

**E FUND INVESTMENT FUND SERIES**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

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**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**GENERAL INFORMATION**

**Manager and RQFII Holder**

E Fund Management (Hong Kong) Co., Limited  
Suites 3501-02, 35/F  
Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

**Trustee and Registrar**

Bank of Communications Trustee Limited  
1/F, Far East Consortium Building  
121 Des Voeux Road Central  
Hong Kong

**PRC Custodian**

Bank of Communications Co., Ltd.  
188 Yin Cheng Zhong Road  
Shanghai 200120  
The People's Republic of China

**Legal Counsel to the Manager**

Deacons  
5/F, Alexandra House  
18 Chater Road  
Central  
Hong Kong

**Auditor**

PricewaterhouseCoopers  
22/F Prince's Building  
Central  
Hong Kong

**Directors of the Manager**

Chen Liyuan (Resigned on 16 November 2022)  
Chen Rong  
Huang Gaohui  
Lou Lizhou  
Ma Jun  
Wu Xinrong  
Yang Dongmei  
Fan Yue (Appointed on 5 May 2022)

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**REPORT OF THE MANAGER TO THE UNITHOLDERS**

**Introduction**

E Fund (HK) RMB Fixed Income Fund (the “Sub-Fund”) is a sub-fund of E Fund Investment Fund Series. The inception date of the Sub-Fund was on 18 January 2012. The manager of E Fund (HK) RMB Fixed Income Fund is E Fund Management (Hong Kong) Co., Limited and the trustee is Bank of Communications Trustee Limited.

**Fund Performance**

E Fund (HK) RMB Fixed Income Fund seeks to achieve long-term capital growth in RMB terms through investment in a portfolio consisting primarily of RMB denominated and settled fixed income debt instruments issued or distributed within China which aim to generate a steady flow of income in addition to capital appreciation for the Sub-Fund. As of last dealing day, 25 July 2022, the net asset value per unit of E Fund (HK) RMB Fixed Income Fund for Class A RMB (accumulation) was RMB 120.26 (31 December 2021: RMB128.41); for Class A RMB (distribution) was RMB 109.13 (31 December 2021: RMB116.57); and for Class A USD (accumulation) was USD 11.05 (31 December 2021: USD12.53) respectively. Class I RMB (distribution) was fully redeemed on 8 July 2022, the net asset value per unit on 8 July 2022 was RMB115.35 (31 December 2021: RMB122.18). The total size of the Sub-Fund was approximately RMB 20.47 million (31 December 2021: RMB39.89 million).

As of 25 July 2022, a summary of the performance of the Sub-Fund is given below.

	Since Launch <sup>1</sup>	YTD	Cumulative Performance*				
			2021	2020	2019	2018	2017
Class A RMB (accumulation)	3.7%	-6.3%	-3.8%	0.8%	5.3%	3.0%	0.4%
Class A RMB (distribution)	32.3%	-6.4%	-3.8%	0.8%	5.3%	3.0%	0.4%
Class A USD (accumulation)	4.4%	-11.8%	-1.8%	8.3%	3.7%	-2.2%	7.1%
Class I RMB (distribution)**	39.4%	-5.6%	-3.3%	0.8%	5.8%	3.5%	0.9%

Source: Bloomberg

\* NAV-to-NAV return, total return with dividend (if any) reinvested.

<sup>1</sup> The total return for the period from class launch date to 25 July 2022.

\*\*Class I RMB (distribution) is fully redeemed on 8 July 2022, the performance period ended on 8 July 2022.

Note:

Past performance information is not indicative of future performance. Investors may not get back the full amount invested. The computation basis of the performance is based on the calendar year/period end, with NAV-to-NAV, with dividend reinvested.

These figures show by how much the Sub-Fund /Class A and Class I increased or decreased in value during the calendar year/period being shown.

Performance data has been calculated in RMB/USD, including ongoing charges and excluding subscription fee and redemption fee investors might have to pay.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**REPORT OF THE MANAGER TO THE UNITHOLDERS (CONTINUED)**

**Fund Performance (continued)**

Where no past performance is shown, there was insufficient data available in that year to provide performance.

Unit classes launch year: Class A RMB (accumulation): 2015, Class A RMB (distribution): 2012, Class A USD (accumulation): 2014, Class I RMB (distribution): 2012

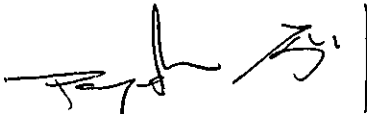
This report is exempted from pre-vetting and authorisation by the Securities and Futures Commission of Hong Kong ("SFC") and has not been reviewed by the SFC. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

**TO THE UNITHOLDERS OF E FUND INVESTMENT FUND SERIES**

We hereby confirm that, in our opinion, the Manager has, in all material respects, managed E Fund Investment Fund Series - E Fund (HK) RMB Fixed Income Fund in accordance with the provisions of the Trust Deed dated 18 January 2012 and all its supplemental deeds for the year ended 31 December 2022.



For and on behalf of  
Bank of Communications Trustee Limited

26 April 2023

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**Report on the Audit of the Financial Statements**

**Opinion**

*What we have audited*

The financial statements of E Fund (HK) RMB Fixed Income Fund (the "Sub-Fund"), a sub-fund of E Fund Investment Fund Series, which are set out on pages 8 to 38 comprise:

- the statement of financial position as at 31 December 2022;
- 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 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 (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

**Emphasis of Matter**

We draw attention to Notes 1 and 2 to the financial statements, which state that the Manager determined to terminate the Sub-Fund on 24 June 2022 and the Sub-Fund was compulsorily redeemed on 25 July 2022. As a result, the financial statements have not been prepared on a going concern basis of accounting. Our opinion is not modified in respect of this matter.



**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF E FUND (HK) RMB FIXED INCOME FUND  
(CONTINUED)**

(A Sub-Fund of E Fund Investment Fund Series)

**Other Information**

The Manager and the Trustee (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.

**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 18 January 2012, as amended (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.





羅兵咸永道

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF E FUND (HK) RMB FIXED INCOME FUND  
(CONTINUED)**

(A Sub-Fund of E Fund Investment Fund Series)

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

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.
- 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, 26 April 2023

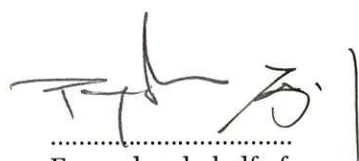
**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 RMB	2021 RMB
<b>Assets</b>			
Cash and cash equivalents	4(e)	1,879,718	6,159,558
Amount due from the Manager	7(e)	21,878	-
Financial assets at fair value through profit or loss	4(b)	-	38,488,650
Interest receivable		-	446,306
Deposit reserve		-	4,695
<b>Total assets</b>		<u>1,901,596</u>	<u>45,099,209</u>
<b>Liabilities</b>			
Redemption payable		-	4,451,006
Management fee payable	7(a)	-	34,939
Trustee fee payable	7(b)	-	26,499
Custodian fee payable	7(c)	-	483
Tax payable	3, 6	1,147,150	1,147,150
Other payables and accruals		754,446	343,370
<b>Total liabilities/ total liabilities (excluding net assets attributable to unitholders)</b>		<u>1,901,596</u>	<u>6,003,447</u>
<b>Equity</b>			
<b>Net assets attributable to unitholders*</b>	8	<u>-</u>	<u>39,095,762</u>

\* Net assets attributable to unitholders are classified as equity as at 31 December 2022 and as financial liabilities as at 31 December 2021.

Approved by the Trustee and the Manager on 26 April 2023.



For and on behalf of  
Bank of Communications Trustee Limited  
as the Trustee

For and on behalf of  
E FUND MANAGEMENT (HONG KONG) CO., LIMITED  
易方達資產管理(香港)有限公司



Authorized Signature(s)

For and on behalf of  
E Fund Management (Hong Kong) Co., Limited  
as the Manager

The notes on pages 12 to 38 are an integral part of these financial statements.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 RMB	2021 RMB
<b>Income</b>			
Interest income on financial assets at fair value through profit or loss		692,852	2,591,718
Bank interest income		14,466	22,903
Net losses on investments	5	(12,537)	(2,773,727)
Net exchange gain/(loss)		80,995	(124,315)
Other income		21,878	-
<b>Total income/(loss)</b>		<u>797,654</u>	<u>(283,421)</u>
<b>Expenses</b>			
Management fee	7(a)	181,502	540,533
Trustee fee	7(b)	176,087	311,999
Custodian fee	7(c)	18,161	19,867
Auditor's remuneration		263,183	244,414
Legal and professional fees		249,764	129,763
Transaction costs		163	422
Other expenses		1,048,038	99,942
<b>Total expenses</b>		<u>1,936,898</u>	<u>1,346,940</u>
<b>Losses before tax</b>		<u>(1,139,244)</u>	<u>(1,630,361)</u>
Taxation	6	-	(1,233,304)
<b>Decrease in net assets attributable to unitholders from operations</b>		<u>(1,139,244)</u>	<u>(2,863,665)</u>

The notes on pages 12 to 38 are an integral part of these financial statements.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

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

	2022 RMB	2021 RMB
<b>Net assets attributable to unitholders at the beginning of the year</b>	39,095,762	76,658,134
<b>Decrease in net assets attributable to unitholders from operations</b>	(1,139,244)	(2,863,665)
<b>Capital transactions</b>		
Receipts on issue of units	143,721	11,101,377
Payments on redemption of units	(38,100,239)	(45,800,084)
<b>Net decrease from capital transactions</b>	(37,956,518)	(34,698,707)
<b>Net assets attributable to unitholders at the end of the year</b>	-	39,095,762

<b>Units transactions</b>	<b>Class A RMB (accumulation)</b>		<b>Class A RMB (distribution)</b>	
	2022 Units	2021 Units	2022 Units	2021 Units
Units outstanding at the beginning of the year	1,452	1,597	258,828	421,499
Units issued	-	-	1,236	9,027
Units redeemed	(1,452)	(145)	(260,064)	(171,698)
Units outstanding at the end of the year	-	1,452	-	258,828

<b>Units transactions</b>	<b>Class A USD (accumulation)</b>		<b>Class I RMB (distribution)</b>	
	2022 Units	2021 Units	2022 Units	2021 Units
Units outstanding at the beginning of the year	877	961	77,419	200,030
Units issued	-	-	-	77,419
Units redeemed	(877)	(84)	(77,419)	(200,030)
Units outstanding at the end of the year	-	877	-	77,419

The notes on pages 12 to 38 are an integral part of these financial statements.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 RMB	2021 RMB
<b>Operating activities</b>		
Decrease in net assets attributable to unitholders from operations	(1,139,244)	(2,863,665)
Adjustment for:		
Interest income on financial assets at fair value through profit or loss	(692,852)	(2,591,718)
Bank interest income	(14,466)	(22,903)
Taxation	-	1,233,304
Operating losses before changes in working capital	(1,846,562)	(4,244,982)
Changes in working capital:		
Net decrease in financial assets at fair value through profit or loss	38,488,650	30,379,608
Net decrease in receivable for investments sold	-	8,061,288
Net decrease in deposit reserve	4,695	3,729
Net increase in amount due from the Manager	(21,878)	-
Net decrease in management fee payable	(34,939)	(8,205)
Net (decrease) / increase in trustee fee payable	(26,499)	73
Net decrease in custodian fee payable	(483)	(1,777)
Net increase/(decrease) in other payables and accruals	411,076	(18,416)
Cash generated from operations	36,974,060	34,171,318
Interest received	1,153,624	3,537,799
Tax paid	-	(4,323,272)
<b>Net cash generated from operating activities</b>	<b>38,127,684</b>	<b>33,385,845</b>
<b>Financing activities</b>		
Proceeds from units issued	143,721	11,101,377
Payments on units redeemed	(42,551,245)	(66,552,279)
<b>Net cash used in financing activities</b>	<b>(42,407,524)</b>	<b>(55,450,902)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,279,840)</b>	<b>(22,065,057)</b>
Cash and cash equivalents at the beginning of the year	6,159,558	28,224,615
<b>Cash and cash equivalents at the end of the year</b>	<b>1,879,718</b>	<b>6,159,558</b>
<b>Analysis of balances of cash and cash equivalents</b>		
Bank balances	1,879,718	6,159,558

The notes on pages 12 to 38 are an integral part of these financial statements.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1 General information**

E Fund Investment Fund Series (the "Trust") is an umbrella unit trust governed by its trust deed dated 18 January 2012, as amended (the "Trust Deed") made between E Fund Management (Hong Kong) Co., Limited as the manager (the "Manager") and Bank of Communications Trustee Limited as the trustee (the "Trustee"). The terms of the Trust Deed are governed by the laws of Hong Kong. The Trust is authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Hong Kong Securities and Futures Ordinance. As at 31 December 2022, the Trust has one sub-fund, namely E Fund (HK) RMB Fixed Income Fund (the "Sub-Fund"), in respect of which separate classes of units were issued. The date of inception of the Sub-Fund was 18 January 2012.

The Sub-Fund seeks to achieve long-term capital growth in RMB terms through investment in a portfolio consisting primarily of RMB denominated and settled fixed income debt instruments which aim to generate a steady flow of income in addition to capital appreciation for the Sub-Fund.

The Manager has obtained Renminbi Qualified Foreign Institutional Investor ("RQFII") status in the People's Republic of China ("PRC" or "China") and the RQFII quotas have been granted to the Manager on behalf of the Sub-Fund. To the extent that the Manager has, on behalf of the Sub-Fund, utilised its entire RQFII quota, the Manager may, subject to any applicable regulations, apply for an increase of the RQFII quota. On the other hand, the Manager actively manages the RQFII quota obtained and may impose limits on subscription applications as it considers appropriate.

Termination of the Sub-Fund

Pursuant to the announcement dated 24 June 2022 (the "Announcement"), the Manager has notified all its existing unitholders regarding its liquidation plan for the Sub-Fund. The Manager intends to liquidate the Sub-Fund and to wind up the Sub-Fund by way of a voluntary liquidation. The Manager will bear the shortfall if the termination expenses provisions are lower than the final termination cost of the Sub-Fund. The last valuation date of the Sub-Fund upon liquidation of all assets was 25 July 2022. The final distribution was made to unitholders who remained so as at 25 July 2022 (the "Distribution Record Date"). The distribution was paid on 26 July 2022 (the "Distribution Date").

**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 reporting periods presented, unless otherwise stated.

**(a) Basis of preparation**

The financial statements 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 liabilities held at fair value through profit or loss.

As referred to in Note 1, the Manager determined to terminate the Sub-Fund on 24 June 2022. As a result, the financial statements of the Sub-Fund for the year ended 31 December 2022 have not been prepared on a going concern basis of accounting. The Trustee and the Manager have assessed that the values of all assets and liabilities of the Sub-Fund at the reporting date approximate their net realisable value, and therefore no changes to accounting policies or adjustments have been made in the financial statements of the Sub-Fund in order to reflect the fact that it will be able to realise its assets or to extinguish its liabilities in the normal course of business.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2 Summary of significant accounting policies (continued)**

**(a) Basis of preparation (continued)**

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the Manager and the Trustee (the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

**Standards and amendments to existing standards effective 1 January 2022**

There are no 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 by the Sub-Fund**

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

**(b) Financial assets at fair value through profit or loss**

**Classification**

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 primarily focuses 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 measured at fair value through other comprehensive income. The contractual cash flows of the Sub-Fund’s debt securities investments 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 objective. Consequently, all investments are measured at fair value through profit or loss.

As such, the Sub-Fund classifies its investment portfolio as financial assets at fair value through profit or loss.

The Sub-Fund’s policy requires the Management to evaluate the information about these financial assets on a fair value basis together with other related financial information.



**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2 Summary of significant accounting policies (continued)**

**(b) Financial assets at fair value through profit or loss (continued)**

**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 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 at fair value through profit or loss 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 at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain/(loss) on investments in the period in which they arise.

**Fair value estimation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Management will determine the point within the bid-ask spread that is the most representative of fair value.

Debt securities investments are valued based on quoted prices.

Investments in collective investment schemes are stated at fair value based on the net asset value per unit of the respective funds as determined by the administrators of the respective funds or stated at last traded prices if the collective investment schemes are listed or traded on an exchange.

**Transfer between levels of the fair value hierarchy**

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

**(c) Interest income**

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents and financial assets at fair value through profit or loss.

**(d) Other income**

Other income represents the reimbursement from the Manager for the shortfall of termination costs.

**(e) Expenses**

Expenses are accounted for on an accruals basis.

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**2 Summary of significant accounting policies (continued)**

**(f) Transaction costs**

Transaction costs are costs incurred to acquire financial assets at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised as an expense.

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits, and other short-term highly liquid investments with original maturities of three months or less.

**(h) Deposit reserve**

Deposit reserve is a balance deposited with China Securities Depository and Clearing Corporation Limited, and is recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

**(i) Amount due from the Manager**

Amount due from the Manager represents reimbursement from the Manager for the shortfall of termination costs. The amounts are non-interest bearing and repayable on demand.

These amounts are recognised initially at fair value and subsequently measured at amortised cost.

**(j) Other receivables and payables**

Other receivables and payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method. At each reporting date, the Sub-Fund shall measure the loss allowance on other receivables 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 counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. A significant increase in credit risk is defined by the 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.

**(k) Foreign currency translation**

**Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the “functional currency”). The performance of the Sub-Fund is measured and reported to the unitholders in Chinese Renminbi (“RMB”) and United States dollars (“USD”). The Management considers RMB as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in RMB, which is the Sub-Fund’s functional and presentation currency.

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**2 Summary of significant accounting policies (continued)**

**(k) Foreign currency translation (continued)**

**Transactions 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 rates prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to financial assets carried at fair value through profit or loss are presented in the statement of comprehensive income within net gain/(loss) on investments.

**(l) Redeemable units**

The Sub-Fund issues redeemable units which are redeemable at the holder's option and were classified as liabilities in prior year. The Sub-Fund classifies its puttable financial instruments as financial liabilities as the Sub-Fund issues more than one class of redeemable units, which are redeemable at the holder's option and do not have identical rights.

Should the redeemable units' terms or conditions change such that they do not comply with the strict criteria contained in IAS 32 (amendment), the redeemable units would be reclassified to equity from the date the instrument ceases to meet the criteria. The equity would be measured at the instrument's carrying amount at the date of reclassification.

The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units for the respective classes. In accordance with the provisions of the Sub-Fund's explanatory memorandum, investment positions are valued based on the last traded market prices for the purpose of determining the net asset value per unit for subscriptions and redemptions.

**(m) Taxation**

The Sub-Fund currently incurs withholding tax imposed by the PRC on investment income, capital gains arising from trading of PRC debt securities and fund distribution income from PRC investment funds. Such income or gains are recorded gross of withholding tax in the statement of comprehensive income. Withholding tax is shown as a separate item in the statement of comprehensive income.

**(n) Interest receivable**

Interest receivable is recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment if any. At each reporting date, the Sub-Fund shall measure the loss allowance on interest receivable 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 counterparty, probability that the counterparty will enter bankruptcy or financial reorganization and default in payments are all considered indicators that a loss allowance may be required.

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**2 Summary of significant accounting policies (continued)**

**(o) 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 Sub-Fund invests in Investee Funds whose objectives range from achieving medium to long term capital growth and whose investment strategy does not include the use of leverage. The Investee Funds are managed by related asset managers and apply 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 entitle the holder to a proportional stake in the respective funds' net assets. The Sub-Fund holds redeemable shares in each of its Investee Funds.

The change in fair value of each Investee Funds is included in the statement of comprehensive income in "Net losses on investments".

**3 Critical accounting estimates and judgements**

The Manager makes estimates and assumptions concerning the future of the Sub-Fund. The resulting accounting estimates may not equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

**PRC tax provision**

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

Under the general tax provision of PRC Corporate Income Tax Law ("PRC CIT Law"), the non-PRC residents with no place of effective management, establishment or place of business in the PRC may be subject to 10% PRC withholding income tax ("WIT") on the capital gain derived from disposal of securities, unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

In addition, the non-PRC residents with interest income derived from the debt securities will be subject to 10% PRC WIT. Pursuant to the PRC CIT Law, debt securities issuers in the PRC are obligated to withhold the 10% PRC WIT on interest income for those foreign debt securities holders. However, interest income derived from government bonds issued by the State Council's finance departments and/or local government bonds approved by the State Council is exempt from PRC WIT under the PRC CIT Law.

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**3 Critical accounting estimates and judgements (continued)**

**PRC tax provision (continued)**

Furthermore, according to the notice Caishui [2016] No.36 ("Circular 36"), Value-Added Tax ("VAT") at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. In addition, if VAT is applicable, local surtaxes including Urban Maintenance and Construction Tax ("UMCT") (currently at the rate ranging from 1% to 7%), Education Surcharge ("ES") (currently at the rate of 3%) and Local Education Surcharge ("LES") (currently at the rate of 2%) are imposed based on the VAT liabilities (the "VAT related taxes"). Pursuant to the newly issued UMCT Law and Public Notice [2021] No.28 jointly issued by the Ministry of Finance ("MOF") and the PRC State Taxation Administration ("STA"), effective from 1 September 2021, no UMCT, ES and LES would be levied on the VAT paid for the service provisions and sale of intangible assets in China by overseas parties to PRC parties. However, in practice, the implementation of the exemption may vary depending on the local practice.

The gains derived by QFIIs/RQFIIs and through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect from trading of marketable securities (including A-shares and other PRC listed securities) are exempted from VAT in the PRC under Circular 36 and other prevailing VAT regulations. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from PRC VAT.

Temporary exemption of PRC WIT and VAT on bond interest income effective from 7 November 2018

On 7 November 2018, the MOF and the STA jointly issued a notice Caishui [2018] No.108 ("Circular 108") which stipulates that foreign institutional investors are temporarily exempted from PRC WIT and VAT in respect of bond interest income received from 7 November 2018 to 6 November 2021. On 22 November 2021, the MOF and the STA officially issued Public Notice [2021] No.34 to extend the WIT and VAT exemption treatment on the bond interest income for the foreign institutional investors investing in the domestic bond market from 6 November 2021 to 31 December 2025.

Hence, the Manager decided to change the tax provisioning policy of the Sub-Fund and ceased to make provisions for PRC WIT and VAT (plus the VAT related taxes) on the interest income derived from PRC non-government bonds for the period from 7 November 2018 onward.

**(a) Capital gains on PRC debt securities ("PRC debt securities")**

During the years ended 31 December 2022 and 2021, the Sub-Fund invests in PRC debt securities through the RQFII program. The Manager considers that the enforcement of PRC tax on gains derived from the PRC debt securities is uncertain as at the date of approval of these financial statements and has exercised its judgment when assessing whether the Sub-Fund may be liable for PRC taxation on its gains, the amount of potential liability and the probability of such tax being levied up to the reporting date. However, significant uncertainties exist and estimation of the Manager may substantially differ from the actual events.

The Manager considered that the PRC WIT policy for QFIIs/RQFII's investment in PRC debt securities has not been clarified in the "Notice on temporary exemption of Corporate Income Tax on capital gains derived from the transfer of equity investment assets such as PRC domestic stocks by QFII and RQFII" (the "Notice").

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**3 Critical accounting estimates and judgements (continued)**

**(a) Capital gains on PRC debt securities (“PRC debt securities”) (continued)**

Based on the current verbal interpretation of the STA and the local PRC tax authorities, the authorities are of the view that capital gains derived by foreign investors from investment in PRC debt securities would not be treated as PRC-sourced income and thus would not be subject to PRC WIT. However, there are no written tax regulations issued by the PRC tax authorities to confirm this interpretation. As a matter of practice, such 10% PRC WIT on capital gains realised by non-PRC tax resident enterprises from the trading of these PRC debt securities has not been strictly enforced by the PRC tax authorities. The Manager has considered the applicability of the arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion to the Sub-Fund and assessed that the probability of such tax being levied up to the approval date of the financial statements of the Sub-Fund is reasonably low. Based on all the aforementioned factors, the Manager has reassessed the provisioning approach and has continued not making PRC WIT provision on gains derived from the PRC debt securities of the Sub-Fund.

**(b) Capital gains on PRC investment funds (“PRC investment funds”)**

During the years ended 31 December 2022 and 2021, the Sub-Fund invests in PRC investment funds through the QFII/RQFII program. The Manager considers that the enforcement of PRC tax on gains derived from the PRC investment funds is uncertain as at the date of approval of these financial statements and has exercised its judgment when assessing whether the Sub-Fund may be liable for PRC taxation on its gains, the amount of potential liability and the probability of such tax being levied up to the reporting date. However, significant uncertainties exist and estimation of the Manager may substantially differ from the actual events.

There are currently no specific tax rules or regulations governing the taxation of capital gains realised by foreign investors on the disposal of PRC investment funds. As a matter of practice, the collection of 10% PRC WIT on capital gains realised by foreign investors from the trading of PRC investment funds has not been strictly enforced by the PRC tax authorities.

The Manager considers that the PRC WIT on capital gains from PRC investment funds is still uncertain and has continued not making PRC WIT provision on gains derived from the PRC investment funds of the Sub-Fund.

**(c) Interest income on PRC debt securities**

The Management considers that the PRC WIT treatment on accrued interest of PRC non-government bonds held by the Sub-Fund as at 31 December 2022 derived from 18 January 2012 (date of inception) to 6 November 2018 (prior to PRC WIT exemption under Circular 108) and the enforcement of PRC VAT and the VAT related taxes from 1 May 2016 (effective date of Circular 36) to 6 November 2018 (prior to PRC VAT exemption under Circular 108) is uncertain as at the date of approval of these financial statements. The Manager has exercised significant judgment in its assessment of the PRC WIT and the related tax provision.

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**3 Critical accounting estimates and judgements (continued)**

**(c) Interest income on PRC debt securities(continued)**

PRC WIT

For the PRC debt securities disposed of during the year, the Management has not made provision on the accrued interest income of PRC debt securities during the year and as at reporting date as it considers that:

- (i) the issuers of PRC debt securities bonds are required to withhold 10% PRC WIT at the coupon payment date before distributing the interest income to the debt securities holder; and
- (ii) the Manager has sold the PRC debt securities before the coupon payment dates or the maturity dates of the PRC debt securities.

As at 31 December 2022, the Sub-Fund's accumulated interest income received from PRC non-government bonds from 1 May 2016 (effective date of Circular 36) to 6 November 2018 (prior to PRC VAT exemption under Circular 108) of RMB11,066,628(2021: RMB11,066,628) was exposed to PRC VAT and the VAT related taxes amounting to approximately RMB663,998 (2021: RMB663,998). As at 31 December 2022, this amount has been settled.

**(d) Fund distribution received from PRC investment funds**

The Sub-Fund considers that the enforcement of PRC tax treatment on fund distribution received from PRC investment funds is uncertain. The Sub-Fund has applied the most likely amount method in measuring the PRC tax liability.

There are currently no specific tax rules or regulations governing the taxation of distribution from the PRC investment funds to foreign investors.

According to Caishui [2008] No.1, fund distribution derived by investors from collective investment schemes should be temporarily exempt from PRC CIT Law. However, based on the current interpretation of Shanghai tax authorities, the tax exemption under Caishui [2008] No.1 is not applicable to QFII and RQFII. In practice, if the fund distribution is classified as dividend in the PRC audit report, it will be subject to PRC WIT at 10%. If the fund distribution is classified as interest income in the PRC audit report, it will be subject to PRC WIT at 10% and VAT & local surtaxes at 6.72%. As mentioned, according to Public Notice [2021] No.28, effective from 1 September 2021, no local surtaxes would be levied on the VAT paid for the service provisions and sale of intangible assets in China by overseas parties to PRC parties. Based on the current interpretation of Shanghai tax authorities, the local surtax exemption is also applicable to QFII and RQFII.

The above treatment is the prevailing practice of Shanghai tax authorities only, which may be subject to change from time to time. Other PRC tax authorities may have different interpretation and practice towards the fund distribution from collective investment schemes.

According to the current practice of Shanghai tax authorities, the Sub-Fund considers that the enforcement of PRC tax treatment on fund distribution received from PRC investment funds is more likely than not as at the date of approval of these financial statements.



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**3 Critical accounting estimates and judgements (continued)**

**(d) Fund distribution received from PRC investment funds (continued)**

The Sub-Fund has exercised significant judgment in the assessment of the PRC WIT and the related tax provision. The Sub-Fund estimates that for the year ended 31 December 2022, the accumulated fund distribution received from RMB denominated PRC investment funds of RMB11,471,502 (2021: RMB11,471,502) could be exposed to 10% PRC WIT of approximately RMB1,147,150 (2021: RMB1,147,150) respectively. As at 31 December 2022, the Sub-Fund has made a provision of RMB1,147,150 (2021: RMB1,147,150) for the distribution from the PRC investment funds.

The Sub-Fund reviews the relevant PRC tax rules on the PRC investment funds from time to time. Any change in taxation imposed on RQFII is likely to have a subsequent impact on the required provision and accordingly the net assets attributable to unitholders of the Sub-Fund. When the STA issues clarifications, this might ultimately result in either an increase or a decrease in the amount provided. The Sub-Fund always act in the best interest of unitholders and will continually assess the tax provision on an on-going basis.

**4 Financial risk management**

**(a) Strategy in using financial instruments**

The Sub-Fund's objective in managing risk is the attraction of subscription and protection of unitholder value. Risk is inherent in the Sub-Fund's activities, and it is managed through a process of ongoing identification, measurement and monitoring, subject to relevant controls. The process of risk management is critical to the Sub-Fund's continuing profitability.

The investments of the Sub-Fund are subject to normal market fluctuations and other risks inherent in trading in securities and derivatives. There can be no assurance that any appreciation in value will occur. The value of investments may fluctuate and therefore the value of the units can fall as well as rise.

**(b) 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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

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**4 Financial risk management (continued)**

**(b) Market price risk (continued)**

The table below discloses the investments of the Sub-Fund by product types at the reporting date.

	2022		2021	
	RMB	% of net asset value	RMB	% of net asset value
<b>Financial assets at fair value through profit or loss</b>				
RMB denominated bonds	-	-	35,390,388	90.52%
USD denominated bonds	-	-	645,819	1.65%
Collective investment schemes	-	-	2,452,443	6.27%
	-	-	38,488,650	98.44%

The table below discloses the financial assets at fair value through profit or loss of the Sub-Fund by industrial sectors at the reporting date.

	2022		2021	
	RMB	% of net asset value	RMB	% of net asset value
Financial	-	-	27,778,409	71.05%
Government	-	-	645,819	1.65%
Industrial	-	-	10,064,422	25.74%
	-	-	38,488,650	98.44%

The Sub-Fund's market price risk is managed through diversification of the investment portfolio ratios by exposures to different industries.

At 31 December 2022 and 31 December 2021, no individual investment/issuer represents more than 10% of the Sub-Fund's net asset value.

As the Sub-Fund mainly invests in debt securities, the sensitivity analysis on market price risk is disclosed under interest rate risk in Note 4(c) below.

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**4 Financial risk management (continued)**

**(c) Interest rate risk**

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or fair value of financial instruments.

The table below summarises the Sub-Fund's financial assets and liabilities at the reporting date which expose it to risk associated with the effects of fluctuations in the prevailing levels of market interest rates, categorised by the earlier of contractual repricing or maturity dates.

	On Demand RMB	Less than 1 year RMB	Maturity up to 1 year RMB	Maturity 1-5 years RMB	Maturity over 5 years RMB	Total RMB
<b>As at 31 December 2022</b>						
Cash and cash equivalents	1,879,718	-	-	-	-	1,879,718
<b>Total interest sensitivity gap</b>	<u>1,879,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,879,718</u>

	On Demand RMB	Less than 1 year RMB	Maturity up to 1 year RMB	Maturity 1-5 years RMB	Maturity over 5 years RMB	Total RMB
<b>As at 31 December 2021</b>						
Financial assets at fair value through profit or loss						
- RMB denominated bonds	-	-	29,910,304	5,480,084	-	35,390,388
- USD denominated bonds	-	-	-	-	645,819	645,819
- Collective Investment schemes	2,452,443	-	-	-	-	2,452,443
Deposit reserve	-	4,695	-	-	-	4,695
Cash and cash equivalents	6,159,558	-	-	-	-	6,159,558
<b>Total interest sensitivity gap</b>	<u>8,612,001</u>	<u>4,695</u>	<u>29,910,304</u>	<u>5,480,084</u>	<u>645,819</u>	<u>44,652,903</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**4 Financial risk management (continued)**

**(c) Interest rate risk (continued)**

As at 31 December 2022, the Sub-Fund had cash and cash equivalents of RMB1,879,718 (2021: RMB6,159,558). If the interest rates had been 40 basis points (2021: 25 basis points) higher or lower with all other variables held constant, net assets attributable to unitholders of the Sub-Fund would have been RMB7,519 (2021: RMB15,399) higher or lower respectively as a result of higher or lower interest income.

The majority of the Sub-Fund's interest rate exposure on debt securities are RMB denominated. Interest rate exposures are expressed in terms of weighted modified duration. The Manager monitors the interest rate risk by quantifying market exposure in duration terms. Beta adjusted weighted modified duration is the modified duration multiplied by the allocation of net asset value and a sensitivity factor (beta). No investment was held by the Sub-Fund as at 31 December 2022. As at 31 December 2021, the Sub-Fund invested in interest bearing securities of RMB36,036,207 and the portfolio weighted average modified duration of the Sub-Fund was 0.93.

No investment was held by the sub-Fund as at 31 December 2022. As at 31 December 2021, should interest rates have lowered or risen by 25 basis points with all other variables held constant, the increase or decrease in net assets attributable to unitholders would amount to approximately RMB83,784 for the Sub-Fund, arising substantially from the increase or decrease in fair value of debt securities.

No investment was held by the sub-Fund as at 31 December 2022. As at 31 December 2021, the Sub-Fund invested in collective investment schemes of that mainly comprise bond funds. If the interest rates had been 25 basis points higher or lower with all other variables held constant, net assets attributable to unitholders of the Sub-Fund would have been RMB6,131 lower or higher respectively as a result of lower or higher from the decrease or increase in fair value of collective investment schemes.

**(d) Currency risk**

The Sub-Fund is exposed to currency risk arising from balances of RMB649,591 (2021: RMB3,671,400) denominated in United States Dollar as at 31 December 2022, representing cash and cash equivalents and investments. The table below summarises the impact of increase or decrease of key foreign exchange exposure of the Sub-Fund. The analysis is based on the assumption that the exchange rate had increased or decreased by the stated percentage with all other variables held constant. The Manager does not actively manage the currency risk exposure.

<u>Exposures in United States Dollar</u>	<u>2022</u> RMB	<u>2021</u> RMB
Cash and cash equivalents	649,591	573,138
Investments	-	3,098,262
	<u>                    </u>	<u>                    </u>

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**4 Financial risk management (continued)**

**(d) Currency risk (continued)**

	2022		2021	
	Change in exchange rate	Change in net asset value RMB	Change in exchange rate	Change in net asset value RMB
United States Dollar	<u>+/-5%</u>	<u>32,480</u>	<u>+/-5%</u>	<u>183,570</u>

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

**(e) Credit risk**

Credit risk is the risk that an issuer or a counterparty to a financial instrument will cause a financial loss to the Sub-Fund by failing to discharge an obligation when due.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investment in debt securities. The Sub-Fund is not subject to explicit restrictions on the minimum credit rating of debt securities issued outside China that it may hold. In relation to debt securities issued within China, the Sub-Fund manages credit risk by investing in debt securities which are rated CCC or above as rated by one of the credit rating agencies in China. The Management will actively manage the portfolio of the Sub-Fund. In case of credit rating downgrading, the Management will adjust the positions in the portfolio using its credit analysis and rating systems that are designed to manage credit risk. No investments were held by the Sub-Fund as at 31 December 2022. The table below summarises the credit rating of the Sub-Fund's debt securities portfolio, which represents 92.17% of the net asset value as at 31 December 2021.

	2022 % of net asset value	2021 % of net asset value
<b>China Chengxin</b>		
AAA	-	9.98%
<b>China Lianhe</b>		
AA	-	6.34%
<b>Dagong Global Credit Rating</b>		
AA	-	5.19%
<b>S&amp;P</b>		
BBB	-	5.11%
BB-	-	7.51%
CCC	-	1.65%
<b>Pengyuan Credit Rating Co., Ltd</b>		
AA	-	5.07%
<b>Moody's</b>		
Aa3	-	5.18%
A1	-	15.35%
A2	-	7.69%

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**4 Financial risk management (continued)**

**(e) Credit risk (continued)**

	2022 % of net asset value	2021 % of net asset value
<b>Non-rated</b>	-	23.10%
	-	92.17%

The table below summarises the non-rated debt securities as stated in the table above by their issuers' credit rating at the reporting date.

	2022 % of net asset value	2021 % of net asset value
<b>S&amp;P</b>		
A-	-	15.41%
<b>Non-rated</b>	-	7.69%
	-	23.10%

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**4 Financial risk management (continued)**

**(e) Credit risk (continued)**

The Sub-Fund is also exposed to credit risk on cash and cash equivalents. The table below summarises the maximum exposure to the Sub-Fund's counterparties together with their credit ratings.

	RMB	Credit rating	Source of credit rating
<b>As at 31 December 2022</b>			
<b>Bank balances</b>			
Bank of Communications Co., Ltd. Hong Kong Branch <sup>1</sup>	673,339	A2	Moody's
Bank of Communications Co., Ltd.	1,205,852	A2	Moody's
Citibank N.A. Hong Kong Branch	527	Aa3	Moody's
<b>As at 31 December 2021</b>			
<b>Investments balances with custodians</b>			
Bank of Communications Co., Ltd.	6,488,071	A-	Standard & Poor's
Bank of Communications Trustee Ltd. <sup>1</sup>	3,899,627	A-	Standard & Poor's
Citibank N.A. Hong Kong Branch	25,648,509	A+	Standard & Poor's
China Merchants Bank Co., Ltd Hong Kong Branch <sup>2</sup>	2,452,443	BBB+	Standard & Poor's
<b>Bank balances</b>			
Bank of Communications Co., Ltd. Hong Kong Branch <sup>1</sup>	1,449,859	A-	Standard & Poor's
Bank of Communications Co., Ltd.	225,147	A-	Standard & Poor's
Citibank N.A. Hong Kong Branch	4,484,552	A+	Standard & Poor's

<sup>1</sup> Rating represented that of Bank of Communications Co., Ltd.

<sup>2</sup> Rating represented that of China Merchants Bank Co., Ltd

As at 31 December 2022, the Sub-Fund invested in bond funds totalling RMB nil (2021: RMB2,452,443), which are subject to indirect credit risk from the underlying investments.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as shown on the statement of financial position. None of the assets are impaired nor past due but not impaired. The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit losses. The Manager considers the probability of default of cash and cash equivalent balance with custodian and other receivables such as interest receivable and amount due from the manager to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term and there is no default history on such receivables in the past. As a result, no loss allowance has been recognised based on 12-month expected credit losses.



**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**4 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 obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in securities that are traded in an active market which can be readily disposed of.

The table below analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying value, as the impact of discounting is not significant.

	Less than 3 months RMB
<b>As at 31 December 2022</b>	
Other payables and accruals	754,446
	<u>754,446</u>
<b>As at 31 December 2021</b>	
Redemption payable	4,451,006
Management fee payable	34,939
Trustee fee payable	26,499
Custodian fee payable	483
Other payables and accruals	343,370
Net assets attributable to unitholders	39,095,762
	<u>43,952,059</u>

Units are redeemable on demand at the unitholder's option. With a view to protecting the interest 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 in issue ("Redemption Gate"). The maturity table above is on the assumption that the Manager would not execute the Redemption Gate. The Trustee and the Manager do not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows. As at 31 December 2022, there were no (2021: 4) unitholders each holding more than 10% of the Sub-Fund's units.

As at 31 December 2022, the total assets of the Sub-Fund amounted to RMB1,901,596 (2021: RMB45,099,209). The Sub-Fund manages its liquidity risk by investing in securities that it expects to be able to liquidate within 3 months or less.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**4 Financial risk management (continued)**

**(f) Liquidity risk (continued)**

The table below illustrates the expected liquidity of assets held.

	Less than 3 months RMB	Over 3 months RMB
<b>As at 31 December 2022</b>		
Total assets	1,901,596	-
<b>As at 31 December 2021</b>		
Total assets	44,714,862	384,347

**(g) Fair value estimation**

The fair value of financial assets and liabilities traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price as its fair valuation inputs for both financial assets and liabilities.

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.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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 judgment, considering factors specific to the asset or liability.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**4 Financial risk management (continued)**

**(g) Fair value estimation (continued)**

The determination of what constitutes observable requires significant judgment by the Sub-Fund. The Sub-Fund considers observable data to be such 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.

No investment was held by the Sub-Fund as at 31 December 2022.

The table below analyses within the fair value hierarchy the Sub-Fund's investments (by class) measured at fair value as at 31 December 2021.

	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
<b>As at 31 December 2021</b>				
<b>Financial assets at fair value through profit or loss</b>				
- RMB denominated bonds	-	35,390,388	-	35,390,388
- USD denominated bonds	-	645,819	-	645,819
- Collective investment schemes	-	2,452,443	-	2,452,443
	-	38,488,650	-	38,488,650

Financial instruments whose values are based on quoted market prices in active markets, are classified within level 1. The Sub-Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are not considered to be active and are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As at 31 December 2022, no level 2 investment was held. As at 31 December 2021, the Sub-Fund held level 2 investments including positions that are not traded in active markets. The investments in unlisted RMB denominated bonds are valued with reference to valuation provided by China Central Depository & Clearing Co., Ltd.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**4 Financial risk management (continued)**

**(g) Fair value estimation (continued)**

The collective investment schemes classified within level 2 are fair valued using the net asset value of the funds as reported by the respective funds' administrators. For these collective investment schemes, the Management believes the Sub-Fund could have redeemed its investments at the net asset value per unit at the reporting date.

Financial instruments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 31 December 2022 and 2021, the Sub-Fund did not hold any investments classified within level 3.

The Sub-Fund did not have any transfer between levels for the years ended 31 December 2022 and 2021.

For assets and liabilities carried at amortised cost, their carrying amounts are a reasonable approximation of fair value as at 31 December 2022 and 2021.

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

The Sub-Fund was not subject to master netting arrangements as at 31 December 2022 and 2021.

**(i) Capital risk management**

The Sub-Fund's capital is represented by the net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions. The Management may:

- Redeem and issue new units in accordance with the constitutive documents of the Sub-Fund;
- Exercise discretion when determining the amount of distributions of the Sub-Fund to the unitholders; and
- Suspend the subscription and redemption of units under certain circumstance stipulated in the Explanatory Memorandum of the Sub-Fund.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5 Net loss on investments**

	2022 RMB	2021 RMB
Net unrealised gains on investments	669,809	746,237
Net realised losses on investments	(682,346)	(3,519,964)
	<u>(12,537)</u>	<u>(2,773,727)</u>

**6 Taxation**

**(a) Hong Kong**

No provision for Hong Kong profits tax has been made for the Sub-Fund as it is authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

**(b) The People's Republic of China**

The Sub-Fund has invested in RMB denominated debt securities, collective investment schemes issued in the PRC and placed deposits in PRC bank accounts. Refer to Note 4 for details.

Significant judgement is required in determining the provision for PRC WIT on fund distribution income. There are transactions and calculations for which the ultimate tax determination is uncertain. The Sub-Fund has applied the most likely amount method in measuring uncertain tax liabilities with respect to PRC WIT on fund distribution income. While the estimated value differs significantly from the amount ultimately payable, such differences will impact the income tax provisions in the period in which such determination is made. Refer to Note 3 for details.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6 Taxation (continued)**

**(b) The People's Republic of China (continued)**

During the year ended 31 December 2022 and 2021, the amount of taxation charged to the statement of comprehensive income represents:

	2022 RMB	2021 RMB
Withholding tax	-	1,233,304
Taxation	-	1,233,304

The movements in tax payable are as follows:

	2022 RMB	2021 RMB
At the beginning of the year	1,147,150	4,237,118
Withholding tax charged	-	1,233,304
Tax paid	-	(4,323,272)
At the end of the year	1,147,150	1,147,150

**7 Transactions with related parties or 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 such transactions were entered into in the ordinary course of business and on normal commercial terms.

**(a) Management fee**

The Manager is entitled to receive a management fee of up to 3% (2021: 3%) per annum of the net asset value of the Sub-Fund, calculated and accrued on each dealing day and payable monthly in arrears. In respect of the Sub-Fund, the Manager currently charges a rate of 1% (2021: 1%) per annum for Class A and 0.5% (2021: 0.5%) per annum for Class I.

The management fee charged for the year ended 31 December 2022 was RMB181,502 (2021: RMB540,533), of which RMB nil (2021: RMB34,939) was outstanding at 31 December 2022.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**7 Transactions with related parties or connected persons (continued)**

**(b) Trustee fee**

The Trustee is entitled to receive a trustee fee of up to 1% (2021: 1%) per annum of the net asset value of the Sub-Fund. Currently, the Trustee is entitled to receive a fee of 0.11% (2021: 0.11%) per annum of the net asset value of each class of the Sub-Fund, subject to a monthly minimum fee of RMB13,000 (2021: RMB13,000) for each class of units. The fee is calculated and accrued daily and payable monthly in arrears.

The trustee fee charged for the year ended 31 December 2022 was RMB176,087 (2021: RMB311,999), of which RMB nil (2021: RMB26,499) was outstanding at 31 December 2022.

**(c) Custodian fee**

Bank of Communications Co., Ltd. (the "PRC Custodian") is entitled to receive a custodian fee of up to 0.5% (2021: 0.5%) per annum of the net asset value of the Sub-Fund. Currently, the PRC Custodian is entitled to receive a fee of 0.08% (2021: 0.08%) per annum of the net asset value. The fee is calculated and payable monthly in arrears.

The custodian fee charged for the year ended 31 December 2022 was RMB18,161 (2021: RMB19,867), of which RMB nil (2021: RMB483) was outstanding at 31 December 2022.

**(d) Cash and cash equivalents and investments**

The total cash and cash equivalents and investment balance of the Sub-Fund held with related parties of the Trustee as at 31 December 2022 amounted to RMB1,879,191 (2021: RMB1,675,006) and RMB nil (2021: RMB 2,452,443). In addition, the investments balance of the Sub-Fund held with the PRC Custodian amounted to RMB nil (2021: RMB6,488,071).

For the year ended 31 December 2022, interest income on cash and cash equivalents held with related parties of the Trustee amounted to RMB 14,444 (2021: RMB22,712).

**(e) Transactions with the Manager**

During the year ended 31 December 2022, the Sub-Fund held nil (2021: 3,000) units of unlisted collective investment schemes which are managed by the Manager. The movements of the Sub-Fund's investments in the unlisted collective investment schemes are as follows:

	2022 RMB	2021 RMB
At the beginning of the year	2,452,443	-
Purchase	-	7,131,983
Sales	(2,452,443)	(4,679,540)
At the end of the year	-	2,452,443

Other than dividend earned, there was RMB568,869 and RMB73,833 loss from the transactions for the year ended 31 December 2022 and 31 December 2021 respectively.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**7 Transactions with related parties or connected persons (continued)**

**(e) Transactions with the Manager (continued)**

The Manager is required to bear shortfall arising from the termination of the Sub-Fund. The shortfall during the year ended 31 December 2022 amounted to RMB 21,878 (2021: RMB nil) would be reimbursed by the Manager. As at 31 December 2022, amount due from the Manager amounted to RMB 21,878 (2021: RMB nil) was receivable from the Manager.

**(f) Cross trades with other funds and mandates managed by the Manager**

During the year ended 31 December 2022, the Sub-Fund has purchased RMB nil (2021: RMB28,410,985) and sold RMB nil (2021: RMB75,334,167) of investments in debt securities to other funds and mandates managed by the Manager, at prevailing market price on the dates of the transactions.

**(g) Transactions with the Manager's ultimate holding company**

During the year ended 31 December 2022, the Sub-Fund did not hold any units of unlisted collective investment schemes which are managed by E Fund Management Co., Ltd, the ultimate holding company of the Manager. The movements of the Sub-Fund's investments in the unlisted collective investment schemes are as follows:

	2022 RMB	2021 RMB
At the beginning of the year	-	166,692
Purchase	-	1,340
Sales	-	(168,032)
	<hr/>	<hr/>
At the end of the year	-	-
	<hr/>	<hr/>

Other than dividend earned, there was RMB nil and RMB9 loss from the transactions for the year ended 31 December 2022 and 31 December 2021 respectively.

**(h) Transactions with connected person of the Manager**

As at 31 December 2022 and 2021, the Sub-Fund has not entered into transactions through the connected person of the Manager for its brokerage services.

**(i) Transactions with connected person of the Trustee**

During the year ended 31 December 2022, the Sub-Fund held debt securities issued by Bank of Communications (Hong Kong Branch), the connected person of the Trustee. The movements of the Sub-Fund's debt securities are as follows:

	2022 RMB	2021 RMB
At the beginning of the year	3,000,120	-
Purchase	-	3,003,000
Sales	(3,000,000)	-
Unrealised loss	-	(2,880)
Realised loss	(120)	-
	<hr/>	<hr/>
At the end of the year	-	3,000,120
	<hr/>	<hr/>

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**7 Transactions with related parties or connected persons (continued)**

**(i) Units subscription and redemption**

For the year ended 31 December 2022, a related party of the Trustee, in its capacity as the dealer of the Sub-Fund, subscribed no units (2021: 3,306 units) and redeemed 7,073 units (2021: 4,105 units) of Class A RMB (distribution) as well as redeemed 1,444 units (2021: 145 units) of Class A RMB (accumulation) of the Sub-Fund. For the year ended 31 December 2022, a managed fund by the Manager subscribed nil units (2021: 77,419 units) and redeemed 77,419 (2021: nil units) of Class I RMB (distribution) of the Sub-Fund.

**8 Units in issue and net assets attributable to unitholders per unit**

As at 31 December 2022, all class of units has been compulsorily redeemed. As at 31 December 2021, the Sub-Fund issued 4 classes of units - Class A RMB (accumulation) units, Class A RMB (distribution) units, Class A USD (accumulation) units and Class I RMB (distribution) units. Class A (accumulation) units and Class A (distribution) units are available for sale to the retail public in Hong Kong. Class I RMB (distribution) units are offered to institutional investors. There is no dividend distribution for accumulation classes of units.

The movements of the redeemable units are as follows:

	2022	2021
<b>Class A RMB (accumulation) units</b>		
Number of units in issue at the beginning of the year	1,452	1,597
Units redeemed	(1,452)	(145)
Number of units in issue at the end of the year	-	1,452
<b>Class A RMB (distribution) units</b>		
Number of units in issue at the beginning of the year	258,828	421,499
Units issued	1,236	9,027
Units redeemed	(260,064)	(171,698)
Number of units in issue at the end of the year	-	258,828
<b>Class A USD (accumulation) units</b>		
Number of units in issue at the beginning of the year	877	961
Units issued	-	-
Units redeemed	(877)	(84)
Number of units in issue at the end of the year	-	877
<b>Class I RMB (distribution) units</b>		
Number of units in issue at the beginning of the year	77,419	200,030
Units issued	-	77,419
Units redeemed	(77,419)	(200,030)
Number of units in issue at the end of the year	-	77,419

**E FUND (HK) RMB FIXED INCOME FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8 Units in issue and net assets attributable to unitholders per unit (continued)**

As at 31 December 2022, there were no outstanding units under the Sub-Fund. The following table details the accounting net asset value (after adjustments for PRC withholding tax on fund distribution income) as at 31 December 2021:

	2022 RMB	2021 RMB
Net assets attributable to unitholders as reported in the statement of financial position	-	39,095,762
Late adjustment for PRC withholding tax on fund distribution income (Note 6b)	-	793,632
Dealing net asset value	-	39,889,394

**9 Soft dollar arrangements**

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

**10 Distribution**

In accordance with the explanatory memorandum of the Sub-Fund, the Manager has discretion as to whether or not to make any distribution of dividends, the frequency of distribution and amount of dividends. During the years ended 31 December 2022 and 2021, there was no distribution declared by the Sub-Fund.

**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**11 Events after the statement of financial position date**

PRC tax clearance was completed on 11 April 2023 and the Manager expects that the Sub-Fund will be terminated on 31 May 2023.

**12 Approval of financial statements**

The financial statements of the Sub-Fund were approved by the Trustee and the Manager on 26 April 2023.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**INVESTMENT PORTFOLIO (UNAUDITED)**  
**AS AT 31 DECEMBER 2022**

The Fund did not hold any investments as at 31 December 2022.

**E FUND (HK) RMB FIXED INCOME FUND**  
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

		<b>Holdings</b>		
	2021	Additions/ splits	Disposals	2022
<b>Investments</b>				
E FUND (HK) YIELD ENHANCED BOND FUND I – CLASS R SHARES	3,000	-	3,000	-
TX HONGQIAO YUAN INDUST 5.03% 10/29/2022	10,000,000	-	10,000,000	-
PEI XIAN CITY INVESTMENT 5.2% 11/10/2022	10,000,000	-	10,000,000	-
BANK OF CHINA 3.15% 09/21/2022	3,000,000	-	3,000,000	-
BEIJING INFRASTRUCTURE INVESTMENT (HK) 3.4% 11/26/2022	3,000,000	-	3,000,000	-
BEIJING HAIDIAN SOA INV 5.2% 03/25/2022	1,000,000	-	1,000,000	-
BOC AVIATION 4.7% 07/28/2022	3,000,000	-	3,000,000	-
BANK OF COMMUNICATIONS (HONG KONG BRANCH) 3.15% 01/22/2022	3,000,000	-	3,000,000	-
CHINA CONSTRUCTION BANK (SINGAPORE BRANCH) 2.85% 04/22/2023	3,000,000	-	3,000,000	-
CNI CAPITAL LTD 3.97% 11/01/2022	3,000,000	-	3,000,000	-
CIFI HOLDINGS GROUP 6.7% 04/23/2022	3,000,000	-	3,000,000	-
CHINA HUARONG ASST MGMT 3.7% 11/14/2022	3,000,000	-	3,000,000	-
QATAR NATIONAL BANK 3.85% 07/10/2025	2,000,000	-	200,000	-
REPUBLIC OF SRI LANKA 6.75% 04/18/2028	200,000	-	200,000	-

**E FUND (HK) RMB FIXED INCOME FUND**  
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**PERFORMANCE TABLE (UNAUDITED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

As at 31 December 2022, there are no outstanding units under the Sub-Fund.

**Net asset values**

	Net asset Value (Dealing) RMB	Net asset value per unit
At 31 December 2021		
Class A RMB (accumulation)	186,532	RMB128.41
Class A RMB (distribution)	30,173,725	RMB116.57
Class A USD (accumulation)	69,952	USD12.28
Class I RMB (distribution)	9,459,185	RMB122.18
	<hr/>	<hr/>
At 31 December 2020		
Class A RMB (accumulation)	213,267	RMB133.50
Class A RMB (distribution)	51,084,705	RMB121.19
Class A USD (accumulation)	79,652	USD12.76
Class I RMB (distribution)	25,280,510	RMB126.38
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**E FUND (HK) RMB FIXED INCOME FUND**  
(A Sub-Fund of E Fund Investment Fund Series)

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

**Highest and lowest net asset value per unit (Dealing NAV)**

	Highest net asset value per unit	Lowest net asset value per unit
At 31 December 2022 (Dealing NAV) *		
Class A RMB (accumulation)	RMB129.49	RMB120.26
Class A RMB (distribution)	RMB117.55	RMB109.13
Class A USD (accumulation)	USD12.59	USD11.02
Class I RMB (distribution)	RMB123.42	RMB115.35
	<hr/>	<hr/>
At 31 December 2021 (Dealing NAV)		
Class A RMB (accumulation)	RMB137.03	RMB128.37
Class A RMB (distribution)	RMB124.40	RMB116.53
Class A USD (accumulation)	USD13.20	USD12.50
Class I RMB (distribution)	RMB130.08	RMB122.13
	<hr/>	<hr/>
At 31 December 2020 (Dealing NAV)		
Class A RMB (accumulation)	RMB135.78	RMB127.32
Class A RMB (distribution)	RMB123.26	RMB115.58
Class A USD (accumulation)	USD12.81	USD11.10
Class I RMB (distribution)	RMB128.53	RMB120.52
	<hr/>	<hr/>
At 31 December 2019 (Dealing NAV)		
Class A RMB (accumulation)	RMB133.40	RMB125.69
Class A RMB (distribution)	RMB121.10	RMB114.10
Class A USD (accumulation)	USD12.15	USD11.35
Class I RMB (distribution)	RMB126.22	RMB118.40
	<hr/>	<hr/>
At 31 December 2018 (Dealing NAV)		
Class A RMB (accumulation)	RMB125.59	RMB121.73
Class A RMB (distribution)	RMB114.01	RMB110.51
Class A USD (accumulation)	USD12.16	USD11.04
Class I RMB (distribution)	RMB118.29	RMB114.20
	<hr/>	<hr/>
At 31 December 2017 (Dealing NAV)		
Class A RMB (accumulation)	RMB122.97	RMB121.19
Class A RMB (distribution)	RMB111.64	RMB110.02
Class A USD (accumulation)	USD11.67	USD10.83
Class I RMB (distribution)	RMB115.01	RMB113.21
	<hr/>	<hr/>
At 31 December 2016 (Dealing NAV)		
Class A RMB (accumulation)	RMB123.68	RMB120.30
Class A RMB (distribution)	RMB113.45	RMB109.55
Class A USD (accumulation)	USD11.68	USD10.79
Class I RMB (distribution)	RMB116.05	RMB112.52
Class I USD (accumulation)	USD12.61	USD12.26
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\* The last trading date is 25 July 2022 for the year ended 31 December 2022.



**E FUND (HK) RMB FIXED INCOME FUND**  
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**PERFORMANCE TABLE (UNAUDITED) (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Highest and lowest net asset value per unit (Dealing NAV)**  
**(continued)**

At 31 December 2015 (Dealing NAV)

Class A RMB (accumulation)	RMB121.08	RMB114.65
Class A RMB (distribution)	RMB117.42	RMB107.22
Class A USD (accumulation)	USD11.73	USD10.69
Class I RMB (distribution)	RMB119.46	RMB108.84
Class I USD (accumulation)	USD12.33	USD11.51

At 31 December 2014 (Dealing NAV)

Class A RMB (distribution)	RMB110.40	RMB99.34
Class A USD (accumulation)	USD10.68	USD10.57
Class I RMB (distribution)	RMB112.02	RMB100.36

At 31 December 2013 (Dealing NAV)

Class A RMB (distribution)	RMB104.59	RMB99.32
Class I RMB (distribution)	RMB105.33	RMB100.30