

HUAAN AGGREGATE CHINA BOND FUND

(A Sub-fund of HuaAn Aggregate Fund Series established in Hong Kong)

UNAUDITED INTERIM REPORT

FOR THE PERIOD FROM

1 JANUARY 2015

TO 30 JUNE 2015

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IMPORTANT:

For more information about the Fund,
please refer to the prospectus of the Fund which is available at our website: <http://www.huaan.com.hk>
Investors should not rely on the information contained in this report for their investment decisions.

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MANAGEMENT AND ADMINISTRATION**Directors of the Manager**

HE Yizhi
TONG Wei
XU Nuo
ZHU Xuehua

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Global Custodian

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PRC Sub-Custodian

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No. 1, Fuxingmen Nei Dajie
Beijing 100818
China

Auditor

PricewaterhouseCoopers
21/F, Edinburgh Tower
15 Queen's Road Central
Hong Kong

Trustee and Registrar

BOCI-Prudential Trustee Limited
12/F & 25/F, Citicorp Centre
18 Whitfield Road
Causeway Bay
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Legal Advisor

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Clifford Chance
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China

PRC Investment Advisor

HuaAn Fund Management Company Limited
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8 Century Avenue Shanghai China

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STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2015

	30 June 2015	31 December 2014
	RMB	RMB
ASSETS		
Non- Current Assets		
Deposit Reserve	95,257	104,175
Current Assets		
Financial assets at fair value through profit or loss	392,268,310	435,395,825
Interest receivable	9,978,103	8,309,883
Prepayments, Deposits and other receivables	17,488	4,026
Cash and cash equivalents	21,689,543	1,794,605
	<u>423,953,444</u>	<u>445,504,339</u>
TOTAL ASSETS	<u>424,048,701</u>	<u>445,608,514</u>
LIABILITIES		
Non- Current Liabilities		
Deferred tax liability	848,112	391,654
Current Liabilities		
Management fee payable	218,579	236,905
Accounts payable and accrued expenses	149,127	248,848
Provision for taxation	7,291,524	7,406,729
	<u>7,659,230</u>	<u>7,892,482</u>
TOTAL LIABILITIES (excluding net assets attributable to unitholders)	<u>8,507,342</u>	<u>8,284,136</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>415,541,359</u>	<u>437,324,378</u>
TOTAL EQUITY	<u>415,541,359</u>	<u>437,324,378</u>
UNITS IN ISSUE		
Class A	1,039,8253	1,039,8253
Class I	3,993,124.9319	4,284,124.9319
NET ASSET VALUE PER UNIT		
Class A	101.92	100.29
Class I	104.04	102.06

HUAAN AGGREGATE CHINA BOND FUND*(A Sub-fund of HuaAn Aggregate Fund Series established in Hong Kong)***STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015**

	For the period from 1 January 2015 to 30 June 2015	Year ended 31 December 2014
	RMB	RMB
INCOME		
Interest income	8,829,587	21,024,569
Net changes in fair value on financial assets at fair value through profit or loss	1,608,500	3,752,019
Other income	-	-
TOTAL INVESTMENT INCOME	<u>10,438,087</u>	<u>24,776,588</u>
EXPENSES		
Management fee	(1,267,168)	(2,400,237)
Trustee fee	(286,826)	(567,666)
Custodian fee	(156,820)	(286,732)
Auditors' remuneration	(99,210)	(214,831)
Formation costs	-	-
Transaction costs	(5,363)	(58,871)
Legal and other professional fee	(61,497)	(697,009)
Other operating expenses	(27,989)	(60,777)
TOTAL OPERATING EXPENSES	<u>(1,904,873)</u>	<u>(4,286,123)</u>
PROFIT BEFORE TAX	8,533,214	20,490,465
Taxation	(341,733)	(1,344,606)
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	<u>8,191,481</u>	<u>19,145,859</u>

HUAAN AGGREGATE CHINA BOND FUND

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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015**

	For the period from 1 January 2015 to 30 June 2015 RMB	Year ended 31 December 2014 RMB
Net assets attributable to unitholders at the beginning of the period / year	437,324,378	28,796,010
Proceeds on issue of units	-	417,894,357
Payments on redemption of units	(29,974,500)	(28,511,848)
Net (decrease) / increase from unit transactions	(29,974,500)	389,382,509
Increase in net assets attributable to unitholders from operations	8,191,481	19,145,859
Net assets attributable to unitholders at the end of the period / year	<u>415,541,359</u>	<u>437,324,378</u>

	For the period from 1 January 2015 to 30 June 2015	Year ended 31 December 2014
Units in issue at the beginning of the period / year	4,285,164.7572	293,132.1839
Issue of units		
-Class A	-	1,039.8253
-Class I	-	4,284,124.9319
Redemption of units		
-Class A	-	(1,000.0000)
-Class I	(291,000.0000)	(292,132.1839)
Units in issue at the end of the period / year	<u>3,994,164.7572</u>	<u>4,285,164.7572</u>

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PERFORMANCE RECORD (UNAUDITED)

	Highest Net Asset Value per unit RMB		Lowest Net Asset Value per unit RMB	
	Class A	Class I	Class A	Class I
For the period from 1 January 2015 to 30 June 2015	101.97	104.05	100.32	102.10
For the period from 1 January 2014 to 31 December 2014	100.36	102.06	95.99	97.10

HUAAN AGGREGATE CHINA BOND FUND

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PERFORMANCE TABLE (UNAUDITED)**NET ASSET VALUES**

	Net Asset Value per unit RMB		Total Net Asset Value RMB	
	Class A	Class I	Class A	Class I
As at 30 June 2015	101.92	104.04	105,982	415,435,377
As at 31 December 2014	100.29	102.06	104,280	437,220,098

HUAAN AGGREGATE CHINA BOND FUND*(A Sub-fund of HuaAn Aggregate Fund Series established in Hong Kong)***INVESTMENT PORTFOLIO (UNAUDITED)****AS AT 30 JUNE 2015**

	Nominal Value RMB	Market Value RMB	% of Net Assets
<u>Non-listed debt securities</u>			
China			
AGRICULTURAL DEVELOPMENT BANK OF CHINA 3.68% A 27FEB2016	30,000,000	30,182,730	7.26%
AGRICULTURAL DEVELOPMENT BANK OF CHINA 4.68% A 16OCT2015	40,000,000	40,276,120	9.69%
AGRICULTURAL DEVELOPMENT BANK OF CHINA 5.35% A 09DEC2015	40,000,000	40,495,920	9.75%
CHINA ACADEMY OF TELECOM TECHNOLOGY 4.15% A 14AUG2015	10,000,000	10,002,400	2.41%
CHINA DEVELOPMENT BANK CORP 3.39% A 09JUL2015	40,000,000	40,011,320	9.63%
CHINA DEVELOPMENT BANK CORP 3.8934% A 10JAN2016	60,000,000	60,356,760	14.54%
CHINA NATIONAL GOLD GROUP CORP 4.67% A 06NOV2015	10,000,000	10,034,230	2.41%
CHINA POWER INVESTMENT CORP 4.49% A 26FEB2016	20,000,000	20,122,540	4.84%
CHINA SOUTHERN POWER GRID CO LTD 4.42% A 26NOV2015	10,000,000	10,040,110	2.42%
EXPORT-IMPORT BANK OF CHINA 3.62% A 08MAR2016	20,000,000	20,117,600	4.84%
EXPORT-IMPORT BANK OF CHINA 3.98% A 17DEC2015	20,000,000	20,132,300	4.84%
EXPORT-IMPORT BANK OF CHINA 4.196% A 06AUG2015	40,000,000	40,071,000	9.64%
EXPORT-IMPORT BANK OF CHINA 4.82% A 24OCT2015	40,000,000	40,311,760	9.70%
SHENHUA GROUP CORP LTD 5.14% A 11MAR2016	10,000,000	10,113,520	2.43%
Total debt securities		<u>392,268,310</u>	94.40%
Total investment		392,268,310	94.40%
Other net assets		23,273,049	5.60%
Total net assets as at 30 June 2015		<u>415,541,359</u>	100.00%
Total investments, at cost		<u>383,868,611</u>	

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**STATEMENT OF MOVEMENT IN PORTFOLIO HOLDINGS (UNAUDITED)
AS AT 30 JUNE 2015**

	1 January 2015	Additions	Holding		30 June 2015
			Bonus Share	Deductions	
Investments					
<u>Non-listed debt securities</u>					
China					
AGRICULTURAL DEVELOPMENT BANK OF CHINA 3.68% A 27FEB2016	-	300,000	-	-	300,000
AGRICULTURAL DEVELOPMENT BANK OF CHINA 4.68% A 16OCT2015	400,000	-	-	-	400,000
AGRICULTURAL DEVELOPMENT BANK OF CHINA 5.35% A 09DEC2015	400,000	-	-	-	400,000
AGRICULTURAL DEVELOPMENT BANK OF CHINA CO LTD 3.15% A 14MAY2015	300,000	-	-	(300,000)	-
CHINA ACADEMY OF TELECOM TECHNOLOGY 4.15% A 14AUG2015	100,000	-	-	-	100,000
CHINA DATANG CORP 4.75% A 21APR2015	100,000	-	-	(100,000)	-
CHINA DEVELOPMENT BANK CORP 3.39% A 09JUL2015	400,000	-	-	-	400,000
CHINA DEVELOPMENT BANK CORP 3.8934% A 10JAN2016	600,000	-	-	-	600,000
CHINA DEVELOPMENT BANK CORP 4.09% A 09JUN2015	100,000	-	-	(100,000)	-
CHINA HUANENG GROUP CORP 4.5% A 02APR2015	100,000	-	-	(100,000)	-
CHINA NATIONAL CHEMICAL CORP 4.13% A 09JUN2015	100,000	-	-	(100,000)	-
CHINA NATIONAL GOLD GROUP CORP 4.67% A 06NOV2015	-	100,000	-	-	100,000
CHINA NATIONAL PETROLEUM CORP 4.09% A 29APR2015	150,000	-	-	(150,000)	-
CHINA POWER INVESTMENT CORP 4.49% A 26FEB2016	200,000	-	-	-	200,000
CHINA SOUTHERN POWER GRID CO LTD 4.42% A 26NOV2015	100,000	-	-	-	100,000
EXPORT-IMPORT BANK OF CHINA 3.62% A 08MAR2016	200,000	-	-	-	200,000
EXPORT-IMPORT BANK OF CHINA 3.98% A 17DEC2015	200,000	-	-	-	200,000
EXPORT-IMPORT BANK OF CHINA 4.196% A 06AUG2015	400,000	-	-	-	400,000
EXPORT-IMPORT BANK OF CHINA 4.82% A 24OCT2015	400,000	-	-	-	400,000
SHENHUA GROUP CORP LTD 5.14% A 11MAR2016	100,000	-	-	-	100,000