL2024	1,000,000	650,000	(400,000)	1,250,000
HUANENG HK CAPITAL LTD FRN 31DEC2049	2,500,000	-	(2,500,000)	-
INCOME PART RMB BOND-4A USDA	-	63,800	-	63,800
INDUSTRIAL & COMMERCIAL BANK OF CHINA ICBCAS 3.2 PERP	2,500,000	400,000	(2,900,000)	-
KAISA GROUP 0% 30JUN2022	1,250,000	-	(700,000)	550,000
KAISA GROUP KAISAG 9 3/4 09/28/23	2,500,000	-	-	2,500,000
KAISA GROUP KAISAG 9 3/8 06/30/24	250,000	-	(250,000)	-
KAISA GROUP KAISAG 9.95 07/23/25	750,000	-	(750,000)	-

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AS AT 31 DECEMBER 2022

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Peoples' Republic of China				
KING TALENT MANAGEMENT L FRN 31DEC2049	250,000	-	(250,000)	-
KWG GROUP KWGPRO 5.95 08/10/25	250,000	-	-	250,000
KWG GROUP KWGPRO 6 08/14/26	500,000	-	-	500,000
KWG GROUP KWGPRO 6.3 02/13/26	1,000,000	-	-	1,000,000
KWG PROPERTY KWGPRO 5 7/8 11/10/24	-	500,000	-	500,000
LOGAN GROUP CO LOGPH 4 1/4 07/12/25	500,000	1,000,000	(750,000)	750,000
LOGAN GROUP CO LTD 0.00% 06JUL2026	-	2,000,000	(1,000,000)	1,000,000
NEW METRO GLOBAL FTLNHD 4 1/2 05/02/26	250,000	450,000	-	700,000
NEW METRO GLOBAL FTLNHD 4 5/8 10/15/25	500,000	-	-	500,000
POSTAL SAVINGS BK CHINA FRN 29DEC2049	2,500,000	-	(2,500,000)	-
POWERLONG PWRLNG 4.9 05/13/26	250,000	-	-	250,000
POWERLONG PWRLNG 5.95 04/30/25	250,000	500,000	-	750,000
POWERLONG REAL ESTATE 6.25% 10AUG2024	-	400,000	-	400,000
RED SUN PROPRTI REDSUN 10 1/2 10/03/22	250,000	250,000	(250,000)	250,000
RED SUN PROPRTI REDSUN 7.3 01/13/25	500,000	500,000	(500,000)	500,000
RED SUN PROPERTIES GRP 0.00% 16APR2025	-	500,000	(250,000)	250,000
RKPF 2019 E LTD ROADKG 7 3/4 PERP	2,800,000	-	(1,250,000)	1,550,000
RONSHINE CHINA RONXIN 7.1 01/25/25	250,000	250,000	(250,000)	250,000
RONSHINE CHINA RONXIN 7.35 12/15/23	500,000	500,000	(500,000)	500,000
RONSHINE CHINA RONXIN 8.95 01/22/23	750,000	750,000	(750,000)	750,000
SHIMAO GROUP HOLDINGS LT 0.00% 11JAN2031	-	1,000,000	-	1,000,000
SHIMAO GRP HLDGS 0.00% 13JUL2030	-	1,000,000	-	1,000,000
SHIMAO PROPERTY 0.00% 21FEB2024	-	3,000,000	(2,000,000)	1,000,000

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AS AT 31 DECEMBER 2022

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Peoples' Republic of China				
SHUI ON DEVELOP SHUION 5 1/2 03/03/25	-	800,000	-	800,000
SINO OCEAN LAND SINOCE 2.7 01/13/25	-	500,000	-	500,000
SINO OCEAN LAND SINOCE 4 3/4 08/05/29	1,600,000	-	-	1,600,000
SUNAC CHINA HLDG SUNAC 6 1/2 07/09/23	250,000	250,000	(250,000)	250,000
SUNAC CHINA HLDG SUNAC 6.8 10/20/24	2,500,000	2,500,000	(2,500,000)	2,500,000
SUNAC CHINA HLDG SUNAC 7.95 08/08/22	500,000	-	(500,000)	-
SUNAC CHINA HLDG SUNAC 8.35 04/19/23	250,000	250,000	(250,000)	250,000
TIMES CHINA HLDG LTD 6.75% 08JUL2025	250,000	500,000	-	750,000
TIMES CN HLDG TPHL 6.2 03/22/26	500,000	-	-	500,000
TIMES PROPERTY TPHL 6.6 03/02/23	-	1,000,000	-	1,000,000
WANDA PROPERTIES DALWAN 6 7/8 07/23/23	1,000,000	-	(1,000,000)	-
WENS FOODSTUFF GWFOOD 3.258 10/29/30	250,000	-	-	250,000
WEST CHINA CEM WESCHI 4.95 07/08/26	450,000	250,000	-	700,000
YANGO CAYMAN YANGOG 11 3/4 09/08/22	500,000	500,000	(500,000)	500,000
YANGO JUSTICE INTL 8.25% 25NOV2023	750,000	1,750,000	(750,000)	1,750,000
YANGO JUSTICE SUNSHI 9 1/4 04/15/23	250,000	250,000	(250,000)	250,000
YANLORD LAND HK YLLGSP 5 1/8 05/20/26	-	200,000	-	200,000
YUZHOU GROUP YUZHOU 6.35 01/13/27	1,000,000	1,000,000	(1,000,000)	1,000,000
YUZHOU PROPERTIE YUZHOU 6 10/25/23	-	2,000,000	(1,000,000)	1,000,000
YUZHOU PROPERTIE YUZHOU 7 3/8 01/13/26	1,000,000	1,000,000	(1,000,000)	1,000,000
YUZHOU PROPERTIE YUZHOU 8 1/2 02/04/23	250,000	250,000	(250,000)	250,000
YUZHOU PROPERTIE YUZHOU 8 3/8 10/30/24	250,000	250,000	(250,000)	250,000

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**STATEMENT OF MOVEMENT IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 31 DECEMBER 2022**

	1 January 2022	Additions	Disposals	31 December 2022
Quoted Investments (Continued)				
Peoples' Republic of China				
ZHENRO PROPERTIE ZHPRHK 8.3 09/15/23	500,000	500,000	(500,000)	500,000
ZHENRO PROPERTIE ZHRPHK 7.1 09/10/24	1,000,000	2,000,000	(1,000,000)	2,000,000
ZHONGAN ONLINE ZHONAN 3 1/2 03/08/26	1,000,000	-	(500,000)	500,000
Philippines				
JOLLIBEE WORLDWIDE PTE L FRN 31DEC2049	500,000	-	(300,000)	200,000
SMC GLOBAL POWER SMCGL 5.95 PERP	2,000,000	-	-	2,000,000
Singapore				
LMIRT CAPITAL PTE LTD 7.25% 19JUN2024	450,000	-	-	450,000
Sri Lanka				
REP OF SRI LANKA SRILAN 6.2 05/11/27	2,000,000	5,500,000	(3,800,000)	3,700,000
United Kingdom				
JAGUAR LAND ROVER AUTOMO 7.75% 15OCT2025	-	600,000	-	600,000
Vietnam				
MONG DUONG FIN MONDFI 5 1/8 05/07/29	1,000,000	-	-	1,000,000

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

(Sub-Fund of Income Partners Strategy Fund)

(An open ended umbrella unit trust under the laws of Hong Kong)

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)
AS AT 31 DECEMBER 2022**Foreign exchange forward contracts

As at 31 December 2022, the Sub-Fund held the outstanding foreign exchange forward contracts as shown below:

Contract to deliver	In exchange for	Settlement date	Counterparty	Fair value RMB
Financial assets:				
CNH55,000,000	USD7,925,323	09/01/2023	Barclays Bank PLC	189,647
CNH7,000,000	USD1,004,521	09/01/2023	Barclays Bank PLC	52,901
CNH60,000,000	USD8,614,988	17/01/2023	Citibank N.A.	460,049
AUD1,083,530	CNH5,057,011	20/01/2023	Citibank N.A.	34,621
AUD824,041	CNH3,845,934	20/01/2023	Citibank N.A.	26,330
CNH12,661	USD1,827	20/01/2023	Citibank N.A.	39
CNH12,931	USD1,857	20/01/2023	Citibank N.A.	101
SGD1,885,312	CNH9,682,977	20/01/2023	Citibank N.A.	36,617
SGD879,672	CNH4,518,002	20/01/2023	Citibank N.A.	17,085
CNH6,000,000	USD860,975	30/01/2023	UBS AG	56,064
CNH13,000,000	USD1,867,988	30/01/2023	Citibank N.A.	103,887
CNH90,000,000	USD12,934,751	31/01/2023	Barclays Bank PLC	708,561
CNH65,000,000	USD9,342,011	31/01/2023	Citibank N.A.	510,038
CNH65,000,000	USD9,341,205	31/01/2023	Citibank N.A.	515,613
				2,711,553
Financial liabilities:				
EUR62,563	CNH465,332	20/01/2023	Citibank N.A.	(3,413)
EUR704,425	CNH5,239,398	20/01/2023	Citibank N.A.	(38,431)
HKD296,429	CNH265,087	20/01/2023	Citibank N.A.	(2,253)
HKD3,147,961	CNH2,815,124	20/01/2023	Citibank N.A.	(23,923)
USD1,732,868	CNH12,062,605	20/01/2023	Citibank N.A.	(89,247)
USD11,845,376	CNH82,456,411	20/01/2023	Citibank N.A.	(610,063)
USD525,351	CNH3,657,000	20/01/2023	Citibank N.A.	(27,057)
USD847,094	CNH5,896,672	20/01/2023	Citibank N.A.	(43,627)
				(838,014)

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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HOLDINGS OF COLLATERAL (UNAUDITED)
AS AT 31 DECEMBER 2022

Collateral provider	Nature of the collateral	Credit rating	Rating agencies	Maturity tenor	Currency denomination	% of net asset value covered by collateral	Value of the collateral
							RMB
Barclays Bank PLC	Cash	N/A	N/A	N/A	USD	1.20%	5,029,447
Citibank N.A., Hong Kong Branch	Cash	N/A	N/A	N/A	USD	0.98%	4,112,778
KGI Securities (Singapore) Pte. Ltd.	Cash	N/A	N/A	N/A	USD	0.38%	1,578,741
UBS AG	Cash	N/A	N/A	N/A	USD	1.26%	5,269,188

Details on re-investment of cash collateral

Cash collateral received that is reinvested	Maximum amount specified in the offering document	Cash collateral received that is reinvested as a proportion of the maximum amount specified in the offering document	Returns from re-investment of cash collateral
-	N/A	-	-

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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**INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS
 (UNAUDITED)
 FOR THE YEAR ENDED 31 DECEMBER 2022**

The lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Sub-Fund's total net asset value for the year ended 31 December 2022 and 2021:

	2022 % of NAV	2021 % of NAV
Lowest gross exposure	99.20%	108.86%
Highest gross exposure	147.44%	144.29%
Average gross exposure	112.93%	128.55%

The lowest, highest and average net exposure arising from the use of financial derivative instruments for investment purpose as a proportion to the Sub-Fund's total net asset value for the year ended 31 December 2022 and 2021:

	2022 % of NAV	2021 % of NAV
Lowest net exposure	0.00%	0.00%
Highest net exposure	0.00%	0.00%
Average net exposure	0.00%	0.00%

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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PERFORMANCE TABLE (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Net asset value*	Net asset value per unit*
<u>At 31 December 2022</u>	RMB	RMB
Class 1A USD (Distribution)Units	9,037,632	451.88
Class 1A USD (Accumulation) Units	60,455,379	577.40
Class 1E USD (Distribution) Units	5,922,568	409.16
Class 2A USD (Distribution) Units	55,408,279	376.28
Class 2A USD (Accumulation)Units	23,187,137	906.40
Class 2B RMB (Distribution) Units	45,658,908	57.28
Class 2B RMB (Accumulation) Units	19,602,915	140.80
Class 2C USD (Distribution) Units	14,851,689	404.36
Class 2D HKD (Distribution) Units	40,862,393	47.37
Class 2D HKD (Accumulation) Units	3,940,652	70.46
Class 2E AUD (Distribution) Units	142,642	305.03
Class 2E AUD (Accumulation) Units	49,006	430.19
Class 2F AUD-Hedged (Distribution) Units	5,143,005	273.38
Class 2F AUD-Hedged (Accumulation) Units	3,911,335	417.68
Class 2G USD-Hedged (Distribution) Units	82,801,192	361.77
Class 2G USD-Hedged (Accumulation) Units	12,087,053	636.61
Class 2I SGD-Hedged (Distribution) Units	9,825,340	298.75
Class 2I SGD-Hedged (Accumulation) Units	4,584,428	391.47
Class 2K EUR-Hedged (Distribution) Units	5,244,529	434.15
Class 2K EUR-Hedged (Accumulation) Units	465,788	526.95
Class 2L HKD-Hedged (Distribution) Units	2,824,028	51.15
Class 2L HKD-Hedged (Accumulation) Units	265,926	67.53
Class 2XB RMB (Accumulation) Units	8,166,698	112.76
Class 4C USD-Hedged (Accumulation) Units	3,674,781	585.98
	<hr/>	
Total net asset value	418,113,303	
	<hr/> <hr/>	

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
 (Sub-Fund of Income Partners Strategy Fund)
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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Net asset value*	Net asset value per unit*
<u>At 31 December 2021</u>	RMB	RMB
Class 1A USD (Distribution) Units	11,291,041	564.55
Class 1A USD (Accumulation) Units	50,003,742	660.23
Class 1E USD (Distribution) Units	11,489,817	469.42
Class 2A USD (Distribution) Units	94,622,719	471.30
Class 2A USD (Accumulation) Units	34,408,127	1,041.63
Class 2B RMB (Distribution) Units	104,879,498	73.33
Class 2B RMB (Accumulation) Units	32,055,320	161.81
Class 2C USD (Distribution) Units	21,702,987	510.13
Class 2D HKD (Distribution) Units	61,113,236	59.32
Class 2D HKD (Accumulation) Units	4,652,595	80.97
Class 2E AUD (Distribution) Units	739,601	377.95
Class 2E AUD (Accumulation) Units	56,316	494.36
Class 2F AUD-Hedged (Distribution) Units	8,045,363	338.51
Class 2F AUD-Hedged (Accumulation) Units	4,486,621	479.11
Class 2G USD-Hedged (Distribution) Units	116,358,623	417.23
Class 2G USD-Hedged (Accumulation) Units	18,701,755	676.23
Class 2I SGD-Hedged (Distribution) Units	12,986,594	343.56
Class 2I SGD-Hedged (Accumulation) Units	4,855,802	414.64
Class 2K EUR-Hedged (Distribution) Units	7,907,954	534.04
Class 2K EUR-Hedged (Accumulation) Units	2,987,894	608.86
Class 2L HKD-Hedged (Distribution) Units	7,168,913	59.42
Class 2L HKD-Hedged (Accumulation) Units	784,364	72.25
Class 2XB RMB (Accumulation) Units	49,881,068	99.76
Class 2XG USD-Hedged (Accumulation) Units	27,810,884	556.23
Class 4C USD-Hedged (Accumulation) Units	6,001,334	613.32
Total net asset value	694,992,168	

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Net asset value*	Net asset value per unit*
<u>At 31 December 2020</u>	RMB	RMB
Class 1A USD (Distribution) Units	1,722,734	922.70
Class 1A USD (Accumulation) Units	30,910,657	733.26
Class 1E USD (Distribution) Units	25,288,337	591.07
Class 2A USD (Distribution) Units	136,032,015	563.49
Class 2A USD (Accumulation) Units	45,520,595	1,162.65
Class 2B RMB (Distribution) Units	131,620,633	89.60
Class 2B RMB (Accumulation) Units	37,631,417	180.61
Class 2C USD (Distribution) Units	26,833,720	612.70
Class 2D HKD (Distribution) Units	123,094,966	70.91
Class 2D HKD (Accumulation) Units	5,854,646	90.38
Class 2E AUD (Distribution) Units	2,270,945	448.49
Class 2E AUD (Accumulation) Units	1,103,089	551.54
Class 2F AUD-Hedged (Distribution) Units	21,369,197	454.52
Class 2F AUD-Hedged (Accumulation) Units	8,956,918	603.25
Class 2G USD-Hedged (Distribution) Units	222,876,570	527.96
Class 2G USD-Hedged (Accumulation) Units	58,942,661	797.26
Class 2I SGD-Hedged (Distribution) Units	28,281,471	499.00
Class 2I SGD-Hedged (Accumulation) Units	8,570,695	443.55
Class 2J EUR-Hedged (Distribution) Units	1,269,680	747.04
Class 2K EUR-Hedged (Distribution) Units	10,748,495	725.87
Class 2K EUR-Hedged (Accumulation) Units	24,544,229	786.74
Class 2L HKD-Hedged (Distribution) Units	10,253,559	75.75
Class 2L HKD-Hedged (Accumulation) Units	5,417,809	85.85
Class 4C USD-Hedged (Accumulation) Units	6,962,791	711.58
	<hr/>	
Total net asset value	976,077,829	
	<hr/> <hr/>	

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
(Sub-Fund of Income Partners Strategy Fund)
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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Class currency	Net asset value*	Net asset value per unit*
<u>At 31 December 2022</u>			
Class 1A USD (Distribution) Units	USD	1,305,829	65.29
Class 1A USD (Accumulation) Units	USD	8,735,077	83.43
Class 1E USD (Distribution) Units	USD	855,740	59.12
Class 2A USD (Distribution) Units	USD	8,005,831	54.37
Class 2A USD (Accumulation) Units	USD	3,350,263	130.96
Class 2B RMB (Distribution) Units	RMB	45,658,908	57.28
Class 2B RMB (Accumulation) Units	RMB	19,602,915	140.80
Class 2C USD (Distribution) Units	USD	2,145,891	58.43
Class 2D HKD (Distribution) Units	HKD	46,031,036	53.36
Class 2D HKD (Accumulation) Units	HKD	4,439,101	79.37
Class 2E AUD (Distribution) Units	AUD	30,331	64.86
Class 2E AUD (Accumulation) Units	AUD	10,421	91.48
Class 2F AUD-Hedged (Distribution) Units	AUD	1,093,602	58.13
Class 2F AUD-Hedged (Accumulation) Units	AUD	831,701	88.81
Class 2G USD-Hedged (Distribution) Units	USD	11,963,779	52.27
Class 2G USD-Hedged (Accumulation) Units	USD	1,746,434	91.98
Class 2I SGD-Hedged (Distribution) Units	SGD	1,903,316	57.87
Class 2I SGD-Hedged (Accumulation) Units	SGD	888,073	75.83
Class 2K EUR-Hedged (Distribution) Units	EUR	710,189	58.79
Class 2K EUR-Hedged (Accumulation) Units	EUR	63,075	71.36
Class 2L HKD-Hedged (Distribution) Units	HKD	3,181,236	57.63
Class 2L HKD-Hedged (Accumulation) Units	HKD	299,562	76.07
Class 2XB RMB (Accumulation) Units	RMB	8,166,698	112.76
Class 4C USD-Hedged (Accumulation) Units	USD	530,962	84.67

* Represents net asset value after adjustment to establishment and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND
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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Class currency	Net asset value*	Net asset value per unit*
<u>For the year ended 31 December 2021</u>			
Class 1A USD (Distribution) Units	USD	1,777,470	88.87
Class 1A USD (Accumulation) Units	USD	7,871,739	103.93
Class 1E USD (Distribution) Units	USD	1,808,761	73.90
Class 2A USD (Distribution) Units	USD	14,895,792	74.19
Class 2A USD (Accumulation) Units	USD	5,416,631	163.98
Class 2B RMB (Distribution) Units	RMB	104,879,498	73.33
Class 2B RMB (Accumulation) Units	RMB	32,055,320	161.81
Class 2C USD (Distribution) Units	USD	3,416,549	80.31
Class 2D HKD (Distribution) Units	HKD	75,016,987	72.81
Class 2D HKD (Accumulation) Units	HKD	5,711,098	99.39
Class 2E AUD (Distribution) Units	AUD	160,328	81.93
Class 2E AUD (Accumulation) Units	AUD	12,208	107.17
Class 2F AUD-Hedged (Distribution) Units	AUD	1,744,045	73.38
Class 2F AUD-Hedged (Accumulation) Units	AUD	972,593	103.86
Class 2G USD-Hedged (Distribution) Units	USD	18,317,524	65.68
Class 2G USD-Hedged (Accumulation) Units	USD	2,944,086	106.45
Class 2I SGD-Hedged (Distribution) Units	SGD	2,759,312	73.00
Class 2I SGD-Hedged (Accumulation) Units	SGD	1,031,731	88.10
Class 2K EUR-Hedged (Distribution) Units	EUR	1,099,244	74.23
Class 2K EUR-Hedged (Accumulation) Units	EUR	415,332	84.64
Class 2L HKD-Hedged (Distribution) Units	HKD	8,799,899	72.94
Class 2L HKD-Hedged (Accumulation) Units	HKD	962,813	88.69
Class 2XB RMB (Accumulation) Units	RMB	49,881,068	99.76
Class 2XG USD-Hedged (Accumulation) Units	USD	4,378,073	87.56
Class 4C USD-Hedged (Accumulation) Units	USD	944,748	96.55

* Represents net asset value after adjustment to establishment costs and authorisation costs

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Class currency	Net asset value*	Net asset value per unit*
<u>For the year ended 31 December 2020</u>			
Class 1A USD (Distribution) Units	USD	137.97	123.79
Class 1A USD (Accumulation) Units	USD	103.31	92.70
Class 1B RMB (Accumulation)	RMB	101.05	98.43
Class 1E USD (Distribution) Units	USD	101.06	95.29
Class 1E USD (Accumulation) Units	USD	102.07	99.68
Class 2A USD (Distribution) Units	USD	91.50	81.96
Class 2A USD (Accumulation) Units	USD	165.22	148.45
Class 2B RMB (Distribution) Units	RMB	98.16	92.05
Class 2B RMB (Accumulation) Units	RMB	174.50	158.65
Class 2C USD (Distribution) Units	USD	98.17	88.39
Class 2D HKD (Distribution) Units	HKD	90.39	80.90
Class 2D HKD (Accumulation) Units	HKD	100.75	90.39
Class 2E AUD (Distribution) Units	AUD	101.39	92.41
Class 2E AUD (Accumulation) Units	AUD	111.76	99.42
Class 2F AUD-Hedged (Distribution) Units	AUD	100.35	94.59
Class 2F AUD-Hedged (Accumulation) Units	AUD	120.06	110.29
Class 2G USD-Hedged (Distribution) Units	USD	90.66	85.01
Class 2G USD-Hedged (Accumulation) Units	USD	121.37	110.52
Class 2I SGD-Hedged (Distribution) Units	SGD	100.26	94.39
Class 2I SGD-Hedged (Accumulation) Units	SGD	100.65	98.22
Class 2J EUR-Hedged (Distribution) Units	EUR	100.93	95.82
Class 2K EUR-Hedged (Distribution) Units	EUR	99.85	94.38
Class 2K EUR-Hedged (Accumulation) Units	EUR	100.15	97.31
Class 2L HKD-Hedged (Distribution) Units	HKD	100.54	94.94
Class 2L HKD-Hedged (Accumulation) Units	HKD	100.84	98.40
Class 4B RMB (Accumulation) Units	RMB	106.66	100.14
Class 4C USD-Hedged (Accumulation) Units	USD	106.05	100.12

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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Class currency	Highest unit price	Lowest unit price
<u>For the year ended 31 December 2022</u>			
Class 1A USD (Distribution)Units	USD	87.88	46.64
Class 1A USD (Accumulation) Units	USD	103.67	59.10
Class 1E USD (Distribution) Units	USD	73.37	44.49
Class 2A USD (Distribution) Units	USD	73.54	38.87
Class 2A USD (Accumulation)Units	USD	163.56	92.85
Class 2B RMB (Distribution) Units	RMB	72.68	43.47
Class 2B RMB (Accumulation) Units	RMB	161.80	105.81
Class 2C USD (Distribution) Units	USD	79.55	41.79
Class 2D HKD (Distribution) Units	HKD	72.17	38.41
Class 2D HKD (Accumulation) Units	HKD	99.14	56.65
Class 2E AUD (Distribution) Units	AUD	82.61	49.66
Class 2E AUD (Accumulation) Units	AUD	108.65	69.56
Class 2F AUD-Hedged (Distribution) Units	AUD	72.89	43.93
Class 2F AUD-Hedged (Accumulation) Units	AUD	103.82	66.66
Class 2G USD-Hedged (Distribution) Units	USD	65.21	39.37
Class 2G USD-Hedged (Accumulation) Units	USD	106.41	68.78
Class 2I SGD-Hedged (Distribution) Units	SGD	72.48	43.70
Class 2I SGD-Hedged (Accumulation) Units	SGD	88.07	56.84
Class 2K EUR-Hedged (Distribution) Units	EUR	73.82	44.52
Class 2K EUR-Hedged (Accumulation) Units	EUR	84.60	53.72
Class 2L HKD-Hedged (Distribution) Units	HKD	72.42	43.44
Class 2L HKD-Hedged (Accumulation) Units	HKD	88.65	56.91
Class 2XB RMB (Accumulation) Units	RMB	112.76	66.45
Class 2XG USD-Hedged (Accumulation) Units	USD	87.53	77.52
Class 4C USD-Hedged (Accumulation) Units	USD	96.52	63.15

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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

<u>For the year ended 31 December 2021</u>	Class currency	Highest unit price	Lowest unit price
Class 1A USD (Distribution)Units	USD	143.24	87.37
Class 1A USD (Accumulation) Units	USD	117.03	101.30
Class 1E USD (Distribution) Units	USD	90.38	73.23
Class 2A USD (Distribution) Units	USD	87.29	72.82
Class 2A USD (Accumulation)Units	USD	185.19	159.93
Class 2B RMB (Distribution) Units	RMB	89.26	72.57
Class 2B RMB (Accumulation) Units	RMB	183.51	158.75
Class 2C USD (Distribution) Units	USD	94.82	78.86
Class 2D HKD (Distribution) Units	HKD	85.27	71.39
Class 2D HKD (Accumulation) Units	HKD	111.74	96.84
Class 2E AUD (Distribution) Units	AUD	92.81	78.61
Class 2E AUD (Accumulation) Units	AUD	118.79	102.22
Class 2F AUD-Hedged (Distribution) Units	AUD	89.94	72.80
Class 2F AUD-Hedged (Accumulation) Units	AUD	120.40	102.43
Class 2G USD-Hedged (Distribution) Units	USD	80.70	65.13
Class 2G USD-Hedged (Accumulation) Units	USD	123.09	104.87
Class 2I SGD-Hedged (Distribution) Units	SGD	89.69	72.38
Class 2I SGD-Hedged (Accumulation) Units	SGD	101.82	86.77
Class 2J EUR-Hedged (Distribution)	EUR	94.22	93.66
Class 2K EUR-Hedged (Distribution) Units	EUR	90.59	73.61
Class 2K EUR-Hedged (Accumulation) Units	EUR	98.84	83.57
Class 2L HKD-Hedged (Distribution) Units	HKD	89.76	72.35
Class 2L HKD-Hedged (Accumulation) Units	HKD	102.74	87.39
Class 2XB RMB (Accumulation) Units	RMB	100.00	99.76
Class 2XG USD-Hedged (Accumulation) Units	USD	100.23	86.25
Class 4C USD-Hedged (Accumulation) Units	USD	110.49	94.90

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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2022**

<u>For the year ended 31 December 2020</u>	Class currency	Highest unit price	Lowest unit price
Class 1A USD (Distribution) Units	USD	137.97	123.79
Class 1A USD (Accumulation) Units	USD	103.31	92.70
Class 1B RMB (Accumulation)	RMB	101.05	98.43
Class 1E USD (Distribution) Units	USD	101.06	95.29
Class 1E USD (Accumulation) Units	USD	102.07	99.68
Class 2A USD (Distribution) Units	USD	91.50	81.96
Class 2A USD (Accumulation) Units	USD	165.22	148.45
Class 2B RMB (Distribution) Units	RMB	98.16	92.05
Class 2B RMB (Accumulation) Units	RMB	174.50	158.65
Class 2C USD (Distribution) Units	USD	98.17	88.39
Class 2D HKD (Distribution) Units	HKD	90.39	80.90
Class 2D HKD (Accumulation) Units	HKD	100.75	90.39
Class 2E AUD (Distribution) Units	AUD	101.39	92.41
Class 2E AUD (Accumulation) Units	AUD	111.76	99.42
Class 2F AUD-Hedged (Distribution) Units	AUD	100.35	94.59
Class 2F AUD-Hedged (Accumulation) Units	AUD	120.06	110.29
Class 2G USD-Hedged (Distribution) Units	USD	90.66	85.01
Class 2G USD-Hedged (Accumulation) Units	USD	121.37	110.52
Class 2I SGD-Hedged (Distribution) Units	SGD	100.26	94.39
Class 2I SGD-Hedged (Accumulation) Units	SGD	100.65	98.22
Class 2J EUR-Hedged (Distribution) Units	EUR	100.93	95.82
Class 2K EUR-Hedged (Distribution) Units	EUR	99.85	94.38
Class 2K EUR-Hedged (Accumulation) Units	EUR	100.15	97.31
Class 2L HKD-Hedged (Distribution) Units	HKD	100.54	94.94
Class 2L HKD-Hedged (Accumulation) Units	HKD	100.84	98.40
Class 4B RMB (Accumulation) Units	RMB	106.66	100.14
Class 4C USD-Hedged (Accumulation) Units	USD	106.05	100.12

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

(Sub-Fund of Income Partners Strategy Fund)

(An open ended umbrella unit trust under the laws of Hong Kong)

PERFORMANCE TABLE (UNAUDITED) (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Class currency	Highest unit price	Lowest unit price
<u>For the year ended 31 December 2019</u>			
Class 1A USD (Distribution)Units	USD	137.97	123.79
Class 1A USD (Accumulation) Units	USD	103.31	92.70
Class 1B RMB (Accumulation)	RMB	101.05	98.43
Class 1E USD (Distribution) Units	USD	101.06	95.29
Class 1E USD (Accumulation) Units	USD	102.07	99.68
Class 2A USD (Distribution) Units	USD	91.50	81.96
Class 2A USD (Accumulation)Units	USD	165.22	148.45
Class 2B RMB (Distribution) Units	RMB	98.16	92.05
Class 2B RMB (Accumulation) Units	RMB	174.50	158.65
Class 2C USD (Distribution) Units	USD	98.17	88.39
Class 2D HKD (Distribution) Units	HKD	90.39	80.90
Class 2D HKD (Accumulation) Units	HKD	100.75	90.39
Class 2E AUD (Distribution) Units	AUD	101.39	92.41
Class 2E AUD (Accumulation) Units	AUD	111.76	99.42
Class 2F AUD-Hedged (Distribution) Units	AUD	100.35	94.59
Class 2F AUD-Hedged (Accumulation) Units	AUD	120.06	110.29
Class 2G USD-Hedged (Distribution) Units	USD	90.66	85.01
Class 2G USD-Hedged (Accumulation) Units	USD	121.37	110.52
Class 2I SGD-Hedged (Distribution) Units	SGD	100.26	94.39
Class 2I SGD-Hedged (Accumulation) Units	SGD	100.65	98.22
Class 2J EUR-Hedged (Distribution) Units	EUR	100.93	95.82
Class 2K EUR-Hedged (Distribution) Units	EUR	99.85	94.38
Class 2K EUR-Hedged (Accumulation) Units	EUR	100.15	97.31
Class 2L HKD-Hedged (Distribution) Units	HKD	100.54	94.94
Class 2L HKD-Hedged (Accumulation) Units	HKD	100.84	98.40
Class 4B RMB (Accumulation) Units	RMB	106.66	100.14
Class 4C USD-Hedged (Accumulation) Units	USD	106.05	100.12

For the year ended 31 December 2018

Class 1A USD (Distribution)Units	USD	137.77	120.01
Class 1A USD (Accumulation)Units	USD	103.18	89.87
Class 1B RMB (Distribution)Units	RMB	100.96	99.74
Class 2A USD (Distribution) Units	USD	103.10	82.60
Class 2A USD (Accumulation) Units	USD	165.95	144.00
Class 2B RMB (Distribution) Units	RMB	103.70	91.44
Class 2B RMB (Accumulation) Units	RMB	162.72	155.21
Class 2C USD (Distribution) Units	USD	108.11	88.16
Class 2D HKD (Distribution) Units	HKD	100.55	81.43
Class 2D HKD (Accumulation) Units	HKD	101.04	87.64
Class 2E AUD (Distribution) Units	AUD	102.05	93.82
Class 2E AUD (Accumulation) Units	AUD	100.41	88.38
Class 2F AUD-Hedged (Accumulation) Units	AUD	115.43	108.10
Class 2G USD-Hedged (Distribution) Units	USD	95.55	84.31
Class 2G USD-Hedged (Accumulation) Units	USD	115.33	108.28

INCOME PARTNERS MANAGED VOLATILITY HIGH YIELD BOND FUND

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**PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Class currency	Highest unit price	Lowest unit price
<u>For the year ended 31 December 2017</u>			
Class 1A USD (Distribution)Units	USD	132.49	112.36
Class 1B RMB (Distribution)Units	RMB	121.50	99.93
Class 2A USD (Distribution) Units	USD	100.19	88.57
Class 2A USD (Accumulation) Units	USD	159.66	136.08
Class 2B RMB (Distribution) Units	RMB	106.21	102.57
Class 2B RMB (Accumulation) Units	RMB	161.91	147.31
Class 2C USD (Distribution) Units	USD	105.74	94.66
Class 2F AUD-Hedged (Accumulation) Units	AUD	115.35	107.96
Class 2G USD-Hedged (Distribution) Units	USD	98.78	95.59
Class 2G USD-Hedged (Accumulation) Units	USD	115.33	108.28
<u>For the year ended 31 December 2016</u>			
Class 1A USD (Distribution)Units	USD	117.26	106.25
Class 1B RMB (Distribution)Units	RMB	117.87	104.41
Class 2A USD (Distribution) Units	USD	96.17	89.01
Class 2A USD (Accumulation) Units	USD	142.27	129.26
Class 2B RMB (Distribution) Units	RMB	106.24	99.14
Class 2B RMB (Accumulation) Units	RMB	147.56	131.18
Class 2C USD (Distribution) Units	USD	101.89	94.96
Class 2F AUD-Hedged (Accumulation) Units	AUD	108.53	98.22
Class 2G USD-Hedged (Distribution) Units	USD	101.57	95.88
Class 2G USD-Hedged (Accumulation) Units	USD	109.00	98.41
<u>For the year ended 31 December 2015</u>			
Class 1A USD (Distribution)Units	USD	113.88	104.8
Class 1B RMB (Distribution)Units	RMB	106.76	99.27
Class 2A USD (Distribution) Units	USD	104.15	93.95
Class 2B RMB (Distribution) Units	RMB	107.16	101.23
Class 2C USD (Distribution) Units	USD	108.23	98.25
Class 2A USD (Accumulation) Units	USD	138.82	127.7
Class 2B RMB (Accumulation) Units	RMB	134.21	125.4
<u>For the year ended 31 December 2014</u>			
Class 1A USD (Distribution)Units	USD	109.83	100.59
Class 1B RMB (Distribution)Units	RMB	101.23	99.39
Class 2A USD (Distribution) Units	USD	106.57	101.45
Class 2B RMB (Distribution) Units	RMB	107.68	102.39
Class 2C USD (Distribution) Units	USD	109.87	104.43
Class 2A USD (Accumulation) Units	USD	134.35	123.45
Class 2B RMB (Accumulation) Units	RMB	127.95	117.23
<u>For the year ended 31 December 2013</u>			
Class 1A USD (Distribution)Units	USD	102.07	94.18
Class 2A USD (Distribution) Units	USD	110.81	102.24
Class 2B RMB (Distribution) Units	RMB	108.82	100.76
Class 2C USD (Distribution) Units	USD	112.55	104.24
Class 2A USD (Accumulation) Units	USD	125.40	116.01
Class 2B RMB (Accumulation) Units	RMB	118.40	110.80

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PERFORMANCE TABLE (UNAUDITED) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Class currency	Highest unit price	Lowest unit price
<u>For the year ended 31 December 2012</u>			
Class 2A USD (Distribution) Units	USD	107.10	95.13
Class 2B RMB (Distribution) Units	RMB	104.90	94.51
Class 2C USD (Distribution) Units	USD	108.70	96.50
Class 2A USD (Accumulation) Units	USD	115.82	97.89
Class 2B RMB (Accumulation) Units	RMB	111.97	96.02
<u>For the period from 27 July 2011 (date of inception) to 31 December 2011</u>			
Class 2A USD (Distribution) Units	USD	99.06	92.62
Class 2B RMB (Distribution) Units	RMB	100.11	93.57
Class 2C USD (Distribution) Units	USD	100.70	94.15
Class 2A USD (Accumulation) Units	USD	100.27	92.87
Class 2B RMB (Accumulation) Units	RMB	100.11	93.57