

Semi-Annual Report (Unaudited)

**CHINA UNIVERSAL INTERNATIONAL SERIES -
CUAM RMB BONDPLUS 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 2018 to 30 June 2018

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM RMB BONDPLUS FUND
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CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM RMB BONDPLUS FUND
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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

AUDITOR

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

RQFII CUSTODIAN

Bank of China Limited
No. 1 Fuxingmen Nei Dajie
Beijing, 100818
China

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM RMB BONDPLUS FUND
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

	For the period from 1 January 2018 to 30 June 2018 RMB (Unaudited)	For the period from 1 January 2017 to 30 June 2017 RMB (Unaudited)
INCOME		
Dividend income	-	5,792
Interest income on financial assets at fair value through profit or loss	519,409	985,394
Other interest income	1,701	2,029
Net gains/(losses) on financial assets at fair value through profit or loss	<u>28,534</u>	<u>(977,942)</u>
	<u>549,644</u>	<u>15,273</u>
EXPENSES		
Management fee	(166,982)	(275,040)
Trustee fee	(119,333)	(240,000)
Custodian fee	(16,140)	(31,241)
Legal and professional fee	-	(91,652)
Auditor's remuneration	-	(131,658)
Other expenses	<u>(12,475)</u>	<u>(16,847)</u>
	<u>(314,930)</u>	<u>(786,438)</u>
OPERATING PROFIT/(LOSS)	234,714	(771,165)
FINANCE COSTS		
Distribution to unitholders	<u>-</u>	<u>(87,135)</u>
PROFIT/(LOSS) BEFORE TAX	234,714	(858,300)
Income tax expense	<u>(117,540)</u>	<u>(90,126)</u>
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	-	(948,426)
PROFIT FOR THE PERIOD AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>117,174</u></u>	<u><u>-</u></u>

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STATEMENT OF FINANCIAL POSITION

	30 June 2018	31 December 2017
	RMB (Unaudited)	RMB (Audited)
ASSETS		
Financial assets at fair value through profit or loss	19,648,565	22,691,350
Cash and bank balances	859,799	2,083,876
Interest receivable	631,848	606,074
Due from a broker	1,018	-
Due from the Manager	-	11,990
Prepayments	<u>2,807</u>	<u>5,461</u>
TOTAL ASSETS	<u><u>21,144,037</u></u>	<u><u>25,398,751</u></u>
LIABILITIES		
Redemption proceeds payable	79,988	-
Management fee payable	24,410	31,167
Trustee fee payable	19,333	20,000
Other payables and accruals	59,256	182,916
Tax payable	<u>765,692</u>	<u>717,571</u>
TOTAL LIABILITIES	948,679	951,654
TOTAL EQUITY	<u><u>20,195,358</u></u>	<u><u>24,447,097</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>21,144,037</u></u>	<u><u>25,398,751</u></u>
NUMBER OF UNITS IN ISSUE		
- Class A units	2,005,526.294	2,431,432.364
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
- Class A units	10.070	10.055

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STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period from 1 January 2018 to 30 June 2018

	Total equity RMB
At 31 December 2017 and 1 January 2018	24,447,097
Subscription of redeemable units	14,739
Redemption of redeemable units	(4,319,358)
Profit for the period and total comprehensive income for the period	117,174
Distribution to unitholders	<u>(64,294)</u>
At 30 June 2018	<u>20,195,358</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM RMB BONDPLUS FUND
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

	RMB
	(Unaudited)
At 31 December 2016 and 1 January 2017	43,479,301
Subscription of redeemable units	12,008
Redemption of redeemable units	(8,208,770)
Decrease in net assets attributable to unitholders during the period	<u>(948,426)</u>
At 30 June 2017	<u>34,334,113</u>

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DISTRIBUTION DISCLOSURE (UNAUDITED)

	Dividend RMB	Distribution per unit RMB
Distribution declared by the Manager:		
2012 Q2 distribution distributed on 13 June 2012	2,176,197	0.038
2012 Q3 distribution distributed on 13 September 2012	2,656,920	0.050
2012 Q4 distribution distributed on 13 December 2012	7,379,024	0.158
2013 Q1 distribution distributed on 13 March 2013	2,465,973	0.058
2013 Q2 distribution distributed on 18 June 2013	2,853,646	0.066
2013 Q3 distribution distributed on 13 September 2013	2,974,605	0.070
2013 Q4 distribution distributed on 13 December 2013	720,865	0.020
2014 Q1 distribution distributed on 13 March 2014	1,218,806	0.045
2014 Q2 distribution distributed on 13 June 2014	2,600,191	0.100
2014 Q3 distribution distributed on 15 September 2014	2,454,599	0.118
2014 Q4 distribution distributed on 15 December 2014	3,004,681	0.160
2015 Q1 distribution distributed on 13 March 2015	1,070,366	0.053
2015 Q2 distribution distributed on 15 June 2015	1,850,737	0.100
2015 Q3 distribution distributed on 15 September 2015	1,757,356	0.110
2015 Q4 distribution distributed on 15 December 2015	1,594,455	0.130
2016 Q1 distribution distributed on 15 March 2016	348,521	0.050
2016 Q2 distribution distributed on 17 June 2016	398,556	0.060
2016 Q3 distribution distributed on 14 September 2016	439,954	0.085
2016 Q4 distribution distributed on 15 December 2016	252,428	0.060
2017 Q1 distribution distributed on 15 March 2017	76,779	0.020
2017 Q2 distribution distributed on 15 June 2017	10,355	0.003
2017 Q3 distribution distributed on 15 September 2017	76,855	0.03
2018 Q1 distribution distributed on 15 March 2018	33,881	0.015
2018 Q2 distribution distributed on 15 June 2018	30,413	0.015

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MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the period from 1 January 2018 to 30 June 2018

<u>LISTED/QUOTED DEBT SECURITIES</u>	Movement				
	As at 1 January 2018	Additions	Corporate Action	Disposals	At 30 June 2018
China					
Denominated in RMB					
BEIJING ORIENTAL YUHONG WATERPROOF TECHNOLOGY CO LTD CB 0.3% A 25SEP2023	200,000	-	-	(200,000)	-
BROS EASTERN CO LTD 3.55% A 22AUG2021	2,000,000	-	-	-	2,000,000
CHONGQING LONGHU DEVELOPMENT CO LTD 4.6% A 07JUL2020	500,000	-	-	-	500,000
DALIAN WANDA COMMERCIAL PROPERTIES CO LTD 3.88% A 13JUN2021	2,500,000	-	-	(530,000)	1,970,000
GOME APPLIANCE CO LTD 4% A 07JAN2022	2,000,000	-	-	(2,000,000)	-
HUAPONT LIFE SCIENCES CO LTD 4.72% A 14AUG2020	-	1,600,000	-	-	1,600,000
JIANGSU LINYANG ENERGY CO LTD CB 0.3% A 27OCT2023	200,000	-	-	(200,000)	-
JOINCARE PHARMACEUTICAL GROUP INDUSTRY CO LTD 7.1% A 28OCT2018	1,233,000	500,000	-	-	1,733,000
LUXI CHEMICAL GROUP CO LTD 6.18% A 06JUL2018	-	1,700,000	-	-	1,700,000
RED STAR MACALLINE GROUP CORP LTD 4.5% A 10NOV2020	2,000,000	300,000	-	(700,000)	1,600,000
RISESUN REAL ESTATE DEVELOPMENT CO LTD 5.78% A 24JUN2020	1,800,000	-	-	(1,800,000)	-
SHANDONG SUN PAPER INDUSTRY JOINT STOCK CO LTD CB 0.3% A 22DEC2022	-	300,000	-	-	300,000
SHANGHAI LAKE DIANSHAN NEWTOWN DEVELOPMENT CO LTD 5.95% A 30JAN2021	1,000,000	250,000	-	(250,000)	1,000,000
SHANGHAI RAAS BLOOD PRODUCTS CO LTD 5.6% A 26MAR2018	2,303,000	-	-	(2,303,000)	-
SICHUAN HEBANG BIOTECHNOLOGY CO LTD 5.8% A 22APR2020	1,000,000	1,200,000	-	(2,200,000)	-
SINOPHARM GROUP CO LTD 4.54% A 13MAR2018	998,000	-	-	(998,000)	-
STATE POWER INVESTMENT CORP LTD 3.03% A 26MAY2019	-	500,000	-	(500,000)	-
WUHAN IRON & STEEL CO LTD 4.38% A 01JUL2018	500,000	1,500,000	-	(200,000)	1,800,000
XIAMEN YUZHOU GRAND FUTURE REAL ESTATE DEVELOPMENT CO LTD 5.1% A 07DEC2020	2,300,000	-	-	(1,000)	2,299,000
XINFENGMING GROUP CO LTD CB 0.3% A 26APR2024	-	200,000	-	-	200,000

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MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

For the period from 1 January 2018 to 30 June 2018

<u>LISTED/QUOTED DEBT SECURITIES</u> (continued)	Movement				
	As at 1 January 2018	Additions	Corporate Action	Disposals	At 30 June 2018
China (continued)					
Denominated in RMB					
ZENGCHENG COUNTRY GARDEN PROPERTY DEVELOPMENT CO LTD 4.2% A 03AUG2018	-	1,800,000	-	-	1,800,000
ZHEJIANG LONGSHENG GROUP CO LTD 3.48% A 17MAR2021	-	1,500,000	-	-	1,500,000
ZHEJIANG TRANSFAR CO LTD 5.6% A 15MAR2018	2,300,000	-	-	(2,300,000)	-
ZHUCHENG ECONOMIC DEVELOPMENT & INVESTMENT CO LTD 6.8% A 29NOV2019	190,000	-	-	(190,000)	-

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PERFORMANCE TABLE

1. NET ASSET VALUE

	Net assets value per unit RMB	Total net asset value RMB
<u>As at 30 June 2018 (Unaudited)</u>		
- Class A units	10.070	20,195,358
<u>As at 31 December 2017 (Audited)</u>		
- Class A units	10.055	24,447,097
- Class I units ¹	-	-
<u>As at 31 December 2016 (Audited)</u>		
- Class A units	10.448	39,210,115
- Class I units	10.865	4,269,186
<u>As at 31 December 2015 (Audited)</u>		
- Class A units	10.583	59,924,268
- Class I units	10.915	59,213,920

¹ There is no class I unit in issue as at 31 December 2017

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT

	Highest subscription unit price RMB	Lowest redemption unit price RMB
<u>During the period ended 30 June 2018 (Unaudited)</u>		
- Class A units	10.204	10.054
<u>During the year ended 31 December 2017 (Audited)</u>		
- Class A units	10.440	10.032
- Class I units	10.858	10.627
<u>During the year ended 31 December 2016 (Audited)</u>		
- Class A units	10.750	10.417
- Class I units	11.106	10.833
<u>During the year ended 31 December 2015 (Audited)</u>		
- Class A units	10.661	10.370
- Class I units	10.986	10.605
<u>During the year ended 31 December 2014 (Audited)</u>		
- Class A units	10.632	9.962
- Class I units	10.860	10.106
<u>During the year ended 31 December 2013 (Audited)</u>		
- Class A units	10.382	9.957
- Class I units	10.482	10.097

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PERFORMANCE TABLE (CONTINUED)

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT (continued)

	Highest subscription unit price RMB	Lowest redemption unit price RMB
<u>During the period from 17 February 2012 (date of inception) to 31 December 2012 (Audited)</u>		
- Class A units	10.233	9.987
- Class I units	10.269	9.996

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INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 June 2018

	Holding/ Nominal value	Fair value	% of net assets
<u>LISTED/QUOTED DEBT SECURITIES</u>			
China			
Denominated in RMB			
BROS EASTERN CO LTD 3.55% A 22AUG2021	2,000,000	1,960,000	9.70
CHONGQING LONGHU DEVELOPMENT CO LTD 4.6% A 07JUL2020	500,000	484,850	2.40
DALIAN WANDA COMMERCIAL PROPERTIES CO LTD 3.88% A 13JUN2021	1,970,000	1,915,825	9.48
HUAPONT LIFE SCIENCES CO LTD 4.72% A 14AUG2020	1,600,000	1,596,800	7.91
JOINCARE PHARMACEUTICAL GROUP INDUSTRY CO LTD 7.1% A 28OCT2018	1,733,000	1,742,705	8.63
LUXI CHEMICAL GROUP CO LTD 6.18% A 06JUL2018	1,700,000	1,700,000	8.42
RED STAR MACALLINE GROUP CORP LTD 4.5% A 10NOV2020	1,600,000	1,590,400	7.87
SHANDONG SUN PAPER INDUSTRY JOINT STOCK CO LTD CB 0.3% A 22DEC2022	300,000	363,462	1.80
SHANGHAI LAKE DIANSHAN NEWTOWN DEVELOPMENT CO LTD 5.95% A 30JAN2021	1,000,000	756,502	3.75
WUHAN IRON & STEEL CO LTD 4.38% A 01JUL2018	1,800,000	1,799,100	8.91
XIAMEN YUZHOU GRAND FUTURE REAL ESTATE DEVELOPMENT CO LTD 5.1% A 07DEC2020	2,299,000	2,273,711	11.26
XINFENGMING GROUP CO LTD CB 0.3% A 26APR2024	200,000	195,060	0.97
ZENGCHENG COUNTRY GARDEN PROPERTY DEVELOPMENT CO LTD 4.2% A 03AUG2018	1,800,000	1,796,400	8.89
ZHEJIANG LONGSHENG GROUP CO LTD 3.48% A 17MAR2021	1,500,000	1,473,750	7.30
TOTAL INVESTMENTS, AT FAIR VALUE		19,648,565	97.29
TOTAL INVESTMENTS, AT COST		19,859,016	
Total investment		19,648,565	97.29
Cash and cash equivalents		859,799	4.26
		20,508,364	101.55
Other net liabilities		(313,006)	(1.55)
Total net assets		20,195,358	100.00