

Semi-Annual Report (Unaudited)

**CHINA UNIVERSAL INTERNATIONAL SERIES –
CUAM CHINA-HONG KONG STRATEGY FUND**

(A Sub-Fund of China Universal International Series, an
umbrella unit trust established under the laws of Hong Kong)

For the period from 1 January 2016 to 30 June 2016



CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
(A Sub-Fund of China Universal International Series)

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CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
(A Sub-Fund of China Universal International Series)

ADMINISTRATION AND MANAGEMENT

MANAGER

China Universal Asset Management (Hong Kong)
Company Limited
3710-11, Two International Finance Centre
8 Finance Street
Central
Hong Kong

DIRECTORS OF THE MANAGER

LI Wen
WAN Qing
ZHANG Hui

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
Central
Hong Kong

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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STATEMENT OF COMPREHENSIVE INCOME

	For the period from 1 January 2016 to to 30 June 2016 HK\$	For the period from 1 January 2015 to to 30 June 2015 HK\$
	(Unaudited)	(Unaudited)
INCOME		
Dividend income	2,983,925	2,472,928
Interest income	1,280	242
Net (losses)/gains on financial assets at fair value through profit or loss	(12,370,244)	19,160,734
Foreign exchange differences, net	<u>1,710</u>	<u>-</u>
	<u>(9,383,329)</u>	<u>21,633,904</u>
EXPENSES		
Management fee	(524,947)	(581,169)
Trustee fee	(210,000)	(210,000)
Custodian fee	(12,061)	(13,687)
Broker commission and investment transaction fee	(272,852)	(442,750)
Other expenses	<u>(20,192)</u>	<u>(6,171)</u>
	<u>(1,040,052)</u>	<u>(1,253,777)</u>
(LOSS)/PROFIT BEFORE TAX	(10,423,381)	20,380,127
Withholding tax	<u>(83,098)</u>	<u>(124,420)</u>
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>(10,506,479)</u>	<u>20,255,707</u>

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STATEMENT OF FINANCIAL POSITION

	30 June 2016	31 December 2015
	HK\$ (Unaudited)	HK\$ (Audited)
ASSETS		
Financial assets at fair value through profit or loss	126,955,630	159,279,740
Cash and bank balances	20,190,931	531,521
Dividend Receivable	2,138,954	-
Prepayment and other receivables	<u>35,088</u>	<u>26,878</u>
TOTAL ASSETS	<u>149,320,603</u>	<u>159,838,139</u>
LIABILITIES		
Management fee payable	90,146	101,803
Trustee fee payable	35,000	35,000
Other payables and accruals	<u>3,152</u>	<u>2,552</u>
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>128,298</u>	<u>139,355</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>149,192,305</u>	<u>159,698,784</u>
NUMBER OF UNITS IN ISSUE		
- Class A units	4,912.180	4,912.180
- Class I units	12,986,339.747	12,986,339.747
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
- Class A units	7.062	7.578
- Class I units	11.486	12.295

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

HK\$
(Unaudited)

At 31 December 2014 and 1 January 2015	138,053,926
Subscription of units	9,729,381
Redemption of units	-
Increase in net assets attributable to unitholders during the period	<u>20,255,707</u>
At 30 June 2015	<u><u>168,039,014</u></u>

HK\$
(Unaudited)

At 31 December 2015 and 1 January 2016	159,698,784
Subscription of units	-
Redemption of units	-
Decrease in net assets attributable to unitholders during the period	<u>(10,506,479)</u>
At 30 June 2016	<u><u>149,192,305</u></u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (Unaudited)

For the period from 1 January 2016 to 30 June 2016

	Movement				
<u>Listed equities</u>	Holdings as at 1 January 2016	Additions	Corporate Action	Disposals	Holdings as at 30 June 2016
Mainland China					
CHONGQING CHANGAN AUTOMOBILILE CO LTD-B	8,000	-	-	(8,000)	
WUXI LITTLE SWAN CO LTD-B	100	-	-	-	100
Hong Kong					
3SBIO INC	368,000	-	-	(285,500)	82,500
AIA GROUP LTD	98,000	120,000	-	-	218,000
BOC AVIATION LTD	-	38,000	-	-	38,000
CHINA CONSTRUCTION BANK CORP-H	1,580,000	-	-	(500,000)	1,080,000
CHINA DATANG CORP RENEWABLE POWER CO LTD-H	-	1,680,000	-	-	1,680,000
CHINA LIFE INSURANCE CO LTD-H	258,000	-	-	(258,000)	-
CHINA LONGYUAN POWER GROUP CORP LTD-H	-	238,000	-	-	238,000
CHINA MEDICAL SYSTEM HLDGS LTD	298,000	-	-	(270,000)	28,000
CHINA MERCHANTS BANK CO LTD-H	457,000	-	-	(179,000)	278,000
CHINA MOBILE LTD	98,000	32,000	-	(60,000)	70,000
CHINA PETROLEUM & CHEMICAL CORP- H	8,000	-	-	-	8,000
CHINA PIONEER PHARMA HLDGS LTD	1,580,000	-	-	(800,000)	780,000
CHINA POWER INTL DEVELOPMENT LTD	1,000	-	-	-	1,000
CHINA SUNTIEN GREEN ENERGY CORP LTD-H	1,380,000	3,680,000	-	(1,380,000)	3,680,000
CHONGQING RURAL COMMERCIAL BANK CO LTD-H	-	980,000	-	-	980,000
CIFI HLDGS GROUP CO LTD	1,880,000	2,916,000	-	(2,016,000)	2,780,000
COWELL E HLDGS INC	2,780,000	-	-	(2,400,000)	380,000
DAWNRAYS PHARMACEUTICAL (HLDGS) LTD	2,100,000	-	-	(1,084,000)	1,016,000
DYNAGREEN ENVIRONMENTAL PROTECTION GROUP CO LTD-H	1,580,000	-	-	(1,200,000)	380,000
GF SECURITIES CO LTD-H	1,000	-	-	-	1,000
GREENLAND HONG KONG HLDGS LTD	518,000	-	-	(518,000)	-
GREENTOWN CHINA HLDGS LTD	-	398,000	-	(398,000)	-
GUANGDONG YUEYUN TRANSPORTATION CO LTD-H	777,000	-	-	(497,000)	280,000
GUOTAI JUNAN INTL HLDGS LTD	262,000	718,000	-	-	980,000
HENDERSON LAND DEVELOPMENT CO LTD	1,100	-	-	(1,100)	-
HILONG HLDG LTD	-	7,880,000	-	-	7,880,000

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (Unaudited) (continued)

For the period from 1 January 2016 to 30 June 2016

	Movement				
<u>Listed equities (continued)</u>	Holdings as at 1 January 2016	Additions	Corporate Action	Disposals	Holdings as at 30 June 2016
Hong Kong (Continued)					
HONG KONG EXCHANGES & CLEARING LTD	39,800	-	-	(34,000)	5,800
HUANENG RENEWABLES CORP LTD-H	-	580,000	-	-	580,000
KWG PROPERTY HLDG LTD	-	588,000	-	(588,000)	-
NAGACORP LTD	2,000	-	-	-	2,000
PHOENIX SATELLITE TELEVISION HLDGS LTD	2,036,000	-	-	(1,414,000)	622,000
PING AN INSURANCE GROUP CO OF CHINA LTD-H	116,000	-	-	(48,000)	68,000
RED STAR MACALLINE GROUP CORP LTD-H	100,000	-	-	(100,000)	-
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LTD	-	2,824,000	-	-	2,824,000
SHENZHEN INVESTMENT LTD	-	960,000	-	-	960,000
SINO BIOPHARMACEUTICAL LTD	580,000	-	-	(282,000)	298,000
SINOPEC ENGINEERING (GROUP) CO LTD-H	238,000	-	-	(238,000)	-
SOUTHWEST SECURITIES INTL SECURITIES LTD	2,580,000	-	-	(224,000)	2,356,000
SUN HUNG KAI PROPERTIES LTD	1,000	-	-	-	1,000
TENCENT HLDGS LTD	86,800	-	-	-	86,800
TONG REN TANG TECHNOLOGIES CO LTD-H	380,000	-	-	(379,000)	1,000
TOWNGAS CHINA CO LTD	1,000	-	-	-	1,000
TRAVELSKY TECHNOLOGY LTD-H	138,000	-	-	(137,000)	1,000
UNITED LABORATORIES LTD	780,000	2,200,000	-	(2,716,000)	264,000
YUNNAN WATER INVESTMENT CO LTD-H	598,000	-	-	(284,000)	314,000
YUZHOU PROPERTIES CO LTD	3,880,000	3,000,000	-	(300,000)	6,580,000
United States					
ALIBABA GROUP HLDG LTD-SPONSORED ADS	10,500	-	-	-	10,500
BAIDU INC-ADR	1,050	-	-	(1,050)	-
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	-	8,800	-	-	8,800
TAL EDUCATION GROUP-ADR	4,900	3,300	-	-	8,200
WEIBO CORP-SPONSORED ADR	-	8,000	-	-	8,000

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PERFORMANCE TABLE (Unaudited)

1. NET ASSET VALUE

	Net asset value per unit HK\$	Total net asset value HK\$
As at 30 June 2016		
- Class A units	7.062	34,690
- Class I units	11.486	149,157,615
As at 31 December 2015		
- Class A units	7.578	37,225
- Class I units	12.295	159,661,559
As at 31 December 2014		
- Class A units	N/A	N/A
- Class I units	12.901	138,053,926
As at 31 December 2013 ¹		
- Class A units	N/A	N/A
- Class I units	12.268	122,747,499

¹ Inception on 16 November 2012

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$
During the period ended 30 June 2016		
- Class A units	7.309	5.849
- Class I units	11.858	9.495
During the year ended 31 December 2015		
- Class A units	10.331	6.670
- Class I units	16.712	10.803
During the year ended 31 December 2014		
- Class A units	N/A	N/A
- Class I units	13.323	11.059
For the period from 16 November 2012 (date of inception) to 31 December 2013		
- Class A units	N/A	N/A
- Class I units	12.268	9.972

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INVESTMENT PORTFOLIO (Unaudited)
As at 30 June 2016

	Holdings	Fair Value HK\$	% of net asset value
<u>LISTED EQUITY SECURITIES</u>			
Mainland China			
Denominated in HK\$			
WUXI LITTLE SWAN CO LTD-B	100	2,667	0.00
Hong Kong			
Denominated in HK\$			
3SBIO INC	82,500	655,875	0.44
AIA GROUP LTD	218,000	10,104,300	6.77
BOC AVIATION LTD	38,000	1,495,300	1.00
CHINA CONSTRUCTION BANK CORP-H	1,080,000	5,529,600	3.71
CHINA DATANG CORP RENEWABLE POWER CO LTD-H	1,680,000	1,276,800	0.86
CHINA LONGYUAN POWER GROUP CORP LTD-H	238,000	1,527,960	1.02
CHINA MEDICAL SYSTEM HLDGS LTD	28,000	330,400	0.22
CHINA MERCHANTS BANK CO LTD-H	278,000	4,820,520	3.23
CHINA MOBILE LTD	70,000	6,205,500	4.16
CHINA PETROLEUM & CHEMICAL CORP-H	8,000	44,800	0.03
CHINA PIONEER PHARMA HLDGS LTD	780,000	1,310,400	0.88
CHINA POWER INTL DEVELOPMENT LTD	1,000	2,850	0.00
CHINA SUNTIEN GREEN ENERGY CORP LTD-H	3,680,000	2,944,000	1.97
CHONGQING RURAL COMMERCIAL BANK CO LTD-H	980,000	3,841,600	2.57
CIFI HLDGS GROUP CO LTD	2,780,000	5,282,000	3.54
COWELL E HLDGS INC	380,000	1,022,200	0.69
DAWNRAYS PHARMACEUTICAL (HLDGS) LTD	1,016,000	6,014,720	4.03
DYNAGREEN ENVIRONMENTAL PROTECTION GROUP CO LTD-H	380,000	1,288,200	0.86
GF SECURITIES CO LTD-H	1,000	17,600	0.01
GUANGDONG YUEYUN TRANSPORTATION CO LTD-H	280,000	1,218,000	0.82
GUOTAI JUNAN INTL HLDGS LTD	980,000	2,577,400	1.73
HILONG HLDG LTD	7,880,000	6,619,200	4.44
HONG KONG EXCHANGES & CLEARING LTD	5,800	1,088,080	0.73
HUANENG RENEWABLES CORP LTD-H	580,000	1,490,600	1.00
NAGACORP LTD	2,000	10,320	0.01
PHOENIX SATELLITE TELEVISION HLDGS LTD	622,000	1,082,280	0.73
PING AN INSURANCE GROUP CO OF CHINA LTD-H	68,000	2,322,200	1.56
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LTD	2,824,000	4,405,440	2.95
SHENZHEN INVESTMENT LTD	960,000	2,966,400	1.99
SINO BIOPHARMACEUTICAL LTD	298,000	1,504,900	1.01
SOUTHWEST SECURITIES INTL SECURITIES LTD	2,356,000	1,201,560	0.81
SUN HUNG KAI PROPERTIES LTD	1,000	93,050	0.06
TENCENT HLDGS LTD	86,800	15,285,480	10.24
TONG REN TANG TECHNOLOGIES CO LTD-H	1,000	12,820	0.01
TOWNGAS CHINA CO LTD	1,000	4,410	0.00
TRAVELSKY TECHNOLOGY LTD-H	1,000	14,900	0.01
UNITED LABORATORIES LTD	264,000	805,200	0.54
YUNNAN WATER INVESTMENT CO LTD-H	314,000	1,271,700	0.85
YUZHOU PROPERTIES CO LTD	6,580,000	14,212,800	9.53

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INVESTMENT PORTFOLIO (Unaudited) (continued)
As at 30 June 2016

	Holdings	Fair Value HK\$	% of net asset value
<u>LISTED EQUITY SECURITIES (continued)</u>			
United States			
Denominated in US\$			
ALIBABA GROUP HLDG LTD-SPONSORED ADS	10,500	6,479,630	4.34
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	8,800	2,859,692	1.92
TAL EDUCATION GROUP-ADR	8,200	3,948,713	2.65
WEIBO CORP-SPONSORED ADR	8,000	1,763,563	1.18
TOTAL INVESTMENTS, AT FAIR VALUE		<u>126,955,630</u>	<u>85.10</u>
TOTAL INVESTMENTS, AT COST		<u>130,644,851</u>	
<u>TOTAL NET ASSETS</u>			
		Fair Value HK\$	% of net assets
Total investment		126,955,630	85.10
Other net assets		22,236,675	14.90
Total net assets		<u>149,192,305</u>	<u>100.00</u>