



INCOME PARTNERS

**Interim Report 2022**

**INCOME PARTNERS RMB BOND FUND**

**INCOME PARTNERS RMB BOND FUND**

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

**SEMI-ANNUAL FINANCIAL STATEMENTS (UNAUDITED)**

**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

## **INCOME PARTNERS RMB BOND FUND**

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

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## **INCOME PARTNERS RMB BOND FUND**

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

## **MANAGEMENT AND ADMINISTRATION**

### **MANAGER AND QFI HOLDER**

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

### **DIRECTORS OF THE MANAGER**

Emil Nguy  
Francis Tjia  
Eva Siu Wai Ip  
Yang Lin

### **TRUSTEE**

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

### **CUSTODIAN AND 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

### **QFI CUSTODIAN**

Industrial and Commercial Bank of China Limited  
55 Fuxingmennei Street  
Xicheng District  
Beijing  
China P.C:100140

### **SOLICITORS TO THE MANAGER**

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

### **AUDITORS**

Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

### **SWISS REPRESENTATIVE AGENT**

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

## INCOME PARTNERS RMB BOND FUND

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

## MANAGER'S REPORT

### TO THE UNITHOLDERS OF INCOME PARTNERS RMB BOND FUND

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

### 2022 PERFORMANCE OVERVIEW

For the first six months of 2022, the Income Partners RMB Bond Fund (the "Fund") generated a total return<sup>1</sup> as per below table:

Class of Shares	ISIN Code	Bloomberg ticker	Fund Class Inception Date	YTD 2022 Return	Annualized Dividend Yield*
Class 1A Acc (USD)	HK0000204450	IPRB1AA HK	3-Sep-18	-4.09%	-
Class 1B Dis (RMB)	HK0000204468	IPRB1BD HK	Not yet launched	-. <sup>2</sup>	-
Class 1B Acc (RMB)	HK0000204476	IPRB1BA HK	4-Jun-15	-. <sup>2</sup>	-
Class 2A Dis (USD)	HK0000204526	IPRB2AD HK	8-Jul-14	-. <sup>2</sup>	-
Class 2A Acc (USD)	HK0000204534	IPRB2AA HK	4-Jul-14	-4.73%	-
Class 2B Dis (RMB)	HK0000204542	IPRB2BD HK	11-Jul-14	0.58%	1.0%
Class 2B Acc (RMB)	HK0000204559	IPRB2BA HK	4-Jul-14	0.59%	-
Class 2C Dis (HKD)	HK0000204567	IPRB2CD HK	15-Jun-18	-. <sup>2</sup>	-
Class 2C Acc (HKD)	HK0000204575	IPRB2CA HK	Not yet launched	-. <sup>2</sup>	-
Class 2D Dis (EUR)	HK0000204583	IPRB2DD HK	1-Aug-14	-. <sup>2</sup>	-
Class 2D Acc (EUR)	HK0000204591	IPRB2DA HK	9-Jul-14	-. <sup>2</sup>	-
Class 4A Acc (USD)	HK0000563327	IPRB4AA HK	29-Jun-20	-4.35%	-

\* 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.

<sup>1</sup> Adjusted for monthly dividend distributions

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

## **INCOME PARTNERS RMB BOND FUND**

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

### **MARKET OVERVIEW AND OUTLOOK**

China's economic data continued to point to downside from last year end. The yield of China's onshore 10-year government bond further rallied due to the economy still faces downward pressure at the beginning of the year, and small-scale outbreaks of Covid-19 in China's different regions continued.

The Russia/Ukraine conflict which caused risk averse sentiment in global risk assets as well as The Omicron breakout in cities such as Shanghai and the subsequent lockdown has weighed on economic growth in March and April.

China onshore bonds rallied amid concerns of economic downturn in the second quarter. The State Council urges fiscal and monetary policies to boost Economy. It rolled out measures including increasing tax cut for automobile buyers, lowering mortgage rates and providing more support for small businesses.

On currency front, RMB weakened further against USD in the second quarter. In April, Saudi Arabia considering accepting RMB in its oil sales and Israel adding RMB into their central bank reserves show that the de-dollarization starts to trend and RMB's path towards becoming a global reserve currency remains intact.

Looking forward, we expect more expansionary fiscal policies and supportive measures to stabilize consumption. China rates may continue to trade in range in the next month or two.

As of second quarter-end, the portfolio yield stood at 2.4%, with a duration of 5.4 years.

## INCOME PARTNERS RMB BOND FUND

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

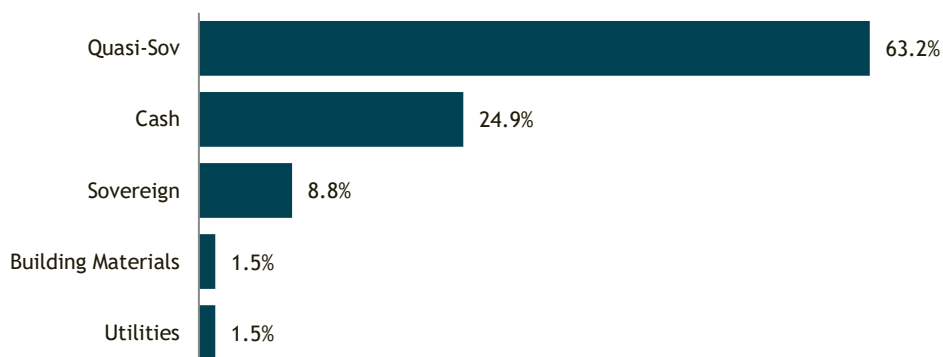
### PORTFOLIO OVERVIEW AS OF 30 JUNE 2022

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

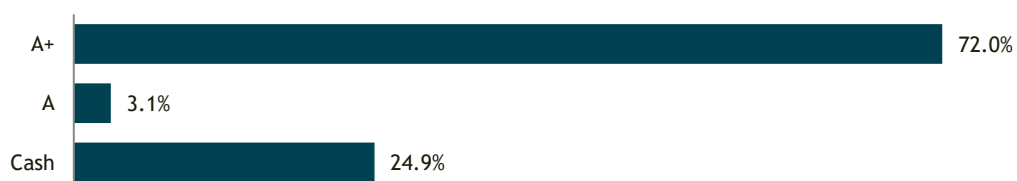
Modified Duration:	Average Credit Rating <sup>1</sup> :	Yield to Maturity (YTM):
5.4 years	A+	2.4%

Top 5 Holdings	73.5%
Agricultural Development Bank of China	30.4%
China Development Bank	17.9%
The Export-Import Bank of China	14.9%
China Government Bond	8.8%
Anhui Conch Cement Co Ltd	1.5%

### Industry Exposure



### Credit Rating Exposure



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

Source: Income Partners, based on 30 June 2022

## **INCOME PARTNERS RMB BOND FUND**

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### **CORPORATE ACTION**

As per a Notice to Unitholders dated 1 June 2022, the Sub-Fund's explanatory memorandum dated April 2022 (the "Explanatory Memorandum") has been updated to state that with effect from 1 June 2022, Mr. Desmond Kuang resigns as a member of the Manager's investment committee. The Sub-Fund's explanatory memorandum dated April 2022 (the "Explanatory Memorandum") will be updated to reflect this change.

The revised Explanatory Memorandum and KFS are available on the Manager's website ([www.incomepartners.com](http://www.incomepartners.com)).

For further details on the above changes, please refer to the respective Notice to investors.



## INCOME PARTNERS RMB BOND FUND

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

### FINANCIAL STATEMENTS (UNAUDITED)

#### STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2022

	Note	As at 30 June 2022 (unaudited) RMB	As at 31 December 2021 (audited) RMB
<b>Assets</b>			
Cash and cash equivalents		255,922,458	3,508,940
Financial assets at fair value through profit or loss		50,484,758	907,941,589
Amounts due from brokers		-	127,495
Interest receivable		615,604	14,211,437
Prepayments		7,202	7,202
<b>Total assets</b>		<b>307,030,022</b>	<b>925,796,663</b>
<b>Liabilities</b>			
Amount due to brokers		-	127,046
Custodian fee payable	2(c)	23,481	53,775
Management fee payable	2(a)	162,225	364,128
Trustee fee payable	2(b)	40,949	73,446
Redemptions payable		238,412,712	-
Accruals and other payables		289,990	205,355
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>238,929,357</b>	<b>823,750</b>
<b>Net assets attributable to unitholders</b>		<b>68,100,665</b>	<b>924,972,913</b>
<b>Total liabilities</b>		<b>307,030,022</b>	<b>925,796,663</b>
<b>Represented by:</b>			
Net assets attributable to unitholders (in accordance with the Prospectus of the Fund)	6	68,100,665	924,972,913
Adjustment for different basis adopted by the Fund in arriving at net assets attributable to unitholders	6	-	-

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

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

**INCOME PARTNERS RMB BOND FUND**

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)****For the six months ended 30 June 2022**

	Note	For the six months ended 30 June 2022 (Unaudited) RMB	For the six months ended 30 June 2021 (Unaudited) RMB
<b>Income</b>			
Interest income on financial assets at fair value through profit or loss		12,738,907	8,128,804
Interest income on bank deposits	2(d), 2(e)	50,978	13,347
Net (losses)/gains on financial assets at fair value through profit or loss		(1,332,811)	2,462,649
Net foreign exchange differences		166,513	(36,989)
<b>Total income</b>		<b>11,623,587</b>	<b>10,567,811</b>
<b>Expenses</b>			
Management fee	2(a)	(2,117,152)	(1,244,585)
Trustee fee	2(b)	(427,026)	(257,069)
Custodian fee	2(c)	(244,808)	(157,040)
Auditors remuneration		(83,662)	(79,254)
Legal fees		(71,050)	(44,695)
Bank charges		(1,039)	(1,083)
Brokerage fees and other transaction costs		(2,442)	-
Other expenses		(252,113)	(230,485)
<b>Total expenses</b>		<b>(3,199,292)</b>	<b>(2,014,211)</b>
Operating profit		8,424,295	8,553,600
<b>Finance costs</b>			
Distributions to unitholders	5	(4,824)	(7,903)
<b>Profit before taxation</b>		<b>8,419,471</b>	<b>8,545,697</b>
<b>Taxation</b>			
Distribution tax		(331)	(265)
<b>Increase in net assets attributable to unitholders and total comprehensive income during the period</b>		<b>8,419,140</b>	<b>8,545,432</b>

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

**INCOME PARTNERS RMB BOND FUND**

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

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

For the six months ended 30 June 2022

		For the six months ended 30 June 2022 (Unaudited) RMB	For the six months ended 30 June 2021 (Unaudited) RMB
<b>Net assets attributable to unitholders at the beginning of the period</b>		924,972,913	421,354,368
Issuance of redeemable units		223,304,378	256,010,126
Redemption of redeemable units		(1,088,595,766)	(26,482,520)
Increase in net assets attributable to unitholders from operations		<u>8,419,140</u>	<u>8,545,432</u>
<b>Net assets attributable to unitholders of redeemable units at the end of the period</b>		<u>68,100,665</u>	<u>659,427,406</u>
		For the six months ended 30 June 2022 (Unaudited) Units	For the six months ended 30 June 2021 (Unaudited) Units
<b>Units outstanding at the beginning of the period</b>		1,286,395	852,504
Units issued	4	295,641	351,156
Units redeemed	4	<u>(1,433,630)</u>	<u>(234,816)</u>
<b>Units outstanding at the end of the period</b>		<u>148,406</u>	<u>968,844</u>

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

## **INCOME PARTNERS RMB BOND FUND**

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### **NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)**

**For the six months ended 30 June 2022**

#### **1 Summary of significant accounting policies**

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

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

The accounting policies applied are consistent with those of the annual financial statements for the period ended 30 June 2022, as described in the Notes to the Financial Statements of the semi-annual financial statements.

#### **2 Transactions with the Manager and its connected persons**

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

##### **(a) Management fees**

For the period ended 30 June 2022, the Manager is entitled to receive a management fee from the Sub-Fund, 0.50% per annum (with maximum of 1.5%) for Class 1 units, and at a rate of 0.80% per annum (with maximum of 1.5%) for Class 2 units with respect to the net asset value of the Sub-Fund calculated and accrued and payable monthly in arrears.

Total management fees for the six months ended 30 June 2022 amounted to RMB2,117,152 (30 June 2021: RMB1,244,585), with RMB162,225 (30 June 2021: RMB239,640) remaining payable as at 30 June 2022.

##### **(b) Trustee fee**

For the period ended 30 June 2022, the Trustee is entitled to receive a trustee fee from the Sub-Fund based on a percentage of the net asset value of the Sub-Fund. For first US\$250 million of the net asset value of the Sub-Fund, 0.10% per annum will be payable, and for the remaining balance of the net asset value of the Sub-Fund, 0.08% per annum will be payable, subject to a minimum monthly fee of US\$6,000. The fees are accrued and payable monthly in arrears.

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

Total trustee fee/administration fee for the six months ended 30 June 2022 amounted to RMB427,026 (30 June 2021: RMB257,069), with RMB40,949 (30 June 2021: RMB48,447) remaining payable as at 30 June 2022.

## **INCOME PARTNERS RMB BOND FUND**

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

### **NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

**For the six months ended 30 June 2022**

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

##### **(c) Custodian fee**

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

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

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

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

Total custodian fee for the six months ended 30 June 2022 amounted to RMB244,808 (30 June 2021: RMB157,040), with RMB23,481 (30 June 2021: RMB34,003) remaining payable as at 30 June 2022.

Total registrar fee for the six months ended 30 June 2022 amounted to RMB19,368 (30 June 2021: RMB19,272), with RMB3,302 (30 June 2021: RMB3,170) remaining payable as at 30 June 2022.

Total financial statement preparation fee for the six months ended 30 June 2022 amounted to RMB32,687 (30 June 2021: RMB29,898), with RMB32,180 (30 June 2021: RMB32,088) remaining payable as at 30 June 2022.

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

As at 30 June 2022, the Sub-Fund placed bank deposits amounted to RMB255,146,704 (31 December 2021: RMB2,070,964) with Citibank N.A., Hong Kong branch, a related company of the Trustee and Register. Bank interest income amounted to RMB47,669 for the period ended 30 June 2022 (30 June 2021: RMB10,700) has been earned by the Sub-Fund.

##### **(e) Bank deposits held by the Custodian**

As at 30 June 2022, the Sub-Fund placed bank deposits amounted to RMB775,754 (31 December 2021: RMB1,437,976) with Industrial and Commercial Bank of China (“ICBC”). Bank interest income amounted to RMB3,309 for the period ended 30 June 2022 (30 June 2021: RMB2,647) has been earned by the Sub-Fund.

##### **(f) Cross Trade**

During the period ended 30 June 2022 and 30 June 2021, there were no investment holdings which were bought from or sold to other funds also managed by the Manager of the Sub-Fund.

## INCOME PARTNERS RMB BOND FUND

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

### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2022

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

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

The Sub-Fund allows the Manager, its connected persons and other funds managed by the Manager to subscribe for, and redeem, units in the Sub-Fund. The holdings in the Sub-Fund by the Manager and its connected persons as at 30 June 2022 and 30 June 2021 were as follows:

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

	30 June 2022 Class 4A USD (Accumulation)	30 June 2021 Class 4A USD (Accumulation)
Number of units held as at period end	20,462	20,462
Market value of units held as at period end (RMB)	15,435,063	14,763,378
Total units subscribed during the period	-	-
Total subscription during the period (RMB)	-	-
Total units redeemed during the period	-	-
Total redemption during the period (RMB)	-	-

## INCOME PARTNERS RMB BOND FUND

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

### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2022

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

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

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

	30 June 2022 Class 4A USD (Accumulation)	30 June 2021 Class 4A USD (Accumulation)	30 June 2022 Class 2B RMB (Accumulation)	30 June 2021 Class 2B RMB (Accumulation)
Number of units held as at period end	53,140	-	-	-
Market value of units held as at period end (RMB)	40,084,748	-	-	-
Total units subscribed during the period	53,140	-	-	-
Total subscription during the period (RMB)	40,108,829	-	-	-
Total units redeemed during the period	-	-	-	(234,816)
Total redemption during the period (RMB)	-	-	-	(26,491,091)

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

#### 3 Soft commission arrangements

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

## **INCOME PARTNERS RMB BOND FUND**

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

### **NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

**For the six months ended 30 June 2022**

#### **3 Soft commission arrangements (Continued)**

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



**INCOME PARTNERS RMB BOND FUND**

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

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

For the six months ended 30 June 2022

**4 Number of units in issue**

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

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

**INCOME PARTNERS RMB BOND FUND**

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

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

For the six months ended 30 June 2022

**4 Number of units in issue (Continued)**

The following is the subscription/(redemption) of units of the Sub-Fund for the six months ended 30 June 2021:

	Class 1A USD (Accumulation) units Number of units	Class 2A USD (Distribution) units Number of units	Class 2A USD (Accumulation) units Number of units	Class 2B RMB (Distribution) units Number of units	Class 2B RMB (Accumulation) units Number of units	Class 4A USD (Accumulation) units Number of units	Total Number of units
<b>At the beginning of the period</b>	510,255.348	1,129.582	3,137.720	10,016.540	307,502.543	20,462.000	852,503.733
Subscription of units	348,337.280	5.430	2,812.939	-	-	-	351,155.649
Redemption of units	-	-	-	-	(234,815.743)	-	(234,815.743)
<b>At the end of the period</b>	<u>858,592.628</u>	<u>1,135.012</u>	<u>5,950.659</u>	<u>10,016.540</u>	<u>72,686.800</u>	<u>20,462.000</u>	<u>968,843.639</u>

## **INCOME PARTNERS RMB BOND FUND**

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

### **NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

**For the six months ended 30 June 2022**

#### **4 Number of units in issue (Continued)**

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

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

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

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

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

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

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

**INCOME PARTNERS RMB BOND FUND**

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

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

For the six months ended 30 June 2022

**5 Distribution to unitholders**

	For the six months ended 30 June 2022 (unaudited) RMB	For the six months ended 30 June 2021 (unaudited) RMB
Undistributed income at 1 January	40,955,010	24,159,842
Increase in net assets attributable to unitholders during the period	8,419,140	8,545,432
Distribution to unitholders	4,824	7,903
Unrealized losses/(gains) on financial assets at fair value through profit or loss	13,909,010	(1,934,619)
Undistributed income before distribution	63,287,984	30,778,558
Monthly distribution declared on 4 January 2021 of USD0.08 per unit for Class 2A	-	(583)
Monthly distribution declared on 4 January 2021 of RMB0.08 per unit for Class 2B	-	(802)
Monthly distribution declared on 1 February 2021 of USD0.07 per unit for Class 2A	-	(512)
Monthly distribution declared on 1 February 2021 of RMB0.07 per unit for Class 2B	-	(701)
Monthly distribution declared on 1 March 2021 of USD0.07 per unit for Class 2A	-	(513)
Monthly distribution declared on 1 March 2021 of RMB0.07 per unit for Class 2B	-	(701)
Monthly distribution declared on 1 April 2021 of USD0.07 per unit for Class 2A	-	(522)
Monthly distribution declared on 1 April 2021 of RMB0.08 per unit for Class 2B	-	(801)
Monthly distribution declared on 6 May 2021 of USD0.08 per unit for Class 2A	-	(587)
Monthly distribution declared on 6 May 2021 of RMB0.08 per unit for Class 2B	-	(801)
Monthly distribution declared on 1 June 2021 of USD0.08 per unit for Class 2A	-	(579)
Monthly distribution declared on 1 June 2021 of RMB0.08 per unit for Class 2B	-	(801)
Monthly distribution declared on 4 January 2022 of RMB0.08 per unit for Class 2B	(802)	-
Monthly distribution declared on 7 February 2022 of RMB0.08 per unit for Class 2B	(803)	-
Monthly distribution declared on 1 March 2022 of RMB0.08 per unit for Class 2B	(804)	-
Monthly distribution declared on 1 April 2022 of RMB0.08 per unit for Class 2B	(804)	-
Monthly distribution declared on 5 May 2022 of RMB0.08 per unit for Class 2B	(805)	-
Monthly distribution declared on 1 June 2021 of RMB0.08 per unit for Class 2B	(806)	-
Undistributed income at 30 June	63,283,160	30,770,655

## INCOME PARTNERS RMB BOND FUND

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

### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2022

#### 5 Distribution to unitholders (Continued)

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

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

## INCOME PARTNERS RMB BOND FUND

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

### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

For the six months ended 30 June 2022

#### 5 Distribution to unitholders (Continued)

	30 June 2021 RMB
Distribution declared on 4 January 2021:	
- Class 2A USD (Distribution) at USD0.08 per unit	583
- Class 2B RMB (Distribution) at RMB0.08 per unit	802
Distribution declared on 1 February 2021:	
- Class 2A USD (Distribution) at USD0.07 per unit	512
- Class 2B RMB (Distribution) at RMB0.07 per unit	701
Distribution declared on 1 March 2021:	
- Class 2A USD (Distribution) at USD0.07 per unit	513
- Class 2B RMB (Distribution) at RMB0.07 per unit	701
Distribution declared on 1 April 2021:	
- Class 2A USD (Distribution) at USD0.07 per unit	522
- Class 2B RMB (Distribution) at RMB0.08 per unit	801
Distribution declared on 6 May 2021:	
- Class 2A USD (Distribution) at USD0.08 per unit	587
- Class 2B RMB (Distribution) at RMB0.08 per unit	801
Distribution declared on 1 June 2021:	
- Class 2A USD (Distribution) at USD0.08 per unit	579
- Class 2B RMB (Distribution) at RMB0.08 per unit	801
	<hr/>
	<u>7,903</u>

**INCOME PARTNERS RMB BOND FUND**

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

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**

For the six months ended 30 June 2022

**6 Net assets attributable to unitholders**

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

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

	As at 30 June 2022 (Unaudited) RMB	As at 31 December 2021 (Audited) RMB
Published net assets attributable to unitholders	68,100,665	924,972,913
Adjustments on various fees	-	-
	<hr/>	<hr/>
Net assets attributable to unitholders as per unaudited financial statements	<u>68,100,665</u>	<u>924,972,913</u>

	As at 30 June 2022 (Unaudited) RMB	As at 31 December 2021 (Audited) RMB
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT</b>		
<b>(in accordance with the Prospectus of the Fund)</b>		
Class 1A USD (Accumulation) Units	768.05	758.53
Class 2A USD (Accumulation) Units	729.47	725.21
Class 2B RMB (Distribution) Units	97.01	96.93
Class 2B RMB (Accumulation) Units	117.52	116.83
Class 4A USD (Accumulation) Units	754.33	746.98

	As at 30 June 2022 (Unaudited) Class Currency	As at 31 December 2021 (Audited) Class Currency
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT</b>		
<b>(in accordance with the Prospectus of the Fund)</b>		
Class 1A USD (Accumulation) Units	114.52	119.41
Class 2A USD (Accumulation) Units	108.78	114.17
Class 2B RMB (Distribution) Units	97.01	96.93
Class 2B RMB (Accumulation) Units	117.52	116.83
Class 4A USD (Accumulation) Units	112.48	117.59

**INCOME PARTNERS RMB BOND FUND**

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

**INVESTMENT PORTFOLIO (UNAUDITED)**

As at 30 June 2022

**QUOTED DEBT SECURITIES (74.15%)**

	Holding/ nominal value	Fair value RMB	% of net assets
<b>Denominated in RMB (74.15%)</b>			
<i>China (74.15%)</i>			
Agricul Dev Bank Adbch 2.96 04/17/30	10,000,000	9,890,030	14.52%
Agricul Dev Bank Adbch 3.79 10/26/30	10,000,000	10,473,990	15.38%
Anhui Conch-H Anhcon 5.10 11/07/22	1,000,000	1,014,200	1.49%
China Dev Bank Sdbc 2.69 06/16/27	10,000,000	9,952,980	14.62%
China Dev Bank Sdbc 3.87 08/01/23	1,000,000	1,019,530	1.50%
China Dev Bank Sdbc 4.59 08/01/38	1,000,000	1,154,850	1.70%
China Govt Bond Cgb 3.27 08/22/46	6,000,000	5,911,038	8.68%
Exp-lmp Bk China Eximch 3.23 03/23/30	10,000,000	10,070,140	14.79%
State Power Inv Powinv 4.60 07/10/22	1,000,000	998,000	1.47%
<b><u>TOTAL NET ASSETS</u></b>			
Total debt securities (Cost: RMB48,591,504)		50,484,758	74.15%
Cash and cash equivalents		<u>255,922,458</u>	<u>375.80%</u>
Other net liabilities		<u>(238,306,551)</u>	<u>(349.95)%</u>
Total net assets		<u><u>68,100,665</u></u>	<u><u>100.00%</u></u>
Total investment, at cost		<u><u>48,591,504</u></u>	



**INCOME PARTNERS RMB BOND FUND**

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

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**

For the six months ended 30 June 2022

<u>QUOTED DEBT SECURITIES</u>	At	<u>Movement in holdings</u>		At
	1 January 2022	Additions	Disposals	30 June 2022
<b>Denominated in RMB</b>				
<i>China</i>				
Agricul Dev Bank Adbch 2.96 04/17/30	10,000,000	-	-	10,000,000
Agricul Dev Bank Adbch 3.24 08/14/24	10,000,000	-	10,000,000	-
Agricul Dev Bank Adbch 3.28 05/13/22	1,000,000	-	1,000,000	-
Agricul Dev Bank Adbch 3.45 09/23/25	20,000,000	-	20,000,000	-
Agricul Dev Bank Adbch 3.51 04/03/24	10,000,000	-	10,000,000	-
Agricul Dev Bank Adbch 3.63 07/19/26	10,000,000	-	10,000,000	-
Agricul Dev Bank Adbch 3.75 01/25/29	10,000,000	-	10,000,000	-
Agricul Dev Bank Adbch 3.79 10/26/30	20,000,000	-	10,000,000	10,000,000
Agricul Dev Bank China 3.95 02/26/31	10,000,000	-	10,000,000	-
Anhui Conch-H Anhcon 5.10 11/07/22	1,000,000	-	-	1,000,000
Central Huijin Huijin 3.71 09/18/27	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 2.69 06/16/27	-	10,000,000	-	10,000,000
China Dev Bank Sdbc 2.89 06/22/25	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 2.98 01/08/24	30,000,000	-	30,000,000	-
China Dev Bank Sdbc 3.00 06/17/24	50,000,000	-	50,000,000	-
China Dev Bank Sdbc 3.00 01/17/32	-	20,000,000	20,000,000	-
China Dev Bank Sdbc 3.09 06/18/30	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.23 01/10/25	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.30 03/03/26	30,000,000	-	30,000,000	-
China Dev Bank Sdbc 3.34 07/14/25	20,000,000	-	20,000,000	-
China Dev Bank Sdbc 3.42 07/02/24	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.43 01/14/27	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.50 08/13/26	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.66 03/01/31	30,000,000	-	30,000,000	-
China Dev Bank Sdbc 3.68 02/26/26	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.70 10/20/30	10,000,000	-	10,000,000	-
China Dev Bank Sdbc 3.87 08/01/23	1,000,000	-	-	1,000,000
China Dev Bank Sdbc 3.91 04/06/22	1,000,000	-	1,000,000	-
China Dev Bank Sdbc 4.59 08/01/38	1,000,000	-	-	1,000,000
China Govt Bond Cgb 1.94 04/25/23	-	20,000,000	20,000,000	-
China Govt Bond Cgb 2.10 01/13/23	-	100,000,000	100,000,000	-
China Govt Bond Cgb 2.37 01/20/27	-	20,000,000	20,000,000	-
China Govt Bond Cgb 2.47 09/02/24	-	100,000,000	100,000,000	-
China Govt Bond Cgb 2.69 08/12/26	80,000,000	-	80,000,000	-
China Govt Bond Cgb 2.75 02/17/32	-	50,000,000	50,000,000	-
China Govt Bond Cgb 2.89 11/18/31	80,000,000	-	80,000,000	-
China Govt Bond Cgb 3.02 10/22/25	20,000,000	-	20,000,000	-
China Govt Bond Cgb 3.02 05/27/31	50,000,000	-	50,000,000	-
China Govt Bond Cgb 3.03 03/11/26	80,000,000	-	80,000,000	-

**INCOME PARTNERS RMB BOND FUND**

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

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**

For the six months ended 30 June 2022

<u>QUOTED DEBT SECURITIES</u>	At	<u>Movement in holdings</u>		At
	1 January 2022	Additions	Disposals	30 June 2022
<b>Denominated in RMB (Continued)</b>				
<i>China (Continued)</i>				
China Govt Bond Cgb 3.27 08/22/46	6,000,000	-	-	6,000,000
China Govt Bond Cgb 3.40 04/17/23	3,000,000	-	3,000,000	-
China Govt Bond Cgb 3.53 10/18/51	-	80,000,000	80,000,000	-
China Govt Bond Cgb 3.72 04/12/51	90,000,000	-	90,000,000	-
China Govt Bond Cgb 3.81 09/14/50	30,000,000	-	30,000,000	-
China Govt Bond Cgb 3.86 07/22/49	10,000,000	-	10,000,000	-
China Natl Petro Cnpcc 5.00 02/22/27	8,330,000	-	8,330,000	-
China Petro Chem Sinopc 4.90 06/01/22	1,000,000	-	1,000,000	-
China Southern Sopowz 3.30 01/17/23	10,000,000	-	10,000,000	-
Exp-Imp Bk China Eximch 2.93 03/02/25	10,000,000	-	10,000,000	-
Exp-Imp Bk China Eximch 3.23 03/23/30	10,000,000	-	-	10,000,000
Exp-Imp Bk China Eximch 3.26 02/24/27	10,000,000	-	10,000,000	-
Exp-Imp Bk China Eximch 3.34 09/04/23	10,000,000	-	10,000,000	-
Exp-Imp Bk China Eximch 3.86 05/20/29	10,000,000	-	10,000,000	-
Export-Import Bank China 4.89 03/26/28	10,000,000	-	10,000,000	-
State Power Inv Powinv 4.60 07/10/22	1,000,000	-	-	1,000,000