

**China Everbright Fortune Fund Series  
- Everbright Income Focus Fund**

**Unaudited Interim Report  
For the half year ended 30 June 2021**



**China Everbright Fortune Fund Series - Everbright Income Focus Fund  
2021 Unaudited Interim Report**

<u>Contents</u>	<u>Page</u>
Statement of assets and liabilities (Unaudited)	1
Statement of comprehensive income (Unaudited)	2
Portfolio statement (Unaudited)	3-4
Statement of changes in equity (Unaudited)	5
Statement of movements in portfolio holdings (Unaudited)	6-7
Notes to the financial statements (Unaudited)	8-10
Administration	11

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Statement of assets and liabilities (Unaudited)**  
**as at 30 June 2021**  
**(Expressed in United States dollars)**

	<b>As at</b>	<b>As at</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>USD</b>	<b>USD</b>
<b>ASSETS</b>		
Financial assets at FVTPL	92,305,106	79,916,872
Fixed deposit with bank	2,000,000	-
Interest receivable on financial assets	1,039,978	892,513
Account receivable	13,464,197	1,088,264
Other receivables and prepayments	7,553	-
Cash and cash equivalents	4,377,248	3,337,332
Capital receivable	172,730	-
<b>Total Assets</b>	<u>113,366,812</u>	<u>85,234,981</u>
<b>LIABILITIES</b>		
Financial liabilities at FVTPL	(86,048)	(27,188)
Account payable	(14,954,460)	-
Accrued expenses and other payables	(51,504)	(47,216)
Repurchase agreements	(8,684,253)	(7,369,215)
Capital Payable	(49,019)	-
<b>Total Liabilities</b>	<u>(23,825,284)</u>	<u>(7,443,619)</u>
<b>Net assets attributable to unitholders</b>	<u>89,541,528</u>	<u>77,791,362</u>
<i>Representing:</i>		
<b>Equity</b>	<u>89,541,528</u>	<u>77,791,362</u>
<b>Number of units in issue, Class I - USD</b>	<u>7,250,816.00</u>	<u>6,587,726.63</u>
<b>Number of units in issue, Class A - USD</b>	<u>230,986.04</u>	<u>33,214.13</u>
<b>Net asset value per unit, Class I - USD</b>	<u>12.02</u>	<u>11.75</u>
<b>Net asset value per unit, Class A - USD</b>	<u>10.27</u>	<u>10.09</u>

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**

**Statement of comprehensive income (Unaudited)**

**as at 30 June 2021**

**(Expressed in United States dollars)**

	<b>As at</b>	<b>As at</b>
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>USD</b>	<b>USD</b>
Interest income on financial asset at FVTPL	1,677,783	3,155,464
Other interest income	-	1,894
Net gain financial assets and financial liabilities at FVTPL	389,256	1,637,887
Net foreign exchange loss	-	(8)
<b>Total Income</b>	<u>2,067,039</u>	<u>4,795,237</u>
Management fee	(117,394)	(202,868)
Trustee's fee	(21,336)	(37,525)
Custodian fees	(11,086)	(20,577)
Auditor's remuneration	(11,191)	(22,613)
Transaction costs	(11,023)	(23,136)
Legal and professional fees	(4,273)	(30,626)
Miscellaneous expenses	(2,835)	(7,699)
<b>Total operating expenses</b>	<u>(179,138)</u>	<u>(345,044)</u>
Finance cost (interest on borrowings)	(27,623)	(63,045)
<b>Profit before taxation</b>	<u>1,860,278</u>	<u>4,387,148</u>
Taxation	-	-
<b>Profit and total comprehensive income for the period</b>	<u><u>1,860,278</u></u>	<u><u>4,387,148</u></u>

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Portfolio statement (Unaudited)**  
**as at 30 June 2021**  
**(Expressed in United States dollars)**

	<b>Holdings</b>	<b>Market Value</b>	<b>% of net asset value</b>
<b>Long Position</b>			
<b>Debt Securities - Corporate Bonds, listed</b>			
<b>Australia</b>			
QBE Insurance Group Ltd 5.875% PERP	2,000,000	2,187,240	2.44
<b>Switzerland</b>			
Swiss Re Finance Luxembourg SA 4.25% PERP	3,000,000	3,178,320	3.55
Swiss Re Finance Luxembourg SA 5.00% 02042049	1,000,000	1,139,520	1.27
UBS Group Funding Switzerland AG 7% PERP	500,000	552,170	0.62
<b>China</b>			
Bluestar Finance Holdings Ltd 3.1% PERP	2,500,000	2,503,000	2.80
Bluestar Finance Holdings Ltd 3.875% PERP	1,500,000	1,526,220	1.70
Bluestar Finance Holdings Ltd 6.25% PERP	800,000	812,912	0.91
China Cinda 2020 I Management Ltd 2% 18032023	2,000,000	1,981,340	2.21
China Cinda 2020 I Management Ltd 2.5% 18032025	1,000,000	984,280	1.10
China Cinda 2020 I Management Ltd 3% 18032027	500,000	489,705	0.55
China Cinda Finance 2017 I Ltd 4.75% 21022029	500,000	540,380	0.60
China Huadian Overseas Development Management Co Ltd 4% PERP	1,000,000	1,045,750	1.17
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.6% 10122024	1,000,000	1,044,820	1.17
China Huaneng Group Hong Kong Treasury Management Holding Ltd 3% 10122029	2,000,000	2,075,040	2.32
China Resources Land Ltd 3.75% 26082024	1,000,000	1,067,670	1.19
China Resources Land Ltd 4.125% 26022029	1,000,000	1,093,420	1.22
CITIC Ltd 4.00% 11012028	500,000	551,060	0.62
CMHI Finance BVI Co Ltd 4.375% 06082023	500,000	531,295	0.59
CMHI Finance BVI Co Ltd 5% 06082028	200,000	229,072	0.26
CNAC HK Finbridge Co Ltd 4.875% 14032025	500,000	548,575	0.61
Far East Horizon Ltd 2.625% 03032024	2,000,000	2,003,520	2.24
Franshion Brilliant Ltd 4.25% 23072029	1,500,000	1,496,625	1.67
Longfor Group Holdings Ltd 3.95% 16092029	2,000,000	2,158,580	2.41
Poly Real Estate Finance Ltd 4.75% 09172023	500,000	530,890	0.59
Powerchina Roadbridge Group British Virgin Islands Ltd 3.08% PERP	1,500,000	1,500,450	1.68
SF Holding Investment Ltd 4.125% 26072023	1,100,000	1,163,558	1.30
Shimao Property Holdings Ltd 6.125% 21022024	1,000,000	1,033,220	1.15
Spic 2018 Usd Senior Perpetual Bond Co Ltd 5.8% PERP	1,000,000	1,037,920	1.16
Sunny Express Enterprises Corp 3.35% PERP	2,000,000	2,046,300	2.29
Vanke Real Estate Hong Kong Co Ltd 3.5% 12112029	1,000,000	1,037,320	1.16
Vanke Real Estate Hong Kong Co Ltd 4.2% 07062024	500,000	536,805	0.60
Vanke Real Estate Hong Kong Co Ltd 5.35% 11032024	2,000,000	2,196,180	2.45
Vigorous Champion International Ltd 4.375% 10092023	2,000,000	2,124,480	2.37
Zhongsheng Group Holdings Ltd 3% 13012026	500,000	508,010	0.57
<b>United Kingdom</b>			
HSBC Holdings PLC 4% PERP	2,000,000	2,039,680	2.28
HSBC Holdings PLC 4.95% 31032030	1,500,000	1,807,920	2.02
HSBC Holdings PLC 6.25% PERP	500,000	530,450	0.59
Natwest Group PLC 3.754% 01112029	1,000,000	1,063,370	1.19
Standard Chartered PLC 3.516% 12022030	1,000,000	1,050,780	1.17
<b>Hong Kong</b>			
AIA Group Ltd 2.7% PERP	500,000	507,720	0.57
Bank of China Hong Kong Ltd 5.9% PERP	2,000,000	2,156,200	2.41
CLP Power HK Finance Ltd 3.55% PERP	1,000,000	1,043,920	1.17
Elect Global Investments Ltd 4.85% PERP	500,000	521,280	0.58
Guotai Junan International Holdings Ltd 2% 03032026	2,000,000	1,994,960	2.23
HPHT Finance 21 Ltd 2% 19032026	2,000,000	2,028,800	2.27
<b>Indonesia</b>			
Bank Rakyat Indonesia Persero Tbk PT 4.625% 20072023	1,000,000	1,071,320	1.20
Indonesia Asahan Aluminium Persero PT 4.75% 15052025	500,000	550,850	0.62
Indonesia Asahan Aluminium Persero PT 5.45% 15052030	500,000	583,415	0.65
Indonesia Asahan Aluminium Tbk PT 6.53% 15112028	1,000,000	1,229,920	1.37
Perusahaan Listrik Negara PT 5.375% 25012029	1,000,000	1,164,660	1.30
<b>India</b>			
Bharat Petroleum Corp Ltd 4.375% 24012022	500,000	508,975	0.57
REC Ltd 3.5% 12122024	1,000,000	1,050,130	1.17

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**Portfolio statement (Unaudited)**  
**as at 30 June 2021**  
**(Expressed in United States dollars)**

	<b>Holdings</b>	<b>Market Value</b>	<b>% of net asset value</b>
State Bank of India/London 4.5% 28092023	1,000,000	1,071,160	1.20
<b>Japan</b>			
Mitsui Sumitomo Insurance Co Ltd 4.95% PERP	2,000,000	2,283,300	2.55
Nippon Life Insurance Co 3.4% 23012050	1,000,000	1,036,950	1.16
Sumitomo Life Insurance Co 3.375% 15042081	1,000,000	1,033,090	1.15
<b>South Korea</b>			
Kookmin Bank 4.35% PERP	2,000,000	2,114,800	2.36
Korea East-West Power Co Ltd 3.875% 19072023	500,000	533,420	0.60
Korea Hydro & Nuclear Power Co Ltd 3.75% 25072023	500,000	532,385	0.59
Korea Resources Corp 4% 18042023	1,000,000	1,056,520	1.18
Korea Western Power Co Ltd 3.75% 07062023	600,000	636,516	0.71
LG Chem Ltd 1.375% 07072026	2,000,000	1,983,960	2.22
POSCO 4% 01082023	1,000,000	1,065,210	1.19
Shinhan Bank Co Ltd 4% 23042029	500,000	558,815	0.62
Shinhan Financial Group Co Ltd 5.875% PERP	3,400,000	3,661,936	4.09
SK Broadband Co Ltd 3.875% 13082023	500,000	532,100	0.59
<b>Macau</b>			
Sands China Ltd 3.8% 08012026	1,000,000	1,067,740	1.19
Sands China Ltd 4.6% 08082023	400,000	425,192	0.47
Sands China Ltd 5.125% 08082025	500,000	559,945	0.63
<b>Malaysia</b>			
TNB Global Ventures Capital Bhd 4.851% 01112028	1,000,000	1,173,990	1.31
<b>Philippines</b>			
Bank of the Philippine Islands 4.25% 04092023	500,000	537,440	0.60
Security Bank Corp 4.5% 25092023	1,000,000	1,081,230	1.21
Union Bank of the Philippines 2.125% 22102025	1,000,000	1,022,290	1.14
<b>Thailand</b>			
Minor International PCL 3.1% PERP	2,000,000	2,035,040	2.27
Siam Commercial Bank PCL/Cayman Islands 3.9% 11022024	800,000	858,720	0.96
<b>United States</b>			
Hyundai Capital America 4.30% 01022024	1,000,000	1,083,360	1.21
		<u>92,305,106</u>	<u>103.10</u>
<b>Short Position</b>			
<b>Commodity Future</b>			
<b>United States</b>			
US 10YR NOTE (CBT)Sep21	(185)	(86,048)	(0.10)
		<u>92,219,058</u>	<u>103.00</u>
Other net liabilities		(2,677,530)	(3.00)
		<u><u>89,541,528</u></u>	<u><u>100.00</u></u>

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Statement of changes in equity (Unaudited)**  
**For the half year ended 30 June 2021**  
**(Expressed in United States dollars)**

	<b>From 1 January 2021 to 30 June 2021</b>	<b>From 1 January 2020 to 31 December 2020</b>
	<b>USD</b>	<b>USD</b>
<b>Balance at the beginning of the period / year</b>	<u>77,791,362</u>	<u>75,500,447</u>
<b>Profit total comprehensive income for the period / year</b>	<u>1,860,278</u>	<u>4,387,148</u>
<b>Transaction with unitholders, recognised directly in equity</b>		
Subscriptions of units, Class A - USD (230,631.69 units)	2,359,494	363,311
Redemption of units in Class A - USD (32,859.78 units)	(334,471)	(29,694)
Subscriptions of units, Class I - USD (1,263,689.97 units)	15,000,000	-
Redemption of units in Class I - USD (600,600.60 units)	<u>(7,135,135)</u>	<u>(2,429,850)</u>
<b>Total transactions with unitholders</b>	<u>9,889,888</u>	<u>(2,096,233)</u>
<b>Balance at the end of the period / year</b>	<u><u>89,541,528</u></u>	<u><u>77,791,362</u></u>

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Statement of Movements in Portfolio Holdings (Unaudited)**  
**For the half year ended 30 June 2021**

	Movement in Holdings			At 30 June 2021
	At 1 January 2021	Additions	Disposals	
<b>Long Position</b>				
<b>Debt Securities - Corporate Bonds, listed</b>				
Aac Technologies Holdings Inc 2.625% 02062026	-	200,000	200,000	-
Aac Technologies Holdings Inc 3.75% 02062031	-	200,000	200,000	-
Adani Ports & Special Economic Zone Ltd 3.1% 02022031	-	2,000,000	2,000,000	-
Aia Group Ltd 2.7% Perp	-	500,000	-	500,000
Aia Group Ltd 3.2% 16092040	700,000	-	700,000	-
Airport Authority 1.625% 04022031	-	3,000,000	3,000,000	-
Airport Authority 2.625% 04022051	-	2,000,000	2,000,000	-
Alibaba Group Holding Ltd 2.125% 09022031	-	1,000,000	1,000,000	-
Asahi Mutual Life Insurance Co 4.1% Perp	-	500,000	500,000	-
Bank Mandiri Persero Tbk Pt 2% 19042026	-	1,000,000	1,000,000	-
Bank Of China Hong Kong Ltd 5.9% 1409Perp	2,000,000	-	-	2,000,000
Bank Of Philippine Islan 4.25% 04092023	500,000	-	-	500,000
Bank Rakyat Indonesia 4.625% 20072023	1,000,000	-	-	1,000,000
Beient 2 05/06/26	-	3,000,000	3,000,000	-
Beient 3.125 05/06/31	-	1,500,000	1,500,000	-
Bharat Petroleum Corp Ltd 4.375% 24012022	500,000	-	-	500,000
Bluestar Finance Holdings Ltd 3.1% Perp	-	4,000,000	1,500,000	2,500,000
Bluestar Finance Holdings Ltd 6.25% 0711Perp	800,000	-	-	800,000
Bluestar Finance Holdings Ltd 3.875% Perp	1,500,000	-	-	1,500,000
Bpce Sa 2.277% 20012032	-	2,000,000	2,000,000	-
China Cinda 2020 I Management Ltd 1.875% 20012026	-	500,000	500,000	-
China Cinda 2020 I Management Ltd 2% 18032023	-	2,000,000	-	2,000,000
China Cinda 2020 I Management Ltd 2.5% 18032025	-	1,000,000	-	1,000,000
China Cinda 2020 I Management Ltd 3% 18032027	-	500,000	-	500,000
China Cinda Finance 2017 I Ltd 4.75% 21/02/2029	500,000	-	-	500,000
China Huadian Overseas Development Management Co Ltd 4% Perp	1,000,000	-	-	1,000,000
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.6% 10122024	1,000,000	-	-	1,000,000
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.7% 20012031	-	3,000,000	3,000,000	-
China Huaneng Group Hong Kong Treasury Management Holding Ltd 3% 10122029	2,000,000	-	-	2,000,000
China Resources Land Ltd 3.75% 26/08/2024	1,000,000	-	-	1,000,000
China Resources Land Ltd 4.125% 26/02/2029	1,000,000	-	-	1,000,000
Chinalco Capital Holdings Ltd 2.125% 03062026	-	2,000,000	2,000,000	-
Cicc Hong Kong Finance 2016 Mtn Ltd 1.625% 26012024	-	10,000,000	10,000,000	-
Cicc Hong Kong Finance 2016 Mtn Ltd 2% 26012026	-	3,000,000	3,000,000	-
Citic 4.00% 11012028	500,000	-	-	500,000
Citnat 1.375 05/06/26	-	4,000,000	4,000,000	-
Clp Power Hk Finance Ltd 3.55% Perp	1,000,000	-	-	1,000,000
Cmhi Finance Bvi Co Ltd 4.375% 06082023	500,000	-	-	500,000
Cmhi Finance Bvi Co Ltd 5% 06082028	200,000	-	-	200,000
Cnac Hk Finbridge Co Ltd 3% 22092030	500,000	-	500,000	-
Cnac Hk Finbridge Co Ltd 4.875% 14032025	500,000	-	-	500,000
Country Garden Holdings Co Ltd 2.7% 12072026	-	200,000	200,000	-
Country Garden Holdings Co Ltd 3.3% 12012031	-	1,000,000	1,000,000	-
Country Garden Holdings Co Ltd 7.125% 25042022	500,000	-	500,000	-
Daesec 1.375 07/07/24	-	1,000,000	1,000,000	-
Elect Global Investments Ltd 4.85% Perp	500,000	-	-	500,000
Emirates Nbd Bank Pjsc 1.638% 13012026	-	3,000,000	3,000,000	-
Enn Clean Energy International Investment Ltd 3.375% 12052026	-	500,000	500,000	-
Export-Import Bank Of India 2.25% 13012031	-	1,000,000	1,000,000	-
Far East Horizon Ltd 2.625% 03032024	-	5,000,000	3,000,000	2,000,000
Franshion Brilliant Ltd 4.25% 23072029	1,500,000	-	-	1,500,000
Gc Treasury Center Co Ltd 2.98% 18032031	-	1,500,000	1,500,000	-
Gc Treasury Center Co Ltd 4.3% 18032051	-	1,500,000	1,500,000	-
Genting New York Llc / Genny Capital Inc 3.3% 15022036	-	1,000,000	1,000,000	-
Glp China Holdings Ltd 2.95% 29032026	-	200,000	200,000	-
Guotai Junan International Holdings Ltd 2% 03032026	-	2,500,000	500,000	2,000,000
Haidilao International Holding Ltd 2.15% 14012026	-	200,000	200,000	-
Hana Bank 1.25% 16122026	-	5,000,000	5,000,000	-
Hpht Finance 21 Ltd 2% 19032026	-	2,000,000	-	2,000,000
Hsbc Holdings Plc 4% Perp	-	3,000,000	1,000,000	2,000,000
Hsbc Holdings Plc 4.7% Perp	-	3,000,000	3,000,000	-
Hsbc Holdings Plc 4.95% 31032030	1,500,000	-	-	1,500,000
Hsbc Holdings Plc 6.25% Perp	500,000	-	-	500,000
Huarong Finance 2019 Co Ltd 3.875% 13/11/2029	1,000,000	-	1,000,000	-
Hyundai Capital America 4.30% 01/02/2024	1,000,000	-	-	1,000,000
Hyundai Capital Services Inc 1.25% 08022026	-	1,000,000	1,000,000	-
Hyundai Motor Manufacturing Indonesia Pt 1.75% 06052026	-	500,000	500,000	-
Incheon International Airport Corp 1.25% 04052026	-	500,000	500,000	-
Indofood Cbp Sukses Makmur Tbk Pt 3.398% 09062031	-	1,000,000	1,000,000	-
Indofood Cbp Sukses Makmur Tbk Pt 4.745% 09062051	-	200,000	200,000	-
Indonesia Asahan Aluminium Persero Pt 4.75% 15052025	500,000	-	-	500,000
Indonesia Asahan Aluminium Persero Pt 5.45% 15052030	500,000	-	-	500,000
Indonesia Asahan Aluminium Tbk Pt 6.53% 15112028	1,000,000	-	-	1,000,000
Itochu Corp 1.564% 20260330	-	3,000,000	3,000,000	-
Kia Corp 1% 16042024	-	500,000	500,000	-
Kia Corp 1.75% 16102026	-	3,000,000	3,000,000	-
Kookmin Bank 4.35% Perp	2,000,000	-	-	2,000,000



Korea East-West Power Co Ltd 3.875% 19072023	500,000	-	-	500,000
Korea Hydro & Nuclear Power Co Ltd 1.25% 27042026	-	500,000	500,000	-
Korea Hydro & Nuclear Power Co Ltd 3.75% 25072023	500,000	-	-	500,000
Korea Resources Corp 1.75% 15042026	-	1,000,000	1,000,000	-
Korea Resources Corp 4% 18042023	1,000,000	-	-	1,000,000
Korea Southern Power Co Ltd 0.75% 27012026	-	1,000,000	1,000,000	-
Korea Western Power Co 3.75% 07062023	600,000	-	-	600,000
Lg Chem Ltd 1.375% 07072026	-	3,000,000	1,000,000	2,000,000
Lg Chem Ltd 2.375% 07072031	-	3,000,000	3,000,000	-
Longfor Group Holdings Ltd 3.95% 16092029	2,000,000	-	-	2,000,000
Malaysia Wakala Sukuk Bhd 2.07% 28042031	-	4,000,000	4,000,000	-
Malaysia Wakala Sukuk Bhd 3.075% 28042051	-	4,000,000	4,000,000	-
Mcc Holding Hong Kong Corp Ltd 2.95% Perp	-	1,000,000	1,000,000	-
Minor International Pcl 3.1% Perp	2,000,000	-	-	2,000,000
Mitsui Sumitomo Insurance Co Ltd 4.95% Perp	2,000,000	-	-	2,000,000
Natwest Group Plc 3.754% 01112029	1,000,000	-	-	1,000,000
Naver Corp 1.5% 20260329	-	1,000,000	1,000,000	-
Newcastle Coal Infrastructure Group Pty Ltd 4.7% 12052031	-	2,000,000	2,000,000	-
Nippon Life Insurance Co 3.4% 23012050	1,000,000	-	-	1,000,000
Ntt Finance Corp 0.583% 01032024	-	200,000	200,000	-
Ntt Finance Corp 1.162% 03042026	-	200,000	200,000	-
Ntt Finance Corp 1.591% 03042028	-	200,000	200,000	-
Ntt Finance Corp 2.065% 03042031	-	200,000	200,000	-
Orix Corp 2.25% 20310309	-	4,000,000	4,000,000	-
Perusahaan Listrik Negara Pt 5.375% 25012029	1,000,000	-	-	1,000,000
Petronas Energy Canada Ltd 2.112% 23032028	-	500,000	500,000	-
Philip 1.95 01/06/32	-	2,000,000	2,000,000	-
Poly Real Estate Finance Ltd 4.75% 09172023	500,000	-	-	500,000
Posco 4% 01082023	1,000,000	-	-	1,000,000
Powerchina Roadbridge Group British Virgin Islands Ltd 3.08% Perp	-	7,000,000	5,500,000	1,500,000
Qbe Insurance Group Ltd V5.875% Perp	2,000,000	-	-	2,000,000
Rec Ltd 3.5% 12122024	2,000,000	-	1,000,000	1,000,000
Sa Global Sukuk Ltd 0.946% 17062024	-	5,000,000	5,000,000	-
Sa Global Sukuk Ltd 1.602% 17062026	-	4,000,000	4,000,000	-
Sa Global Sukuk Ltd 2.694% 17062031	-	5,000,000	5,000,000	-
Sands China Ltd 3.8% 08012026	1,000,000	-	-	1,000,000
Sands China Ltd 4.6% 08082023	400,000	-	-	400,000
Sands China Ltd 5.125% 08082025	500,000	-	-	500,000
Santos Finance Ltd 3.649% 29042031	-	500,000	500,000	-
Security Bank Corp 4.5% 25092023	1,000,000	-	-	1,000,000
Sf Holding Investment Ltd 2.875% 20022030	500,000	-	500,000	-
Sf Holding Investment Ltd 4.125% 26072023	1,100,000	-	-	1,100,000
Shimao Group Holdings Ltd 3.45% 11012031	-	1,000,000	1,000,000	-
Shimao Property Holdings Ltd 6.125% 21/02/2024	1,000,000	-	-	1,000,000
Shinhan Bank Co Ltd 1.375% 21102026	-	1,000,000	1,000,000	-
Shinhan Bank Co Ltd 4% 23042029	500,000	-	-	500,000
Shinhan Card Co Ltd 1.375% 23062026	-	1,800,000	1,800,000	-
Shinhan Financial Group Co Ltd 5.875% Perp	3,400,000	-	-	3,400,000
Siam Commercial Bank Pcl/Cayman Islands 3.9% 11/02/2024	800,000	-	-	800,000
Sk Battery America Inc 1.625% 26012024	-	2,000,000	2,000,000	-
Sk Battery America Inc 2.125% 26012026	-	3,000,000	3,000,000	-
Sk Broadband Co Ltd 3.875% 13082023	500,000	-	-	500,000
Sk Hynix Inc 1% 19012024	-	2,000,000	2,000,000	-
Sk Hynix Inc 1.5% 19012026	-	1,300,000	1,300,000	-
Sk Hynix Inc 2.375% 19012031	-	1,000,000	1,000,000	-
Smbc Aviation Capital Finance Dac 2.3% 15062028	-	1,000,000	1,000,000	-
Spic 2018 Usd Senior Perpetual Bond Co Ltd 5.8% Perp	1,000,000	-	-	1,000,000
Standard Chartered Plc 1.456% 14012027	-	1,000,000	1,000,000	-
Standard Chartered Plc 4.75% Perp	-	2,000,000	2,000,000	-
Standard Chartered Plc 3.516% 12022030	1,000,000	-	-	1,000,000
State Bank Of India/London 4.5% 28092023	1,000,000	-	-	1,000,000
Sumitomo Corp 1.55% 06072026	-	2,000,000	2,000,000	-
Sumitomo Life Insurance Co 3.375% 15042081	-	4,000,000	3,000,000	1,000,000
Sunny Express Enterprises Corp 3.35% Perp	2,000,000	-	-	2,000,000
Swiss Re Finance Luxembourg Sa 5.00% 02/04/2049	1,000,000	-	-	1,000,000
Swiss Re Finance Luxembourg Sa 4.25% Perp	3,000,000	-	-	3,000,000
Tencent Holdings Ltd 2.88% 22042031	-	200,000	200,000	-
Tnb Global Ventures Capital Bhd 4.851% 01112028	1,000,000	-	-	1,000,000
Ubs Group Ag 4.375% Perp	-	3,000,000	3,000,000	-
Ubs Group Funding Switzerland Ag 7% Perp	500,000	-	-	500,000
Union Bank Of The Philippines 2.125% 22102025	1,000,000	-	-	1,000,000
Vanke Real Estate Hong Kong Co Ltd 3.5% 12112029	1,000,000	-	-	1,000,000
Vanke Real Estate Hong Kong Co Ltd 4.2% 07/06/2024	500,000	-	-	500,000
Vanke Real Estate Hong Kong Co Ltd 5.35% 11032024	2,000,000	-	-	2,000,000
Vigorous Champ Intl Ltd 4.375% 10092023	2,000,000	-	-	2,000,000
Vigorous Champion International Ltd 2.95% 25022031	-	2,500,000	2,500,000	-
Westpac Banking Corp 2.668% 15112035	1,000,000	-	1,000,000	-
Woori Bank 0.75% 01022026	-	3,000,000	3,000,000	-
Yan Gang Ltd 1.9% 23032026	-	1,000,000	1,000,000	-
Zhongsheng Group Holdings Ltd 3% 13012026	-	500,000	-	500,000
Zurich Finance Ireland Designated Activity Co 3% 19042051	-	2,000,000	2,000,000	-
<b>Derivative financial instrument</b>				
Us 10Yr Note (Cbt) Mar21	(120)	55	175	-
Us 10Yr Note (Cbt) Sep21	-	185	-	(185)
Us 10Yr Note (Cbt) Jun21	-	200	200	-

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Notes to the financial statements**

**1 GENERAL**

China Everbright Fortune Fund Series (the "Trust") was constituted as an open-ended unit trust established as an umbrella unit trust under the laws of Hong Kong pursuant to a trust deed dated 10 October 2013 between China Everbright Securities (HK) Limited (the "Manager") and ICBC (Asia) Trustee Company Limited (the "Trustee").

Everbright Income Focus Fund (formerly known as Everbright Fortune Strategic Managed Fund) (the "Sub-fund") was constituted as a separate sub-fund on 10 October 2013. The Sub-fund is an open-ended unit trust and is authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the "SFC Code"). Authorisation by the SFC does not imply official approval or recommendation. As at 30 June 2021, there were three other sub-funds established by the Trust, namely Everbright Hong Kong Bond Fund, Everbright Greater China Opportunities Fund and Everbright Global Brands Fund.

The investment objective of the Fund is to aim to provide investors with regular income and steady capital appreciation by investing not less than 70% of the Fund's net asset value in a diversified portfolio of debt securities issued by governments and corporations in the global markets which are denominated in USD, EUR or in local currencies of the relevant markets.

**2 BASIS OF PREPARATION**

The financial statements are presented in United States dollars, which is also the sub-fund's functional currency. They 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 preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates. The accounting policies and methods applied in the preparation of these interim financial statements are in accordance with the International Financial Reporting Standards ("IFRS"), which is consistent with those applied in annual financial statements of the year ended 31 December 2020.

**3 RECONCILIATION OF NET ASSET VALUE**

The net asset value ("NAV") presented in the financial statements and that quoted for pricing purposes at the period end ("Dealing NAV") are different as the principles for calculating the Dealing NAV as set out in the Explanatory Memorandum are different from those required for financial reporting purposes under IFRS. The following reconciliation provides details of these differences:

	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>USD</b>	<b>USD</b>
NAV as reported in the financial statements	89,541,528	77,791,362
Adjustments for different basis adopted by the Sub-fund in arriving at the Dealing NAV:		
- Unamortised portion of preliminary expenses	-	-
Dealing NAV	<u>89,541,528</u>	<u>77,791,362</u>
Number of units in issue, Class I - USD	<u>7,250,816.00</u>	<u>6,587,726.63</u>
Number of units in issue, Class A - USD	<u>230,986.04</u>	<u>33,214.13</u>
Dealing NAV per unit, Class I - USD	<u>12.02</u>	<u>11.75</u>
Dealing NAV per unit, Class A - USD	<u>10.27</u>	<u>10.09</u>

**China Everbright Fortune Fund Series - Everbright Income Focus Fund**  
**Notes to the financial statements (To be continued)**

**4 INFORMATION ON SECURITIES FINANCING TRANSACTIONS AND SECURITIES BORROWING TRANSACTIONS**

Everbright Income Focus fund has engaged in certain repo transactions during the period ended 30 June 2021 and the related information is disclosed below.

	<i>June-2021</i>	<i>December-2020</i>
Repurchase agreements	<u>\$8,684,253</u>	<u>\$7,369,215</u>

The Fund has recognised the repurchase agreements in accordance with the accounting policy set out in note 3(g) of the audited financial report as at 31 December 2020. The related repo and reverse repo investment policy and risk management policy of the fund are as follows:

**Repo and reverse repo investment policy**

The Fund may enter into repo and reverse repo transactions in aggregate for up to 20% of its net asset value.

**Risk Management Policy**

The manager has established a counterparty risk management policy to ensure the associated risks have been properly addressed and managed.

Counterparties, engaged in repo and reverse repo transactions, are selected on the basis of legal and regulatory status, operational and financial profiles.

To minimize the default and credit risk, initial and on-going reviews have been performed on proposed and existing counterparties to ensure the creditworthiness, while the limit of each counterparty cannot exceed 10% of the Fund's net asset value. Besides, the repo and reverse repo transactions, entered into the Fund, are collateralized by the following eligible instructions: cash, debt securities which are selected by two requirements: (i) time to maturity/ time to call date less than 30 years (ii) credit rating assessed, by recognized external credit assessment institution, with at least investment grade. The manager has achieved to maintain the diversification of the portfolio of collateral for avoiding concentrated risk exposure and correlation between the counterparty and the issuer of the collateral, as well as monitor the collateral haircut policy, the liquidity of the collateral and the market risk associated with the collateral which is marked to market every day.

Everbright Income Focus fund has engaged in repo transactions during the interim period as of 30 June 2021 and year ended 31 December 2020 and the related information is disclosed below.

**(a) Underlying securities**

The underlying securities of these agreements are corporate bonds and the repo rate is 0.6% to 0.75%. Interest incurred on repurchase agreements has been reported as finance cost. There are total of 10 agreements as at 30 June 2021 which 8 of them will be matured on 09 July 2021, 1 will be matured on 15 October 2021 and 1 will be matured on demand. These agreements can be terminated by the Fund or the counterparties on demand anytime.

As of 30 June 2021, cash received from repurchase transactions is US\$8,684,253 (2020: US\$7,369,215) in aggregate do not exceed 10% of total NAV.

**(b) Global data**

The following refers to the details of value of asset of the Fund engaged in repo transactions

(i) amount of securities on loan as a proportion of the scheme's total lendable assets and of the scheme's total net asset value

	<i>June-2021</i>	<i>December-2020</i>
Total value	\$9,814,562	\$8,571,255
% of total lendable assets	<u>10.63%</u>	<u>10.73%</u>
% of NAV	<u>10.96%</u>	<u>11.02%</u>

(ii) respective absolute amounts of each type of securities financing transactions and as a proportion of the scheme's total net asset value.

	<i>June-2021</i>	<i>December-2020</i>
Total absolute value	\$8,684,253	\$7,369,215
% of NAV	<u>9.70%</u>	<u>9.47%</u>

**(c) Concentration data**

At the end of the year, the Fund entered into eight repurchase agreements (2019: three repurchase agreements), including:

	<i>June-2021</i>		<i>December-2020</i>	
	<i>Holdings</i>	<i>Value</i>	<i>Holdings</i>	<i>Value</i>
Security Bank Corp 4.5% 25092023	1,000,000	979,987	1,000,000	972,225
REC Ltd 3.5% 12122024	1,000,000	960,894	2,000,000	1,856,499
KOREA HYDRO & NUCLEAR POWER CO LTD 3.75% 25072023	500,000	486,869	500,000	491,133
HSBC Holdings PLC 4.95% 31032030	1,500,000	1,411,173	1,500,000	1,411,173
KOREA EAST-WEST POWER CO LTD 3.875% 19072023	500,000	488,466	500,000	492,023
Indonesia Asahan Aluminium Persero PT 4.75% 15052025	500,000	498,903	500,000	501,181
Indonesia Asahan Aluminium Persero PT 5.45% 15052030	500,000	529,474	500,000	526,049
INDONESIA ASAHAN ALUMINIUM TBK PT 6.53% 15112028	1,000,000	1,119,275	1,000,000	1,118,932
Korea Resources Corp 4% 18042023	1,000,000	958,460	-	-
LG Chem Ltd 1.375% 07072026	1,400,000	1,250,752	-	-
		<u>8,684,253</u>		<u>7,369,215</u>

**(d) Aggregation transaction data**

The aggregate transaction data of repo transactions as at 30 June 2021 and 31 December 2020 classified by different categories is as follows:

(i) Currency

During the period ended 30 June 2021 and 31 December 2020, all repo transactions are in currency of USD.

(ii) Maturity tenor

	<i>June-2021</i>	<i>December-2020</i>
Open Transaction	1,411,173.00	1,411,173.00
Within 1 month	7,273,080.00	5,958,042.00
More than 1 month to 3 months	-	-
More than 3 months	-	-
	<u>8,684,253.00</u>	<u>7,369,215.00</u>

(iii) Counterparty

During the period ended 30 June 2021 and year ended 31 December 2020, all repo transactions are with the counterparty, JP Morgan Securities plc, registered in the UK.

(iv) Settlement and clearing mechanism

During the period ended 30 June 2021 and year ended 31 December 2020, all repo transactions are bilateral in type.

(v) Type of collateral pledged

During the period ended 30 June 2021 and year ended 31 December 2020, the collateral pledged are investment grade corporate debts in USD. The total value of collateral pledged as at 31 December 2020 is US\$9,814,562 (2019: US\$8,571,255).

(vi) Maturity of collateral

	<i>June-2021</i>	<i>December-2020</i>
Open Transaction	1,807,920	4,831,835
Within 1 year	-	-
More than 1 year to 5 years	6,193,307	3,739,420
More than 5 years	1,813,335	-
	<u>\$9,814,562</u>	<u>\$8,571,255</u>

**(f) Reinvestment and re-hypothecation data**

There was no collateral reuse during the period ended 30 June 2021 and year ended 31 December 2020.

**(g) Details of custody arrangement of collateral**

(i) Safekeeping of collateral

All of the collaterals are held in pooled accounts at J.P. Morgan as at 30 June 2021 and 31 December 2020.

(ii) Expense of repo transactions

	<i>June-2021</i>	<i>December-2020</i>
Interest expense	<u>\$27,623</u>	<u>\$63,045</u>

## **China Everbright Fortune Fund Series - Everbright Income Focus Fund**

### **Administration**

#### **Manager**

China Everbright Securities (HK) Limited  
12/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong

#### **Investment advisor**

China Everbright Assets Management Limited  
46/F Far East Finance Centre,  
16 Harcourt Road, Hong Kong

#### **Directors of the Manager**

Li Bingtao  
Sun Yi  
Tai Yiu Kuen, Kevin  
Shen Jie  
Wu Po Sing

#### **Trustee**

ICBC (Asia) Trustee Company Limited  
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong

#### **Registrar and Transfer Agent**

ICBC (Asia) Trustee Company Limited  
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong

#### **Custodian**

Industrial and Commercial Bank of China (Asia) Limited  
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong

#### **Solicitors to the Manager**

King & Wood Mallesons  
13/F Gloucester Tower, The Landmark  
15 Queen's Road Central, Central, Hong Kong

#### **Auditors**

KPMG  
8/F Prince's Building, 10 Chater Road, Central, Hong Kong