

Interim reports and financial statements

FOUNDATION CHINA EQUITY FUND

(A sub-fund of Foundation Fund series, an open-ended unit trust
established as an umbrella fund under the laws of Hong Kong)

For the period ended 30 June 2021

FOUNDATION CHINA EQUITY FUND
(A sub-fund of Foundation Fund Series)

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ADMINISTRATION AND MANAGEMENT

MANAGER

Foundation Asset Management (HK) Limited
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Hong Kong

DIRECTORS OF THE MANAGER

Liang Jiang, Michael
Mui Tze Wah, Vivian

LEGAL COUNSEL TO THE MANAGER

Simmons & Simmons
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TRUSTEE

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CUSTODIAN

Industrial and Commercial Bank of China (Asia) Limited
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REGISTRAR AND TRANSFER AGENT

ICBC (Asia) Trustee Company Limited
33/F, ICBC Tower
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AUDITOR

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Central, Hong Kong

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REPORT OF THE MANAGER

China Equity Market Review

The global stock market experienced positive return in the first half of 2021. Regarding to China stock markets, the Hang Seng Index and MSCI China Index rose 5.86% and 1.23% during the period respectively, underperforming other key stock markets such as the US markets where the S&P 500 Index rose 14.4%. The underperformance of China equity indexes were attributable to the regulatory risks against certain industries and slowing macro data momentum.

Beginning in 1Q21, China authorities have begun policy reviews on supervision of the internet sector, including tightening of online microfinance and heightened anti-monopoly supervision. Investigations on major tech names have been filed but most of those have not yet officially concluded. Market sentiment was further dampened by the Hong Kong government's move to increase equity trading stamp duty, reducing southbound net inflows and put pressure on some high valuation internet stocks. The mounting inflation pressure pushed up the US 10-year Treasury yield to an elevated level of over 1.7% in March, thus compressing the valuation of those richly-valued stocks and triggering sector rotation to value/cyclical stocks from growth stocks. The rally of commodities/materials names came to a pause in May 2021 when the Chinese government introduced administrative measures to clamp down commodity price and the Federal Reserve commented that inflation is transient.

China led the global economic recovery by successfully controlling the coronavirus outbreak in 2020. Entering the first half of 2021, there was no major outbreak in China but just had some isolated cases in specific regions such as in Guangzhou. Although the pandemic no longer has material impact on China's economic activities, the macro momentum showed signs of easing. China's manufacturing PMI fell from 51.9 in Dec 2020 to 50.9 in June 2021, suggesting China's manufacturing activities expansion pace were slowing. The Producer Price Index surged from -0.4% in Dec 2020 to +8.8% in June 2021, mounting great margin pressure on the mid- and downstream industries.

Portfolio Strategy Review

The Fund achieved 1.88% positive return in the first half of 2021, which underperformed the 5.86% return of the Hang Seng Index but outperformed the 1.23% return of MSCI China. As of end-Jun2021, the Fund generated 36.99% positive return since inception, compared favorably to the 2.21% gain of the Hang Seng Index during the same period. This outperformance was also achieved under strong downside protection, the Fund's annualized volatility of 15.10% compared favorably with Hang Seng Index's 20.73%, achieved by the Manager's solid bottom-up value analysis of individual stocks and strong top-down quantitative analysis of macro risks and sector allocation.

In terms of sectors, we see long-term value in clean energy, healthcare and internet with secular growth momentum that lasts multiple years. In terms of stock selection, we remain greatly focused on pursuit of our value investing philosophy by focusing on fundamentals, e.g. quality of management, business model, free cash flow and valuations. This is especially critical for investing in China as markets are volatile at times and corrections will provide the opportunities only for the ones who are prepared.

Market Outlook

Entering the second half of 2021, China equity market will face multiple of short-term headwinds. Regulatory risk in China would remain an overhang for certain industries which are highly correlated to the livelihood and "common prosperity" of the people. We are not too worry about a potential slowdown in China macro because the central government vows to maintain a stable and sustainable growth cycle. The central bank of China has lowered the reserve requirement ratio to pump liquidity into the economy and the authorities still has plenty of tools to support the economy. Most global central banks will continue to maintain loose monetary policy but the US central bank will possibly discuss the plan of tapering later this year. In the face

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of these short-term headwinds, there is an opportunity for the Fund to outperform given our active management style and flexible hedging strategy to counter the market headwinds. The Fund is confident of continuing to deliver above-market high quality risk-adjusted return for investors.

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2021

	For the period ended 30 June 2021 HKD	For the period ended 30 June 2020 HKD
INCOME		
Dividend income	5,427,980	1,279,692
Interest income on bank deposits	39,189	4,877
Other income	-	737
	<u>5,467,169</u>	<u>1,285,306</u>
EXPENSES		
Management fees	(3,174,967)	(1,582,974)
Trustee fees	(236,459)	(130,364)
Custodian fees	(38,101)	(22,938)
Professional fees	(90,614)	(90,215)
Legal Fee	(257,245)	-
Commission and transaction fee	(4,363,825)	(2,146,447)
Performance Fee	(2,497,814)	(1,596,217)
Withholding tax expense	(124,903)	(113,665)
Other operating expenses	(163,112)	(101,923)
	<u>(10,947,040)</u>	<u>(5,784,743)</u>
NET LOSS BEFORE INVESTMENT AND EXCHANGE DIFFERENCES	(5,479,871)	(4,499,437)
INVESTMENT AND EXCHANGE DIFFERENCES		
Net realised gain on financial assets at fair value through profit or loss	17,254,223	1,750,498
Net change in unrealised gains on financial assets at fair value through profit or loss	1,824,312	11,241,076
Net foreign exchange differences	(6,082)	(117,588)
	<u>19,072,453</u>	<u>12,873,986</u>
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE PERIOD	<u>13,592,582</u>	<u>8,374,549</u>

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STATEMENT OF NET ASSETS (UNAUDITED)

As at 30 June 2021

	30 June 2021 HKD	31 December 2020 HKD
ASSETS		
Financial assets at fair value through profit or loss	586,164,059	287,441,198
Due from broker	22,744,545	17,664,524
Dividend receivable	2,068,339	176,218
Prepayments and other receivables	19,427,492	-
Cash and bank balances	35,469,955	32,085,758
TOTAL ASSETS	<u>665,874,390</u>	<u>337,367,698</u>
LIABILITIES		
Financial liabilities at fair value through profit or loss	729,250	1,892,793
Management fees payable	714,357	377,917
Performance fee payable	2,014,637	12,894,071
Trustee fee payable	101,287	49,748
Redemption payable	20,191,038	-
Tax payable	41,316	2,519
Due to brokers	27,216,392	12,164,553
Accrued expense and other payables	260,403	294,017
TOTAL LIABILITIES	<u>51,268,680</u>	<u>27,675,618</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>614,605,710</u>	<u>309,692,080</u>
NUMBER OF UNITS IN ISSUE		
Class A HKD	2,336,713.19	2,299,184.11
Class A HKD (Dist)	8,000,000.00	8,000,000.00
Class A USD	<u>56,467,642.77</u>	<u>28,417,047.68</u>
NET ASSET VALUE PER UNIT		
Class A HKD	1.3722	1.3412
Class A HKD (Dist)	1.3853	1.3540
Class A USD	<u>1.3690</u>	<u>1.3430</u>

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

For the period ended 30 June 2021

	Note	Class A HKD HKD	Class A HKD (Dist) HKD	Class A USD HKD	Total HKD
At 1 January 2021		3,083,750	10,832,102	295,776,228	309,692,080
Subscription of units		50,000	-	354,383,386	354,433,386
Redemption of units		-	-	(63,112,338)	(63,112,338)
		<u>3,133,750</u>	<u>10,832,102</u>	<u>587,047,276</u>	<u>601,013,128</u>
Increase in net assets attributable to unitholder during the period		<u>72,817</u>	<u>250,506</u>	<u>13,269,259</u>	<u>13,592,582</u>
At 30 June 2021		<u><u>3,206,567</u></u>	<u><u>11,082,608</u></u>	<u><u>600,316,535</u></u>	<u><u>614,605,710</u></u>

	Note	Class A HKD HKD	Class A HKD (Dist) HKD	Class A USD HKD	Total HKD
At 1 January 2020		1,633,325	24,295,703	185,034,978	210,964,006
Subscription of units		-	-	43,017,607	43,017,607
Redemption of units		-	(15,796,840)	(61,728,914)	(77,525,754)
		<u>1,633,325</u>	<u>8,498,863</u>	<u>166,323,671</u>	<u>176,455,859</u>
Increase in net assets attributable to unitholder during the period		<u>61,629</u>	<u>(24,094)</u>	<u>8,337,014</u>	<u>8,374,549</u>
At 30 June 2020		<u><u>1,694,954</u></u>	<u><u>8,474,769</u></u>	<u><u>174,660,685</u></u>	<u><u>184,830,408</u></u>

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STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2021

	For the period ended 30 June 2021 HKD	For the period ended 30 June 2020 HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets attributable to unitholders for the period	13,592,582	8,374,549
Adjustments to Reconcile Profit Before Tax to Net Cash Flow:		
Interest income	(39,189)	(4,877)
Dividend income, net of withholding tax	(5,303,077)	(1,166,027)
	<u>8,250,316</u>	<u>7,203,645</u>
Working capital adjustments:		
Increase/(decrease) in financial assets at fair value through profit or loss	(298,722,861)	10,119,234
Increase in due from brokers	(5,080,021)	(10,272,624)
Decrease in other receivables	-	6,102
Increase in prepayments	(1,153)	-
(Decrease)/increase in financial liabilities at fair value through profit or loss	(1,163,543)	(130,550)
Increase in registrar fee payable	23,143	-
Increase in tran handling fee payable	34,160	-
Increase in investor fee payable	7,600	-
Increase in account fee payable	27,771	-
Decrease in due to brokers	(12,164,553)	-
Increase in audit fee payable	85,094	-
Increase in redemption payable	20,191,038	41,416,060
Increase in commission payable	82,635	-
Increase in management fees payable	336,440	12,307
Increase in performance fees payable	(10,879,434)	580,236
Increase in trustee fee payable	51,539	2,311
(Decrease)/increase in accrued expenses and other payables	26,922,375	(27,244)
Cash flows generated from/(used) in operations	<u>(271,999,454)</u>	<u>48,909,477</u>
Interest received	39,189	4,877
Dividend received, net of withholding tax	3,484,544	832,537
Net cash flows generated from/(used in) operations	<u>(268,475,721)</u>	<u>49,746,891</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	334,972,256	43,017,607
Payments from redemption of units	(63,112,338)	(77,525,754)
Net cash flows generated from financing activities	<u>271,859,918</u>	<u>(34,508,147)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,384,197	15,238,744
Cash and cash equivalents at beginning of the period	<u>32,085,758</u>	<u>13,455,345</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>35,469,955</u>	<u>28,694,089</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash at bank	<u>35,469,955</u>	<u>28,694,089</u>
	<u>35,469,955</u>	<u>28,694,089</u>

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NOTES TO THE FINANCIAL STATEMENTS

1. THE FUND AND THE SUB-FUND

Foundation Fund Series (the "Fund") 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 31 December 2020. Foundation China Equity Fund (the "Sub-Fund") is a sub-fund under the Fund.

The manager of the Fund is Foundation Asset Management (HK) Limited (the "Manager") and the trustee is ICBC (Asia) Trustee Company Limited (the "Trustee"). The custodian is Industrial and Commercial Bank of China (Asia) Limited (the "Custodian").

The Fund and the Sub-Fund have been authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under section 104(1) of the Hong Kong Securities and Futures Ordinance and are required to comply with the Code on Unit Trusts and Mutual Funds (the "SFC Code") established by the SFC. Authorisation by the SFC does not imply official approval or recommendation. The Sub-Fund was launched on 11 July 2019 (date of commencement of operations). As at 30 June 2021, the Fund has two sub-funds namely Foundation China Equity Fund (the "Sub-Fund") and Foundation Global Income and Growth Fund, in respect of which separate class of unit was issued.

The investment objective of the Sub-Fund is to maintain a consistent value-investing approach with a focus on liquidity and high return by primarily investing in equities issued by companies that are incorporated in China or companies which have significant operations in or derive a significant portion of revenue or profits from China for the Sub-Fund.

2. BASIS OF PREPARATION

The financial statements of the Sub-Fund have been prepared in accordance with IFRSs as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Accounting Standards Committee of the IASB, and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E to the SFC Code.

The financial statements have been prepared on a historical basis, except for financial assets and liabilities (including derivatives financial instruments) at fair value through profit or loss ("FVPL") that have been measured at fair value. The financial statements are presented in Hong Kong dollars ("HKD") and all values are rounded to the nearest HKD except where otherwise indicated.

The Sub-Fund has adopted for the first time all the applicable and effective IFRSs.

The accounting policies and methods applied in preparation of these interim financial statements are consistent with those applied in annual financial statements of the year ended 31 Dec 2020.

The interim financial statements are not audited.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The consideration received or paid for units issued or re-purchased respectively is based on the value of the Sub-Fund's net asset value per unit at the date of the transaction. In accordance with the provisions of the Trust Deed, Sub-Fund investment positions are valued based on the last traded market price or closing price for the purpose of determining the trading net asset value per unit for subscriptions and redemptions. The Sub-Fund's net asset value per unit is calculated by dividing the Sub-Fund's net assets with the total number of outstanding units.

Redeemable units can be issued and redeemed on each valuation day, i.e. every business day of the calendar year. The holders of redeemable units may subscribe or redeem the redeemable units on any business day by no later than 4:00p.m. (Hong Kong time) on the relevant business day. Both subscription and redemption prices are calculated by reference to the net asset value per unit of the relevant class as at the valuation day.

With a view to protecting the interests of all unitholders, the Manager may limit the number of units of any sub-fund redeemed on any redemption day to 10% of the total number of units of the relevant sub-fund in issue. In this event, the limitation will apply pro rata so that all unitholders of the relevant sub-fund who have validly requested to redeem units of the Sub-Fund on that redemption day will redeem the same proportion of such units of the Sub-Fund.

The movement of the units held by the unitholders during the year is as follows:

	Class A HKD	Class A HKD (Dist)	Class A USD	Total
	Units	Units	Units	
At 1 January 2021	2,299,184.11	8,000,000.00	28,417,047.68	38,716,231.79
Subscription of units	37,529.08	-	33,875,350.61	33,912,879.69
Redemption of units	-	-	(5,824,755.52)	(5,824,755.52)
At 30 June 2021	<u>2,336,713.19</u>	<u>8,000,000.00</u>	<u>56,467,642.77</u>	<u>66,804,355.96</u>
	Class A HKD	Class A HKD (Dist)	Class A USD	Total
	Units	Units	Units	
At 1 January 2020	1,600,000.00	23,800,000.00	23,168,966.88	48,568,966.88
Subscription of units	-	-	3,427,358.39	3,427,358.39
Redemption of units	-	(15,800,000.00)	(5,504,214.00)	(21,304,214.00)
At 30 June 2020	<u>1,600,000.00</u>	<u>8,000,000.00</u>	<u>21,092,111.27</u>	<u>30,692,111.27</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

A reconciliation of the net assets attributable to unitholders as reported in the statement of assets to the net assets attributable to unitholders determined for the purposes of processing unit subscriptions and redemptions is provided below:

	30 June 2021 HKD	31 December 2020 HKD
Published net assets attributable to unitholders (calculated in accordance with Sub-Fund's Trust Deed)	615,035,717	310,207,242
Adjustment for establishment costs	<u>(430,007)</u>	<u>(515,162)</u>
Net assets attributable to unitholders (calculated in accordance with IFRSs)	<u>614,605,710</u>	<u>309,692,080</u>

The published net asset value per unit issued is calculated in accordance with the explanatory memorandum of the Sub-Fund while the net asset value per unit as reported in the statement of net assets included audit adjustment for recognition of all establishment costs incurred in profit or loss for the period ended 30 June 2021 and 31 December 2020.

	30 June 2021	
	Unit price (per financial statements)	Published unit price:
Class A HKD units		
Net assets attributable to unitholders per unit	<u>HKD 1.3722</u>	<u>HKD 1.3732</u>
Class A HKD (Dist) units		
Net assets attributable to unitholders per unit	<u>HKD 1.3853</u>	<u>HKD 1.3862</u>
Class A USD units		
Net assets attributable to unitholders per unit	<u>USD 1.3690</u>	<u>USD 1.3699</u>
	31 December 2020	
	Unit price (per financial statements)	Published unit price:
Class A HKD units		
Net assets attributable to unitholders per unit	<u>HKD 1.3412</u>	<u>HKD 1.3434</u>
Class A HKD (Dist) units		
Net assets attributable to unitholders per unit	<u>HKD 1.3540</u>	<u>HKD 1.3562</u>
Class A USD units		
Net assets attributable to unitholders per unit	<u>USD 1.3430</u>	<u>USD 1.3446</u>

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INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 June 2021

<u>EQUITY SECURITIES</u>	Holding/ Nominal value	Fair value HKD	% of net assets on fair value
China			
Contemporary Amperex Technology Co Ltd	40,235	25,876,590	4.21%
Kweichow Moutai Co Ltd	4,622	11,431,745	1.86%
LONGi Green Energy Technology Co Ltd	269,199	28,760,314	4.68%
Lier Chemical Co Ltd	726,172	22,530,500	3.67%
Mango Excellent Media Co Ltd	295,117	24,346,132	3.96%
Shenzhen Mindray Bio-Medical Electronics Co Ltd	40,089	23,143,196	3.77%
Sungrow Power Supply Co Ltd	193,547	26,780,732	4.36%
Will Semiconductor Ltd	31,358	12,142,717	1.98%
		175,011,926	28.49%
Hong Kong			
AIA Group Ltd	251,200	24,240,800	3.94%
ANTA Sports Products Ltd	68,000	12,430,400	2.02%
China Literature Ltd	129,000	11,139,150	1.81%
ENN Energy Holdings Ltd	233,300	34,481,740	5.61%
Haier Smart Home Co Ltd	401,600	10,883,360	1.77%
Hong Kong & China Gas Co Ltd	1,013,200	12,219,192	1.99%
Li Ning Co Ltd	322,500	30,573,000	4.97%
Shanghai Fosun Pharmaceutical Group Co Ltd - H	388,000	24,327,600	3.96%
Tencent Holdings Ltd	39,400	23,009,600	3.74%
Tingyi Cayman Islands Holding Corp	1,604,000	24,862,000	4.05%
Zhongsheng Group Holdings Ltd	379,000	24,483,400	3.98%
Zijin Mining Group Co Ltd - H	1,206,000	12,590,640	2.05%
		245,240,882	39.89%
United States			
Daqo New Energy Corp	47,839	24,155,407	3.93%
KE Holdings Inc	32,003	11,849,833	1.93%
LVMH Moet Hennessy Louis Vuitton SE	4,535	5,557,374	0.90%
MINISO Group Holding Ltd	62,796	10,138,455	1.65%
Taiwan Semiconductor Manufacturing Co Ltd	6,067	5,661,340	0.92%
ASML Holding NV	1,604	8,605,322	1.40%
Adobe Inc	1,292	5,875,956	0.96%
Advanced Micro Devices Inc	13,283	9,689,153	1.58%
Alphabet Inc-CL A	302	5,726,649	0.93%
Amazon.com Inc	212	5,663,694	0.92%
Apple Inc	2,655	2,823,863	0.46%
Berkshire Hathaway Inc	2,529	5,458,256	0.89%
Deere & Co	1,101	3,015,716	0.49%

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INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

As at 30 June 2021

<u>EQUITY SECURITIES</u>	Holding/ Nominal value	Fair value HKD	% of net assets on fair value
United States			
Freeport-McMoRan Inc	9,903	2,853,928	0.46%
Illumina Inc	1,791	6,581,650	1.07%
MP Materials Corp	21,865	6,258,786	1.02%
Microsoft Corp	2,920	6,142,953	1.00%
Moderna Inc	3,500	6,386,814	1.04%
NVIDIA Corp	1,105	6,865,811	1.12%
Nutrien Ltd	5,897	2,775,625	0.45%
PayPal Holdings Inc	2,739	6,199,920	1.01%
S&P Global Inc	1,904	6,068,935	0.99%
ServiceNow Inc	1,436	6,128,398	1.00%
Visa Inc	2,989	5,427,413	0.88%
		<u>165,911,251</u>	<u>27.00%</u>
 <u>FUTURES</u>			
HANG SENG IDX FUT JUL20		(729,250)	0.12%
		<u>29,170,901</u>	<u>4.5%</u>
Other net assets			
Net assets attributable to unitholders as at 30 June 2021		<u>614,605,710</u>	<u>100%</u>
Total investment, at cost		<u>535,770,779</u>	

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INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS

Index future contracts

The details of futures contracts held by the Fund as at 30 June 2021 are as follows:

Description	Underlying assets	Contract size	Number of Contract	Notional market value	Position	Counterparty	Fair
				HKD			HKD
Financial assets							
HANG SENG IDX FUT JUL21	HSI FUTURE	50	61	(28,630)	Short	Essence Futures (Hong Kong) Limited	(729,250)

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the period ended 30 June 2021

<u>EQUITY SECURITIES</u>	At 1 Jan 2021	<u>Movement in holdings</u>		At 30 June 2021
		Additions	Disposals	
China				
Angel Yeast Co Ltd	-	304,300	(304,300)	-
Contemporary Amperex Technology Co Ltd	30,635	9,600	-	40,235
China Tourism Group Duty Free Corp Ltd	-	71,400	(71,400)	-
China Yangtze Power Co Ltd	-	619,700	(619,700)	-
Jiangsu Hengli Hydraulic Co Ltd	105,838	-	(105,838)	-
Kweichow Moutai Co Ltd	5,522	-	(900)	4,622
LONGi Green Energy Technology Co Ltd	-	269,199	-	269,199
Lier Chemical Co Ltd	247,855	478,317	-	726,172
Mango Excellent Media Co Ltd	-	295,117	-	295,117
Midea Group Co Ltd	108,781	-	(108,781)	-
Shenzhen Mindray Bio-Medical Electronics Co Ltd	26,546	13,543	-	40,089
Sungrow Power Supply Co Ltd	152,979	40,568	-	193,547
Will Semiconductor Ltd	-	31,358	-	31,358
Yuan Longping High-tech Agriculture Co Ltd	-	531,300	(531,300)	-
Hong Kong				
AIA Group Ltd	-	251,200	-	251,200
ASM Pacific Technology Ltd	115,100	32,300	(147,400)	-
A-Living Services Co Ltd - H	-	343,750	(343,750)	-
ANTA Sports Products Ltd	-	68,000	-	68,000
Bilibili Inc	-	11,640	(11,640)	-
Bosideng International Holdings Ltd	4,692,000	182,000	(4,874,000)	-
China Literature Ltd	-	129,000	-	129,000
China Longyuan Power Group Corp Ltd – H	-	1,607,000	(1,607,000)	-
China Resources Land Ltd	-	434,000	(434,000)	-
China Resources Power Holdings Co Ltd	-	2,110,000	(2,110,000)	-
China Risun Group Ltd	-	1,781,000	(1,781,000)	-
CK Infrastructure Holdings Ltd	-	246,500	(246,500)	-
CLP Holdings Ltd	-	204,500	(204,500)	-
COSCO Shipping Ports Ltd	-	1,454,000	(1,454,000)	-
COSCO SHIPPING Holdings Co Ltd - H	1,311,000	1,425,000	(2,736,000)	-
Country Garden Services Holdings Co Ltd	-	195,000	(195,000)	-
ENN Energy Holdings Ltd	54,800	178,500	-	233,300
Fuyao Glass Industry Group Co Ltd – H	-	453,200	(453,200)	-
Great Wall Motor Co Ltd - H	518,000	696,500	(1,214,500)	-
Guangdong Investment Ltd	-	1,360,000	(1,360,000)	-
Haier Smart Home Co Ltd	-	401,600	-	401,600
Health & Happiness H&H International Holdings Ltd	-	361,000	(361,000)	-
HKT Trust & HKT Ltd	-	2,067,000	(2,067,000)	-
Hong Kong & China Gas Co Ltd	-	1,013,200	-	1,013,200
Li Ning Co Ltd	235,500	87,000	-	322,500

FOUNDATION CHINA EQUITY FUND
(A sub-fund of Foundation Fund Series)

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the period ended 30 June 2021

<u>EQUITY SECURITIES</u> (CONTINUED)	<u>Movement in holdings</u>			At 30 June 2021
	At 1 Jan 2021	Additions	Disposals	
Meituan Dianping - Class B	19,400	64,500	(83,900)	-
Nine Dragons Paper Holdings Ltd	-	906,000	(906,000)	-
Ping An Insurance Group Co of China Ltd – H	-	239,000	(239,000)	-
Power Assets Holdings Ltd	-	535,500	(535,500)	-
Sands China Ltd	-	342,000	(342,000)	-
Shanghai Fosun Pharmaceutical Group Co Ltd - H	-	388,000	-	388,000
Smooere International Holdings Ltd	203,000	118,000	(321,000)	-
Sunac Services Holdings Ltd	-	263,000	(263,000)	-
Xinjiang Goldwind Science & Technology Co Ltd - H	774,800	529,000	(1,303,800)	-
Tencent Holdings Ltd	10,200	29,200	-	39,400
Tingyi Cayman Islands Holding Corp	-	1,604,000	-	1,604,000
Weichai Power Co Ltd	-	3,061,000	(3,061,000)	-
Wharf Real Estate Investments Co Ltd	-	227,000	(227,000)	-
Wuxi Biologics Cayman Inc	-	96,500	(96,500)	-
Zhongsheng Group Holdings Ltd	191,500	187,500	-	379,000
Zijin Mining Group Co Ltd - H	-	1,206,000	-	1,206,000
United States				
Autodesk Inc	1,296	964	(2,260)	-
Baidu Inc	7,978	2,963	(10,941)	-
Boeing Co	1,524	3,263	(4,787)	-
BHP Group Ltd	-	9,423	(9,423)	-
Cboe Global Markets Inc	-	4,829	(4,829)	-
Citigroup Inc	-	13,521	(13,521)	-
Coinbase Global Inc – Class A	-	2,291	(2,291)	-
Corteva Inc	-	15,665	(15,665)	-
COSTCO Wholesale Corp	-	1,575	(1,575)	-
Crowdstrike	1,766	-	(1,766)	-
Daqo New Energy Corp	24,081	23,758	-	47,839
Deere & Co	-	8,265	(7,164)	1,101
Facebook Inc - Class A	1,265	-	(1,265)	-
KE Holdings Inc	-	32,003	-	32,003
Luminar Technologies Inc	11,183	-	(11,183)	-
LVMH Moet Hennessy Louis Vuitton SE	-	4,535	-	4,535
MINISO Group Holding Ltd	-	62,796	-	62,796
Plug Power Inc	-	6,336	(6,336)	-
Taiwan Semiconductor Manufacturing Co Ltd	3,499	2,568	-	6,067
Texas Instruments Inc	-	3,637	(3,637)	-
Volkswagen AG	-	27,530	(27,530)	-
Walt Disney Co	-	6,341	(6,341)	-
Raytheon Technologies Corp	4,933	-	(4,933)	-

FOUNDATION CHINA EQUITY FUND
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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the period ended 30 June 2021

<u>EQUITY SECURITIES</u> (CONTINUED)	At 1 Jan 2021	<u>Movement in holdings</u>		At 30 June 2021
		Additions	Disposals	
ASML Holding NV	-	1,604	-	1,604
Adobe Inc	747	545	-	1,292
Advanced Micro Devices Inc	3,867	9,416	-	13,283
Alphabet Inc-CL A	-	302	-	302
Amazon.com Inc	116	96	-	212
Apple Inc	2,941	-	(286)	2,655
Berkshire Hathaway Inc	-	2,529	-	2,529
Freeport-McMoRan Inc	15,106	-	(5,203)	9,903
Illumina Inc	1,048	743	-	1,791
MP Materials Corp	9,965	11,900	-	21,865
Microsoft Corp	1,687	1,233	-	2,920
Moderna Inc	2,299	1,201	-	3,500
NVIDIA Corp	682	423	-	1,105
Nutrien Ltd	8,324	-	(2,427)	5,897
PayPal Holdings Inc	1,637	1,102	-	2,739
S&P Global Inc	-	1,904	-	1,904
ServiceNow Inc	-	1,436	-	1,436
Visa Inc	-	2,989	-	2,989