

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 2018 to 30 June 2018

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

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

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

	For the period from 1 January 2018 to to 30 June 2018 HK\$	For the period from 1 January 2017 to to 30 June 2017 HK\$
	(Unaudited)	(Unaudited)
INCOME		
Dividend income	3,063,976	2,858,350
Interest income	9,259	662
Net gains on financial assets at fair value through profit or loss	12,062,292	56,623,489
Foreign exchange differences, net	<u>(685,275)</u>	<u>(27,547)</u>
	<u>14,450,252</u>	<u>59,454,954</u>
EXPENSES		
Management fee	(2,036,076)	(840,829)
Trustee fee	(352,248)	(210,000)
License fee	(3,143)	(3,471)
Custodian fee	(45,775)	(20,979)
Broker commission and investment transaction fee	(827,590)	(350,073)
Other expenses	<u>(2,820)</u>	<u>(14,563)</u>
	<u>(3,267,652)</u>	<u>(1,439,915)</u>
PROFIT BEFORE TAX	11,182,600	58,015,039
Income tax	<u>(167,666)</u>	<u>(164,089)</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>11,014,934</u>	<u>57,850,950</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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STATEMENT OF FINANCIAL POSITION

	30 June 2018 HK\$ (Unaudited)	31 December 2017 HK\$ (Audited)
ASSETS		
Financial assets at fair value through profit or loss	439,096,143	407,361,482
Cash and bank balances	11,186,434	16,564,235
Prepayment and other receivables	1,526,985	19,103
Subscription proceeds receivable	<u>3,961,600</u>	<u>479,846</u>
TOTAL ASSETS	<u>455,771,162</u>	<u>424,424,666</u>
LIABILITIES		
Management fee payable	332,949	285,699
Trustee fee payable	56,254	51,752
Other payables and accruals	1,700	300
Redemption proceeds payable	<u>90,001</u>	<u>3,714,460</u>
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>480,904</u>	<u>4,052,211</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>455,290,258</u>	<u>420,372,455</u>
NUMBER OF UNITS IN ISSUE		
- Class A (HKD) units	7,689,631.957	3,524,805.242
- Class I (HKD) units	15,042,327.378	16,524,142.205
- Class A (USD) units	2,560,373.673	2,787,993.459
- Class A (RMB) units	40,000.000	40,000.000
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
	HK\$	HK\$
- Class A (HKD) units	13.216	12.804
- Class I (HKD) units	21.709	20.980
	US\$	US\$
- Class A (USD) units	1.325	1.289
	RMB	RMB
- Class A (RMB) units	10.466	9.999

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

	HK\$ (Unaudited)
At 31 December 2016 and 1 January 2017	170,443,504
Subscription of units	92,291,870
Redemption of units	(33,660,474)
Increase in net assets attributable to unitholders during the period	57,850,950
At 30 June 2017	<u>286,925,850</u>

	HK\$ (Unaudited)
At 31 December 2017 and 1 January 2018	420,372,455
Subscription of units	143,886,074
Redemption of units	(119,983,205)
Increase in net assets attributable to unitholders during the period	11,014,934
At 30 June 2018	<u>455,290,258</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the period from 1 January 2018 to 30 June 2018

	Movements				
<u>Listed equities</u>	Holdings as at 1 January 2018	Additions	Corporate Action	Disposals	Holdings as at 30 June 2018
Mainland China					
GREE ELECTRIC APPLIANCES INC-A	-	208,000	-	(208,000)	-
KWEICHOW MOUTAI CO LTD-A	-	32,408	-	-	32,408
MIDEA GROUP CO LTD-A	-	252,000	-	(252,000)	-
WUXI LITTLE SWAN CO LTD-B	100	-	-	-	100
Hong Kong					
3SBIO INC	1,302,000	1,269,000	-	(1,302,000)	1,269,000
AAC TECHNOLOGIES HLDGS INC	47,000	-	-	(47,000)	-
AIA GROUP LTD	-	571,400	-	-	571,400
BANK OF CHINA LTD-H	-	5,880,000	-	(1,080,000)	4,800,000
BRILLIANCE CHINA AUTOMOTIVE HLDGS LTD	988,000	-	-	(988,000)	-
BYD ELECTRONIC (INTL) CO LTD	527,000	-	-	(527,000)	-
CHINA AOYUAN PROPERTY GROUP LTD	-	3,080,000	-	-	3,080,000
CHINA CONSTRUCTION BANK CORP-H	4,166,000	638,000	-	(1,676,000)	3,128,000
CHINA MERCHANTS BANK CO LTD-H	677,000	161,000	-	(371,000)	467,000
CHINA PACIFIC INSURANCE (GROUP) CO-H	536,400	-	-	(536,400)	-
CHINA RESOURCES LAND LTD	-	440,000	-	(440,000)	-
CIFI HLDGS GROUP CO LTD	5,680,000	328,000	-	(6,008,000)	-
CSPC PHARMACEUTICAL GROUP LTD	712,000	488,000	-	-	1,200,000
GEELY AUTOMOBILE HLDGS LTD	345,000	-	-	(345,000)	-
GUANGZHOU AUTOMOBILE GROUP CO LTD-H	370,000	-	148,000	-	518,000
HAIER ELECTRONICS GROUP CO LTD	-	499,000	-	(499,000)	-
HISENSE KELON ELECTRICAL HLDGS CO LTD-H	723,000	545,000	-	-	1,268,000
HONG KONG EXCHANGES & CLEARING LTD	145,800	76,200	-	(70,000)	152,000
HSBC HLDGS PLC	58,000	-	-	(58,000)	-
KINGSOFT CORP LTD	-	855,000	-	(485,000)	370,000
LIFESTYLE CHINA GROUP LTD	-	5,180,000	-	-	5,180,000
PING AN INSURANCE GROUP CO OF CHINA LTD-H	455,500	-	-	(337,500)	118,000
SHANGHAI PHARMACEUTICALS HLDG CO LTD-H	-	1,307,000	-	-	1,307,000
SINO BIOPHARMACEUTICAL LTD	1,000	-	500	-	1,500

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MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (continued)

For the period from 1 January 2018 to 30 June 2018

Movements					
<u>Listed equities (continued)</u>	Holdings as at 1 January 2018	Additions	Corporate Action	Disposals	Holdings as at 30 June 2018
Hong Kong (Continued)					
TENCENT HLDGS LTD	100,200	13,600	-	-	113,800
TONG REN TANG TECHNOLOGIES CO LTD-H	238,000	756,000	-	-	994,000
ZHOU HEI YA INTL HLDGS CO LTD	885,000	-	-	(885,000)	-
United States					
ALIBABA GROUP HLDG LTD- SPONSORED ADR	27,070	4,220	-	-	31,290
MOMO INC-ADR	104,610	-	-	(55,286)	49,324
NETEASE INC-ADR	6,480	-	-	(6,480)	-
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	8,800	-	-	-	8,800
TAL EDUCATION GROUP-ADR	49,200	-	-	(15,719)	33,481
<u>Unlisted equities</u>					
Hong Kong					
HONG KONG T-BILLS 0% A 09MAY2018	-	65,000,000	-	(65,000,000)	-
HONG KONG T-BILLS 0% A 02MAY2018	-	65,000,000	-	(65,000,000)	-
HONG KONG T-BILLS 0% A 16MAY2018	-	65,000,000	-	(65,000,000)	-
HONG KONG T-BILLS 0% A 23MAY2018	-	65,000,000	-	(65,000,000)	-
HONG KONG T-BILLS 0% A 30MAY2018	-	65,000,000	-	(65,000,000)	-
HONG KONG T-BILLS 0% A 06JUN2018	-	39,000,000	-	(39,000,000)	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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PERFORMANCE TABLE

1. NET ASSET VALUE

	Net assets value per unit			Total net asset value		
	HK\$	US\$	RMB	HK\$	US\$	RMB
As at 30 June 2018 (Unaudited)						
- Class A (HKD) units	13.216	-	-	101,622,906	-	-
- Class A (RMB) units	-	-	10.466	-	-	418,640
- Class A (USD) units	-	1.325	-	-	3,392,465	-
- Class I (HKD) units	21.709	-	-	326,552,505	-	-
As at 31 December 2017 (Audited)						
- Class A (HKD) units	12.804	-	-	45,130,096	-	-
- Class A (RMB) units	-	-	9.999	-	-	399,969
- Class A (USD) units	-	1.289	-	-	3,593,063	-
- Class I (HKD) units	20.980	-	-	346,680,110	-	-
As at 31 December 2016 (Audited)						
- Class A (HKD) units	7.876	-	-	131,793	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	12.842	-	-	170,311,711	-	-
As at 31 December 2015 (Audited)						
- Class A (HKD) units	7.578	-	-	37,225	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	12.295	-	-	159,661,559	-	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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PERFORMANCE TABLE (continued)

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT

	Highest subscription unit price			Lowest redemption unit price		
	HK\$	US\$	RMB	HK\$	US\$	RMB
During the period ended 30 June 2018 (Unaudited)						
- Class A (HKD) units	14.740	-	-	12.825	-	-
- Class A (RMB) units	-	-	11.228	-	-	9.787
- Class A (USD) units	-	1.483	-	-	1.286	-
- Class I (HKD) units	24.162	-	-	21.066	-	-
During the year ended 31 December 2017 (Audited)						
- Class A (HKD) units	13.387	-	-	7.906	-	-
- Class A (RMB) units	-	-	10.000	-	-	10.000
- Class A (USD) units	-	1.349	-	-	1.000	-
- Class I (HKD) units	21.925	-	-	12.892	-	-
During the year ended 31 December 2016 (Audited)						
- Class A (HKD) units	8.544	-	-	5.849	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	13.914	-	-	9.495	-	-
During the year ended 31 December 2015 (Audited)						
- Class A (HKD) units	10.331	-	-	6.670	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	16.712	-	-	10.803	-	-
During the year ended 31 December 2014 (Audited)						
- Class A (HKD) units	-	-	-	-	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	13.323	-	-	11.059	-	-
For the period from 16 November 2012 (date of inception) to 31 December 2013 (Audited)						
- Class A (HKD) units	-	-	-	-	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	12.268	-	-	9.972	-	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND
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INVESTMENT PORTFOLIO (UNAUDITED)
As at 30 June 2018

	Holdings	Fair Value HK\$	% of net assets
<u>LISTED EQUITY SECURITIES</u>			
Mainland China			
Denominated in RMB			
KWEICHOW MOUTAI CO LTD-A	32,408	28,043,482	6.16
Mainland China			
Denominated in HK\$			
WUXI LITTLE SWAN CO LTD-B	100	4,695	0.00
Hong Kong			
Denominated in HK\$			
3SBIO INC	1,269,000	22,613,580	4.97
AIA GROUP LTD	571,400	39,198,040	8.61
BANK OF CHINA LTD-H	4,800,000	18,672,000	4.10
CHINA AOYUAN PROPERTY GROUP LTD	3,080,000	17,710,000	3.89
CHINA CONSTRUCTION BANK CORP-H	3,128,000	22,678,000	4.98
CHINA MERCHANTS BANK CO LTD-H	467,000	13,519,650	2.97
CSPC PHARMACEUTICAL GROUP LTD	1,200,000	28,440,000	6.25
GUANGZHOU AUTOMOBILE GROUP CO LTD-H	518,000	3,973,060	0.87
HISENSE KELON ELECTRICAL HLDGS CO LTD-H	1,268,000	10,156,680	2.23
HONG KONG EXCHANGES & CLEARING LTD	152,000	35,872,000	7.88
KINGSOFT CORP LTD	370,000	8,806,000	1.93
LIFESTYLE CHINA GROUP LTD	5,180,000	16,783,200	3.69
PING AN INSURANCE GROUP CO OF CHINA LTD-H	118,000	8,519,600	1.87
SHANGHAI PHARMACEUTICALS HLDG CO LTD-H	1,307,000	28,296,550	6.22
SINO BIOPHARMACEUTICAL LTD	1,500	18,060	0.00
TENCENT HLDGS LTD	113,800	44,814,440	9.84
TONG REN TANG TECHNOLOGIES CO LTD-H	994,000	12,385,240	2.72
United States			
Denominated in US\$			
ALIBABA GROUP HLDG LTD-SPONSORED ADR	31,290	45,551,821	10.00
MOMO INC-ADR	49,324	16,835,793	3.70
NEW ORIENTAL EDUCATION & TECHNOLOGY-ADR	8,800	6,536,349	1.44
TAL EDUCATION GROUP-ADR	33,481	9,667,903	2.12
TOTAL INVESTMENTS, AT FAIR VALUE		439,096,143	96.44
TOTAL INVESTMENTS, AT COST		373,082,118	

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INVESTMENT PORTFOLIO (UNAUDITED) (continued)
As at 30 June 2018

<u>TOTAL NET ASSETS</u>	Fair Value HK\$	% of net assets
Total investment	439,096,143	96.44
Other net assets	16,194,115	3.56
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Total net assets	455,290,258	100.00
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