

# **BOSERA RMB BOND FUND**

a sub-fund of  
**BOSERA INVESTMENT FUNDS**



**SEMI-ANNUAL REPORT (UNAUDITED)**

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For the period ended 30 June 2020

# **BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND**

## **Semi-Annual Report (Unaudited) For the period ended 30 June 2020**

<b>Contents</b>	<b>Pages</b>
Management and Administration of the Fund	1
Statement of Financial Position (Unaudited)	2
Statement of Comprehensive Income (Unaudited)	3
Statement of Changes in Net Assets Attributable to Unitholders (Unaudited)	4
Statement of Cash Flows (Unaudited)	5
Investment Portfolio (Unaudited)	6
Movements in Investment Portfolio (Unaudited)	7

This semi-annual report does not constitute an offer or a solicitation of an offer to the units in the sub-fund of Boser Investment Funds. Subscriptions are to be made only on the basis of the information contained in the relevant Explanatory Memorandum, accompanied by the latest available annual and semi-annual financial reports.

**RESTRICTED**

**MANAGEMENT AND ADMINISTRATION OF THE FUND**

**Manager**

Bosera Asset Management (International) Co., Limited  
Suite 4109, Jardine House  
One Connaught Place  
Central  
Hong Kong

**Trustee and Registrar**

HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

**PRC Custodian**

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

**PRC Custodian's Delegate**

HSBC Bank (China) Company Limited  
33/F, HSBC Building  
Shanghai IFC  
8 Century Avenue  
Pudong, Shanghai 200120  
China

**Auditor**

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

**Legal Adviser**

Simmons & Simmons  
30th Floor One Taikoo Place  
979 King's Road  
Hong Kong

**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND****STATEMENT OF FINANCIAL POSITION (UNAUDITED)  
AS AT 30 JUNE 2020**

	As at 30 June 2020 RMB (Unaudited)	As at 31 December 2019 RMB (Audited)
<b>Non-Current Assets</b>		
Statutory deposits	140,000	140,000
<b>Current Assets</b>		
Investments	29,675,849	54,708,452
Interest receivable	587,143	605,763
Bank interest receivable	1	4
Cash and cash equivalents	1,087,212	1,416,630
<b>Total Assets</b>	<b>31,490,205</b>	<b>56,870,849</b>
<b>Current Liabilities</b>		
Provision for taxation	-	3,485,604
Amounts payable on redemption	151,066	503,308
Other payables	294,082	352,543
<b>Liabilities (excluding net assets attributable to unitholders)</b>	<b>445,148</b>	<b>4,341,455</b>
<b>Net assets attributable to unitholders</b>	<b>31,045,057</b>	<b>52,529,394</b>
Number of units in issue		
- Class A	197,605	222,007
- Class DI	85,520	243,170
Net assets value per unit		
- Class A	108.27	110.78
- Class DI	112.85	114.88

Note: The semi-annual report of the sub-fund has been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements.

**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND**

**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
For the period from 01 January 2020 to 30 June 2020**

	Period from 01 January 2020 to 30 June 2020 (Unaudited) RMB	Period from 01 January 2019 to 30 June 2019 (Unaudited) RMB
<b>Income</b>		
Interest on bank deposits	8,781	10,599
Interest on investments	388,639	766,675
Net (losses)/gains on investments	(127,919)	28,636
Net foreign currency losses	(4,156)	(3,173)
	<hr/>	<hr/>
<b>Total investment income</b>	265,345	802,737
	<hr/>	<hr/>
<b>Expenses</b>		
Management fee <sup>Note 2</sup>	114,819	165,705
Trustee fees <sup>Note 1</sup>	149,180	157,214
Registrar fees <sup>Note 1</sup>	20,664	18,501
Audit fee	72,241	95,861
Transaction costs <sup>Note 2</sup>	1,206	1,570
Legal and professional fees	205,847	21,147
Other expenses <sup>Note 1</sup>	113,335	103,069
	<hr/>	<hr/>
<b>Total operating expenses</b>	677,292	563,067
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<b>Operating (loss)/profit</b>	(411,947)	239,670
	<hr/>	<hr/>
Tax (expense)/credit	(121,102)	1,006
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<b>(Decrease)/increase in net assets attributable to unitholders from operations</b>	(533,049)	240,676
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<sup>Note 1</sup> During the period ended 30 June 2020 and 2019, Trustee's fee and Registrar's fees were paid to the Trustee or its Connected Persons, other respective amounts paid to the Trustee or its Connected Persons were as follows:

	Period from 01 January 2020 to 30 June 2020 RMB (Unaudited)	Period from 01 January 2019 to 30 June 2019 RMB (Unaudited)
Other expenses	81,717	94,691

<sup>Note 2</sup> During the period ended 30 June 2020 and 2019, Management fees were paid to the Manager or its Connected Persons, other respective amounts paid to the Manager or its Connected Persons were as follows:

	Period from 01 January 2020 to 30 June 2020 RMB(Unaudited)	Period from 01 January 2019 to 30 June 2019 RMB(Unaudited)
Transaction costs	15	53

**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND****STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS  
(UNAUDITED)****For the period from 01 January 2020 to 30 June 2020**

	<b>Period from 01 January 2020 to 30 June 2020 (Unaudited) RMB</b>	<b>Period from 01 January 2019 to 30 June 2019 (Unaudited) RMB</b>
<b>Net assets attributable to unitholders at the beginning of the period</b>	52,529,394	60,593,391
Redemption of units	(20,951,288)	(1,537,977)
Net decrease from unit transactions	(20,951,288)	(1,537,977)
(Decrease)/increase in net assets attributable to unitholders from operations	(533,049)	240,676
<b>Net assets attributable to unitholders at the end of the period</b>	31,045,057	59,296,090
	<b>Period from 01 January 2020 to 30 June 2020 (Unaudited)</b>	<b>Period from 01 January 2019 to 30 June 2019 (Unaudited)</b>
<b>Class A Unit</b>		
Units in issue at the beginning of the period	222,007	313,592
Redemption of units	(24,402)	(14,119)
Units in issue at the end of the period	197,605	299,473
<b>Class DI Unit</b>		
Units in issue at the beginning of the period	243,170	243,170
Redemption of units	(157,650)	-
Units in issue at the end of the period	85,520	243,170

**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND**

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**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**For the period from 01 January 2020 to 30 June 2020**

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	<b>Period from 01 January 2020 to 30 June 2020 (Unaudited) RMB</b>	<b>Period from 01 January 2019 to 30 June 2019 (Unaudited) RMB</b>
<b>Cash flows from operating activities</b>		
(Decrease)/increase in net assets attributable to unitholders from operations	(533,049)	240,676
Adjustment for:		
Interest on investments	(388,639)	(766,675)
Interest on bank deposits	(8,781)	(10,599)
Withholding tax on interest income	110,434	(1,006)
Value added tax on interest income	10,668	-
Operating loss before working capital changes	(809,367)	(537,604)
Net decrease in investments	25,032,603	5,130,449
Net decrease in other payables	(58,461)	(64,568)
Cash generated from operations	24,164,775	4,528,277
Interest on investments received	407,259	1,150,294
Interest on bank deposits received	8,784	10,911
Net Tax (paid)/received	(3,606,706)	1,006
<b>Net cash generated from operating activities</b>	20,974,112	5,690,488
<b>Cash flows from financing activities</b>		
Payments on redemption of units	(21,303,530)	(1,431,911)
<b>Net cash used in financing activities</b>	(21,303,530)	(1,431,911)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(329,418)	4,258,577
Cash and cash equivalents at the beginning of the period	1,416,630	1,358,993
<b>Cash and cash equivalents at the end of the period</b>	1,087,212	5,617,570
<b>Analysis of balance of cash and cash equivalents</b>		
Cash at banks	1,087,212	5,617,570

**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND****INVESTMENT PORTFOLIO (UNAUDITED)****As at 30 June 2020**

	<b>Nominal Value RMB</b>	<b>Market Value RMB</b>	<b>% of Net Assets</b>
<b>QUOTED BONDS</b>			
<b>CHINA</b>			
AGRICUL DEV BANK CHINA SER 1906 (REG) 3.74% 12JUL2029	7,000,000	7,182,329	23.14
AVI 0.2% CONV STP 27AUG2024	499,100	595,426	1.92
CHINA BAOWU STEEL GROUP (REG) 1% CONV 24NOV2020	2,000,000	2,044,600	6.59
CHINA CITIC BANK CORP (REG) STP CONV 04MAR2025	2,000,000	2,098,000	6.76
CHINA EVERBRIGHT BANK (REG) CONV STEP 16MAR2023	2,000,000	2,288,200	7.37
CHINA THREE GORGES CORP (REG) 0.5% CONV 09APR2024	2,000,000	2,219,200	7.15
CHONGQING CONSTR ENGINEE (REG) STP CONV 20DEC2025	1,155,000	1,176,829	3.79
EVERGRANDE REAL ESTATE (REG) VAR 08JUL2022	2,500,000	2,500,000	8.05
GUOTAI JUN STP CONV 07JUL2023	2,250,000	2,576,250	8.30
SHANDONG LINGLONG TYRE STP CONV 01MAR2023	800,000	991,920	3.19
SHANGHAI ELECTRIC GROUP (REG) STEP 02FEB2021	1,500,000	1,641,000	5.29
SHANGHAI GUOSHENG GROUP (REG) 1% CONV 05NOV2021	1,000,000	1,000,800	3.22
SHANYING STP CONV 21NOV2024	1,000,000	1,081,000	3.48
SHENZHEN LOGAN HLD (REG) VAR 19AUG2020	1,500,000	1,507,202	4.85
TZ JIAOJIANG ST OWN AST SER EXCH (REG) 7.46% 13SEP2020	3,067,000	773,093	2.49
<b>TOTAL INVESTMENTS*</b>		<b>29,675,849</b>	<b>95.59</b>
<b>TOTAL INVESTMENTS, AT COST*</b>		<b>30,115,100</b>	

\* Investments are accounted for on a trade date basis.



**BOSERA INVESTMENT FUNDS - BOSERA RMB BOND FUND****MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)****For the period ended 30 June 2020**

	Nominal Value (RMB)			30 June 2020
	1 January 2020	Additions	Deductions	
<b>QUOTED BONDS</b>				
<b>CHINA</b>				
AGRICUL DEV BANK CHINA SER 1906 (REG) 3.74% 12JUL2029	10,000,000	-	3,000,000	7,000,000
AODONG PHARM STP 13MAR2024	800,000	-	800,000	-
AVI 0.2% CONV STP 27AUG2024	499,100	-	-	499,100
CHANGJIANG SECURITIES CO (REG) STP CONV 12MAR2024	500,000	-	500,000	-
CHINA BAOWU STEEL GROUP (REG) 1% CONV 24NOV2020	2,000,000	-	-	2,000,000
CHINA CITIC BANK CORP (REG) STP CONV 04MAR2025	2,000,000	-	-	2,000,000
CHINA DEVELOPMENT BANK SER (REG) (REG S) 4.15% 26OCT2025	10,000,000	-	10,000,000	-
CHINA DEVELOPMENT BANK SER 1810 (REG) 4.04% 06JUL2028	10,000,000	-	10,000,000	-
CHINA DEVELOPMENT BANK SER 1910 (REG) 3.65% 21MAY2029	-	10,000,000	10,000,000	-
CHINA EVERBRIGHT BANK (REG) CONV STEP 16MAR2023	2,000,000	-	-	2,000,000
CHINA NATL PETROLEUM CO (REG) 1% 13JUL2022	2,000,000	-	2,000,000	-
CHINA THREE GORGES CORP (REG) 0.5% CONV 09APR2024	-	2,000,000	-	2,000,000
CHONGQING CONSTR ENGINEE (REG) STP CONV 20DEC2025	-	1,155,000	-	1,155,000
EVERGRANDE REAL ESTATE (REG) VAR 08JUL2022	2,500,000	-	-	2,500,000
FIBERHOME TELE (REG) STP CONV 02DEC2025	-	200,000	200,000	-
GUOTAI JUN STP CONV 07JUL2023	2,500,000	-	250,000	2,250,000
SHANDONG LINGLONG TYRE STP CONV 01MAR2023	-	800,000	-	800,000
SHANGHAI ELECTRIC GROUP (REG) STEP 02FEB2021	2,000,000	-	500,000	1,500,000
SHANGHAI GUOSHENG GROUP (REG) 1% CONV 05NOV2021	1,000,000	-	-	1,000,000
SHANYING STP CONV 21NOV2024	-	1,000,000	-	1,000,000
SHENZHEN LOGAN HLD (REG) VAR 19AUG2020	1,500,000	-	-	1,500,000
TONGWEI STP CONV 18MAR2025	1,500,000	-	1,500,000	-
TZ JIAOJIANG ST OWN AST SER EXCH (REG) 7.46% 13SEP2020	3,067,000	-	-	3,067,000