

ChinaAMC Investment Trust
ChinaAMC China Focus Fund

Unaudited Semi-Annual Report

For the six months ended
30 June 2023



**CHINAAMC CHINA FOCUS FUND
- A SUB-FUND OF CHINAAMC INVESTMENT TRUST**

UNAUDITED SEMI-ANNUAL REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

**CHINAAMC CHINA FOCUS FUND
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FOR THE SIX MONTHS ENDED 30 JUNE 2023**

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IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and is subject to change. For more information about the Sub-Fund, please refer to the explanatory memorandum of the Sub-Fund which is available at our website: (<http://www.chinaamc.com.hk/en/products>).

Investors should not rely on the information contained in this report for their investment decisions.

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

ADMINISTRATION AND MANAGEMENT

Manager

China Asset Management (Hong Kong) Limited
37/F, Bank of China Tower
1 Garden Road
Central, Hong Kong

Directors of the Manager

Mr. Gan Tian
Mr. Li Fung Ming
Mr. Sun Liqiang
Ms. Li Yimei
Mr. Yang Kun (appointed on 30 May 2023)

Trustee

Cititrust Limited
50/F, Champion Tower
Three Garden Road
Central, Hong Kong

Auditor

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

Custodian and Administrator

Citibank N.A., Hong Kong Branch
50/F, Champion Tower
Three Garden Road
Central, Hong Kong

Transfer Agent

Citicorp Financial Services Limited
9/F, Citi Tower
One Bay East
83 Hoi Bun Road
Kwun Tong, Kowloon
Hong Kong

Legal Counsel to the Manager

Simmons & Simmons
30/F, One Taikoo Place
979 King's Road
Hong Kong

REPORT OF THE MANAGER TO THE UNITHOLDERS

Market Review

During the first half of 2023, the global financial markets experienced some turbulence as a result of the failures of Silicon Valley Bank and Credit Suisse, as well as the US debt ceiling. However, the advancements in AI and the resilience of the US economy provided bright spots amidst the challenges. As the interest rate hike cycle came to an end and risk events were gradually absorbed, global financial markets demonstrated decent overall performance. Equities outperformed bonds and commodities, and developed markets outperformed emerging markets.

Despite a small decline, US inflation remained at a relatively high level, but the overall US economic growth and consumption data exceeded expectations, indicating the country's relative economic health, thanks to low interest rates and massive fiscal stimulus. This boosted investor confidence in the US economy, leading to expectations of a soft landing.

While China's Q1 2023 economic data exceeded market expectations, with GDP growth reaching 4.5% due to the post-pandemic recovery, economic data weakened in the second quarter. This led to concerns about a slowdown in domestic economic growth, coupled with significant depreciation of the RMB since mid-May due to the widening of US-China interest rate differentials. However, with more pro-growth policies to be implemented, China's economic growth and the performance of financial markets are expected to improve in the second half of 2023.

Our firm is committed to responsible investing practices, and we continue to make intensive investments in ESG-related facilities, both in equities and bonds. We successfully secured long-term institutional investors for our HSI ESG ETF, which was listed late last year, and actively engage in proxy voting for our equity and fixed-income products to promote responsible investing practices.

China Asset Management (Hong Kong) Limited
14 August 2023

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

(Expressed in United States dollars)

	<i>As at 30 June 2023 (unaudited)</i>	<i>As at 31 December 2022 (audited)</i>
Assets		
Cash and cash equivalents	\$ 1,464,828	\$ 1,893,490
Financial assets at fair value through profit or loss	17,255,806	17,012,165
Amounts due from brokers	2,159,537	7,820,282
Subscription receivable	63,287	16,330
Dividend receivable	91,692	920
Total assets	\$ 21,035,150	\$ 26,743,187
Liabilities		
Amounts due to brokers	\$ 1,697,384	\$ 7,408,651
Redemption payable	126,920	171,062
Accruals and other payables	160,597	139,035
Total liabilities (excluding net assets attributable to unitholders)	\$ 1,984,901	\$ 7,718,748
Net assets attributable to unitholders	\$ 19,050,249	\$ 19,024,439
Total number of units in issue		
AUD units	9,394	9,394
EUR units	4,192	4,192
GBP units	–	2,521
HKD units	1,059,123	1,042,816
SGD units	30,580	30,580
USD units	1,530,837	1,539,360
Net asset value per unit in local currency		
AUD units	AUD 15.399	AUD 15.019
EUR units	EUR 13.777	EUR 13.994
GBP units	GBP –	GBP 8.073
HKD units	HKD 11.483	HKD 11.364
SGD units	SGD 11.852	SGD 11.645
USD units	USD 11.152	USD 11.081

Note: The semi-annual report of the sub-funds have been prepared in accordance with the same accounting policies adopted in the 2022 annual financial statements.

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2023 (unaudited)</i>	<i>For the six months ended 30 June 2022 (unaudited)</i>
Interest income on cash and cash equivalents	\$ 14,302	\$ 384
Interest income on financial assets at fair value through profit or loss	61	–
Dividend income	316,691	553,289
Net gain/(loss) on financial instruments at fair value through profit or loss	979,135	(3,757,229)
Net foreign exchange loss	(59,243)	(80,417)
Total income/(loss)	\$ 1,250,946	\$ (3,283,973)
Transaction costs	\$ (866,626)	\$ (1,246,108)
Management fee	(175,426)	(194,704)
Administration fee	(33,467)	(32,231)
Audit fee	(10,610)	(10,489)
Trustee fee	(5,071)	(4,884)
Custodian fee	(25,051)	(13,611)
Financial statements preparation fee	(7,439)	(7,439)
Legal and professional fee	(1,036)	–
Bank charges	(135)	(141)
Interest expense	(3,434)	(5,860)
Others	(826)	(1,307)
Total operating expenses	\$ (1,129,121)	\$ (1,516,774)
Profit/(loss) before tax	\$ 121,825	\$ (4,800,747)
Withholding tax expenses	(19,769)	(9,552)
Increase/(decrease) in net assets attributable to unitholders from operations for the period	\$ 102,056	\$ (4,810,299)

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2023 (unaudited)</i>	<i>For the six months ended 30 June 2022 (unaudited)</i>
Balance at the beginning of the period	\$ 19,024,439	\$ 25,392,844
Transactions with unitholders		
Subscription	\$ 3,298,244	\$ 4,382,981
Redemption	\$ (3,374,490)	\$ (3,504,995)
Total transactions with unitholders	\$ (76,246)	\$ 877,986
Increase/(decrease) in net assets attributable to unitholders from operations for the period	\$ 102,056	\$ (4,810,299)
Balance at the end of the period	\$ 19,050,249	\$ 21,460,531

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

Units issued and redeemed

Number of units:

For the six months ended 30 June 2023 (unaudited)

	<i>AUD units</i>	<i>EUR units</i>	<i>GBP units</i>	<i>HKD units</i>	<i>SGD units</i>	<i>USD units</i>
At 1 January 2023	9,394	4,192	2,521	1,042,816	30,580	1,539,360
Subscription of units during the period	–	–	–	16,569	–	280,158
Redemption of units during the period	–	–	(2,521)	(262)	–	(288,681)
At 30 June 2023	<u>9,394</u>	<u>4,192</u>	<u>–</u>	<u>1,059,123</u>	<u>30,580</u>	<u>1,530,837</u>

For the six months ended 30 June 2022 (unaudited)

	<i>AUD units</i>	<i>EUR units</i>	<i>GBP units</i>	<i>HKD units</i>	<i>SGD units</i>	<i>USD units</i>
At 1 January 2022	9,394	4,321	–	1,082,892	48,067	1,438,673
Subscription of units during the period	–	–	–	18,285	–	330,903
Redemption of units during the period	–	(129)	–	(53,675)	(17,487)	(245,462)
At 30 June 2022	<u>9,394</u>	<u>4,192</u>	<u>–</u>	<u>1,047,502</u>	<u>30,580</u>	<u>1,524,114</u>

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2023 (unaudited)</i>	<i>For the six months ended 30 June 2022 (unaudited)</i>
Operating activities		
Increase/(decrease) in net assets attributable to unitholders from operations for the period	\$ 102,056	\$ (4,810,299)
Adjustments for:		
Interest income	(14,363)	(384)
Dividend income	(316,691)	(553,289)
Interest expense	3,434	5,860
Withholding tax expenses	19,769	9,552
Operating loss before changes in working capital	\$ (205,795)	\$ (5,348,560)
(Increase)/decrease in financial assets at fair value through profit or loss	(243,641)	8,342,903
Decrease/(increase) in amounts due from brokers	5,660,745	(8,275,808)
(Decrease)/increase in amounts due to brokers	(5,711,267)	6,839,713
Increase/(decrease) in accruals and other payables	21,562	(355,392)
Interest received	14,363	384
Dividend received, net of withholding tax paid	206,150	327,036
Net cash (used in)/generated from operating activities	\$ (257,883)	\$ 1,530,276

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2023**

(Expressed in United States dollars)

	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
Unlisted China A Share access product			
CHINA MOBILE LTD	235,500	<u>1,924,780</u>	<u>10.10</u>
		<u>1,924,780</u>	<u>10.10</u>
China listed equities			
KWEICHOW MOUTAI CO LTD-A	6,400	<u>1,487,658</u>	<u>7.81</u>
		<u>1,487,658</u>	<u>7.81</u>
Hong Kong listed equities			
CHINA POWER INTERNATIONAL CONSUN PHARMACEUTICAL GROUP LTD	80,000 332,000	29,400 224,536	0.15 1.18
L'OCCITANE INTERNATIONAL SA	121,250	291,497	1.53
PCCW LTD	1,219,000	631,540	3.32
TENCENT HOLDINGS LTD	39,900	<u>1,688,335</u>	<u>8.86</u>
		<u>2,865,308</u>	<u>15.04</u>
United States listed equities			
AMAZON COM INC COM	5,335	697,546	3.66
APPLE INC	8,670	1,681,720	8.83
ATOUR LIFESTYLE HOLDINGS-ADR	4,905	79,657	0.42
BAIDU INC - SPON ADR	7,080	969,323	5.09
HUAZHU GROUP LTD-ADR	14,866	576,503	3.03
META PLATFORMS INC-CLASS A	2,534	729,393	3.82
MICRON TECHNOLOGY INC	26,125	1,648,749	8.65
MICROSOFT CORP	2,916	993,015	5.21
NETFLIX INC COM USD0.001	2,303	1,014,448	5.33
NVIDIA CORP	938	406,049	2.13
RLX TECHNOLOGY INC-ADR	38,339	<u>67,860</u>	<u>0.36</u>
		<u>8,864,263</u>	<u>46.53</u>

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

AS AT 30 JUNE 2023

(Expressed in United States dollars)

	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
United States listed investment funds			
ISHARES S&P NA TECH-SOFT IF S&P NA TECH	1,737	600,846	3.16
PROSHARES ULTRAPRO SHORT QQQ	80,008	1,512,951	7.94
		<hr/>	<hr/>
		2,113,797	11.10
		<hr/>	<hr/>
Total investments		17,255,806	90.58
<i>(Total cost of investments: 16,965,212)</i>			
Other net assets		1,794,443	9.42
Total net assets		<hr/> <hr/>	<hr/> <hr/>
		19,050,249	100.00

CHINAAMC CHINA FOCUS FUND – A SUB-FUND OF CHINAAMC INVESTMENT TRUST

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	<i>% of total net assets 30 June 2023</i>	<i>% of total net assets 31 December 2022</i>
Unlisted China A Share access products	10.10	4.13
PRC listed equity securities	7.81	8.23
Hong Kong listed equity securities	15.04	45.58
United States listed equities securities	46.53	31.48
United States listed investment funds	11.10	–
Total investments	<u>90.58</u>	<u>89.42</u>
Other net assets	<u>9.42</u>	<u>10.58</u>
Total net assets	<u>100.00</u>	<u>100.00</u>



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