

IMPORTANT INFORMATION

- Income Partners Managed Volatility High Yield Bond Fund (the "Fund") invests primarily in high yield debt instruments, which are below investment grade or unrated. The Fund will invest in high yield debt instruments, and as a result may be subject to substantial credit/counterparty risk, credit rating related risks, interest rates risk, liquidity risks, and valuation risks. The investments held by the Fund may fall in value and therefore your investment in the Fund may suffer losses.
- The Fund's managed volatility strategy may not achieve the desired results under all circumstances. While the Fund's manager will endeavor to manage the Fund such that it does not exceed its pre-determined annualized volatility target, there is no guarantee that such targets can be reached in all market conditions. Managed volatility does not necessarily mean lower risk and the Fund may still suffer losses.
- The Fund is denominated in RMB, and RMB is currently not freely convertible and is subject to exchange controls and restrictions. There is no guarantee that RMB will not depreciate. If you convert Hong Kong Dollar or any other currency into RMB so as to invest in the Fund and subsequently convert the RMB redemption proceeds back into Hong Kong Dollar or any other currency, you may suffer a loss if RMB depreciates against Hong Kong Dollar or other currency. In addition, the underlying investments in the Fund may be denominated in currencies other than RMB. The NAV may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in the exchange rate controls.
- The Fund invests in the Greater China region and in the China market and there is subject to emerging market risk including political, economic, legal, regulatory and liquidity risks.
- The Fund may invest in derivative transactions such as swaps, futures and forwards for hedging purposes. There is no guarantee that the hedging techniques will be effective.
- In respect of the distribution Units of the Fund (save for Class 2C Dis (USD) Units), the Fund's manager currently intends to make monthly dividend distribution. However, the distribution amount or dividend rate is not guaranteed. In respect of Class 2C Dis (USD) Units, the Fund's manager makes non-discretionary monthly distributions. For certain classes of Units of the Fund, the Fund's manager may at its discretion pay distributions out of the capital of the Fund. The Fund's manager may also, at its discretion, pay distributions out of gross income, while paying all or part of the fees and expenses of the capital of the Fund, resulting in an increase in distributable income for payment of distributions by the Fund. Therefore the Fund may effectively make payment of dividend out of capital. Payment of distributions out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to the original investment. Any such distributions may result in an immediate reduction of the net asset value per unit of the Fund.
- Investment involves risk. Past performance is not a guarantee or a reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.
- In making investment decisions, investors should not rely solely on the information in this report and should read the offering document of the Fund for further details including the risk factors. This document does not constitute an offering document.

| Share Class | NAV per share ^e | Dividend per share | Annualized Dividend Yield ^a |
|---------------------------|----------------------------|--------------------|--|
| 2A Acc (USD) | \$157.23 | | |
| 2A Dis (USD) | \$83.71 | \$0.57 | 8.7% |
| 2B Acc (RMB) | ¥172.21 | | |
| 2B Dis (RMB) | ¥94.27 | ¥0.61 | 8.1% |
| 2C Dis (USD) ^h | \$90.28 | \$0.53 | 7.0% |
| 2D Acc (HKD) | \$95.76 | | |
| 2D Dis (HKD) | \$82.57 | \$0.56 | 8.6% |
| 2E Acc (AUD) | \$108.17 | | |
| 2E Dis (AUD) | \$94.97 | \$0.63 | 8.2% |
| 2F Acc (AUD-H) | \$117.80 | | |
| 2F Dis (AUD-H) | \$96.08 | \$0.63 | 8.2% |
| 2G Acc (USD-H) | \$119.32 | | |
| 2G Dis (USD-H) | \$86.79 | \$0.57 | 8.2% |
| 2I Acc (SGD-H) | \$99.06 | | |
| 2I Dis (SGD-H) | \$95.79 | \$0.63 | 8.2% |
| 2J Dis (EUR) | €96.63 | €0.67 | 8.6% |
| 2K Acc (EUR-H) | €97.75 | | |
| 2K Dis (EUR-H) | €95.64 | €0.46 | 5.9% |
| 2L Acc (HKD-H) | \$99.27 | | |
| 2L Dis (HKD-H) | \$96.36 | \$0.67 | 8.7% |

H = Hedged currency share class
Record Date: 31 October 2019
Ex-Dividend Date: 1 November 2019
Payment/Reinvestment Date: 5 November 2019
Please see www.incomepartners.com for details of historical dividend information for all applicable share classes.

| Risk Measures | 3 Years | Since Inception |
|---------------------------|---------|-----------------|
| 2B Acc (RMB) | | |
| Annualized Volatility | 4.18% | 4.31% |
| Sharpe Ratio ^g | 0.41 | 0.93 |

Fund Characteristics

| | |
|---------------------------------------|------|
| Yield to Maturity in RMB ^f | 7.7% |
| Yield to Maturity in USD ^h | 6.7% |
| Modified Duration (years) | 2.6 |
| Average Credit Rating | BB |
| Number of bond holdings | 103 |

Top 10 Holdings: 24.8% of NAV

| | |
|---|------|
| Yuzhou Properties Co Ltd | 2.6% |
| KWG Group Holdings Ltd | 2.5% |
| China SCE Group Holdings Ltd | 2.5% |
| China National Chemical Corp Ltd | 2.5% |
| China Aoyuan Group Limited | 2.5% |
| ICBC International Leasing Co Ltd | 2.5% |
| Ping An Insurance Group Co of China Ltd | 2.4% |
| CIFI Holdings Group | 2.4% |
| Times China Holdings Ltd | 2.4% |
| Aluminum Corporation of China Limited | 2.4% |

Effective October 2019, the fund exposure numbers are taken from a new risk system. The method for retrieval, calculation and interpretation of fund exposure may differ from previous risk system. Unless stated otherwise, all data as of 31 October 2019. Source: Income Partners, fund performance is calculated on NAV to NAV basis in denominated currency with dividends re-invested. Performance is presented on a net-of-fees basis. Past performance is not indicative of future results.

** BENCHMARK Fund of the Year Awards 2018 is based on the performance as at 30 September 2018. Any awards won are not indicative of Income Partners' future performance. The awards should not be considered an endorsement of Income Partners by any client. The awards may not be representative of any client's experience. Income Partners may be required to pay a fee to participate in the nomination of the award.

^a Annualized Dividend Yield: [(1 + distribution per unit / ex-dividend NAV) × distribution frequency] - 1. Yield figures are estimates and are based on the latest dividend distribution and the ex-dividend NAV of the previous month. Yield figures are for reference only. Positive dividend yield does not imply positive return. Dividend rate is not guaranteed and distributions may be paid from capital. In respect of the Class 2C (USD) Distribution Units, pay out non-discretionary monthly distributions at a fixed percentage of 7% per annum. The 7% annualized yield is calculated as follows: (total dividend paid or to be paid over the current calendar year / last available net asset value of the Fund) in the prior calendar year × 100%.

^b Yield to Maturity in RMB applies to Unhedged share classes in RMB (2B), USD (2A), HKD (2D), AUD (2E), SGD (2H), EUR (2J), as investors are exposed to RMB risk.

^c Yield to Maturity in USD applies to all Hedged share classes in USD-Hedged (2G), AUD-Hedged (2F), HKD-Hedged (2L), SGD-Hedged (2I), EUR-Hedged (2K), as investors are not exposed to RMB risk.

^d The calendar performance figures are calculated from share class launch dates to calendar year-end.

^e Morningstar, as of 30 September 2019 © 2019 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

^f The total return chart above shows the Fund's total return performance since inception.

^g The Sharpe Ratio is calculated as annualized return minus risk free rate (RFR) divided by annualized standard deviation. RFR is the simple average of 1 year CNH cross-currency swap rate.

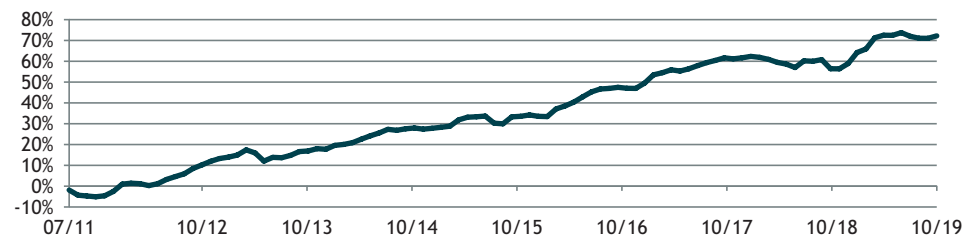
^h This document contains fund performance or NAV numbers which are estimates only and are subject to amendments and further verification by the fund administrator. The fund administrator, rather than the manager, publishes the official fund NAV. Any performance numbers contained herein should not be relied on as official or final NAV of the fund.

ⁱ Performance will be shown after the share classes have attained a track record of 6 months.

INVESTMENT OBJECTIVE

The Fund seeks to maximise investment returns and income by investing primarily in high yield debt instruments (below investment grade or unrated) that are denominated in Renminbi ("RMB") or other currencies. It aims to deliver high yield returns with a reduced level of volatility compared against the broader high yield market through an actively managed volatility strategy by using both quantitative and qualitative measures. The Fund has a geographical focus on Greater China and Asia (non-Greater China credits that derive substantial revenue from operations in Greater China).

TOTAL RETURN[†]: CLASS 2B ACCUMULATION (RMB)

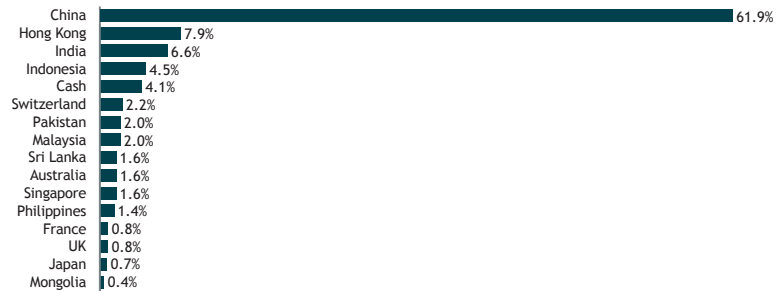
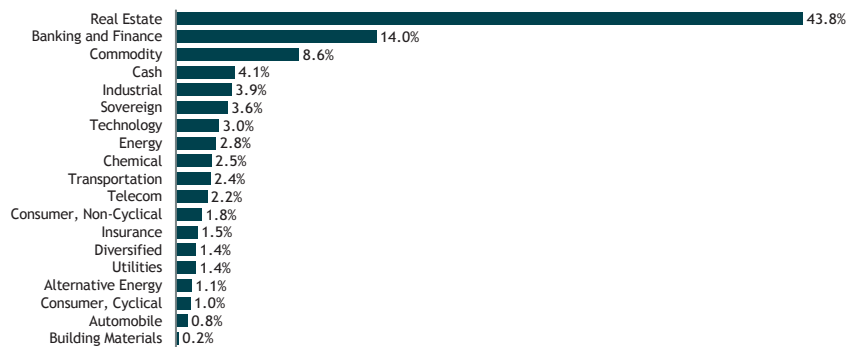
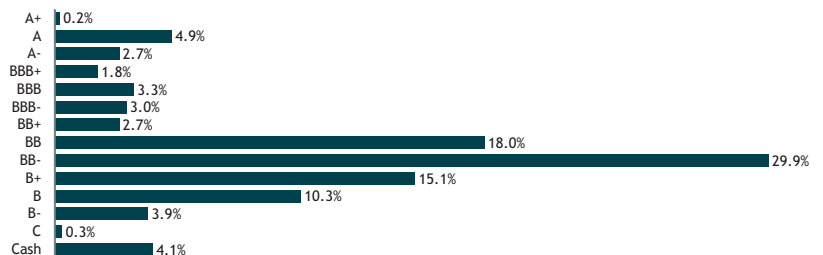


CUMULATIVE PERFORMANCE AND CALENDAR YEAR PERFORMANCE^{*}

| Share Class | Year-to-date (YTD) | 1 Year | 3 Years (Annualized) | 5 Years (Annualized) | Since Inception (Annualized) | 2014 | 2015 | 2016 | 2017 | 2018 | Inception Date (dd/mm/yy) |
|-----------------------------|--------------------|--------|----------------------|----------------------|------------------------------|-------|--------|-------|--------|--------|---------------------------|
| 2A Acc (USD) | 5.68% | 8.95% | 3.96% | 3.23% | 5.63% | 5.06% | -0.22% | 3.23% | 17.67% | -6.81% | 27/07/11 |
| 2A Dis (USD) | 5.68% | 8.96% | 3.96% | 3.23% | 5.62% | 5.06% | -0.21% | 3.23% | 17.69% | -6.85% | 03/08/11 |
| 2B Acc (RMB) | 8.36% | 10.10% | 5.30% | 6.18% | 6.79% | 7.95% | 5.35% | 9.50% | 10.00% | -1.68% | 27/07/11 |
| 2B Dis (RMB) | 8.37% | 10.11% | 5.31% | 6.19% | 6.81% | 7.95% | 5.35% | 9.49% | 10.01% | -1.69% | 27/07/11 |
| 2C Dis (USD) ^h | 5.68% | 8.96% | 3.96% | 3.22% | 5.84% | 5.06% | -0.22% | 3.22% | 17.69% | -6.85% | 10/08/11 |
| 2D Acc (HKD) | 5.73% | 8.81% | | | -2.53% | | | | | -9.43% | 21/02/18 |
| 2D Dis (HKD) | 5.72% | 8.82% | | | -2.48% | | | | | -9.42% | 09/02/18 |
| 2E Acc (AUD) | 8.13% | 12.10% | | | 4.87% | | | | | 0.04% | 07/03/18 |
| 2E Dis (AUD) | 8.15% | 12.13% | | | 4.65% | | | | | -1.04% | 04/05/18 |
| 2F Acc (AUD-H) | 6.61% | 8.01% | 2.80% | | 4.13% | | 1.51%* | 6.31% | 6.38% | -3.75% | 13/10/15 |
| 2F Dis (AUD-H) ^h | | | | | | | | | | | 02/05/19 |
| 2G Acc (USD-H) | 7.77% | 9.24% | 3.11% | | 4.46% | | 1.29%* | 6.86% | 5.96% | -3.46% | 13/10/15 |
| 2G Dis (USD-H) | 7.99% | 9.43% | 3.00% | | 4.15% | | 0.64%* | 6.55% | 5.53% | -3.57% | 19/10/15 |
| 2I Acc (SGD-H) ^h | -0.94% | | | | | | | | | | 30/04/19 |
| 2I Dis (SGD-H) | -1.11% | | | | | | | | | | 24/04/19 |
| 2J Dis (EUR) ^h | | | | | | | | | | | 16/07/19 |
| 2K Acc (EUR-H) ^h | | | | | | | | | | | 08/05/19 |
| 2K Dis (EUR-H) ^h | | | | | | | | | | | 07/05/19 |
| 2L Acc (HKD-H) ^h | | | | | | | | | | | 07/05/19 |
| 2L Dis (HKD-H) | -0.33% | | | | | | | | | | 17/04/19 |

MONTHLY PERFORMANCE^{*}: CLASS 2B ACCUMULATION (RMB)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 2019 | 3.32% | 1.02% | 3.26% | 0.72% | -0.03% | 0.75% | -1.01% | -0.54% | -0.02% | 0.70% | | | 8.36% |
| 2018 | 0.43% | -0.28% | -0.61% | -0.89% | -0.51% | -1.04% | 2.04% | -0.12% | 0.48% | -2.72% | -0.03% | 1.64% | -1.68% |
| 2017 | 1.74% | 2.65% | 0.67% | 0.90% | -0.38% | 0.70% | 0.98% | 0.89% | 0.68% | 0.77% | -0.30% | 0.30% | 10.00% |
| 2016 | -0.49% | -0.10% | 2.76% | 1.04% | 1.33% | 1.80% | 1.68% | 0.96% | 0.18% | 0.35% | -0.31% | -0.05% | 9.50% |
| 2015 | 0.32% | 0.38% | 0.40% | 2.37% | 0.97% | 0.15% | 0.26% | -2.55% | -0.24% | 2.58% | 0.20% | 0.49% | 5.35% |
| 2014 | -0.25% | 1.59% | 0.38% | 0.69% | 1.40% | 1.30% | 1.11% | 1.40% | -0.36% | 0.57% | 0.31% | -0.43% | 7.95% |
| 2013 | 1.18% | 0.58% | 0.88% | 2.16% | -1.24% | -3.38% | 1.60% | -0.16% | 0.99% | 1.60% | 0.25% | 0.95% | 5.40% |
| 2012 | 2.21% | 3.60% | 0.43% | -0.23% | -0.91% | 0.91% | 2.03% | 1.34% | 1.26% | 2.42% | 1.60% | 1.58% | 17.41% |
| 2011 | | | | | | | | -1.88% | -2.50% | -0.41% | -0.40% | 0.50% | -4.63% |

PORTFOLIO OVERVIEW^{###}
Geographical Exposure

Industry Exposure

Credit Rating Exposure


^{##} Total exposures may differ due to rounding. Please note the credit ratings exposures shown here use the best rating out of S&P/Moody's/Fitch ratings. Where S&P/Moody's/Fitch ratings for bond holdings are not available, Income Partners' internal credit ratings apply.

[▲] For other fees and charges, please refer to the offering documents.

MANAGER'S COMMENTARY

In October, the Asian high yield market rallied, mainly driven by the positive sentiment on a potential phase-one deal between the US and China on trade. The Chinese real estate sector has outperformed, as most property developers achieved strong sales in recent months, and were able to tap the USD bond market for funding again. Globally, manufacturing PMI data in the US and Eurozone have rebounded in October, which are also positive for risk.

Economic data published in China have been marginally weaker. On the economy side, China's official Manufacturing PMI dropped to 49.3 in October from 49.8 in September, the YoY growth rate of China's YTD Fixed Assets Investments slowed to 5.4% in September from 5.5% in August, while the YoY growth rate of YTD Retail Sales stayed flat at 8.2% in September. On the credit side, the YoY growth of China's Total Social Financing has been flat at 10.8% in September, still above 10% since beginning of the year. Looking forward, we expect further monetary easing from China to support growth.

The fund has bought more oversold bonds, actively participated in attractive new issues, and remained close to fully invested for carry. In the short run, the manager believes that Asian high yield bonds will continue to be well supported by the positive development in trade talks between the US and China, as well as improved sentiment towards the global economy.

Fund Details

| | | |
|---------------------------------------|--|--------------|
| Base Currency | RMB | |
| Minimum Investment | 2A (USD): | USD1,000 |
| | 2B (RMB): | RMB10,000 |
| | 2C (USD): | USD1,000 |
| | 2D (HKD): | HKD10,000 |
| | 2E (AUD): | AUD1,000 |
| | 2F (AUD-H): | AUD1,000 |
| | 2G (USD-H): | USD1,000 |
| | 2H (SGD): | SGD1,000 |
| | 2I (SGD-H): | SGD1,000 |
| | 2J (EUR): | EUR1,000 |
| 2K (EUR-H): | EUR1,000 | |
| 2L (HKD-H): | HKD10,000 | |
| Fees & Charges[▲] | Management Fee: 1.50% p.a. Subscription Charge: Up to 5.00% | |
| Dealing Frequency | Daily | |
| Dividend Frequency | Monthly (Please refer to important information 6) | |
| Portfolio Manager | Raymond Gui, CFA James Hu, PhD | |
| Trustee | Cititrust Limited | |
| Custodian & Administrator | Citibank, N.A., Hong Kong Branch | |
| Transfer Agent | Citicorp Financial Services Limited | |
| Share Class | Bloomberg Ticker | ISIN |
| 2A Acc (USD) | IRHY2AA HK | HK0000421419 |
| 2A Dis (USD) | IPRHY2A HK | HK0000421401 |
| 2B Acc (RMB) | IRHY2BA HK | HK0000421435 |
| 2B Dis (RMB) | IPRHY2B HK | HK0000421427 |
| 2C Dis (USD) | IPRHY2C HK | HK0000421443 |
| 2D Acc (HKD) | IRHY2DA HK | HK0000421468 |
| 2D Dis (HKD) | IPRHY2D HK | HK0000421450 |
| 2E Acc (AUD) | IRHY2EA HK | HK0000421484 |
| 2E Dis (AUD) | IPRHY2E HK | HK0000421476 |
| 2F Acc (AUD-H) | IRHY2FA HK | HK0000421500 |
| 2F Dis (AUD-H) | IPRHY2F HK | HK0000421492 |
| 2G Acc (USD-H) | IRHY2GA HK | HK0000421526 |
| 2G Dis (USD-H) | IPRHY2G HK | HK0000421518 |
| 2H Acc (SGD) | IRHY2HA HK | HK0000421542 |
| 2H Dis (SGD) | IPRHY2H HK | HK0000421534 |
| 2I Acc (SGD-H) | IRHY2IA HK | HK0000421567 |
| 2I Dis (SGD-H) | IPRHY2I HK | HK0000421559 |
| 2J Acc (EUR) | IRHY2JA HK | HK0000490018 |
| 2J Dis (EUR) | IPRHY2J HK | HK0000490000 |
| 2K Acc (EUR-H) | IRHY2KA HK | HK0000490034 |
| 2K Dis (EUR-H) | IPRHY2K HK | HK0000490026 |
| 2L Acc (HKD-H) | IRHY2LA HK | HK0000490059 |
| 2L Dis (HKD-H) | IPRHY2L HK | HK0000490042 |
| Fund AUM | RMB1,810 million / USD257 million | |

H = Hedged currency share class