

**TAIPING INVESTMENT FUND
- TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND**

**Unaudited Interim Report
For the period from 1 January 2021 to 30 June 2021**

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

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TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

MANAGEMENT AND ADMINISTRATION

Directors of the Manager

Ma Yong (appointed on 17 March 2020 and resigned on 29 March 2021)

Wang Heqian (resigned on 15 July 2020)

Yao Peng (appointed on 23 November 2020)

Li Hao (resigned on 23 November 2020, re-appointed on 29 March 2021)

Chen Dongxia (appointed on 29 March 2021)

Chen Rui (appointed on 29 March 2021)

Manager

Taiping Assets Management (HK) Company Limited

Unit 1-2, 19th Floor,

18 King Wah Road,

North Point,

Hong Kong

Trustee and Registrar

BOCI-Prudential Trustee Limited

15/F

1501-1507 & 1513-1516

1111 King's Road

Taikoo Shing

Hong Kong

Auditor

PricewaterhouseCoopers

22/F, Prince's Building

Hong Kong

Custodian

Bank of China (Hong Kong) Limited

14/F Bank of China Tower

1 Garden Road

Legal Advisors to the Manager

Deacons

5/F, Alexandra House

18 Chater Road

REPORT OF THE MANAGER TO THE UNITHOLDERS

Market review

For the first half year of 2021, although stimulated by good news such as the launch of the COVID vaccine, the Hang Seng Index once exceeded a high position of 31,000 points, the market was still volatile. Chinese authorities have further tightened industry regulatory policies, referring to anti-monopoly e-commerce platforms which dragged down the performance of technology stocks. Hong Kong stock market underperformed US markets and China A share markets in the first half year, with a return of 5.9% of Hang Seng Index. By the end of June, performance of the Sub-Fund was 5.1%.

In industry level, new energy, property management, healthcare and raw materials plays have performed more prominently in the first half of the year. In addition to focus on stocks related to national policies, other key factors are required to be concerned in the second half of this year, including the latest inflation data. Central banks of various countries have introduced quantitative easing monetary policies with different strengths to stimulate the economy and derive up the asset prices. When the epidemic subsides and economic activates return back to normal, if inflation continues to rise, central banks may increase

The market concerns about policy visibility have risen significantly. Going forward, we will keep a watchful eye on market liquidity and policy risk. The portfolio manager will avoid the sectors that are facing regulatory headwinds and adjust portfolio structure. We will keep balanced allocation between growth stocks and value stocks and still favor on quality new economy leaders with reasonable valuation and focus on policy preferred and domestic demanded-related stocks (consumer, biotech, hardware, auto sector) with stable fundamental and as well as new energy sector.

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF FINANCIAL POSITION (Unaudited)

As at 30 June 2021

	(Unaudited) As at 30 June 2021 HK\$	(Audited) As at 31 December 2020 HK\$
ASSETS		
Financial assets at fair value through profit or loss	430,174,211	427,298,425
Cash and cash equivalent	63,205,700	34,503,016
Dividend receivables	2,258,943	-
Amounts due from brokers	19,578,990	-
Other receivables	14,699	14,672
	<hr/>	<hr/>
Total Assets	<u>515,232,543</u>	<u>461,816,113</u>
LIABILITIES		
Amounts due to brokers	(5,837,538)	-
Other payables	(1,211,687)	(1,243,471)
	<hr/>	<hr/>
Total Liabilities	<u>(7,049,225)</u>	<u>(1,243,471)</u>
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NET ASSET ATTRIBUTABLE TO UNITHOLDERS	<u>508,183,318</u>	<u>460,572,642</u>
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TOTAL EQUITY AND LIABILITIES	<u>508,183,318</u>	<u>460,572,642</u>
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- Class B Units	<u>4,914,281</u>	<u>4,680,735</u>
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NET ASSET VALUE PER UNIT		
- Class B Units	<u>103.41</u>	<u>98.40</u>
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TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For the period ended 30 June 2021

	01 January 2021 to 30 June 2021 HK\$	01 January 2020 to 31 December 2020 HK\$
INCOME		
Net unrealized (losses)/ gains on financial assets at fair value through profit or loss	(43,712,522)	102,616,112
Net realized gains/(losses) on financial assets at fair value through profit or loss	68,505,193	(30,590,363)
Foreign exchange differences, net	(620,655)	(149,856)
Dividend income	5,431,034	8,953,047
Interest income	643	8,761
Total (loss)/income	<u>29,603,693</u>	<u>80,837,701</u>
EXPENSES		
Management fee	(3,797,506)	(5,798,126)
Transaction fees (Note 1)	(1,713,078)	(2,490,723)
Trustee and administration fee	(346,390)	(545,677)
Auditors' remuneration	(131,600)	(243,360)
Bank charges	(660)	(480)
Other expenses (Note 2)	(90,518)	(110,683)
Total operating expenses	<u>(6,079,752)</u>	<u>(9,189,049)</u>
 (Loss)/income before tax	 23,523,941	 71,648,652
Withholding taxes	<u>(349,537)</u>	<u>(588,994)</u>
 TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	 <u>23,174,404</u>	 <u>71,059,658</u>

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME (Continued) (Unaudited)

For the period ended 30 June 2021

Note 1: During the period ended 30 June 2021 and the year ended 2020, Transaction fees paid to its Connected Person of Manager/Trustee were as follows:

	01 January 2021 to 30 June 2021	01 January 2020 to 31 December 2020
	HK\$	HK\$
Connected Person of Manager Taiping Securities (HK) Co., Ltd		
- Transaction Fees	5,479	142,195
Connected Person of Trustee BOCI Securities Limited		
- Transaction Fees	50,077	-

Note 2: During the period ended 30 June 2021 and the year ended 2020, Other expenses paid to its Connected Person of Trustee were as follows:

	01 January 2021 to 30 June 2021	01 January 2020 to 31 December 2020
	HK\$	HK\$
Connected Person of Trustee BOCI Prudential Trustee Limited		
- Accounting Fee	10,000	-

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (Unaudited)

For the period ended 30 June 2021

	Number of units	HK\$
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 1 January 2020	4,680,735	389,512,984
Subscription of units during the year	-	-
Redemption of units during the year	-	-
Distributions to unitholders	-	-
Total comprehensive income/(loss) for the period		71,059,658
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS 31 December 2020	<u>4,680,735</u>	<u>460,572,642</u>
Subscription of units during the year	233,546	24,436,272
Redemption of units during the year	-	-
Distributions to unitholders	-	-
Total comprehensive income/(loss) for the period		23,174,404
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS 30 June 2021	<u><u>4,914,281</u></u>	<u><u>508,183,318</u></u>

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2021

	Holdings	Fair value HK\$	% of Net Assets
<u>LISTED EQUITY SECURITIES</u>			
<i>China</i>			
INNER MONGOLIA YILI INDUSTRIAL GROUP CO LTD-A	278,717	12,333,574	2.43%
JIANGSU HENGRUI MEDICINE CO LTD-A	123,740	10,105,345	1.99%
KWEICHOW MOUTAI CO LTD-A	2,100	5,189,363	1.02%
		27,628,282	5.44%
<i>Hong Kong</i>			
AIA GROUP LTD	212,600	20,515,900	4.03%
ALIBABA GROUP HLDG LTD	170,300	37,466,000	7.36%
ANTA SPORTS PRODUCTS LTD	51,000	9,322,800	1.83%
CHINA CONSTRUCTION BANK CORP-H	3,274,000	20,004,140	3.94%
CHINA MENGNIU DAIRY CO LTD	282,000	13,239,900	2.61%
CHINA MERCHANTS BANK CO LTD-H	265,000	17,556,250	3.45%
CHINA PACIFIC INSURANCE (GROUP) CO-H	403,000	9,853,350	1.94%
CHINA RESOURCES BEER HLDGS CO LTD	194,000	13,531,500	2.66%
CHINA RESOURCES LAND LTD	300,000	9,435,000	1.86%
CHINA RESOURCES POWER HLDGS CO	550,000	5,830,000	1.15%
CHINA SHENHUA ENERGY CO LTD-H	748,500	11,392,170	2.24%
FUYAO GLASS INDUSTRY GROUP CO LTD-H	243,200	13,303,040	2.62%
GEELY AUTOMOBILE HLDGS LTD	540,000	13,203,000	2.60%
HONG KONG EXCHANGES & CLEARING LTD	42,900	19,854,120	3.91%
INNOVENT BIOLOGICS INC (B)	86,500	7,832,575	1.54%
MEITUAN-CLASS B	44,500	14,257,800	2.81%
MICROPORT SCIENTIFIC CORP	144,000	10,029,600	1.97%
NETEASE INC	106,000	18,645,400	3.67%
POSTAL SAVINGS BANK OF CHINA CO LTD-H	2,094,000	10,951,620	2.16%
POWER ASSETS HLDGS LTD	167,000	7,957,550	1.57%
SHENZHOU INTL GROUP HLDGS LTD	57,900	11,354,190	2.23%
SUN HUNG KAI PROPERTIES LTD	88,000	10,181,600	2.00%
SUNNY OPTICAL TECHNOLOGY GROUP CO LTD	54,700	13,423,380	2.64%
TENCENT HLDGS LTD	74,100	43,274,400	8.52%
WUXI BIOLOGICS CAYMAN INC	66,000	9,391,800	1.85%
XIAOMI CORP-CLASS B SHARE	282,800	7,635,600	1.50%
		379,442,685	74.66%
<u>LISTED EXCHANGE-TRADED FUND</u>			
<i>Hong Kong</i>			
CSOP HANG SENG TECH INDEX ETF	1,919,200	15,487,944	3.05%
LINK REAL ESTATE INVESTMENT TRUST	101,200	7,615,300	1.50%
		23,103,244	4.55%
Total investments, at fair value		430,174,211	84.65%
Other net assets		78,009,107	15.35%
Net assets as at 30 June 2021		508,183,318	100.00%
Total investments, at cost		387,879,295	

Note: Investment are accounted for on a trade date basis

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF MOVEMENT IN PORTFOLIO HOLDINGS (Unaudited)

	At 1 January 2021	Additions	Disposals	At 30 June 2021
LISTED EQUITY SECURITIES				
<i>China</i>				
CHINA JUSHI CO LTD-A	-	397,668	(397,668)	-
INNER MONGOLIA YILI INDUSTRIAL GROUP CO LTD-A	-	278,717	-	278,717
JIANGSU HENGRUI MEDICINE CO LTD-A	-	123,740	-	123,740
KWEICHOW MOUTAI CO LTD-A	-	2,100	-	2,100
<i>Hong Kong</i>				
AIA GROUP LTD	194,800	101,400	(83,600)	212,600
ALIBABA GROUP HLDG LTD	159,300	89,600	(78,600)	170,300
ALUMINUM CORP OF CHINA LTD-H	2,048,000	490,000	(2,538,000)	-
ANHUI CONCH CEMENT CO LTD-H	-	196,000	(196,000)	-
ANTA SPORTS PRODUCTS LTD	-	51,000	-	51,000
BYD CO LTD-H	-	39,500	(39,500)	-
CHINA CONSTRUCTION BANK CORP-H	2,178,000	1,658,000	(562,000)	3,274,000
CHINA MENGNIU DAIRY CO LTD	-	353,000	(71,000)	282,000
CHINA MERCHANTS BANK CO LTD-H	436,500	40,000	(211,500)	265,000
CHINA MOBILE LTD	-	227,500	(227,500)	-
CHINA OVERSEAS LAND & INVESTMENT LTD	-	459,500	(459,500)	-
CHINA PACIFIC INSURANCE (GROUP) CO-H	-	521,200	(118,200)	403,000
CHINA RESOURCES BEER HLDGS CO LTD	94,000	100,000	-	194,000
CHINA RESOURCES LAND LTD	-	336,000	(36,000)	300,000
CHINA RESOURCES MIXC LIFESTYLE SERVICES LTD	216,600	-	(216,600)	-
CHINA RESOURCES POWER HLDGS CO	-	716,000	(166,000)	550,000
CHINA SHENHUA ENERGY CO LTD-H	-	748,500	-	748,500
CIFI HLDGS GROUP CO LTD	1,978,000	-	(1,978,000)	-
FUYAO GLASS INDUSTRY GROUP CO LTD-H	-	301,600	(58,400)	243,200
GEELY AUTOMOBILE HLDGS LTD	-	575,000	(35,000)	540,000
HAINAN MEILAN INTL AIRPORT CO LTD-H	67,000	89,000	(156,000)	-
HONG KONG EXCHANGES & CLEARING LTD	43,000	21,200	(21,300)	42,900
HSBC HLDGS PLC	-	668,400	(668,400)	-
INDUSTRIAL & COMMERCIAL BK OF CHINA-H	-	1,557,000	(1,557,000)	-
INNOVENT BIOLOGICS INC (B)	78,000	98,500	(90,000)	86,500
JD.COM INC	78,550	13,850	(92,400)	-
JIANGXI COPPER CO LTD-H	557,000	-	(557,000)	-
JIUMAOJIU INTL HLDGS LTD	261,000	-	(261,000)	-
KUAISHOU TECHNOLOGY	-	59,400	(59,400)	-
MEITUAN-CLASS B	78,900	47,700	(82,100)	44,500
MICROPORT SCIENTIFIC CORP	-	144,000	-	144,000
NETEASE INC	113,400	106,000	(113,400)	106,000
NEW CHINA LIFE INSURANCE CO LTD-H	585,600	-	(585,600)	-
PING AN INSURANCE GROUP CO OF CHINA LTD-H	-	216,000	(216,000)	-
POSTAL SAVINGS BANK OF CHINA CO LTD-H	-	3,712,000	(1,618,000)	2,094,000
POWER ASSETS HLDGS LTD	-	192,000	(25,000)	167,000
SHENZHOU INTL GROUP HLDGS LTD	96,000	5,800	(43,900)	57,900
SINO BIOPHARMACEUTICAL LTD	1,598,500	-	(1,598,500)	-
SMOORE INTL HLDGS LTD	272,000	-	(272,000)	-
SUN HUNG KAI PROPERTIES LTD	-	88,000	-	88,000
SUNNY OPTICAL TECHNOLOGY GROUP CO LTD	100,100	29,800	(75,200)	54,700
TECHTRONIC INDUSTRIES CO LTD	-	110,000	(110,000)	-
TENCENT HLDGS LTD	70,400	16,900	(13,200)	74,100
TSINGTAO BREWERY CO LTD-H	56,000	22,000	(78,000)	-
WEICHAI POWER CO LTD-H	-	646,000	(646,000)	-
WUXI BIOLOGICS CAYMAN INC	-	113,500	(47,500)	66,000
XIABUXIABU CATERING MANAGEMENT CHINA HLDGS CO LTD	662,000	-	(662,000)	-

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

STATEMENT OF MOVEMENT IN PORTFOLIO HOLDINGS (Continued) (Unaudited)

	At 1 January 2021	Additions	Disposals	At 30 June 2021
<u>LISTED EQUITY SECURITIES</u>				
<i>Hong Kong</i>				
XIAOMI CORP-CLASS B SHARE	538,000	398,800	(654,000)	282,800
ZIJIN MINING GROUP CO LTD-H	1,094,000	322,000	(1,416,000)	-
ZTO EXPRESS CAYMAN INC	26,100	44,500	(70,600)	-
 <i>United States of America</i>				
BAIDU INC-ADR	10,818	-	(10,818)	-
BILIBILI INC-ADR	18,330	-	(18,330)	-
 <u>LISTED EXCHANGE-TRADED FUND</u>				
<i>Hong Kong</i>				
CSOP HANG SENG TECH INDEX ETF	-	3,537,800	(1,618,600)	1,919,200
LINK REAL ESTATE INVESTMENT TRUST	-	101,200	-	101,200

TAIPING INVESTMENT FUND - TAIPING GREATER CHINA NEW MOMENTUM EQUITY FUND

PERFORMANCE TABLE (Unaudited)

As at 30 June 2021

Net Asset Value

	Total net asset value HK\$	Net asset value per Class B Unit HK\$
As at 30 June 2021	508,183,318	103.41
As at 31 December 2020	460,572,642	98.40
As at 31 December 2019	389,512,984	83.22
As at 31 December 2018	350,644,184	74.00
As at 31 December 2017	416,999,862	93.66
As at 31 December 2016	511,963,354	83.10
As at 31 December 2015	661,623,756	90.64

Highest and lowest net asset value per unit

Financial year/Period	Class A Units		Class B Units	
	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Period ended 30 June 2021			121.85	99.24
Year ended 31 December 2020			98.40	66.88
Year ended 31 December 2019			88.21	71.49
Year ended 31 December 2018			105.50	72.60
Year ended 31 December 2017			100.32	82.81
Year ended 31 December 2016	-	-	89.51	77.52
Year ended 31 December 2015	-	-	127.22	88.24
Year ended 31 December 2014	98.64*	79.72*	104.85	99.44
Year ended 31 December 2013	94.51	75.25	-	-
Year ended 31 December 2012	101.47	82.20	-	-
Year ended 31 December 2011	119.38	80.23	-	-
Year ended 31 December 2010	122.57	95.59		

* All Class A units have been converted to Class B units by unitholders by 24 December 2014.

Note: The unaudited interim financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong ("SFC"). The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020, as described in the annual financial statements.