

ChinaAMC Investment Trust  
**ChinaAMC China Focus Fund**

Unaudited Semi-Annual Report

For the six months ended  
30 June 2024



**华夏基金**  
**ChinaAMC**

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

**UNAUDITED SEMI-ANNUAL REPORT**

**FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**CHINAAMC CHINA FOCUS FUND  
- A SUB-FUND OF CHINAAMC INVESTMENT TRUST  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

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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: (<https://www.chinaamc.com.hk/product-category/all/>).

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

### Trustee

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

### Auditor

KPMG  
8th Floor, Prince's Building  
10 Chater Road  
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*

China's stock markets have seen a relatively better performance in the first half of 2024 (as of June 13) compared to the previous three-year period. Among the world's major stock markets, key Chinese indexes have delivered robust gains, with the Hang Seng China Enterprises Index and the FTSE A50 Index rising 10.6% and 6.7% respectively. In the meantime, the Hang Seng Index and the Shanghai Composite Index have also recorded positive returns. Notably, during the rally from mid-to-late April to late May, Chinese stocks, especially Hong Kong-listed stocks, outperformed global stock indexes. The recovery of China's equity assets in the first half of 2024 was underpinned by attractive valuations in the A-share and Hong Kong stocks markets relative to global peers. This favorable pricing paved the way for the market rebound. The Chinese economy demonstrated greater resilience than many pessimistic investors had anticipated, providing a strong fundamental catalyst for the equity rally. In addition, a series of supportive measures introduced by the government in the second quarter helped bolster investor confidence in the property sector and raised expectations for more reform initiatives going forward.

We remain optimistic in general and expect that there may be opportunities for continued recovery in China's stock market. First of all, the valuation of China's stock market remains at low levels compared with other major markets globally, even after the recent readjustment. Notably, the current valuation of the Hong Kong stock market is around the low levels seen during previous market turmoil, such as the 2008 global financial crisis, the 2011 European debt crisis, the 2015 bursting of the domestic financial bubble, the 2018 deleveraging, the COVID-19 pandemic in 2020, and the lockdown in 2022. Meanwhile, earnings expectations and risk appetites among investors remain extremely bearish. Secondly, the continuous improvement of economic fundamentals and the roll-out of more supportive measures to address short- to long-term challenges will be key to translating the current low valuations into a sustained rally. China's economic growth over the next two years is expected to outpace the global average, including both developed and developing economies. Domestically, the potential acceleration in government bond issuance may support expanded infrastructure investment in the second half of 2024. Currently, around 70% of the 2024 bond issuance quota remains unused, despite a significant jump in bond issuance observed in May. Moreover, China's exports are expected to remain robust. All these factors should help stabilize the overall economy and facilitate the recovery of corporate earnings. As a result, we expect earnings of companies listed in the A-share and Hong Kong stock markets to return to positive growth in 2024, with earnings growth expected to pick up from the third quarter onwards. Thirdly, China's reform initiatives and evolving external landscape in the second half of 2024 should be closely watched, as political events both at home and abroad are expected to weigh on the stock markets. For example, the reform policies that the Chinese government may introduce at the Third Plenum scheduled for July, and the potential chain effects stemming from the US presidential election could have significant implications. Other key issues expected to be covered during the Third Plenum that can have notable influence on China's medium- to long-term economic development include reforms to the fiscal and tax system, production factors and corporate governance. Last but not least, high-frequency economic data is expected to fluctuate as the pace of policy rollout varies during short-term economic recovery. In the meantime, external currency valuations and geopolitical events may also lead to ups and downs in investors' risk appetites. The performance of China's stock market ultimately roots in the stabilization of the economy and the introduction of medium- and long-term reform policies.

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

### **REPORT OF THE MANAGER TO THE UNITHOLDERS (CONTINUED)**

While we expect a moderate recovery in China's economy and the performance of listed companies, the overall trend of increasing share buybacks and dividend payouts is expected to continue. In general, the market expects more policies to deepen reforms, as well as the implementation of real estate-related policies, to emerge from the upcoming Third Plenum and other high level meetings.

China Asset Management (Hong Kong) Limited  
13 August 2024

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

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

(Expressed in United States dollars)

	<i>As at 30 June 2024 (unaudited)</i>	<i>As at 31 December 2023 (audited)</i>
<b>Assets</b>		
Cash and cash equivalents	\$ 269,601	\$ 446,016
Financial assets at fair value through profit or loss	15,857,313	17,034,023
Amounts due from brokers	6,259,394	9,267,027
Subscription receivable	4,348	10,399
Dividend receivable	126,674	13,340
<b>Total assets</b>	<b>\$ 22,517,330</b>	<b>\$ 26,770,805</b>
<b>Liabilities</b>		
Amounts due to brokers	\$ 5,714,807	\$ 8,198,596
Redemption payable	71,746	164,357
Accruals and other payables	140,584	238,721
<b>Total liabilities (excluding net assets attributable to unitholders)</b>	<b>\$ 5,927,137</b>	<b>\$ 8,601,674</b>
<b>Net assets attributable to unitholders</b>	<b>\$ 16,590,193</b>	<b>\$ 18,169,131</b>
<b>Total number of units in issue</b>		
AUD units	9,394	9,394
EUR units	4,192	4,192
HKD units	946,604	1,037,207
SGD units	29,224	30,580
USD units	1,281,662	1,427,941
<b>Net asset value per unit in local currency</b>		
AUD units	AUD 15.820	AUD 15.273
EUR units	EUR 14.457	EUR 13.834
HKD units	HKD 11.792	HKD 11.633
SGD units	SGD 12.206	SGD 11.719
USD units	USD 11.495	USD 11.338

Note: The semi-annual report of the sub-funds have been prepared in accordance with the same accounting policies adopted in the 2023 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 2024**

*(Expressed in United States dollars)*

	<i>For the six months ended 30 June 2024 (unaudited)</i>	<i>For the six months ended 30 June 2023 (unaudited)</i>
Interest income on cash and cash equivalents	\$ 16,447	\$ 14,302
Interest income on financial assets at fair value through profit or loss	–	61
Dividend income	290,800	316,691
Net gain on financial instruments at fair value through profit or loss	1,104,137	979,135
Net foreign exchange loss	(54,829)	(59,243)
<b>Total income</b>	<b>\$ 1,356,555</b>	<b>\$ 1,250,946</b>
Transaction costs	\$ (888,101)	\$ (866,626)
Management fee	(152,587)	(175,426)
Administration fee	(32,625)	(33,467)
Audit fee	(7,587)	(10,610)
Trustee fee	(4,943)	(5,071)
Custodian fee	(34,789)	(25,051)
Financial statements preparation fee	(7,460)	(7,439)
Legal and professional fee	–	(1,036)
Bank charges	(179)	(135)
Interest expense	(1,093)	(3,434)
Others	(415)	(826)
<b>Total operating expenses</b>	<b>\$ (1,129,779)</b>	<b>\$ (1,129,121)</b>
<b>Profit before tax</b>	<b>\$ 226,776</b>	<b>\$ 121,825</b>
Withholding tax expenses	(28,231)	(19,769)
<b>Increase in net assets attributable to unitholders from operations for the period</b>	<b>\$ 198,545</b>	<b>\$ 102,056</b>



**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 2024**

*(Expressed in United States dollars)*

	<i>For the six months ended 30 June 2024 (unaudited)</i>	<i>For the six months ended 30 June 2023 (unaudited)</i>
<b>Balance at the beginning of the period</b>	\$ 18,169,131	\$ 19,024,439
<b>Transactions with unitholders</b>		
<b>Subscription</b>	\$ 1,930,711	\$ 3,298,244
<b>Redemption</b>	\$ (3,708,194)	\$ (3,374,490)
<b>Total transactions with unitholders</b>	\$ (1,777,483)	\$ (76,246)
<b>Increase in net assets attributable to unitholders from operations for the period</b>	\$ 198,545	\$ 102,056
<b>Balance at the end of the period</b>	\$ 16,590,193	\$ 19,050,249

**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 2024**

**Units issued and redeemed**

*Number of units:*

*For the six months ended 30 June 2024 (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>
<b>At 1 January 2024</b>	9,394	4,192	–	1,037,207	30,580	1,427,941
<b>Subscription of units during the period</b>	–	–	–	–	–	169,991
<b>Redemption of units during the period</b>	–	–	–	(90,603)	(1,356)	(316,270)
<b>At 30 June 2024</b>	<u>9,394</u>	<u>4,192</u>	<u>–</u>	<u>946,604</u>	<u>29,224</u>	<u>1,281,662</u>

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

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

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

*(Expressed in United States dollars)*

	<i>For the six months ended 30 June 2024 (unaudited)</i>	<i>For the six months ended 30 June 2023 (unaudited)</i>
<b>Operating activities</b>		
Increase in net assets attributable to unitholders from operations for the period	\$ 198,545	\$ 102,056
Adjustments for:		
Interest income	(16,447)	(14,363)
Dividend income	(290,800)	(316,691)
Interest expense	1,093	3,434
Withholding tax expenses	28,231	19,769
	<hr/>	<hr/>
<b>Operating loss before changes in working capital</b>	\$ (79,378)	\$ (205,795)
Decrease/(increase) in financial assets at fair value through profit or loss	1,176,710	(243,641)
Decrease in amounts due from brokers	3,007,633	5,660,745
Decrease in amounts due to brokers	(2,483,789)	(5,711,267)
(Decrease)/increase in accruals and other payables	(98,137)	21,562
Interest received	16,447	14,363
Dividend received, net of withholding tax paid	149,235	206,150
	<hr/>	<hr/>
<b>Net cash generated from/(used in) operating activities</b>	\$ 1,688,721	\$ (257,883)

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

**STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

*(Expressed in United States dollars)*

	<i>For the six months ended 30 June 2024 (unaudited)</i>	<i>For the six months ended 30 June 2023 (unaudited)</i>
<b>Financing activities</b>		
Proceeds from unit subscriptions	\$ 1,936,762	\$ 3,251,287
Payments on unit redemptions	(3,800,805)	(3,418,632)
Interest paid	(1,093)	(3,434)
<b>Net cash used in financing activities</b>	<u>\$ (1,865,136)</u>	<u>\$ (170,779)</u>
<b>Net decrease in cash and cash equivalents</b>	\$ (176,415)	\$ (428,662)
<b>Cash and cash equivalents at the beginning of the period</b>	<u>446,016</u>	<u>1,893,490</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>\$ 269,601</u>	<u>\$ 1,464,828</u>
<b>Analysis of cash and cash equivalents</b>		
Cash at bank	<u>\$ 269,601</u>	<u>\$ 1,464,828</u>

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

**INVESTMENT PORTFOLIO (UNAUDITED)  
AS AT 30 JUNE 2024**

*(Expressed in United States dollars)*

	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
<b>China listed equity securities</b>			
CHINA POWER INTERNATIONAL	1,340,000	695,112	4.19
SUZHOU DONGSHAN PRECISION-A	256,800	728,100	4.39
		1,423,212	8.58
<b>Hong Kong listed equity securities</b>			
BRILLIANCE CHINA AUTOMOTIVE	1,486,000	1,562,632	9.42
CHINA EVERBRIGHT ENVIRONMENT	1,347,000	676,314	4.08
CHINA MOBILE LTD	89,000	877,760	5.29
CHINA TOWER CORP LTD-H	10,664,000	1,379,547	8.31
CHINA WANTIAN HOLDINGS LTD	1,770,000	238,044	1.43
HUANENG POWER INTL INC-H	932,000	691,177	4.17
MEITUAN-CLASS B	67,700	963,380	5.81
QINGDAO PORT INTERNATIONAL-H 6198	222,000	169,471	1.02
TENCENT HOLDINGS LTD TENCENT HOLDINGS LTD	31,100	1,483,423	8.94
		8,041,748	48.47
<b>Japan listed equity securities</b>			
MURATA MANUFACTURING CO LTD NPV	24,100	497,701	3.00
		497,701	3.00
<b>United States listed equity securities</b>			
APPLE INC	5,146	1,083,851	6.53
ELI LILLY & CO COM STK NPV	496	449,068	2.71
PALANTIR TECHNOLOGIES INC-A	19,337	489,806	2.95
PDD HOLDINGS INC	11,860	1,576,787	9.50
QUALCOMM INC	7,042	1,402,626	8.46
TAIWAN SEMICONDUCTOR-SP ADR ADS REP 5 ORD TWD10	5,135	892,514	5.38
		5,894,652	35.53

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

**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**

**AS AT 30 JUNE 2024**

*(Expressed in United States dollars)*

	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
<b>Total investments</b> <i>(Total cost of investments: 15,307,277)</i>		15,857,313	95.58
<b>Other net assets</b>		<u>732,880</u>	<u>4.42</u>
<b>Total net assets</b>		<u><u>16,590,193</u></u>	<u><u>100.00</u></u>

**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 2024**

	<i>% of total net assets 30 June 2024</i>	<i>% of total net assets 31 December 2023</i>
PRC listed equity securities	8.58	0.33
Hong Kong listed equity securities	48.47	28.91
Japan listed equity securities	3.00	–
Korea listed equity securities	–	3.78
United States listed equities securities	35.53	55.61
Hong Kong listed investment funds	–	5.12
	<hr/>	<hr/>
<b>Total investments</b>	95.58	93.75
	<hr/>	<hr/>
<b>Other net assets</b>	4.42	6.25
	<hr/>	<hr/>
<b>Total net assets</b>	<u>100.00</u>	<u>100.00</u>

