

## Press Release

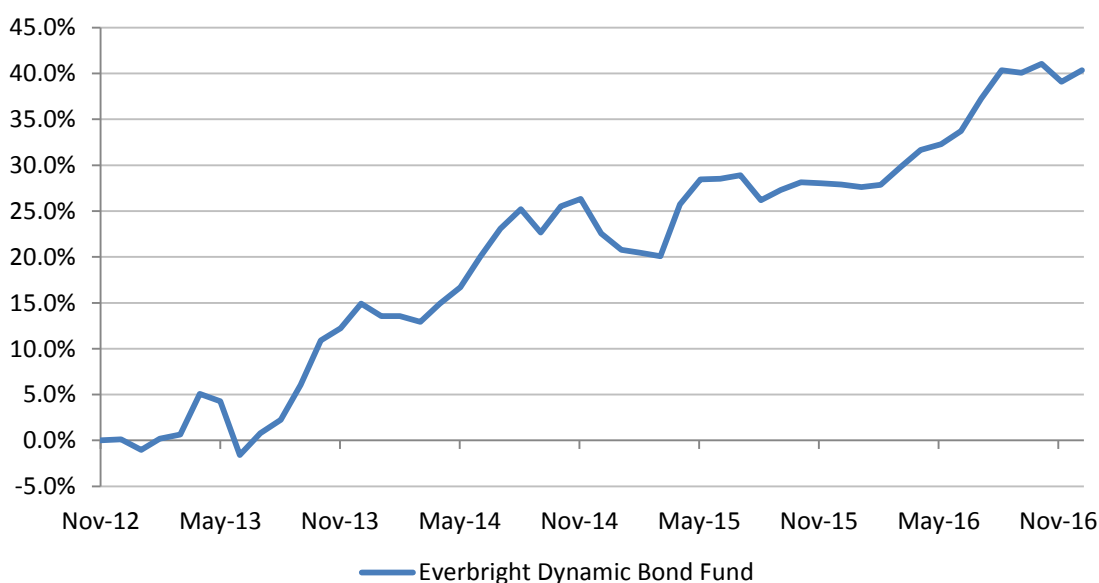
## China Everbright Limited's Fixed Income Team Achieved Excellent Performance in 2016

7 February 2017 –The Financial market was full of political and economic surprises in 2016, such as the dramatic rebound of commodity prices, Brexit and the US presidential election. Many asset managers either ended the year flat or suffered losses due to their misjudgment of those macro events.

In such a volatile market environment, **China Everbright Limited's** ("CEL", stock code: 165.HK) Fixed Income Team was able to achieve outstanding performance thanks to their understanding of the macroeconomic trends, analysis of fundamentals and cautious management of market risks. The flagship product, Everbright Dynamic Bond Fund returned 9.6% net of fees in USD and 11.9% net of fees in RMB, and its Feeder Fund's subordinated share class was up 25.2% net of fees in the past year. The fund was nominated by AsiaHedge, a well-known hedge fund database, for the best Asian fixed income fund of 2016.

Everbright Dynamic Bond Fund, launched by China Everbright Asset Management Limited, is an offshore fund with more than four years of track record. The fund primarily invests in over a hundred Chinese and Pan-Asian investment grade, high yield and convertible bonds. As a diversified bond portfolio, the Fund seeks good risk-adjusted investment opportunities. For example, many offshore Chinese stocks' valuations are low, and the upside potential of their convertible bonds outweigh its downside risk, this asymmetric risk profile provides investor with a defensive asset class with attractive upside potential.

In October 2015, Everbright Dynamic Bond Fund completed the first three-year investment horizon with solid performance: 19.7% net of fees return for senior share class investors and 47.5% net of fees return for subordinated share class investors. Due to the fund's outstanding performance, the management team restructured this flagship product from a closed-end fund to an open-end fund and re-launched for fundraising in October 2015. As of December 31st, 2016, Everbright Dynamic Bond Fund's AUM exceeded US\$200 million with a cumulative net-of-fees return of 40.4%.



Data from China Everbright Assets Management Limited, as of December 31<sup>st</sup>, 2016

In addition, The Fixed Income Team continues to develop innovative financial products. In 2016, the Fixed Income Team successfully completed the US\$500 million aircraft leasing asset-backed securitization project with senior-subordinated structure that was the first of its kind in China. The underlying assets of the project are aircraft rental receivables and residual value. Set up in China Mainland, the project enables investors to obtain long-term stable US dollar return while keeping capital onshore. China Everbright Limited's Fixed Income team act as investment advisor and provide investors with industry analysis, research on underlying assets and investment advices. The project is proof that China Everbright Limit's primary and secondary markets teams are capable of meeting the changing demands of the market as well as the trust and acknowledgement that manager and investors have given to the firm.

Mr. Ping Yang, Chief Investment Officer of China Everbright Limited responsible for secondary market investment, stated: "Our fixed income team had strong performance in the past year. I hope the team will aim for a higher goal in the New Year and be more patient, analytical and reflective, respectful of the market and client oriented."

Established in 1990, China Everbright Assets Management Limited is a wholly-owned subsidiary of China Everbright Limited (0165.HK), a Hong Kong-listed diversified financial services enterprise and is an investment advisor registered under the Securities and Futures Commission of Hong Kong with Type 1, 4 and 9 licenses to deal in securities, engage in asset management and advise on securities in Hong Kong. As one of the core pillars of China Everbright Limited's asset management platform, China Everbright Assets Management Limited provides domestic and foreign investors such as banks, insurers, asset management companies, wealth managers and high net worth individual investors with a wide range of financial services and products such as onshore and offshore long-only and hedge funds, separately managed accounts, investment advisory services as well as channel services.

*The Fund is available only for investment by professional investors (as defined under the Securities and Futures Ordinance). Investment involves risks. Fund price may move up or down. Past performance of any fund and securities is not indicative of future performance. Professional investors should refer to the offering documents (including the risk factors) before investing.*

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**About China Everbright Limited**

China Everbright Limited (“CEL”, stock code: 165.HK), established in Hong Kong in 1997, persistently pursues its “Macro Asset Management” strategy with specific focuses on cross-border asset management and investment businesses. CEL manages a portfolio of private equity funds, venture capital funds, sector focus funds, mezzanine funds, hedge funds and principal investment funds, all operated via an international management platform, and provides overseas investors with opportunities to explore and invest in companies with fast growth potential in mainland China. CEL also seeks investment opportunities from overseas and provides diversified financial services for its clients on the mainland. As of 30 June 2016, CEL’s total fundraising scale reached over HK\$67.8 billion, with a total of 33 funds.

China Everbright Limited, a member of China Everbright Group, is the second-largest shareholder of Everbright Securities (stock code: 601788.SH, 6178.HK), a strategic shareholder of China Everbright Bank (stock code: 601818.SH, 6818.HK), the single largest shareholder of the Hong Kong-listed China Aircraft Leasing Group Holdings Limited (stock code: 1848.HK), the largest shareholder of Shanghai Jiabao Industry & Commerce (Group) Co., Ltd (stock code: 600622.SH) and the second-largest shareholder of the Singapore-listed Ying Li International Real Estate Limited (stock code: 5DM. SGX).

After the launch of “Shanghai-Hong Kong Stock Connect” on 10 April 2014, CEL became one of the first batch of specific stocks listed on The Stock Exchange of Hong Kong that can be directly traded by Mainland investors.

By practising its philosophy of “Making Wealth Simple”, CEL leverages its own substantial financial strength as well as the position and influence of China Everbright Group and its affiliated companies in the financial industry in China. As a result, the Group has successfully built huge cross-border social and business networks in Hong Kong and the Mainland, and established a reputable image in the market.

For more information, please visit [www.everbright165.com](http://www.everbright165.com).