

PING AN OF CHINA SIF – RMB BOND FUND

(A sub-fund of PING AN OF CHINA SELECT INVESTMENT FUND SERIES, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Audited Financial Statements

30 June 2015

中国平安 PING AN

保險 · 銀行 · 投資

Fund Manager



中国平安资产管理(香港)
PING AN OF CHINA ASSET MANAGEMENT (HONG KONG)

Audited Financial Statements

PING AN OF CHINA SIF – RMB BOND FUND
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IMPORTANT:

The report is available in English only.

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about the fund, please refer to the explanatory memorandum of the fund which is available at our website: <http://asset.pingan.com.hk>.

Investors should not rely on the information contained in this report for their investment decisions.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

MANAGEMENT AND ADMINISTRATION

MANAGER

Ping An of China Asset Management (Hong Kong)
Company Limited
Suites 1106-1110
11/F, Chater House
8 Connaught Road Central
Hong Kong

DIRECTORS OF THE MANAGER

Cai Fangfang
Chan Tak Yin
Gao Peng
Huang Yong
Tung Hoi
Wan Fang
Yao Jun
Yao Jason Bo
Yu Wenjie
Tan Sin Yin
Tornberg Martin (Resigned on 31 August 2015)
Chang Jack P (Appointed on 2 February 2015)
Mak Nixon Kim Ho (Appointed on 31 August 2015)

SOLICITORS TO THE MANAGER

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

TRUSTEE AND REGISTRAR

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

AUDITORS

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

CUSTODIAN

Bank of China (Hong Kong) Limited
14/F, Bank of China Tower
1 Garden Road
Hong Kong

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

Ping An of China SIF – RMB Bond Fund (“the Sub-Fund”) is a sub-fund of the Ping An of China Select Investment Fund Series, an open-ended unit trust established as an umbrella fund pursuant to the trust deed (the “Trust Deed”) and governed by the laws of Hong Kong. The Sub-Fund aims to provide total returns comprised of interest income and capital growth and invests in offshore RMB denominated (CNH) debt securities issued or distributed outside mainland China by government, quasi-government organizations, financial institutions, and multinational organizations. The Sub-Fund has been authorized by the SFC pursuant to Section 104 of the SFO.

Bond market review and comment

In the second half of 2014, the performance of the CNH bonds was limited by the slowing economic growth concerns in China. But in order to turn around the economy, and given the weak economic growth, high financing costs and a deflationary environment, PBoC announced its first interest rate cut since 2012. Using HSBC Dim Sum bond index as reference, overall yields widened from 4.09% in June 2014 to 4.54% in Dec 2014, while high yield bonds widened from 5.61% to 6.40% during the same period.

The dim sum bond market was weak generally in the first half of 2015. Furthermore, concerns of CNH depreciation and default risk from Kaisa (a Chinese property developer) have also weighed on dim sum bonds performance. It has triggered a sell-off in high yield bonds not only in Chinese developers but across other sectors as well. In June 2015, the sell-off in SHCOMP has negatively impacted to the overall sentiment towards Chinese assets. On 11 Aug 2015, the PBOC announced a one-off devaluation of the CNY central-parity fixing and a reform to the daily fixing mechanism, this has immediately triggered capital outflows from China and CNH assets until recently.

During first half of 2015, overall yields tightened by 37bps based on the HSBC Dim Sum bond index. However, after the one-off devaluation by the PBoC, the overall yields widened by 111bps to 5.27% in 2-month time from June to August 2015, while high yield bonds widened by 263bps to 8.54% during the same period.

Investment strategy

Economic activity remains weak, but the downward momentum seems to have been contained. The FX market has exhibited more volatility as the PBoC appears to have allowed USD-CNY to be more market-oriented. There is risk that financial market fluctuations will feed back into the real economy, threatening the official growth target of around 7%. Given the loss of confidence in the government’s handling of recent stock market events, we think it will take more aggressive policies to re-establish credibility to support growth. We expect to see a more accommodative fiscal policy, increasing funding from policy banks, and targeted loosening measures on certain sectors and a further rate cut to help stabilize growth and maintain adequate liquidity in the coming months. On funding and liquidity, we do not expect to see primary issuance in the coming month especially from Chinese issuers, as they turned to the onshore market due to cheaper funding costs. Therefore we expect the demand for secondary bonds are technically supported, and we continued to favor Chinese issuers, especially for those who had CSRC approval to issue onshore bonds and those bonds with shorter tenor.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Performance of the Sub-Fund

As at 30 June 2015 (the “last valuation date”), total size of the Sub-Fund was approximately RMB 486.81 million. Net Asset Value (“NAV”) of our three currency classes are set forth below:

The NAV of Class A RMB per unit was RMB99.51 including dividend distributions of RMB1.55 per unit on 15 June 2015. The total number of units issued was 4,768,913.61.

Total return performance (As at 30 June 2015)	1-month	3-month	6-month	12-month	Since Inception 28 April 2011
Ping An of China SIF – RMB Bond Fund - Class A RMB	0.58%	3.66%	2.97%	3.71%	14.79%

The NAV of Class A HKD per unit was HKD97.53 including dividend distributions of HKD1.52 per unit on 15 June 2015. The total number of units issued was 6,975.81.

Total return performance (As at 30 June 2015)	1-month	3-month	6-month	12-month	Since Inception 1 March 2013
Ping An of China SIF – RMB Bond Fund - Class A HKD	0.54%	3.62%	3.27%	3.73%	8.80%

The NAV of Class A USD per unit was USD9.67 including dividend distributions of USD0.15 per unit on 15 June 2015. The total number of units issued was 194,976.01.

Total return performance (As at 30 June 2015)	1-month	3-month	6-month	12-month	Since Inception 1 March 2013
Ping An of China SIF – RMB Bond Fund - Class A USD	0.51%	3.70%	3.26%	3.66%	8.79%

Notes:

1. Past performance figures shown are not indicative of the future performance of the Sub-Fund.
2. Returns are calculated on a NAV-to-NAV basis, with dividend reinvested.
3. SFC authorization is not a recommendation or endorsement of the Sub-Fund nor does it guarantee the commercial merits of the Sub-Fund or its performance. It does not mean the Sub-Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager, Ping An of China Asset Management (Hong Kong) Company Limited, has, in all material respects, managed Ping An of China SIF – RMB Bond Fund (a sub-fund of Ping An of China Select Investment Fund Series) for the year ended 30 June 2015 in accordance with the provisions of the Trust Deed dated 11 April 2011, as amended by supplemental deeds dated 11 April 2011, 4 February 2014, 7 March 2014 and 25 April 2014 (together the “Trust Deed”).

On behalf of
BOCI-Prudential Trustee Limited, the Trustee

26 October 2015

Independent auditors' report

To the unitholders of Ping An of China SIF – RMB Bond Fund (a sub-fund of Ping An of China Select Investment Fund Series, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

We have audited the financial statements of Ping An of China SIF – RMB Bond Fund (the “Sub-Fund”) of Ping An of China Select Investment Fund Series set out on pages 7 to 32, which comprise the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders, the statement of distribution and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee's and Manager's Responsibility for the Financial Statements

The Trustee and the Manager of the Sub-Fund are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Trustee and the Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In addition, the Trustee and the Manager also have a responsibility to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed of the Sub-Fund dated 11 April 2011, as amended by supplemental deeds dated 11 April 2011, 4 February 2014, 7 March 2014 and 25 April 2014 (together the “Trust Deed”), and the disclosure requirements specified in Appendix E to the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (the “SFC Code”).

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made 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.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, and whether the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed and the disclosure requirements specified in Appendix E to the SFC Code.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee and the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent auditors' report (continued)

To the unitholders of Ping An of China SIF – RMB Bond Fund

**(a sub-fund of Ping An of China Select Investment Fund Series,
an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)**

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Sub-Funds' affairs as at 30 June 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

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 the disclosure requirements specified in Appendix E to the SFC Code.

Hong Kong
26 October 2015

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Notes	2015 RMB	2014 RMB
ASSETS			
Prepayments		4,841	4,719
Amount due from brokers	7	16,141,175	-
Interest receivable on financial assets		6,847,589	12,316,346
Dividend receivable on financial assets		1,001,096	-
Subscription proceeds receivable		200,495	5,624,516
Financial assets at fair value through profit or loss	8	453,884,860	854,875,539
Cash and cash equivalents	9	<u>54,851,236</u>	<u>71,665,131</u>
TOTAL ASSETS		<u>532,931,292</u>	<u>944,486,251</u>
LIABILITIES			
Amount due to brokers	10	35,067,534	-
Redemption proceeds payable		2,260,114	3,358,231
Management fee payable	4	851,561	791,027
Trustee fee payable	4	58,207	108,052
Distribution payable to unitholders	6	7,737,816	20,370,977
Accrued expenses and other payables		<u>141,351</u>	<u>149,369</u>
TOTAL LIABILITIES		<u>46,116,583</u>	<u>24,777,656</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	11	<u>486,814,709</u>	<u>919,708,595</u>
NUMBER OF UNITS IN ISSUE (CLASS A RMB)			
NUMBER OF UNITS IN ISSUE (CLASS A RMB)	11	4,768,913.61	9,098,050.72
NUMBER OF UNITS IN ISSUE (CLASS A HKD)	11	6,975.81	14,196.21
NUMBER OF UNITS IN ISSUE (CLASS A USD)	11	194,976.01	187,988.38
NET ASSET VALUE PER UNIT (CLASS A RMB)			
NET ASSET VALUE PER UNIT (CLASS A RMB)	11	99.51	99.72
NET ASSET VALUE PER UNIT (CLASS A HKD)	11	97.53	97.71
NET ASSET VALUE PER UNIT (CLASS A USD)	11	9.67	9.69

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Manager

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Trustee

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2015

	Notes	2015 RMB	2014 RMB
INCOME			
Interest income on financial assets at fair value through profit or loss		39,207,515	51,788,014
Dividend income on financial assets at fair value through profit or loss		1,001,096	-
Interest income on bank deposits		746,668	1,331,681
Net gains/(losses) on financial assets at fair value through profit or loss	8	(12,148,091)	22,223,884
Other income		<u>262,500</u>	<u>-</u>
		<u>29,069,688</u>	<u>75,343,579</u>
EXPENSES			
Management fee	4	(6,713,588)	(10,205,379)
Trustee fee	4	(921,656)	(1,368,463)
Legal and professional fee		(18,227)	-
License fee		(9,542)	(9,816)
Custodian fee	4	(204,913)	(239,749)
Audit fee		(137,541)	(130,372)
Printing and publishing expenses		(81,973)	(130,148)
Brokerage fees and other transaction costs		(29,450)	(61,600)
Exchange loss		(64,143)	(68,793)
Other operating expenses		(26,694)	(41,017)
		<u>(8,207,727)</u>	<u>(12,255,337)</u>
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>20,861,961</u>	<u>63,088,242</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 30 June 2015

	Note	Year ended 30 June 2015 RMB	Year ended 30 June 2014 RMB
BALANCE BROUGHT FORWARD		<u>919,708,595</u>	<u>1,045,005,660</u>
Proceeds on issue of units		39,575,397	254,464,488
Payment on redemption of units		(469,656,126)	(403,165,574)
Net decrease from unit transactions		(430,080,729)	(148,701,086)
Total comprehensive income for the year		20,861,961	63,088,242
Distribution to unitholders	6	(23,675,118)	(39,684,221)
Net assets attributable to unitholders at 30 June		<u>486,814,709</u>	<u>919,708,595</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

STATEMENT OF DISTRIBUTION

	Notes	RMB
For the year ended 30 June 2014		
Total comprehensive income for the year		63,088,242
Less: Net change in unrealised gain/loss on financial assets at fair value through profit or loss	8	(20,035,038)
Undistributed income before distribution		43,053,204
Interim distribution distributed on 13 December 2013 (RMB1.80/HKD1.81/USD0.18 per unit)	6	(19,312,523)
Final distribution distributed on 16 June 2014 (RMB2.20/HKD2.15/USD0.21 per unit)	6	(20,371,698)
Transfer to capital		(3,368,983)
Undistributed income at 30 June 2014		<u><u>-</u></u>
For the year ended 30 June 2015		
Total comprehensive income for the year		20,861,961
Add: Net change in unrealised gain/loss on financial assets at fair value through profit or loss	8	<u>4,943,378</u> 25,805,339
Undistributed income before distribution		
Interim distribution distributed on 12 December 2014 (RMB2.30/HKD2.26/USD0.22 per unit)	6	(15,937,052)
Final distribution distributed on 15 June 2015 (RMB1.55/HKD1.52/USD0.15 per unit)	6	(7,738,066)
Transfer to capital		(2,130,221)
Undistributed income at 30 June 2015		<u><u>-</u></u>

The amount available for distribution is the net distributable income of the Sub-Fund in respect of the relevant year, that is total income ("Total Income") minus all expenses, subject to adjustments made in accordance with the Trust Deed. Total Income would include amount receivable by way of interests (e.g. generated from bank deposits and debt securities), dividends, or other receipts as determined by the Manager to be in the nature of income. Unrealised gains or losses do not form part of Total Income and therefore would not impact on the amount available for distribution. The Manager may at its discretion pay distributions out of the capital of the Sub-Fund or pay distributions out of gross income while charging/ paying all or part of the Sub-Fund's fees and expenses to/ out of the capital of the Sub-Fund. For the year ended 30 June 2015, the Sub-Fund has not paid distributions out of the capital of the Sub-Fund.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

	Notes	2015 RMB	2014 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		20,861,961	63,088,242
Adjustments for:			
Interest income on financial assets at fair value through profit or loss		(39,207,515)	(51,788,014)
Dividend income on financial assets at fair value through profit or loss		(1,001,096)	-
Interest income on bank deposits		(746,668)	(1,331,681)
Other income		(262,500)	-
Realised (gain)/loss on investment	8	7,204,713	(2,188,846)
Net change in unrealised gain/loss on investments	8	4,943,378	(20,035,038)
Purchases of financial assets at fair value through profit or loss		(443,010,628)	(572,735,372)
Sales of financial assets at fair value through profit or loss		850,779,575	730,558,906
(Increase) / decrease in prepayments		(122)	2,820
Increase / (decrease) in management fee payable		60,534	(43,543)
Decrease in trustee fee payable		(49,845)	(2,163)
Decrease in accrued expenses and other payables		(8,018)	(13,421)
Cash generated from operations		399,563,769	145,511,890
Interest received		45,685,440	54,556,399
Net cash flows from operating activities		<u>445,249,209</u>	<u>200,068,289</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		44,999,418	249,560,867
Payments for redemption of units		(470,754,243)	(401,644,673)
Distribution to unitholders		(36,308,279)	(45,947,039)
Net cash flows used in financing activities		<u>(462,063,104)</u>	<u>(198,030,845)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(16,813,895)	2,037,444
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		<u>71,665,131</u>	<u>69,627,687</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u><u>54,851,236</u></u>	<u><u>71,665,131</u></u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Bank balance		44,778,619	26,640,378
Short-term deposits		10,072,617	45,024,753
	9	<u><u>54,851,236</u></u>	<u><u>71,665,131</u></u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

1. THE SUB-FUND

Ping An of China Select Investment Fund Series (the “Trust”) was constituted as an open-ended unit trust established as an umbrella fund under the laws of Hong Kong pursuant to a trust deed dated 11 April 2011, as amended by supplemental deed dated 11 April 2011, 4 February 2014, 7 March 2014 and 25 April 2014 (together the “Trust Deed”) between Ping An of China Asset Management (Hong Kong) Company Limited (the “Manager”) and BOCI-Prudential Trustee Limited (the “Trustee”) (collectively referred to as the “Management”).

Ping An of China SIF - RMB Bond Fund (the “Sub-Fund”) was constituted as a separate sub-fund of the Trust on 11 April 2011. The initial RMB Share Class of the Sub-Fund was launched on 28 April 2011, with USD Share Class and HKD Share Class subsequently launched on 1 March 2013. The Sub-Fund is an open-ended unit trust and is authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the “SFC Code”). Authorisation by the SFC does not imply official approval or recommendation. The Sub-Fund was launched and incepted on 28 April 2011.

The investment objective of the Sub-Fund is to achieve long-term capital growth in RMB terms through investment in a portfolio consisting mainly of RMB denominated fixed rate debt instruments which will generate a steady flow of income for the Sub-Fund.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standard Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed 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.

They have been prepared on a historical cost basis, except for financial assets classified at fair value through profit or loss, that have been measured at fair value.

The financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest RMB except where otherwise indicated.

The preparation of financial statements in uniformity with IFRSs requires the use of certain critical accounting estimates. It also requires the Management to exercise their judgment in the process of applying the Sub-Fund’s accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 to the financial statements.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Sub-Fund has adopted the following new and revised IFRSs for the first time for the current year’s financial statements.

Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities*

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

Amendment to IFRS 13 included in <i>Annual Improvements 2010-2012 Cycle</i>	<i>Short-term Receivables and Payables</i>
Amendment to IFRS 1 included in <i>Annual Improvements 2011-2013 Cycle</i>	<i>Meaning of Effective IFRSs</i>
<i>Annual Improvements 2011-2013 Cycle</i>	<i>Amendments to a number of IFRSs</i>
<i>Annual Improvements 2012-2014 Cycle</i>	<i>Amendments to a number of IFRSs</i>

The adoption of these new and revised IFRSs have had no significant financial effect on these financial statements.

The IAS 32 Amendments clarify the meaning of “currently has a legally enforceable right to set off” for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in IAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments have had no impact on the Sub-Fund as the Sub-Fund does not have any offsetting arrangement.

The IFRS 13 Amendment clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has had no impact on the Sub-Fund.

Annual Improvements 2010-2012 Cycle

In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, which included an amendment to IFRS 13 Fair Value measurement. The amendment to IFRS 13 is effective immediately and, thus, for periods beginning at 1 January 2014, and it clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. This amendment to IFRS 13 has no impact on the Sub-Fund.

Annual Improvements 2011-2013 Cycle

In the 2011-2013 annual improvements cycle, the IASB issued four amendments to four standards, which included an amendment to IFRS1 First-time Adoption of International Financial Reporting Standards. The amendment to IFRS 1 is effective immediately and, thus, for periods beginning at 1 January 2014, and clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the Sub-Fund first IFRS financial statements. This amendment to IFRS 1 has no impact on the Sub-Fund.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Sub-Fund has not applied the following new and revised IFRS that has been issued but is not yet effective, in these financial statements.

IFRS 9	<i>Financial Instruments²</i>
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

Annual Improvements Amendments to a number of IFRSs¹
2012-2014 Cycle

¹ Effective for annual periods beginning on or after 1 January 2016

² Effective for annual periods beginning on or after 1 January 2018

IFRS 9 – Financial Instruments: Classification and Measurement

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

Early application of previous versions of IFRS 9 (2009, 2010, and 2013) is permitted if the date of initial application is before 1 February 2015. The new standard is not expected to have a significant impact on the financial statements of the Sub-Fund.

Amendments under Annual Improvements to IFRSs 2012-2014 Cycle

The Annual Improvements to IFRSs 2012-2014 Cycle issued in October 2014 sets out amendments to a number of IFRSs. The Sub-Fund expects to adopt the amendments from 1 April 2016. None of the amendments are expected to have a significant financial impact on the Sub-Fund. Details of the amendments are as follows:

IFRS 7 Financial Instruments: Disclosures: Clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the IFRS 7 disclosures are required.

IFRS 7 Financial Instruments: Disclosures: Clarifies that the disclosures in respect of the offsetting of financial assets and financial liabilities in IFRS 7 are not required in the condensed interim financial statements, except where the disclosures provide a significant update to the information reported in the most recent annual report, in which case the disclosures should be included in the condensed interim financial statements.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(i) Classification

Financial assets at fair value through profit or loss

A financial asset is classified in this category if it is held for trading, or upon initial recognition, the asset is designated as at fair value through profit or loss and it meets any of the following criteria:

(i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the financial asset or recognising the gains and losses on it on a different basis; or (ii) the asset is part of a group of financial assets that are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would be separately recorded.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) *Classification (continued)*

Financial assets so designated are recognised initially at fair value, with transaction costs taken directly to the statement of profit or loss, and are subsequently remeasured at fair value. This designation, once made, is irrevocable in respect of the financial asset to which it is made.

Gains and losses from changes in the fair value of such financial assets are recognised in the statement of profit or loss as they arise, together with the related interest income and expenses and dividends.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Sub-Fund includes in this category amounts relating to other short-term receivables.

Other financial liabilities

This category includes all financial liabilities. The Sub-Fund includes in this category amounts relating to management fee payable, custodian, fund administration and trustee fee payable, accrued liabilities and other short-term payables.

(ii) *Recognition*

The Sub-Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commits to purchase or sell the financial asset.

(iii) *Initial measurement*

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Loans and receivables and financial liabilities (other than those classified as held for trading) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Sub-Fund recognises the difference in profit or loss.

(iv) *Subsequent measurement*

After initial measurement, the Sub-Fund measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets and liabilities at fair value through profit or loss". Interest earned on such instruments are recorded separately in "Interest income on financial assets at fair value through profit and loss".

Loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) Subsequent measurement (continued)

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(v) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- the Sub-Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and either (a) the Sub-Fund has transferred substantially all the risks and rewards of the asset, or (b) the Sub-Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its rights to receive cash flows from an asset or have entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Sub-Fund continue to recognise the transferred assets to the extent of the Sub-Fund's continuing involvement. In that case, the Sub-Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Fund has retained.

The Sub-Fund derecognises a financial liability when the obligation under the liability is justified, discharged, cancelled or expired.

Fair value measurement

The Sub-Fund measures its investments at fair value at the end of each reporting period. 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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Sub-Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Sub-Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 12 to the financial statements.

Impairment of financial assets

The Sub-Fund assesses at the end of each reporting period whether a financial asset or group of financial assets classified as loans and receivables is impaired. An impairment exists if one or more events that have occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Sub-Fund first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Sub-Fund determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Sub-Fund.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Functional and presentation currency

The Sub-Fund's functional currency is the RMB, which is the currency of the primary economic environment in which it operates. The Sub-Fund's performance is evaluated and its liquidity is managed in RMB. Therefore, the RMB is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Sub-Fund's presentation currency is also the RMB.

Foreign currency transactions

These financial statements are presented in RMB, which is the Sub-Fund's functional and presentation currency. Foreign currency transactions recorded by the Sub-Fund is initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or transaction of monetary items are recognized in profit or loss.

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Redeemable units

Redeemable units are classified as an equity instrument when:

- (a) The redeemable units entitle the holder to a pro-rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation.
- (b) The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Redeemable units (continued)

- (c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- (d) The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro-rata share of the Sub-Fund's net assets.
- (e) The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.

In addition to the redeemable units having all the above features, the Sub-Fund must have no other financial instrument or contract that has:

- (a) Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund, and
- (b) The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Fund's redeemable units meet the definition of puttable instruments classified as equity instruments under the revised IAS 32.

The Sub-Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.

Upon issuance of units, the consideration received is included in equity.

Transaction costs incurred by the Sub-Fund in issuing or its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments which are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognized in the profit or loss on the purchase, sale, issuance or cancellation of the Sub-Fund's own equity instruments.

Distributions to unitholders

Distributions are at the discretion of the Sub-Fund. A distribution to the Sub-Fund's unitholders is accounted for as a deduction from retained profit. A proposed distribution is recognised as a liability in the period in which it is approved by the Manager of the Sub-Fund.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and demand deposits, short term deposit in banks and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when appropriate.

Interest income and expense

Interest income and expense is recognised in profit or loss as it accrues, using the effective interest method.

Dividend income

Dividend income is recognised when the Sub-Fund's right to receive the payment is established, which is generally when shareholders approve the dividend.

Net gain or loss on financial assets and liabilities at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities as "at fair value through profit or loss" and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as "at fair value through profit or loss" are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Fees and commissions

Fees and commissions are recognised on an accrual basis.

Related parties

A party is considered to be related to the Sub-Fund if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Fund;
 - (ii) has significant influence over the Sub-Fund; or
 - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund;or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Fund are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Fund are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Fund or an entity related to the Sub-Fund;

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Taxation

The Sub-Fund is exempt from Hong Kong profit tax on profits arising from authorised activities under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance. However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Sub-Fund presents the withholding tax separately from the gross investment income in profit or loss, if any. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

Amounts due to and due from broker

Amounts due to brokers are payables for securities purchased (in a regular way transaction) that are financial liabilities. Amounts due from brokers are receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Sub-Fund's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Taxation

In preparing these financial statements, the Sub-Fund's management 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.

Going concern

The Sub-Fund's management has made an assessment of the Sub-Fund ability to continue as a going concern and is satisfied that the Sub-Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Sub-Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

4. FEES

Management fee

The Manager is entitled to receive, on an annual basis, a management fee from the Sub-Fund, at a rate of 1% per annum with respect to the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears. The management fee for the year ended 30 June 2015 was RMB6,713,588 (2014: RMB10,205,379). At 30 June 2015, management fee of RMB851,561 (2014: RMB791,027) was payable to the Manager.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

4. FEES (continued)

Trustee fee

The Trustee is entitled to receive, on an annual basis, a trustee fee from the Sub-Fund, effective from 1 January 2015 at a rate of 0.15% per annum on the first RMB 200 million of the net asset value of each class of the Sub-Fund, 0.125% per annum on the next RMB 200 million of the net asset value of each class of the Sub-Fund, and 0.11% per annum on the remaining balance of the net asset value of each class of the Sub-Fund calculated, subject to a minimum monthly fee of RMB40,000 (For the period from July to December 2014 at a rate of 0.175% per annum on the first RMB 200 million of the net asset value of each class of the Sub-Fund, 0.15% per annum on the next RMB 200 million of the net asset value of each class of the Sub-Fund, 0.125% per annum on the next RMB 200 million of the net asset value of each class of the Sub-Fund and 0.11% per annum on the remaining balance of the net asset value of each class of the Sub-Fund calculated, subject to a minimum monthly fee of RMB40,000), and accrued on each dealing day and is paid monthly in arrears. The trustee fee for the year ended 30 June 2015 was RMB921,656 (2014: RMB1,368,463). At 30 June 2015, trustee fee of RMB58,207 (2014: RMB108,052) was payable to the Trustee.

Custodian fee

The Custodian is entitled to receive, on an annual basis, a custodian fee from the Sub-Fund, at a rate of 0.025% per annum of the net asset value of the Sub-Fund calculated and accrued on each dealing day and is paid monthly in arrears.

The custodian fee for the year ended 30 June 2015 was RMB204,913 (2014: RMB239,749). At 30 June 2015, nil balance of custodian fee was payable to the Custodian (2014: Nil).

5. INCOME TAX

The Sub-Fund is exempt from Hong Kong profit tax on profits arising from authorised activities under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

6. DISTRIBUTION

	2015 RMB	2014 RMB
Interim dividend RMB2.30/HKD2.26/USD0.22 per unit (2014: RMB1.80/HKD1.81/USD0.18 per unit)	15,937,052	19,312,523
Final dividend RMB1.55/HKD1.52/USD0.15 per unit (2014: RMB2.20/HKD2.15/USD0.21 per unit)	<u>7,738,066</u>	<u>20,371,698</u>
	<u>23,675,118</u>	<u>39,684,221</u>

The amount available for distribution is the net distributable income of the Sub-Fund in respect of the relevant year, that is total income ("Total Income") minus all expenses, subject to adjustments made in accordance with the Trust Deed. Total Income would include amount receivable by way of interests (e.g. generated from bank deposits and debt securities), dividends, or other receipts as determined by the Manager to be in the nature of income. Capital gains or losses in unrealised do not form part of Total Income and therefore would not impact on the amount available for distribution. Net Income available for distribution in respect of the financial year 2015 of the Sub-Fund is arisen from the total income deducted by administrative expenses within the relevant period.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

7. AMOUNT DUE FROM BROKERS

	2015 RMB	2014 RMB
Receivables for securities sold but not yet settled	<u>16,141,175</u>	<u>-</u>

Receivables are non-interest-bearing. Receivables were neither past due nor impaired with no recent history of default. There has not been a significant change in credit quality for these balances and the balances are still considered fully recoverable.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2015 RMB	2014 RMB
Debt securities		
- Debt securities, at fair value	423,158,560	854,875,539
Preference shares	<u>30,726,300</u>	<u>-</u>
Total financial assets at fair value through profit or loss	<u>453,884,860</u>	<u>854,875,539</u>

Gains/(losses) recognised in relation to financial assets at fair value through profit or loss:

- realised (loss)/gain on sale of financial assets	(7,204,713)	2,188,846
- change in unrealised gain/loss on financial assets	<u>(4,943,378)</u>	<u>20,035,038</u>
Net (loss)/gain on financial assets at fair value through profit or loss	<u>(12,148,091)</u>	<u>22,223,884</u>

9. CASH AND CASH EQUIVALENTS

	2015 RMB	2014 RMB
Bank balance	44,778,619	26,640,378
Short-term deposits	<u>10,072,617</u>	<u>45,024,753</u>
Cash and cash equivalents	<u>54,851,236</u>	<u>71,665,131</u>

The bank balance is the cash at bank held with Bank of China (Hong Kong) Limited, an affiliate company of the Trustee, being held in an interest bearing account. Short-term deposits are made for varying periods of from one to three months depending on the immediate cash requirements of the Sub-Fund, and earn interest at the respective short-term deposit rates.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

10. AMOUNT DUE TO BROKERS

	2015 RMB	2014 RMB
Payables for securities purchased but not yet settled	<u>35,067,534</u>	<u>-</u>

The balances are non-interest-bearing and repayable within a month.

11. THE REDEEMABLE UNITS

The following is the subscription/(redemption) of units of the Sub-Fund during the year ended 30 June 2015:

	Number of Units Class A HKD	Number of Units Class A USD	Number of Units Class A RMB
At 30 June 2013	99	199	10,710,368
Subscription of units	29,130	197,759	2,404,747
Redemption of units	<u>(15,033)</u>	<u>(9,970)</u>	<u>(4,017,064)</u>
At 30 June 2014	14,196	187,988	9,098,051
Subscription of units	5,664	134,029	312,379
Redemption of units	<u>(12,884)</u>	<u>(127,041)</u>	<u>(4,641,516)</u>
At 30 June 2015	<u>6,976</u>	<u>194,976</u>	<u>4,768,914</u>

The net asset value is calculated by determining the value of the assets attributable to the Sub-Fund, including accrued income, and deducting all its liabilities at 30 June 2015. The resultant sum is divided by the total number of units in issue at 30 June 2015 to give the net asset value per unit and adjusting the resultant sum to the nearest 2 decimal places.

	2015 RMB	2014 RMB
Net asset value	<u>486,814,709</u>	<u>919,708,595</u>
Net asset value per unit (Class A RMB)	99.51	99.72
Net asset value per unit (Class A HKD)	97.53	97.71
Net asset value per unit (Class A USD)	<u>9.67</u>	<u>9.69</u>

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES

Capital management

The Sub-Fund's objectives for managing capital are to invest the capital in investments in order to achieve its investment objective while maintaining sufficient liquidity to meet the expenses of the Sub-Fund, and to meet redemption requests as they arise.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Capital management (continued)

Investment in the Sub-Fund is subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The value of investments and the income from them fluctuate and therefore the value of the redeemable participating units can fall as well as rise.

The performance of the Sub-Fund will be affected by a number of risk factors, including the following:

Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investors' expectation etc. which may have significant impact on the value of the investments. Market movement may therefore result in substantial fluctuation in the net asset value per redeemable unit of the Sub-Fund.

The maximum risk resulting from financial instruments equals their fair value.

The Sub-Fund assumes market risk in trading activities. The Sub-Fund distinguishes market risk as follows:

- Price risk
- Interest rate risk
- Foreign exchange risk

Price risk

The Sub-Fund's market price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals. The table below summarises the overall market exposures of the Sub-Fund by market and the impact of increases/ decreases from the Sub-Fund's financial assets at fair value through profit or loss on the Sub-Fund's net asset value at 30 June 2015. The analysis is based on the assumption that the underlying investments increased/decreased by a reasonable possible shift, with all other variables held constant. The Manager has used its view of what would be a "reasonable possible shift" in each key market to estimate the change in the sensitivity analysis below. However, this does not represent a prediction of the future movement in the corresponding key markets.

	Carrying value of financial assets at fair value through profit or loss RMB	% of net assets %	Reasonable possible shift in underlying securities % +/-	Estimated possible change in net asset value RMB +/-
At 30 June 2015				
Financial assets at fair value through profit or loss	453,884,860	93.24	1	4,538,849
At 30 June 2014				
Financial assets at fair value through profit or loss	854,875,539	92.95	1	8,548,755

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Market risk (continued)

Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of interest-bearing assets and future cash flow.

As the Sub-Fund has invested in debt securities whose values are driven significantly by changes in interest rates, the Sub-Fund is subject to interest rate risk. When interest rates rise, the value of previously acquired debt securities will normally fall because new debt securities acquired will pay a higher rate of interest. In contrast, if interest rates fall, then the value of the previously acquired debt securities will normally rise. The Manager regularly assesses the economic condition, monitor changes in interest rates outlook and takes appropriate measures accordingly to control the impact of interest rate risk. In a rising interest rate environment, the Sub-Fund will acquire debts with a shorter maturity profile to minimise the negative impact to the portfolio.

The majority of interest rate exposure arises on investments in debt securities. Most of the Sub-Fund's investments in debt securities carry fixed interest rates and mature within five years.

The following table demonstrates the sensitivity of the Sub-Fund's profit or loss for the year to a reasonably possible change in interest rates, with all other variables held constant.

	Change in basis points	Sensitivity of change in fair value of investments (decrease)/increase
At 30 June 2015 - RMB	+25/-25	(2,051,963)/2,051,963
At 30 June 2014 - RMB	+25/-25	(4,069,316)/4,069,316

The Sub-Fund also has interest-bearing bank and term deposits. As the bank and short term deposits have maturity dates within three months, the Manager considers the movement in interest rates will have insignificant cash flow impact on the daily net assets attributable to holders of redeemable units at 30 June 2015 and therefore no sensitivity analysis on bank and term deposit is presented.

Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Sub-Fund holds assets and liabilities mainly denominated in RMB, the functional currency of the Sub-Fund. The Manager considers the Sub-Fund is not exposed to significant currency risk and therefore no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash and resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Sub-Fund.

The RMB income instruments in which the Sub-Fund invests are currently not listed on a stock exchange or a securities market in which trading is conducted on a regular basis. There is also no guarantee that market making arrangements will be in place to make a market and quote a price for all RMB income instruments. In the absence of an active secondary market, the Sub-Fund may need to hold the RMB income instruments until their maturity date. If sizeable redemption requests are received, the Sub-Fund may need to liquidate its investments at a substantial discount in order to satisfy such requests and the Sub-Fund may suffer losses in trading such instruments. Even if a secondary market is developed, the price at which the RMB income instruments are traded may be higher or lower than the initial subscription price due to many factors including the prevailing interest rates.

Further, the bid and offer spread of the price of RMB income instruments may be high, and the Sub-Fund may therefore incur significant trading costs and may even suffer losses when selling such investments. The Manager seeks to control the liquidity risk of the investment portfolio by a series of internal management measures in order to meet unitholders' redemption requests.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting year to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Sub-Fund can be required to pay.

Financial assets

Analysis of equity and debt securities at fair value through profit or loss into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting year to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

The following table summarises the maturity profile of the Sub-Fund's financial liabilities. Balances due within 1 year equal their carrying amounts, as the impact of discounting is insignificant. The table also analyses the maturity profile of the Sub-Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Sub-Fund's contractual commitments and liquidity.

PING AN OF CHINA SIF – RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk (continued)

	On demand RMB'000	Less than 1 month RMB'000	Less than 1 year RMB'000	1 to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
At 30 June 2015						
<u>Assets</u>						
Cash and cash equivalents	54,851	-	-	-	-	54,851
Amount due from brokers	16,141	-	-	-	-	16,141
Financial assets at fair value through profit or loss	-	5,011	84,533	287,735	76,606	453,885
Interest receivable on financial assets at fair value through profit or loss	-	2,800	4,042	-	-	6,842
Interest receivable on bank deposits	-	5	-	-	-	5
Dividend receivable on financial assets at fair value through profit or loss	-	-	1,001	-	-	1,001
Subscription proceeds receivable	-	200	-	-	-	200
Total financial assets	<u>70,992</u>	<u>8,016</u>	<u>89,576</u>	<u>287,735</u>	<u>76,606</u>	<u>532,925</u>
<u>Liabilities</u>						
Redemption proceeds payable	-	2,260	-	-	-	2,260
Management fee payable	442	410	-	-	-	852
Trustee fee payable	-	58	-	-	-	58
Distribution payable to unitholders	-	7,738	-	-	-	7,738
Accrued expenses and other payables	-	5	136	-	-	141
Amount due to brokers	<u>35,068</u>	-	-	-	-	<u>35,068</u>
Total financial liabilities	<u>35,510</u>	<u>10,471</u>	<u>136</u>	<u>-</u>	<u>-</u>	<u>46,117</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk (continued)

	On demand RMB'000	Less than 1 month RMB'000	Less than 1 year RMB'000	1 to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
At 30 June 2014						
<u>Assets</u>						
Cash and cash equivalents	71,665	-	-	-	-	71,665
Financial assets at fair value through profit or loss	-	84,924	109,640	623,461	36,851	854,876
Interest receivable on financial assets at fair value through profit or loss	-	3,355	8,942	-	-	12,297
Interest receivable on bank deposits	-	-	19	-	-	19
Subscription proceeds receivable	-	5,624	-	-	-	5,624
Total financial assets	<u>71,665</u>	<u>93,903</u>	<u>118,601</u>	<u>623,461</u>	<u>36,851</u>	<u>944,481</u>
<u>Liabilities</u>						
Redemption proceeds payable	-	3,358	-	-	-	3,358
Management fee payable	-	791	-	-	-	791
Trustee fee payable	-	108	-	-	-	108
Distribution payable to unitholders	-	20,371	-	-	-	20,371
Accrued expenses and other payables	-	14	135	-	-	149
Total financial liabilities	<u>-</u>	<u>24,642</u>	<u>135</u>	<u>-</u>	<u>-</u>	<u>24,777</u>

Credit and counterparty risk

The Sub-Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

If the issuer of any of the fixed interest securities in which the Sub-Fund's assets are invested defaults, the performance of the Sub-Fund will be adversely affected.

PING AN OF CHINA SIF – RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Credit and counterparty risk (continued)

All transactions in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodian. The table below summarises the Sub-Fund's assets placed with banks and the custodian:

	RMB	Credit rating	Source of credit rating
<u>At 30 June 2015</u>			
<u>Banks</u>			
Bank of China (Hong Kong)	44,778,619	A	S&P
Bank of Communications Co., Ltd. Hong Kong Branch	10,072,617	A-	S&P
<u>Custodian</u>			
Bank of China (Hong Kong)	453,884,860	A	S&P
 <u>At 30 June 2014</u>			
<u>Banks</u>			
Bank of China (Hong Kong)	26,640,378	A+	S&P
Bank of Communications Co., Ltd. Hong Kong Branch	45,024,753	A-	S&P
<u>Custodian</u>			
Bank of China (Hong Kong)	854,875,539	A+	S&P

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Fair value hierarchy of financial instruments

The following tables illustrate the fair value measurement hierarchy of the Sub-Fund's financial instruments (other than those with carrying amounts that reasonably approximate to fair value):

At 30 June 2015

	Fair value measurement using			Total RMB
	Quoted	Significant	Significant	
	prices in	observable	unobservable	
	active markets	inputs	inputs	
Level 1	Level 2	Level 3		
RMB	RMB	RMB		
Financial assets at fair value through profit or loss:	-	453,884,860	-	453,884,860

At 30 June 2014

	Fair value measurement using			Total RMB
	Quoted	Significant	Significant	
	prices in	observable	unobservable	
	active markets	inputs	inputs	
Level 1	Level 2	Level 3		
RMB	RMB	RMB		
Financial assets at fair value through profit or loss:	-	854,875,539	-	854,875,539

There are no investments classified within level 3 and no transfer was noted for the year ended 30 June 2015.

A detailed portfolio listing is set out from page 33 to 35.

13. TRANSACTIONS WITH THE TRUSTEE AND MANAGER AND THEIR CONNECTED PERSONS

Connected persons of the Manager are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund and the Manager were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any transactions with its connected persons except for what is disclosed in Note 4 to the financial statements and below.

Bank deposits and investments held by the Trustee's affiliates

Bank deposits and investments were held by the Trustee's affiliates, Bank of China (Hong Kong) Limited, with bank deposits, investment and interest income amounted to RMB44,778,619 (2014: RMB26,640,378), RMB453,884,860 (2014: RMB854,875,539) and RMB56,452 (2014: RMB78,660) respectively. Further details of the balances held are described in note 9 to the financial statements.

PING AN OF CHINA SIF – RMB BOND FUND
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

14. SOFT COMMISSION ARRANGEMENTS

The Manager and its connected persons may enter into soft commission arrangements with brokers under which certain goods and services used to support investment decision making will be received. The Manager and its connected persons will not make direct payment for these services but will transact an agreed amount of business with the brokers on behalf of the Sub-Fund and commission will be paid on these transactions.

The goods and services must be of demonstrable benefit to the Sub-Fund and may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis and data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications.

Since the inception of the Sub-Fund, the Manager had not participated in any soft dollar arrangements in respect of any transactions for the accounts of the Sub-Fund.

15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 26 October 2015.

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

INVESTMENT PORTFOLIO

30 June 2015

	Nominal value	Fair value	Accrued interest /Dividend	% of net assets
<u>Financial assets at fair value through profit or loss</u>				
Listed investments				
Denominated in RMB				
<i>Australia</i>				
Commonwealth Bank of Australia 5.15% S/A 11MAR2025	10,000,000	10,135,000	158,027	2.08%
<i>Cayman Islands</i>				
21Vianet Group Inc 6.875% S/A 26Jun2017	15,000,000	14,905,950	14,127	3.06%
361 Degrees Intl Ltd 7.5% S/A 12Sep2017	16,000,000	15,462,240	364,932	3.18%
Future Land Development Hldgs Ltd 9.75% S/A 23Apr2016	35,000,000	35,460,600	645,103	7.28%
Greentown China Hldgs Ltd 5.625% S/A 13May2016	16,000,000	16,023,680	120,822	3.29%
Golden Wheel Tiandi Hldgs Co Ltd 11.25% S/A 25Apr2016	23,000,000	22,948,480	474,966	4.71%
Modern Land China Co Ltd 11% S/A 22Jan2017	20,000,000	19,653,800	964,384	4.04%
New World China Land Ltd 5.5% S/A 06Feb2018	22,000,000	22,736,340	480,685	4.67%
Times Property Hldgs Ltd 10.375% S/A 16Jul2017	16,500,000	16,418,820	778,551	3.37%
Universal Number One Co 5.7% 30Jan2017	15,000,000	15,127,200	147,575	3.11%
		<u>178,737,110</u>	<u>3,991,145</u>	<u>36.71%</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

INVESTMENT PORTFOLIO (continued)

30 June 2015

	Nominal value	Fair value	Accrued interest /Dividend	% of net assets
<u>Financial assets at fair value through profit or loss (continued)</u>				
Listed investments (continued) Denominated in RMB				
<i>China</i>				
Industrial & Commercial Bank of China Ltd 6% A Perp REGS (Preference Shares)	30,000,000	30,726,300	1,001,096	6.31%
Ocean Wealth Ltd 5.25% S/A 07Jul2017	15,000,000	15,222,600	122,979	3.13%
		<u>45,948,900</u>	<u>1,124,075</u>	<u>9.44%</u>
<i>France</i>				
Societe Generale SA 5.2% S/A 03Jun2015	15,000,000	15,144,300	59,836	3.11%
<i>Hong Kong</i>				
Gemdale Intl Hldgs 9.15% S/A 26Jul2015	5,000,000	5,011,450	195,534	1.03%
Guosen Securities Overseas Co Ltd 6.4% S/A 24Apr2017	21,000,000	21,385,770	250,389	4.39%
ICBC Asia Ltd 6% S/A 04Nov2021	20,000,000	20,600,000	190,685	4.23%
Lenovo GROUP LTD 4.95% S/A 10JUN2020	10,000,000	10,218,700	28,479	2.10%
		<u>57,215,920</u>	<u>665,087</u>	<u>11.75%</u>
<i>Ireland</i>				
Intesa Sanpaolo Bank Ireland Plc 5.25% S/A 27Mar2018	10,000,000	10,153,080	138,082	2.09%
<i>Singapore</i>				
Intl Offshore Two Pte Ltd 7.5% S/A 01Apr2018	20,000,000	20,279,800	373,973	4.17%
Intl Intl Pte Ltd 8% S/A 17Jul2017	8,000,000	8,168,640	285,808	1.68%
		<u>28,448,440</u>	<u>659,781</u>	<u>5.85%</u>
<i>Thailand</i>				
TMB Bank Pcl/Cayman Islands 5.5% S/A 09Mar2018	15,000,000	15,362,700	257,671	3.16%

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

INVESTMENT PORTFOLIO (continued)

30 June 2015

	Nominal value	Fair value	Accrued interest /Dividend	% of net assets
<u>Financial assets at fair value through profit or loss (continued)</u>				
Listed investments (continued)				
Denominated in RMB				
	<i>Virgin Island, Britain</i>			
Central Plaza Development Ltd 7.6% S/A 29Nov2015 REGS	10,000,000	10,100,300	68,712	2.07%
China New Town Finance I Ltd 5.5% S/A 06May2018	4,000,000	4,007,840	33,753	0.82%
Haikou Meilan Intl Airport Investment Ltd 7.25% S/A 18Jun2018	20,000,000	20,022,200	59,589	4.11%
Lai Sun Garment Intl Finance 2014 Ltd 7.7% S/A 24Jul2018	13,000,000	13,140,920	427,825	2.70%
Orient Hongsheng Ltd 6.5% S/A 26Nov2017	10,000,000	10,107,300	64,110	2.08%
Unican Ltd 5.15% S/A 02Jul2018	10,000,000	10,004,600	-	2.06%
Unican Ltd 5.8% S/A 30May2017	25,000,000	25,356,250	131,096	5.21%
		<u>92,739,410</u>	<u>785,085</u>	<u>19.05%</u>
Total of listed financial assets at fair value through profit or loss		<u>453,884,860</u>	<u>7,838,789</u>	<u>93.24%</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

INVESTMENT PORTFOLIO (continued)

30 June 2015

	Nominal value	Fair value	Accrued interest	% of net assets
<u>TERM DEPOSITS</u>				
Bank of Communications Hong Kong from 24 June 2015 to 2 July 2015 3.20%	5,072,617	5,072,617	3,156	1.04%
Bank of Communications Hong Kong from 26 June 2015 to 3 July 2015 3.35%	5,000,000	<u>5,000,000</u>	<u>2,326</u>	<u>1.03%</u>
		<u>10,072,617</u>	<u>5,482</u>	<u>2.07%</u>
<u>TOTAL NET ASSETS</u>				
Total investment portfolio (Cost: RMB447,240,758)		453,884,860		93.24%
Other net assets		<u>32,929,849</u>		<u>6.76%</u>
Total net assets		<u>486,814,709</u>		<u>100%</u>

Note: Investments are accounted for on a trade-date basis.

PING AN OF CHINA SIF – RMB BOND FUND
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MOVEMENTS IN INVESTMENT PORTFOLIO

For the year ended 30 June 2015

	Holding as at 1 July 2014	<u>Movements in nominal value</u>		At 30 June 2015
		Additions	Disposals	
<u>Financial assets at fair value through profit or loss</u>				
Listed investments				
Denominated in RMB				
21Vianet Group Inc 6.875% S/A 26Jun2017	15,000,000	-	-	15,000,000
361 Degrees Intl Ltd 7.5% S/A 12Sep2017	-	16,000,000	-	16,000,000
Australia & New Zealand Banking Group Ltd 4.75% S/A 30Jan2025	-	30,000,000	(30,000,000)	-
AVIC Intl Finance & Investment Ltd 4.8% S/A 09Jul2015 REGS	5,000,000	-	(5,000,000)	-
AVIC Intl Finance & Investment Ltd 4.8% S/A 10APR2017	16,000,000	-	(16,000,000)	-
Beijing Capital Hong Kong Ltd 4.7% S/A 20Jun2017	10,000,000	-	(10,000,000)	-
Beijing Enterprises Water 5% S/A 30Jun2016 SER HK	30,000,000	-	(30,000,000)	-
BNP Paribas SA 5% S/A 17Mar2025	-	15,000,000	(15,000,000)	-
BOC Aviation PTE Ltd 4.2% S/A 05Nov2018	-	10,000,000	(10,000,000)	-
BOC Aviation PTE Ltd 4.5% S/A 20Nov2018	7,000,000	-	(7,000,000)	-
BP Capital Markets PLC 3.65% S/A 28Feb2019	10,000,000	-	(10,000,000)	-
BP Capital Markets PLC 3.95% S/A 08Oct2018	5,000,000	-	(5,000,000)	-
Central Plaza Development Ltd 5.75% S/A 17Feb2017	2,000,000	-	(2,000,000)	-
Central Plaza Development Ltd 7.6% S/A 29Nov2015 REGS	10,000,000	-	-	10,000,000
China New Town Finance I Ltd 5.5% S/A 06May2018	-	4,000,000	-	4,000,000
China Power Intl Development Ltd 4.5% S/A 09May2017	15,000,000	-	(15,000,000)	-
China Shanshui Cement Group Ltd 6.5% S/A 22Jul2014	64,000,000	-	(64,000,000)	-
Commonwealth Bank of Australia 5.15% S/A 11Mar2025	-	10,000,000	-	10,000,000
Datang Telecom Hong Kong Hldgs Co Ltd 5.5% S/A 29Sep2017	-	15,000,000	(15,000,000)	-
Dorsett Hospitality Intl Ltd 6% S/A 03Apr2018	42,000,000	-	(42,000,000)	-
Emirates NBD PJSC 4.875% S/A 12Mar2015	20,000,000	-	(20,000,000)	-
Far East Consortium Intl Ltd 5.875% S/A 04Mar2016	32,000,000	-	(32,000,000)	-
Future Land Development Hldgs Ltd 9.75% S/A 23Apr2016	26,000,000	9,000,000	-	35,000,000

PING AN OF CHINA SIF – RMB BOND FUND
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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

For the year ended 30 June 2015

	Holding as at 1 July 2014	<u>Movements in nominal value</u>		
		Additions	Disposals	At 30 June 2015
<u>Financial assets at fair value through profit or loss (continued)</u>				
Listed investments (continued)				
Denominated in RMB				
Gazprombank OJSC VIA GPB Eurobond Finance PLC 4.25% S/A 30JAN2017	15,000,000	-	(15,000,000)	-
Gemdale Intl Hldg 9.15% S/A 26Jul2015	5,000,000	-	-	5,000,000
Golden Bauhinia Investment Hldgs Co Ltd 6.5% S/A 05Mar2018	-	15,000,000	(15,000,000)	-
Golden Wheel Tiandi Hldgs Co Ltd 11.25% S/A 25Apr2016	17,600,000	5,400,000	-	23,000,000
Greentown China Hldgs Ltd 5.625% S/A 13May2016	-	16,000,000	-	16,000,000
Guosen Securities Overseas Co Ltd 6.4% S/A 24Apr2017	25,000,000	-	(4,000,000)	21,000,000
Haikou Meilan Intl Airport Investment Ltd 7.25% S/A 18Jun2018	-	20,000,000	-	20,000,000
Huaxia Bank Co Ltd 4.95% S/A 30Jun2017	12,000,000	-	(12,000,000)	-
ICBC Asia Ltd 6% S/A 04Nov2021	35,000,000	-	(15,000,000)	20,000,000
ICICI Bank / Sing 4.9% S/A 21Sep2015	5,000,000	-	(5,000,000)	-
Industrial & Commercial Bank of China Ltd 6% A Perp REGS (Preference Shares)	-	30,000,000	-	30,000,000
Intesa Sanpaolo Bank Ireland PLC 4.5% S/A 27Feb2019	10,000,000	-	(10,000,000)	-
Intesa Sanpaolo Bank Ireland PLC 5.25% S/A 27Mar2018	-	10,000,000	-	10,000,000
Intime Department Store 4.65% S/A 21Jul2014 SER HK	20,800,000	-	(20,800,000)	-
Intl Offshore Two Pte Ltd 7.5% S/A 01Apr2018	-	20,000,000	-	20,000,000
IT Ltd 6.25% S/A 15May2018	24,000,000	-	(24,000,000)	-
Itnl Intl Pte Ltd 8% S/A 17Jul2017	-	8,000,000	-	8,000,000
Kaisa Group Hldgs Ltd 6.875% S/A 22Apr2016	35,000,000	-	(35,000,000)	-
Lai Sun Garment Intl Finance 2014 Ltd 7.7% S/A 24Jul2018	-	13,000,000	-	13,000,000
Lenovo Group Ltd 4.95% S/A 10Jun2020	-	10,000,000	-	10,000,000
Modern Land China Co Ltd 11% S/A 22Jan2017	15,000,000	8,000,000	(3,000,000)	20,000,000
New World China Land Ltd 5.5% S/A 06Feb2018	25,000,000	-	(3,000,000)	22,000,000
New World China Land Ltd 8.5% S/A 11Apr2015	20,000,000	-	(20,000,000)	-
Ocean Wealth Ltd 5.25% S/A 07Jul2017	-	15,000,000	-	15,000,000
Orient Hongsheng Ltd 6.5% S/A 26Nov2017	-	10,000,000	-	10,000,000
Qilu Intl Finance Bvi Co Ltd 6.25% S/A 10Sep2017	-	13,000,000	(13,000,000)	-
Renault SA 4.375% S/A 11Dec2017	-	5,000,000	(5,000,000)	-
Renault SA 4.65% S/A 11Apr2016	27,000,000	-	(27,000,000)	-
Renault SA 5.625% S/A 10Oct2014	27,000,000	-	(27,000,000)	-
RKI Finance 2013 Ltd 6% S/A 03Dec2016	38,000,000	-	(38,000,000)	-

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

For the year ended 30 June 2015

	Holding as at 1 July 2014	<u>Movements in nominal value</u>		
		Additions	Disposals	At 30 June 2015
<u>Financial assets at fair value through profit or loss (continued)</u>				
Listed investments (continued)				
Denominated in RMB				
Russian Standard Bank (Russian Standard Finance SA) 8% S/A 14Feb2015	26,300,000	2,000,000	(28,300,000)	-
Shanghai Pudong Development Bank Co Ltd 4.08% S/A 22May2017	10,000,000	-	(10,000,000)	-
SK Global Chemical Investment Hong Kong 4.125% S/A 26SEP2016	6,000,000	-	(6,000,000)	-
Societe Generale SA 5% S/A 19Apr2015	5,000,000	-	(5,000,000)	-
Societe Generale SA 5.2% S/A 03Jun2025	-	15,000,000	-	15,000,000
Southwest Securities Intl Securities Ltd 6.45% S/A 28May2018	-	12,000,000	(12,000,000)	-
Start Plus Investments Ltd 5.55% S/A 24Jun2018	-	12,000,000	(12,000,000)	-
Times Property Hldgs Ltd 10.375% S/A 16Jul2017	-	16,500,000	-	16,500,000
Tmb Bank Pcl/Cayman Islands 5.5% S/A 09Mar2018	-	15,000,000	-	15,000,000
Total Capital SA 3.75% S/A 24Sep2018	12,000,000	-	(12,000,000)	-
Trade & Development Bank of Mongolia LLC 10% S/A 21Jan2017	12,000,000	-	(12,000,000)	-
Unican Ltd 5.15% S/A 02Jul2018	-	15,000,000	(5,000,000)	10,000,000
Unican Ltd 5.6% S/A 18Sep2017	-	15,000,000	(15,000,000)	-
Unican Ltd 5.8% S/A 30May2017	25,000,000	-	-	25,000,000
Universal Number One Co 5.7% Q 30Jan2017	-	15,000,000	-	15,000,000
Vast Expand Ltd 5.2% S/A 11Sep2017	-	20,000,000	(20,000,000)	-
Veolia Environment 4.5% S/A 28Jun2017	5,000,000	-	(5,000,000)	-
VTB Bank OJSC (VTB Capital SA) 4.5% S/A 30Oct2015 REGS	37,000,000	-	(37,000,000)	-
Yieldking Investment Ltd 5.15% S/A 31Jul2017	-	15,000,000	(15,000,000)	-
Total of listed financial assets at fair value through profit or loss	<u>803,700,000</u>	<u>459,900,000</u>	<u>(814,100,000)</u>	<u>449,500,000</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

For the year ended 30 June 2015

	Holding as at 1 July 2014	<u>Movements in nominal value</u>		At 30 June 2015
		Additions	Disposals	
<u>Financial assets at fair value through profit or loss (continued)</u>				
Unlisted investments				
Denominated in RMB				
Anstock Ltd 4.25% S/A 20Sep2016 REGS	26,000,000	-	(26,000,000)	-
China Merchants Bank Co Ltd 4.1% S/A 10Apr2017	10,000,000	-	(10,000,000)	-
Ford Motor Co 4.875% S/A 26Mar2015 REGS	10,000,000	-	(10,000,000)	-
KDB Asia Ltd 4.5% A 18May2015 FXCD	-	10,000,000	(10,000,000)	-
National Bank Of Abu Dhabi/Hong Kong 0% A 11MAY2015	-	10,000,000	(10,000,000)	-
Total of unlisted financial assets at fair value through profit or loss	<u>46,000,000</u>	<u>20,000,000</u>	<u>(66,000,000)</u>	<u>-</u>
Total financial assets at fair value through profit or loss	<u>849,700,000</u>	<u>479,900,000</u>	<u>(880,100,000)</u>	<u>449,500,000</u>

PING AN OF CHINA SIF – RMB BOND FUND
(a sub-fund of Ping An of China Select Investment Fund Series)

PERFORMANCE RECORD

Net asset value attributable to unitholders
(Calculated in accordance with the Sub-Fund's Trust Deed)

	Net asset value per unit	Total net asset value RMB
As at 30 June 2015		
Class A (RMB)	99.51	474,563,556
Class A (HKD)	97.53	544,648
Class A (USD)	9.67	11,706,505
As at 30 June 2014		
Class A (RMB)	99.72	907,288,951
Class A (HKD)	97.71	1,111,072
Class A (USD)	9.69	11,308,572

Highest issue price and lowest redemption price per unit

	Highest issue price per unit	Lowest redemption price per unit
For the year ended 30 June 2015		
Class A (RMB)	101.26	96.12
Class A (HKD)	100.41	93.94
Class A (USD)	9.95	9.31
For the year ended 30 June 2014		
Class A (RMB)	101.57	97.19
Class A (HKD)	101.58	96.46
Class A (USD)	10.06	9.55