

# ChinaAMC Fund

## Unaudited Semi-annual Report

For the period ended June 30, 2016



**华夏基金**  
**ChinaAMC**

The semi-annual report has contained information relating to ChinaAMC China Growth Fund, ChinaAMC China A Share Opportunities Fund and ChinaAMC Asia Bond Fund. ChinaAMC China Growth Fund, ChinaAMC China A Share Opportunities Fund or ChinaAMC Asia Bond Fund are neither authorised in Hong Kong, nor available to Hong Kong Residents. You should note that certain figures in the semi-annual report are expressed on a consolidated basis and, thus, include the financial information of ChinaAMC China Growth Fund, ChinaAMC China A Share Opportunities Fund and ChinaAMC Asia Bond Fund, which are not authorised in Hong Kong.

# ChinaAMC Fund

« Société d'Investissement à Capital Variable »

Semi-annual report and unaudited financial statements for the period ended June 30, 2016

R.C.S. Luxembourg B154.870

Subscriptions may not be received on the basis of financial reports. Subscriptions are valid only if made on the basis of the current prospectus or the key investor information document, supplemented by the last annual report, and the most recent half-yearly report, if published thereafter.

# ChinaAMC Fund

---

## TABLE OF CONTENTS

---

Organisation of the Fund	3
Report of the Board of Directors	5
Statement of Net Assets	6
Statement of Operations and Changes in Net Assets	7
Statistical Information	8
Statement of Changes in Shares	8
Schedule of Investments – ChinaAMC China Opportunities Fund	9
Schedule of Investments – ChinaAMC China Growth Fund	10
Schedule of Investments – ChinaAMC China A Share Opportunities Fund	14
Notes to the Financial Statements	15
Information to Shareholders	25

---

# ChinaAMC Fund

---

## ORGANISATION OF THE FUND

---

### THE FUND

**ChinaAMC Fund**

49, avenue J. F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

### BOARD OF DIRECTORS

**Directors****Tian GAN**

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

**Ning ZHU**

Deputy Director and Professor of Finance  
Shanghai Advanced Institute of Finance  
Room 606, 211 West Huaihai Road  
Shanghai, 200030, China

**Yanfang Cherian**

Managing Director  
Oxleyan Capital Pte Ltd.  
3 Philip Street #17-01  
Commerce Point  
Singapore 048693

### INVESTMENT MANAGER\*

**China Asset Management (Hong Kong) Limited**

37/F  
Bank of China Tower  
1 Garden Road  
Hong Kong

### MANAGEMENT COMPANY

**FundRock Management Company S.A.**

33, rue de Gasperich  
L - 5826 Hesperange  
Grand Duchy of Luxembourg

### DISTRIBUTOR\*

**China Asset Management (Hong Kong) Limited**

37/F  
Bank of China Tower  
1 Garden Road  
Hong Kong

\* Delegated by the Management Company

## ChinaAMC Fund

---

### **CUSTODIAN/DEPOSITARY, ADMINISTRATOR\*, DOMICILIARY\*, CORPORATE\*, PAYING\*, LISTING\*, REGISTRAR\* AND TRANSFER AGENT\***

**State Street Bank Luxembourg S.C.A.**

49, avenue J. F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

### **INDEPENDENT AUDITOR**

**Ernst & Young S.A.**

35E, avenue J.F. Kennedy  
L - 1855 Luxembourg  
Grand Duchy of Luxembourg

### **LEGAL ADVISER TO THE FUND**

**Arendt & Medernach**

41A, avenue J. F. Kennedy  
L - 2082 Luxembourg  
Grand Duchy of Luxembourg

### **REPRESENTATIVE AGENT IN HONG KONG**

**China Asset Management (Hong Kong) Limited**

37/F  
Bank of China Tower  
1 Garden Road  
Hong Kong

\* Delegated by the Management Company

**REPORT OF THE BOARD OF DIRECTORS**

---

In review of the first half of 2016, the Chinese and Hong Kong equity market were fairly unstable. In the first quarter, both A-shares and Hong Kong equity markets commenced in a weak economic situation where liquidity was restricted and RMB depreciated, which further triggered substantial capital outflow. By the end of the first quarter, the market recorded a decent rebound after two months of disappointing performance, thanks to RMB stabilisation and released liquidity arose from a cross board required reserve ratio cut by the People's Bank of China. Hong Kong equity market benefited from capital inflow and positive market sentiment in this period of rebound. In the second quarter, improved macro data revealed the Chinese economy was on its way to a slow recovery. Until June, the market was influenced by two significant events, the postponement of A-shares inclusion into the MSCI EM index and Brexit, which led the market to become volatile.

Looking forward into the second half of 2016, we believe the Hong Kong equity market is likely to embrace some rebound in the third quarter due to the stable macro data and attractive valuation, especially after Brexit. From our view, market sentiment in the second half of the year tends to be on the upside and there tend to be limited downside risks for Hong Kong equity market. On the other hand, it appears to us the probability of having CNY or CNH sharply depreciated in the short term tends to be quite small. This is mainly because the G20 summit will be held in China in September and RMB will be officially added into the SDR basket in October. Regarding the A-shares market that we are still optimistic about, we believe the growth outlook for the remaining months hinges on the policy outlook. It seems to us the fiscal policy may continue to be supportive while the monetary policy may remain neutral and accommodative. Still, the long term economic growth improvement prospect rests in the hands of reform. In short, the overall market is expected to be volatile with limited downside risks in the second half of the year.

August 23, 2016

## ChinaAMC Fund

### STATEMENT OF NET ASSETS AS AT JUNE 30, 2016 IN USD

	ChinaAMC China Opportunities Fund	ChinaAMC China Growth Fund	ChinaAMC China A Share Opportunities Fund	ChinaAMC Asia Bond Fund*	Total
	USD	USD	USD	USD	USD
<b>Assets</b>					
Investments in securities at market value (note 2)	169,456,877	59,444,138	30,608,801	—	259,509,816
Unrealised gain on swap contracts (note 2, 10)	—	335,088	—	—	335,088
Unrealised gain on forward foreign Exchange contracts (note 2, 10)	—	5,532	—	—	5,532
Unrealised gain on future contracts (note 2, 10)	—	105,035	—	—	105,035
Cash	6,814,414	18,473,770	2,293,519	251,168,794	278,750,497
Cash held at brokers (note 2)	—	46,942,421	—	—	46,942,421
Dividends receivable	1,860,730	102,248	—	—	1,962,978
Receivable on investments sold	112,098	1,260,848	—	—	1,372,946
Receivable on subscriptions	58,337	—	—	—	58,337
Receivable from Investment Manager (note 5)	237,581	193,925	1,998	—	433,504
Other assets	14,519	18,017	14,797	—	47,333
<b>Total assets</b>	<b>178,554,556</b>	<b>126,881,022</b>	<b>32,919,115</b>	<b>251,168,794</b>	<b>589,523,487</b>
<b>Liabilities</b>					
Unrealised loss on swap contracts (note 2, 10)	—	(165,819)	—	—	(165,819)
Unrealised loss on future contracts (note 2, 10)	—	(11,312)	—	—	(11,312)
Cash overdrafts	—	(34,809)	—	—	(34,809)
Swap premium paid	—	(32,153)	—	—	(32,153)
Payable on investments purchased	—	(737,158)	—	—	(737,158)
Payable on redemptions	(108,854)	—	(465,166)	—	(574,020)
Interest payable on swap contracts (note 2)	—	(365)	—	—	(365)
Other liabilities	(781,369)	(629,221)	(203,950)	(53,924)	(1,668,464)
<b>Total liabilities</b>	<b>(890,223)</b>	<b>(1,610,837)</b>	<b>(669,116)</b>	<b>(53,924)</b>	<b>(3,224,100)</b>
<b>Total net assets</b>	<b>177,664,333</b>	<b>125,270,185</b>	<b>32,249,999</b>	<b>251,114,870</b>	<b>586,299,387</b>

\* ChinaAMC Asia Bond Fund was launched on June 24, 2016.

Please refer to the tables disclosed on page 8 of the report for the NAV per Share and for the Shares in issue as at June 30, 2016.

The accompanying notes form an integral part of these financial statements.

## ChinaAMC Fund

### STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE PERIOD ENDED JUNE 30, 2016 IN USD

	ChinaAMC China Opportunities Fund	ChinaAMC China Growth Fund	ChinaAMC China A Share Opportunities Fund	ChinaAMC Asia Bond Fund*	Total
	USD	USD	USD	USD	USD
<b>Net assets at the beginning of the period</b>	<b>223,855,959</b>	<b>101,653,537</b>	<b>35,514,018</b>	<b>—</b>	<b>361,023,514</b>
Dividend income (net of withholding tax)	2,727,380	89,986	208,182	—	3,025,548
Interest income from investments	—	305	—	—	305
Interest received on swap contracts	—	12,381	—	—	12,381
Interest on bank accounts	—	—	1,292	—	1,292
<b>Total Income</b>	<b>2,727,380</b>	<b>102,672</b>	<b>209,474</b>	<b>—</b>	<b>3,039,526</b>
Investment Management fees (note 5)	(1,322,729)	(831,793)	(282,452)	(41,351)	(2,478,325)
Performance fees (note 6)	—	(16,921)	—	—	(16,921)
Other charges and taxes	(63,700)	(205,910)	(18,564)	(270)	(288,444)
Professional fees	(82,486)	(6,730)	(27,662)	(1,740)	(118,618)
Management Company fees (note 4)	(50,604)	(33,974)	(9,542)	(2,146)	(96,266)
Depository and Custody fees (note 8)	(29,120)	(29,120)	(32,760)	(600)	(91,600)
Administrator fees (note 9)	(27,405)	(17,181)	(13,390)	(1,237)	(59,213)
Transfer Agent and Registrar fees (note 9)	(45,500)	(10,920)	(7,280)	(300)	(64,000)
"Taxe d'abonnement" (note 3)	(25,574)	(16,667)	(7,179)	(6,280)	(55,700)
Interest paid on swap contracts	—	(36,234)	—	—	(36,234)
Director fees (note 12)	(4,974)	(4,974)	—	—	(9,948)
Interest paid on bank accounts	—	(3,459)	—	—	(3,459)
<b>Total Expenses</b>	<b>(1,652,092)</b>	<b>(1,213,883)</b>	<b>(398,829)</b>	<b>(53,924)</b>	<b>(3,318,728)</b>
<b>Net investment income / (expenses)</b>	<b>1,075,288</b>	<b>(1,111,211)</b>	<b>(189,355)</b>	<b>(53,924)</b>	<b>(279,202)</b>
Net realised gain / (loss) on					
- Investments in securities (note 2)	(5,968,667)	(389,548)	(3,378,748)	—	(9,736,963)
- Foreign currency and forward foreign exchange contracts (note 2, 10)	(102,193)	(30,391)	(606,405)	—	(738,989)
- Future contracts (note 2, 10)	—	2,176,017	—	—	2,176,017
- Swap contracts (note 2, 10)	—	578,130	—	—	578,130
Change in unrealised appreciation / (depreciation) on					
- Investments in securities (note 2)	(23,935,011)	(1,509,454)	(1,008,586)	—	(26,453,051)
- Foreign currency and forward foreign exchange contracts (note 2, 10)	3,822	21,099	703	(1,287,745)	(1,262,121)
- Future contracts (note 2, 10)	—	164,863	—	—	164,863
- Swap contracts (note 2, 10)	—	41,851	—	—	41,851
<b>Net change in net assets for the period as a result of operations</b>	<b>(28,926,761)</b>	<b>(58,644)</b>	<b>(5,182,391)</b>	<b>(1,341,669)</b>	<b>(35,509,465)</b>
Subscriptions for the period	12,127,284	39,018,164	11,346,406	252,456,539	314,948,393
Redemptions for the period	(29,392,149)	(15,342,872)	(9,428,034)	—	(54,163,055)
<b>Net proceeds from share transactions</b>	<b>(17,264,865)</b>	<b>23,675,292</b>	<b>1,918,372</b>	<b>252,456,539</b>	<b>260,785,338</b>
<b>Net assets at the end of the period</b>	<b>177,664,333</b>	<b>125,270,185</b>	<b>32,249,999</b>	<b>251,114,870</b>	<b>586,299,387</b>

\*Statement of Operations and Changes in Net Assets for the period from June 24, 2016 (launch date) to June 30, 2016.

The accompanying notes form an integral part of these financial statements.



# ChinaAMC Fund

## STATISTICAL INFORMATION

	Currency	June 30, 2016		December 31, 2015		December 31, 2014	
		Total NAV in USD	per Share in USD	Total NAV in USD	per Share in USD	Total NAV in USD	per Share in USD
<b>ChinaAMC China Opportunities Fund</b>							
Class A	EUR	1,361,986	15.748	1,721,263	18.086	1,972,648	19.273
Class A <sup>(1)</sup>	HKD	3,680,222	11.112	3,152,878	12.761	415,008	13.590
Class A	USD	89,100,764	12.563	126,339,516	14.427	162,396,768	15.369
Class I	USD	83,521,361	13.652	92,642,302	15.612	237,155,105	16.490
<b>ChinaAMC China Growth Fund</b>							
Class A	USD	48,885,002	17.050	46,792,079	17.118	47,202,915	14.998
Class B	USD	4,196,695	17.013	4,230,979	17.081	4,385,343	14.967
Class I <sup>(2)</sup>	EUR	1,503,042	10.507	1,395,971	10.313	—	—
Class I <sup>(3)</sup>	GBP	—	—	—	—	24,323,764	17.056
Class I	USD	70,685,446	14.732	49,234,508	14.718	57,132,615	12.789
<b>ChinaAMC China A Share Opportunities Fund</b>							
Class A <sup>(4)</sup>	EUR	4,037,472	9.099	4,729,785	10.659	—	—
Class A <sup>(5)</sup>	RMB	2,972,953	1.500	1,948,497	1.758	—	—
Class A <sup>(6)</sup>	USD	19,256,724	8.817	19,663,926	10.331	—	—
Class I	USD	5,982,850	10.644	9,171,810	12.404	15,958,504	11.515
<b>ChinaAMC Asia Bond Fund</b>							
Class I <sup>(7)</sup>	RMB	251,114,870	15.037	—	—	—	—

## STATEMENT OF CHANGES IN SHARES FOR THE PERIOD ENDED JUNE 30, 2016

	Balance at			Balance at June 30, 2016
	December 31, 2015	Subscriptions	Redemptions	
<b>ChinaAMC China Opportunities Fund</b>				
Class A Accumulation EUR	95,171	—	(8,685)	86,486
Class A Accumulation HKD	247,075	85,217	(1,102)	331,190
Class A Accumulation USD	8,757,177	302,928	(1,968,007)	7,092,098
Class I Accumulation USD	5,934,135	541,404	(357,681)	6,117,858
<b>ChinaAMC China Growth Fund</b>				
Class A Accumulation USD	2,733,539	378,754	(245,141)	2,867,152
Class B Accumulation USD	247,704	2,954	(3,984)	246,674
Class I Accumulation EUR	135,357	7,696	—	143,053
Class I Accumulation USD	3,345,304	2,209,633	(756,861)	4,798,076
<b>ChinaAMC China A Share Opportunities Fund</b>				
Class A Accumulation EUR	443,725	—	—	443,725
Class A Accumulation RMB	1,108,504	2,779,828	(1,906,771)	1,981,561
Class A Accumulation USD	1,903,447	851,323	(570,826)	2,183,944
Class I Accumulation USD	739,411	—	(177,321)	562,090
<b>ChinaAMC Asia Bond Fund</b>				
Class I Distribution RMB <sup>(7)</sup>	—	16,700,000	—	16,700,000

<sup>(1)</sup> The Share Class was launched on November 3, 2014

<sup>(2)</sup> The Share Class was launched on May 15, 2015

<sup>(3)</sup> The Share Class was closed on May 4, 2015

<sup>(4)</sup> The Share Class was launched on March 25, 2015

<sup>(5)</sup> The Share Class was launched on January 13, 2015

<sup>(6)</sup> The Share Class was launched on January 5, 2015

<sup>(7)</sup> The Share Class was launched on June 24, 2016

## ChinaAMC China Opportunities Fund

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

Nominal / Quantity	Description	Local Currency	Acquisition cost	Market value	% of Net Assets
<b>TRANSFERABLE SECURITIES LISTED ON AN OFFICIAL STOCK EXCHANGE</b>			<b>191,373,407</b>	<b>169,456,877</b>	<b>95.38</b>
<b>Shares</b>			<b>191,373,407</b>	<b>169,456,877</b>	<b>95.38</b>
<b>Consumer Discretionary</b>			<b>28,539,878</b>	<b>20,826,673</b>	<b>11.72</b>
52,288,000	BeijingWest Industries International Ltd.	HKD	4,005,123	1,138,849	0.64
5,250,000	China Harmony New Energy Auto Holding Ltd.	HKD	5,310,346	2,801,155	1.57
7,296,000	China ZhengTong Auto Services Holdings Ltd.	HKD	3,331,839	2,679,829	1.51
2,310,790	Chongqing Changan Automobile Co., Ltd. "B"	HKD	5,315,934	3,216,338	1.81
1,650,000	Fuyao Glass Industry Group Co., Ltd. "H"	HKD	4,093,180	3,819,159	2.15
802,000	Galaxy Entertainment Group Ltd.	HKD	2,701,091	2,377,276	1.34
6,050,000	Geely Automobile Holdings Ltd.	HKD	2,525,837	3,266,983	1.84
311,000	IMAX China Holding, Inc.	HKD	1,256,528	1,527,084	0.86
<b>Energy</b>			<b>4,202,328</b>	<b>2,907,750</b>	<b>1.64</b>
52,470,000	Concord New Energy Group Ltd.	HKD	4,202,328	2,907,750	1.64
<b>Financials</b>			<b>49,426,489</b>	<b>43,560,032</b>	<b>24.52</b>
9,091,000	Bank of China Ltd. "H"	HKD	4,885,813	3,620,325	2.04
713,400	BOC Aviation Ltd.	HKD	3,898,085	3,617,890	2.04
3,222,000	China Resources Land Ltd.	HKD	8,579,906	7,515,910	4.23
1,983,870	China Taiping Insurance Holdings Co., Ltd.	HKD	5,105,831	3,691,967	2.08
1,800,000	Guangzhou R&F Properties Co., Ltd. "H"	HKD	2,231,320	2,266,442	1.27
3,000,200	Haitong Securities Co., Ltd. "H"	HKD	5,085,416	5,042,028	2.84
12,625,000	Industrial & Commercial Bank of China Ltd. "H"	HKD	7,634,494	6,980,172	3.93
7,648,000	People's Insurance Co. Group of China Ltd. "H"	HKD	3,840,319	2,927,398	1.65
1,794,500	Ping An Insurance Group Co. Ltd. "H"	HKD	8,165,305	7,897,900	4.44
<b>Health Care</b>			<b>30,760,339</b>	<b>27,176,683</b>	<b>15.29</b>
3,399,088	Beijing Tong Ren Tang Chinese Medicine Co., Ltd.	HKD	3,231,603	4,025,829	2.26
7,092,000	CSPC Pharmaceutical Group Ltd.	HKD	5,859,020	6,306,600	3.55
224,400	iKang Healthcare Group, Inc. - ADR	USD	3,934,970	4,151,400	2.34
1,050,000	Livzon Pharmaceutical Group, Inc. "H"	HKD	6,120,687	4,715,954	2.65
3,166,400	Shanghai Pharmaceuticals Holding Co., Ltd. "H"	HKD	7,603,652	6,969,973	3.92
5,315,000	Sihuan Pharmaceutical Holdings Group Ltd.	HKD	4,010,407	1,006,927	0.57
<b>Industrials</b>			<b>8,422,594</b>	<b>9,148,992</b>	<b>5.15</b>
661,000	Anhui Conch Cement Co., Ltd. "H"	HKD	1,678,840	1,586,202	0.89
1,500,000	AviChina Industry & Technology Co., Ltd. "H"	HKD	1,140,128	1,038,109	0.59
4,710,500	China Aircraft Leasing Group Holdings Ltd.	HKD	3,566,114	4,413,457	2.48
5,664,000	China Resources Cement Holdings Ltd.	HKD	1,795,419	1,810,308	1.02
86,000	Sunny Optical Technology Group Co., Ltd.	HKD	242,093	300,916	0.17
<b>Information Technology</b>			<b>41,377,008</b>	<b>41,430,186</b>	<b>23.32</b>
8,400	Alibaba Group Holding Ltd. - ADR	USD	640,880	655,536	0.37
37,400	Baidu, Inc. - ADR	USD	7,007,396	6,148,934	3.46
165,000	Cogobuy Group	HKD	226,115	264,109	0.15
6,000,000	Cowell e Holdings, Inc.	HKD	5,850,482	2,080,085	1.17
256,600	JD.com, Inc. - ADR	USD	7,460,332	5,232,074	2.95
5,706,000	Ju Teng International Holdings Ltd.	HKD	3,564,128	2,272,311	1.28
100,000	Kingsoft Corp., Ltd.	HKD	207,732	192,543	0.11
790,900	Tencent Holdings Ltd.	HKD	11,002,777	17,949,749	10.10
12,600	Weibo Corp. - ADR	USD	334,995	345,618	0.19
16,000,000	Xinyi Solar Holdings Ltd.	HKD	5,082,171	6,289,227	3.54
<b>Materials</b>			<b>6,487,107</b>	<b>3,479,695</b>	<b>1.96</b>
2,700,000	Fosun International Ltd.	HKD	6,487,107	3,479,695	1.96
<b>Telecommunication Services</b>			<b>10,489,638</b>	<b>9,699,825</b>	<b>5.46</b>
849,000	China Mobile Ltd.	HKD	10,489,638	9,699,825	5.46
<b>Utilities</b>			<b>11,668,026</b>	<b>11,227,041</b>	<b>6.32</b>
9,844,000	Beijing Enterprises Water Group Ltd.	HKD	6,177,498	5,912,007	3.33
4,287,000	CNOOC Ltd.	HKD	5,490,528	5,315,034	2.99
<b>Total portfolio</b>			<b>191,373,407</b>	<b>169,456,877</b>	<b>95.38</b>
<b>Other net assets</b>				<b>8,207,456</b>	<b>4.62</b>
<b>Total net assets</b>				<b>177,664,333</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

## ChinaAMC China Growth Fund

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

Nominal / Quantity	Description	Local Currency	Acquisition cost	Market value	% of Net Assets
<b>TRANSFERABLE SECURITIES LISTED ON AN OFFICIAL STOCK EXCHANGE</b>			<b>13,307,358</b>	<b>13,479,138</b>	<b>10.76</b>
<b>Shares</b>			<b>13,307,358</b>	<b>13,479,138</b>	<b>10.76</b>
<b>Consumer Discretionary</b>			<b>2,185,539</b>	<b>2,093,836</b>	<b>1.67</b>
15,100,000	GOME Electrical Appliances Holding Ltd.	HKD	1,871,172	1,790,368	1.43
334,000	Shenzhen Expressway Co., Ltd. "H"	HKD	314,367	303,468	0.24
<b>Energy</b>			<b>5,280,032</b>	<b>5,581,795</b>	<b>4.46</b>
3,040,000	China Coal Energy Co., Ltd. "H"	HKD	1,491,598	1,578,905	1.26
914,000	China Shenhua Energy Co., Ltd. "H"	HKD	1,595,856	1,679,745	1.34
3,598,000	Yanzhou Coal Mining Co., Ltd. "H"	HKD	2,192,578	2,323,145	1.86
<b>Financials</b>			<b>2,990,944</b>	<b>2,962,208</b>	<b>2.36</b>
860,400	China International Capital Corp., Ltd. "H"	HKD	1,375,670	1,306,240	1.04
3,142,000	Country Garden Holdings Co., Ltd.	HKD	1,278,852	1,320,083	1.05
94,600	New China Life Insurance Co., Ltd. "H"	HKD	336,422	335,885	0.27
<b>Health Care</b>			<b>1,361,253</b>	<b>1,354,019</b>	<b>1.08</b>
209,000	China Medical System Holdings Ltd.	HKD	315,554	317,838	0.25
258,000	Guangzhou Baiyunshan Pharmaceutical Holdings Co., Ltd. "H"	HKD	615,765	608,482	0.49
194,300	Shanghai Pharmaceuticals Holding Co., Ltd. "H"	HKD	429,934	427,699	0.34
<b>Industrials</b>			<b>1,489,590</b>	<b>1,487,280</b>	<b>1.19</b>
2,007,000	Lee & Man Paper Manufacturing Ltd.	HKD	1,489,590	1,487,280	1.19
<b>TRANSFERABLE SECURITIES LISTED ON ANOTHER REGULATED MARKET</b>			<b>45,904,393</b>	<b>45,965,000</b>	<b>36.69</b>
<b>Cerificates of Deposit</b>			<b>10,864,877</b>	<b>10,864,877</b>	<b>8.67</b>
11,000,000	BNP Paribas Fortis SA 0.00% 27/06/2017	USD	10,864,877	10,864,877	8.67
<b>Government Bonds</b>			<b>35,039,516</b>	<b>35,100,123</b>	<b>28.02</b>
35,155,000	United States Treasury Bill 0.00% 05/01/2017	USD	35,039,516	35,100,123	28.02
<b>Total portfolio</b>			<b>59,211,751</b>	<b>59,444,138</b>	<b>47.45</b>
<b>Other net assets</b>				<b>65,826,047</b>	<b>52.55</b>
<b>Total net assets</b>				<b>125,270,185</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

## ChinaAMC China Growth Fund

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

#### COMMITMENTS ON FUTURE CONTRACTS AS AT JUNE 30, 2016

Size	Quantity	Purchase / Sale	Contract	Maturity	Market price as at June 30, 2016	Currency	Unrealised gain / (loss) (USD)	Commitment (USD)
							<b>93,723</b>	<b>3,770,905</b>
25	(4)	Sale	DAX INDEX FUTURE	16/09/2016	10,713.06	EUR	(11,312)	1,071,306
50	20	Purchase	HANG SENG INDEX FUTURE	28/07/2016	2,699.60	HKD	105,035	2,699,599

Cash of USD 1,476,100 is held as initial margin at CCB International Securities Ltd.

Cash of USD 4,032,903 is held as initial margin at Morgan Stanley & Co. International.

## ChinaAMC China Growth Fund

---

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

### FORWARD FOREIGN EXCHANGE CONTRACTS AS AT JUNE 30, 2016

Maturity	Amount bought	Currency	Amount sold	Currency	Unrealised gain (USD)
					<b>5,532</b>
29/07/2016	1,347,000	EUR	1,497,056	USD	5,532

The counterparty for forward foreign exchange contract is Bank of America Merrill Lynch.

The accompanying notes form an integral part of these financial statements.

---

## ChinaAMC China Growth Fund

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

#### SWAP CONTRACTS AS AT JUNE 30, 2016

Notional	Pay	Receive	Counterparty	Currency	Maturity	Unrealised gain / (loss) (USD)	
<b>NET UNREALISED GAIN ON TOTAL RETURN SWAP</b>						<b>169,269</b>	
9,245,249		Evergrande Real Estate Group Ltd.	HKD 1 month HONIX	Bank of America Merrill Lynch China	HKD	12/05/2017	95,112
(583,699)	USD 1 month LIBOR	Chongqing Fuling Zhacai Group Co., Ltd. "A"	International Capital Corp.	USD	28/03/2017	46,697	
(1,248,616)	USD 1 month LIBOR	Dongxing Securities Co., Ltd. "A"	Credit Suisse China	USD	29/06/2017	2,663	
(1,099,509)	USD 1 month LIBOR	Jiuguai Liquor Co., Ltd. "A"	International Capital Corp. China	USD	02/06/2017	137,698	
(909,627)	USD 1 month LIBOR	Ningbo Huaxiang Electronic Co., Ltd. "A"	International Capital Corp. China	USD	20/06/2017	6,550	
(964,921)	USD 1 month LIBOR	Ningbo Tuopu Group Co., Ltd. "A"	International Capital Corp. China	USD	27/06/2017	11,470	
(1,240,805)	USD 1 month LIBOR	Sichuan Minjiang Hydropower Co., Ltd. "A"	International Capital Corp. China	USD	16/06/2017	3,787	
(623,732)	USD 1 month LIBOR	Sichuan Tuopai Shede Wine Co., Ltd. "A"	International Capital Corp.	USD	24/06/2017	31,111	
<b>UNREALISED GAIN ON TOTAL RETURN SWAP</b>						<b>335,088</b>	
14,319,455		Shenzhou International Group Holdings Ltd.	HKD 1 month HONIX	Bank of America Merrill Lynch China	HKD	26/06/2017	(80,303)
(624,201)	USD 1 month LIBOR	Anhui Sun-Create Electronics Co., Ltd. "A"	International Capital Corp. China	USD	27/06/2017	(2,964)	
(1,167,716)	USD 1 month LIBOR	Haitong Securities Co., Ltd. "A"	International Capital Corp.	USD	29/06/2017	(15,224)	
(1,266,066)	USD 1 month LIBOR	Huatai Securities Co., Ltd. "A"	Credit Suisse China	USD	23/03/2017	(264)	
(570,699)	USD 1 month LIBOR	Sichuan Datong Gas Development Co., Ltd. "A"	International Capital Corp.	USD	08/06/2017	(14,957)	
(1,041,139)	USD 1 month LIBOR	Sinolink Securities Co., Ltd. "A"	Credit Suisse China	USD	29/06/2017	(14,099)	
(612,531)	USD 1 month LIBOR	Tangshan Jidong Cement Co., Ltd. "A"	International Capital Corp. China	USD	25/03/2017	(21,888)	
(637,228)	USD 1 month LIBOR	Xinjiang Tianye Co., Ltd. "A"	International Capital Corp.	USD	27/06/2017	(16,120)	
<b>UNREALISED LOSS ON TOTAL RETURN SWAP</b>						<b>(165,819)</b>	

Cash of USD 11,232,947 is held as collateral at Bank of America Merrill Lynch.  
Cash of USD 8,255,717 is held as collateral at China International Capital Corp.  
Cash of USD 11,534,276 is held as collateral at Credit Suisse.

The accompanying notes form an integral part of these financial statements.

## ChinaAMC China A Share Opportunities Fund

### SCHEDULE OF INVESTMENTS AS AT JUNE 30, 2016 IN USD

Nominal / Quantity	Description	Local Currency	Acquisition cost	Market value	% of Net Assets
<b>TRANSFERABLE SECURITIES LISTED ON AN OFFICIAL STOCK EXCHANGE</b>			<b>32,371,258</b>	<b>30,608,801</b>	<b>94.91</b>
<b>Shares</b>			<b>32,371,258</b>	<b>30,608,801</b>	<b>94.91</b>
<b>Consumer Discretionary</b>			<b>2,656,557</b>	<b>2,626,607</b>	<b>8.14</b>
1,234,970	Guangdong Advertising Group Co., Ltd. "A"	CNY	2,656,557	2,626,607	8.14
<b>Consumer Staples</b>			<b>4,142,656</b>	<b>4,288,464</b>	<b>13.30</b>
600,000	Inner Mongolia Yili Industrial Group Co., Ltd. "A"	CNY	1,406,746	1,506,412	4.67
36,000	Kweichow Moutai Co., Ltd. "A"	CNY	1,480,204	1,582,220	4.91
419,979	Yuan Longping High-tech Agriculture Co., Ltd. "A"	CNY	1,255,706	1,199,832	3.72
<b>Financials</b>			<b>13,810,736</b>	<b>11,832,091</b>	<b>36.69</b>
500,000	Bank of Communications Co., Ltd. "A"	CNY	420,679	423,716	1.31
653,670	Bank of Nanjing Co., Ltd. "A"	CNY	1,021,963	923,891	2.86
699,979	China CITIC Bank Corp., Ltd. "A"	CNY	767,972	596,346	1.85
180,000	China Life Insurance Co., Ltd. "A"	CNY	890,655	563,550	1.75
241,300	China Merchants Bank Co., Ltd. "A"	CNY	717,367	635,248	1.97
300,000	Haitong Securities Co., Ltd. "A"	CNY	1,092,914	697,212	2.16
213,500	Industrial Bank Co., Ltd. "A"	CNY	613,254	489,756	1.52
395,500	Orient Securities Co., Ltd. "A"	CNY	1,676,252	1,000,120	3.10
143,600	Ping An Insurance Group Co. Ltd. "A"	CNY	999,188	692,538	2.15
440,000	Shanghai Pudong Development Bank Co., Ltd. "A"	CNY	885,188	1,031,188	3.20
166,300	Sinolink Securities Co., Ltd. "A"	CNY	749,169	337,676	1.05
550,000	Suning Universal Co., Ltd. "A"	CNY	1,111,636	899,889	2.79
1,579,901	Wedge Industrial Co., Ltd. "A"	CNY	2,864,499	3,540,961	10.98
<b>Health Care</b>			<b>4,988,325</b>	<b>4,949,016</b>	<b>15.34</b>
1,799,925	Henan Lingrui Pharmaceutical Co. "A"	CNY	2,921,638	2,920,584	9.05
199,942	Huadong Medicine Co., Ltd. "A"	CNY	2,066,687	2,028,432	6.29
<b>Industrials</b>			<b>3,638,754</b>	<b>3,952,721</b>	<b>12.26</b>
650,000	Guangdong Mingzhu Group Co., Ltd. "A"	CNY	1,340,733	1,566,395	4.86
440,000	Ningbo Boway Alloy Material Co., Ltd. "A"	CNY	821,184	889,457	2.76
380,000	Shanghai Lansheng Corp. "A"	CNY	1,476,837	1,496,869	4.64
<b>Materials</b>			<b>3,134,230</b>	<b>2,959,902</b>	<b>9.18</b>
1,199,900	Guangdong Kaiping Chunhui Co., Ltd. "A"	CNY	1,607,347	1,618,265	5.02
365,000	Shangying Global Co., Ltd. "A"	CNY	1,526,883	1,341,637	4.16
<b>Total portfolio</b>			<b>32,371,258</b>	<b>30,608,801</b>	<b>94.91</b>
<b>Other net assets</b>				<b>1,641,198</b>	<b>5.09</b>
<b>Total net assets</b>				<b>32,249,999</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

## ChinaAMC Fund

### NOTES TO THE FINANCIAL STATEMENTS AS OF JUNE 30, 2016

#### 1. GENERAL INFORMATION

ChinaAMC Fund (the "Fund") is an investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a "*Société d'Investissement à Capital variable*" (SICAV). The Fund has been incorporated in Luxembourg on August 10, 2010 for an unlimited period.

Until June 30, 2011, the Fund was registered under Part I of the amended Luxembourg Law of December 20, 2002 (the "2002 Law") on undertakings for collective investment in transferable securities (UCITS) as defined in the Directive of the Council of the European Community of December 20, 1985 (directive 85/611/EEC) as modified by the European directives 2001/107/CE and 2001/108/CE of January 21, 2002. Since July 1, 2011, the Fund is registered under Part I of the Law of December 17, 2010 (the "2010 Law") as amended.

On July 28, 2014, the Hong Kong Securities and Futures Commissions ("HKSCFC") authorised Hong Kong registration of the Sub-Fund ChinaAMC China Opportunities Fund.

ChinaAMC China Growth Fund, ChinaAMC China A Share Opportunities Fund and ChinaAMC Asia Bond Fund are not registered with the HKSCFC and consequently are not available to Hong Kong investors.

Following its introduction in September 2009, the Board of Directors has adopted the Association of the Luxembourg Fund Industry ("ALFI") Code of Conduct (the "Code"), which sets out the principles of good governance. The Board considers that the Fund has been in compliance with the Code in all material respects throughout the period ended June 30, 2016.

The objective of the Fund is to offer its shareholders an easy access to the different markets of transferable securities while ensuring the observance of the principle of risk spreading. All transferable securities purchased are admitted to an official listing on a stock exchange or dealt in on a regulated market which operates regularly, is recognised and is open to the public.

As at June 30, 2016, the Fund has four active Sub-Funds: the ChinaAMC China Opportunities Fund, the ChinaAMC China Growth Fund, the ChinaAMC China A Share Opportunities Fund and the ChinaAMC Asia Bond Fund (the "Sub-Funds"). The Sub-Fund ChinaAMC China Opportunities Fund commenced investment operations on October 11, 2010, the Sub-Fund ChinaAMC China Growth Fund commenced investment operations on April 1, 2011, the Sub-Fund ChinaAMC China A Share Opportunities Fund commenced investment operations on November 28, 2014 and the Sub-Fund ChinaAMC Asia Bond Fund commenced investment operations on June 24, 2016.

The Share Classes issued as at June 30, 2016 are the following:

<b>Sub-Funds</b>	<b>Share classes issued</b>
ChinaAMC China Opportunities Fund	A Accumulation EUR, A Accumulation HKD, A Accumulation USD, I Accumulation USD
ChinaAMC China Growth Fund	A Accumulation USD, B Accumulation USD, I Accumulation EUR, I Accumulation USD
ChinaAMC China A Share Opportunities Fund	A Accumulation EUR, A Accumulation RMB, A Accumulation USD, I Accumulation USD
ChinaAMC Asia Bond Fund	I Distribution RMB

ChinaAMC Asia Bond Fund launched Class I Distribution RMB on June 24, 2016.



## ChinaAMC Fund

---

ChinaAMC China Opportunities Fund seeks to maximise capital growth by investing primarily in China related listed equity securities. It will focus on investing in equities of China-related companies with registered offices located in the People's Republic of China (the "PRC") and/or Hong Kong, and/or China-related companies that do not have their registered offices in the PRC or Hong Kong but either (i) carry out a predominant proportion of their business activities in the PRC or Hong Kong, or (ii) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong. It may use derivative instruments for hedging or efficient portfolio management purposes. However, derivative instruments will not be used extensively or primarily for investment purposes.

ChinaAMC China Growth Fund seeks to achieve absolute capital appreciation in the long term across varying market conditions principally from a portfolio of investments in Chinese equities (e.g. A-shares, B-shares and H-shares; directly and/or indirectly) and equity related instruments (e.g. equity linked notes and convertibles) of companies around the world, including but not limited to companies listed on stock exchanges and/or with registered offices located in the PRC or Hong Kong and companies that do not have their registered offices in the PRC or Hong Kong but either (i) carry out a predominant proportion of their business activity in these markets, or (ii) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong. Other eligible instruments included financial derivatives, ETFs and open-ended fund which are fully or partially invested in Chinese equities.

ChinaAMC China A Share Opportunities Fund seeks to achieve capital appreciation and income generation by investing primarily in onshore RMB (i.e. CNY) denominated equity securities issued by issuers based in, or having a significant exposure to, the PRC or Hong Kong, as further described below. The investment and trading in China A-shares by the Investment Manager, requires the latter to be granted a licence as a "Renminbi qualified foreign institutional investor" (hereinafter "R-QFII") by the China Securities Regulatory Commission (hereinafter the "CSRC"). The Investment Manager holds an R-QFII licence since December 2011 and has been allocated R-QFII quotas by the PRC State Administration of Foreign Exchange (hereinafter the "SAFE") in relation to investments in the PRC. The Investment Manager also contemplates investing into China A-shares using Shanghai-Hong Kong Stock Connect ("Stock Connect"). The portfolio construction is based on the Investment Manager's fundamental view of the equity markets and is independent from broad market benchmarks.

The Investment Manager was granted an R-QFII license and the ChinaAMC China A Share Opportunities Fund invests in China A-shares via the Investment Manager's R-QFII license. The securities are registered in the joint names of the Investment Manager and the Sub-Fund, the Investment Manager as R-QFII license holder shall have no ownership interest in the securities the Investment Manager purchases pursuant to its R-QFII license for the Sub-Fund and therefore the Sub-Fund shall be ultimately and exclusively entitled to ownership of the securities. However, the Investment Manager, as the R-QFII license holder, is the registered owner of these securities (albeit that this entitlement does not constitute a beneficial ownership interest or preclude the Investment Manager purchasing the securities on behalf of the Sub-Fund), the Sub-Fund's assets may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of the Sub-Fund.

ChinaAMC China Asia Bond Fund seeks to achieve capital appreciation and income generation by investing primarily in fixed income securities issued by issuers based in Asia, which may include, but are not limited to, governments, quasi government organisations, public or local authorities, state owned organisations, banks and financial institutions, private enterprises and corporations, as well as companies or corporations, which do not have their registered office in Asia but have a

## ChinaAMC Fund

---

significant exposure to Asia, by having a significant portion of their activities or generating a significant portion of their revenues in Asia.

The investment policies of the Sub-Funds are fully described in the prospectus. The prospectus is available free of charge, upon request, at the principal and registered office of the Fund.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Fund keeps the books of the Sub-Funds in USD, its base currency, and the financial statements were prepared in accordance with the Luxembourg legal and regulatory requirements applicable to investment funds. The following is a summary of significant accounting policies followed by the Fund:

#### **a) Valuation of investment in securities**

Investment in securities quoted on an official stock exchange or on another regulated market is valued according to the last known price and, in the event of being quoted on several markets, according to the last known price of the principal market.

Valuation of investment in securities not quoted on an official stock exchange or on another regulated market is fixed in a reasonable way on the basis of the sale prices anticipated cautiously and in good faith or, in the absence of a market value, according to the probable value in the reasonable estimation of the Board of Directors.

The value of each investment in open-ended funds, either listed or not, is based on the last known net asset value on the valuation day.

Certificates of Deposit and Commercial Papers are valued at cost.

#### **b) Valuation of cross sub-fund investment**

At June 30, 2016 there was no cross sub-funds investments on ChinaAMC Fund.

#### **c) Valuation of financial future contracts**

The valuation of financial future contracts is made at the exchange quoted price at 1:00 pm Luxembourg time. Initial margin deposits are made in cash upon entering into futures contracts. During the period the future contract is open, changes in the value of the contract are recognised as unrealised gains and losses by marking to market on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealised losses or gains are incurred. Variation margin payments are recorded in amounts due from or to brokers in the Statement of Net Assets. When the contract is closed, the Sub-Fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the opening transaction.

#### **d) Valuation of swap contracts**

The valuation of swap contracts is made at fair market value as determined in good faith pursuant to procedures established by the Board of Directors of the Fund.

Swaps are, in general, contracts by which two parties commit themselves during a given period to exchange two flows, one in exchange for the other, determined on the basis of a nominal value. The flows may be linked to the interest rate(s), exchange rate(s), share(s), index(es) or credit event(s).

Swap contracts are valued using the difference between the values of forecasted flows the counterparty is to pay to the Sub-Fund and those owed by the Sub-Fund to its counterparties.

The upfront premiums paid or received are recognised as cost or proceeds on the Statement of Net Assets.

## ChinaAMC Fund

---

Unrealised gains and losses on swap contracts are recorded in the Statement of Net Assets and their variations are recorded in the Statement of Operations and Changes in Net Assets under the heading "Change in unrealised appreciation / (depreciation) on swap contracts".

Swap contracts are presented at clean price in the Statement of Net Assets, interests thereon are recorded in "Interest payable on swap contracts".

### **e) Valuation of forward foreign exchange contracts**

The forward foreign exchange contracts are valued on the basis of forward foreign exchange rates prevailing on the valuation date. The change in unrealised gain or loss is disclosed in the Statement of Operations and Changes in Net Assets under "change in unrealised appreciation / (depreciation) on foreign currency and forward foreign exchange contracts". The realised gain / (loss) on forward foreign exchange contracts is disclosed in the Statement of Operations and Changes in Net Assets under "net realised gain / (loss) on foreign currency and forward foreign exchange contracts".

### **f) Net realised gain / (loss) on sale of investments in securities**

Realised gains or losses made on the sales of investments in securities are calculated according to the average cost.

Realised gains and losses are recorded in the Statement of Operations and Changes in Net Assets.

### **g) Cost of purchase of securities in portfolios**

For securities in currencies other than the base currency of each Sub-Fund, the purchase price is calculated according to the closing exchange rate on the day of purchase.

### **h) Income**

Dividends are recognised on the date on which the shares concerned are quoted "ex-dividend", net of withholding tax. Interest is calculated and recognised on a pro rata temporis basis.

### **i) Translation of items expressed in foreign currencies**

Assets and liabilities in foreign currencies are converted into the base currency of each Sub-Fund at the closing exchange rate on the final day of the financial period.

Income and expenses in currencies other than the base currency of the Sub-Funds are converted into the currency of the Sub-Funds at the closing exchange rate in force on the day of the transaction.

Any resulting gain or loss made on foreign exchange is included in the Statement of Operations and Changes in Net Assets.

The main exchange rates as at June 30, 2016 are:

1 USD =	6.643600	CNY
1 USD =	0.897223	EUR
1 USD =	0.748055	GBP
1 USD =	7.759300	HKD

## ChinaAMC Fund

---

### **j) Cash held at brokers**

The following amounts were held by ChinaAMC China Growth Fund with no open position as of June 30, 2016:

- USD 5,824,643 at HSBC
- USD 3,080,550 at Morgan Stanley
- USD 1,505,285 at UBS

In addition, a total amount of USD 36,531,943 has been addressed as collateral at Bank of America Merrill Lynch, CCB International Securities Ltd., China International Capital Corp., Credit Suisse and Morgan Stanley & Co. International and is disclosed on pages 11 and 13 of this report.

### **k) Net Asset Value**

The Net Asset Value ("NAV") of each Sub-Fund is equal to the difference between the total assets and the liabilities of the Sub-Fund.

The NAV per share is calculated by dividing the NAV by the number of shares of the respective Sub-Fund and share class outstanding on the day of calculation.

### **l) Use of Estimates**

The preparation of the financial statements in conformity with the Luxembourg legal and regulatory requirements requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

### **m) Formation expenses**

The formation expenses represent the cost of establishing the Fund. The formation expenses are capitalised and amortised on a straight-line basis over a period of five years from the date of commencement of the Fund.

The formation expenses in relation to new Sub-Fund are borne by these new Sub-Funds and may be amortised over a period of five years.

Newly launched Sub-Funds do not participate to the non-amortised formation expenses of the Fund.

## **3. TAXATION**

Under current law and practice, the Fund is not liable to any Luxembourg tax on income or capital gains, nor are dividends (if any) paid by the Fund liable to any Luxembourg withholdings tax.

The Fund is however, liable in Luxembourg to a *taxe d'abonnement* of 0.05% per annum of its Net Asset Value, such tax being payable quarterly and calculated on the NAV of each Sub-Fund at the end of the relevant quarter.

However, such rate is decreased to 0.01% per annum of their NAV for Class I shares or Sub-Funds which are restricted to Institutional Investors as specified in the prospectus.

No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

Dividends and interest received by each Sub-Fund in its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

The Ministry of Finance of the PRC (the "MoF"), the State Administration of Taxation of the PRC ("SAT") and the CSRC issued the "Notice on the issues of temporary exemption from the imposition of corporate income tax arising from gains from the transfer of equity investment assets such as PRC domestic stocks by Qualified Foreign Institutional Investor ("QFII") and R-QFII" Caishui [2014]

## ChinaAMC Fund

---

No.79 on November 14, 2014 (the "Notice"). The Notice states that PRC corporate income tax will be imposed on capital gains derived by QFII and R-QFII from the sales of equity investment assets (including PRC domestic stocks) prior to November 17, 2014 ("capital gains tax") in accordance with laws. The Notice also states that R-QFIIs without an establishment or two places of business in the PRC will be temporarily exempt from corporate income tax on gains derived from the trading of A-shares effective from November 17, 2014. Gains derived from the disposal of equity investment should be calculated on a transaction-by-transaction basis and gains cannot offset against losses.

On November 14, 2014, MoF, SAT and CSRC have also jointly issued a circular concerning the tax treatment for Stock Connect Caishui [2014] No. 81 – the Circular Concerning the Tax Treatment for the Stock Connect ("Circular 81") which states that corporate income tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Fund) on the trading of China A-Shares through Stock Connect.

### 4. MANAGEMENT COMPANY FEE

The Fund pays to the Management Company a management company fee amounting to a maximum rate of 0.06% per annum of the NAV of the Sub-Fund. The management company fee is payable monthly in arrears, and is calculated on the last NAV of each month with a minimum monthly fee of EUR 1,800 per Sub-Fund.

As of June 30, 2016, there was USD 33,812 payable for management company fees.

### 5. INVESTMENT MANAGEMENT FEE

The Investment Manager, as remuneration for its services, is entitled to receive an investment management fee calculated according to the NAV of each Sub-Fund. As at June 30, 2016 the rates currently in force for each active Sub-Fund are the following:

Sub-Funds	Annual management fee rate by Share Class:		
	A	B	I
ChinaAMC China Opportunities Fund	1.80%	1.80%	1.00%
ChinaAMC China Growth Fund	2.00%	2.00%	1.00%
ChinaAMC China A Share Opportunities Fund	2.00%	2.00%	1.00%
ChinaAMC Asia Bond Fund	1.20%	1.20%	0.70%

The investment management fee is payable monthly in arrears on the total net assets of the Sub-Funds.

The Investment Manager reserves the right to waive fees to which it is entitled to or rebate any other fees, whether in part or in full and whether in respect of particular investors or generally.

No fees were waived during the period ended June 30, 2016.

As of June 30, 2016, there was USD 1,266,575 payable for investment management fees and the amount of fees to be reimbursed from the Investment Manager was USD 433,504.

For the period ended June 30, 2016, investment management fees of USD 2,478,325 have been charged.

## ChinaAMC Fund

---

### 6. PERFORMANCE FEE

- For the Sub-Fund ChinaAMC China Growth Fund

In addition to the investment management fee, the Investment Manager is entitled to a performance fee, which is paid out of the assets of the Sub-Fund in arrears within 30 days after each performance period. The performance period shall be each financial year, except when a relevant class of Shares is created during the financial period, the performance period is from the creation of such class to the end of the respective financial year.

The performance fee is subject to a "High Water Mark" ("HWM") principle to ensure that investors are not charged a performance fee until any previous losses are recovered. For the initial performance period, the HWM is the initial Net Asset Value per Share of the relevant class of Shares. For subsequent performance periods, the HWM is the greater of i) Net Asset Value per Share on the last dealing day of previous performance period or ii) the HWM applicable during the previous performance period.

On each dealing day, the daily performance fee accrual for each Share will be calculated as 20% of the difference between the net asset value per Share of a class on the dealing day before performance fee accrual of the relevant class and the higher of the HWM and the net asset value per Share of the relevant class on the previous dealing day.

If the daily performance fee accrual for each Share of the relevant class is negative, the total negative performance fee accrual is limited to the positive balance of the cumulative performance fee accrual (if any). In other words, the total negative performance fee accrual reduces the cumulative performance fee accrual until the accrual reaches a minimum level of zero and the balance of the cumulative performance fee accrual per Share becomes zero (even if the total negative performance fee accrual is, in absolute, greater than the positive cumulative performance fee accrual).

For each class of Shares, the performance fee accrual is calculated by multiplying the performance fee accrual for each Share by the total number of Shares of that class in issue at the close of business on the immediately preceding dealing day.

On the last dealing day of each financial period of the Sub-Fund, the positive balance (if any) of the cumulative performance fee accrual becomes payable to the Investment Manager and the cumulative performance fee accrual for the relevant class of Shares is reset to zero. If any Shares are redeemed on a dealing day during the relevant performance period, the cumulative performance fee accrual during the relevant financial period in respect of those Shares shall be crystallised and become payable to the Investment Manager. Under no circumstance will the Investment Manager pay money into the Sub-Fund or to any Shareholder for any underperformance.

- For the Sub-Fund ChinaAMC China A Share Opportunities Fund

In addition to the investment management fee, the Investment Manager may receive a performance fee, which will be paid out of the assets of the Sub-Fund in arrears within 30 days after each performance period. The performance period shall be each financial year, except when a relevant class of Shares is created during the financial period, the performance period will be from the creation of such class to the end of the respective financial year.



## ChinaAMC Fund

---

The performance fee will be subject to a "High Water Mark" ("HWM") principle to ensure that investors will not be charged a performance fee until any previous losses are recovered. For the initial performance period, the HWM will be the initial Net Asset Value per Share of the relevant class of Shares. For subsequent performance periods, the HWM is the greater of i) Net Asset Value per Share on the last dealing day of previous performance period or ii) the HWM applicable during the previous performance period.

On each dealing day, the daily performance fee accrual for each Share will be calculated as 20% of the excess return of the Sub-Fund over the benchmark adopted; where the "Benchmark" is set as MSCI China A Total Return Index.

On the last dealing day of each financial period of the Sub-Fund, the positive balance (if any) of the cumulative performance fee accrual will become payable to the Investment Manager and the cumulative performance fee accrual for the relevant class of Shares will be reset to zero. If any Shares are redeemed on a dealing day during the relevant performance period, the cumulative performance fee accrual during the relevant financial period in respect of those Shares shall be crystallised and become payable to the Investment Manager. Under no circumstance will the Investment Manager pay money into the Sub-Fund or to any Shareholder for any underperformance.

During the period ended June 30, 2016, an amount of USD 16,921 has been accrued as performance fees on ChinaAMC China Growth Fund.

For the Sub-Funds ChinaAMC China Opportunities Fund and ChinaAMC Asia Bond Fund, the Investment Manager is not entitled to a performance fee.

### **7. DISTRIBUTION FEES**

For the services provided in the promotion of the Fund's shares, the Distributor is entitled to a distribution fee out of the assets of the Sub-Fund. The distribution fee is calculated at the beginning of the month, for each calendar day of the previous month by reference to the Net Asset Value of Class B Shares of the Sub-Fund, and payable monthly in arrears.

The Distributor may, from time to time, rebate to local distributors, sales agents, introducing brokers or to shareholders a portion or all of the fees.

There were no distribution fees paid during the period ended June 30, 2016.

### **8. DEPOSITARY AND CUSTODY FEES**

As custodian/depositary, State Street Bank Luxembourg S.C.A. is entitled to receive out of the assets of the Fund, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements as are deemed reasonable and customary by the Board of Directors. The fees payable to State Street Bank Luxembourg S.C.A. comprise transaction-based fees and asset-based fees. Such fees vary between 0.025% and 0.65% of the net asset value depending on the market in which each Sub-Fund invests. The depositary fees are subject to a minimum monthly fee of EUR 2,000 per Sub-Fund.

As of June 30, 2016, there was USD 5,737 payable for depositary and custody fees.

## ChinaAMC Fund

---

### **9. ADMINISTRATOR, TRANSFER AGENT AND REGISTRAR FEES**

As administrator, transfer agent and registrar, State Street Bank Luxembourg S.C.A. is entitled to receive out of the assets of the Fund, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements which are deemed reasonable and customary by the Board of Directors. The fees payable to State Street Bank Luxembourg S.C.A. comprise transaction-based fees and asset-based fees. The administrator fees, the transfer agent fees and the registrar fees vary between 0.01% and 0.26% of the net asset value depending on the market in which each Sub-Fund invests. The administrator, transfer agent and registrar fees are subject to a minimum monthly fee of EUR 2,000 per Sub-Fund for the administrator fee and EUR 2,000 per share classes and EUR 7,500 per Sub-Fund for the transfer agent fee.

As of June 30, 2016, there was USD 35,911 payable for administrator fees.

As of June 30, 2016, there was USD 37,404 payable for transfer agent and registrar fees.

### **10. FUTURES CONTRACTS, FORWARD FOREIGN EXCHANGE CONTRACTS AND SWAP CONTRACTS**

During the period ended June 30, 2016, the Sub-Funds ChinaAMC China Opportunities Fund, ChinaAMC China Growth Fund, ChinaAMC China A Share Opportunities Fund and ChinaAMC Asia Bond Fund have taken out future contracts, forward foreign exchange contracts or swap contracts.

Details of open positions as at June 30, 2016 are disclosed following the Schedule of Investments of the concerned Sub-Funds.

### **11. CHANGES IN THE COMPOSITION OF THE PORTFOLIO**

The list of movements in the portfolio composition for the period ended June 30, 2016 is available free of charges at the Fund's registered office.

### **12. RELATED PARTY TRANSACTIONS**

All transactions with related parties were entered into the ordinary course of business and under normal commercial terms. The related parties to the Fund are the Investment Manager, the Board of Directors and the Distributor. To the best of the Investment Manager's knowledge, the Fund does not have any other transactions with connected person except for the Investment Manager fees, Performance fees and Investment Manager reimbursement of fee as mentioned in these financial statements.

For the period ended June 30, 2016, director fees of USD 9,948 have been charged, and none of the Board of Directors held a direct shareholding in the Fund.

In the normal course of its operations, each Sub-Fund may enter into trading transactions on securities or other investments with the Investment Manager's holding company, CITIC Securities Company Limited, or its affiliates. For the period ended June 30, 2016, the following brokerage commissions were entered into with them:

ChinaAMC China Growth Fund: USD 7,213

ChinaAMC China A Share Opportunities Fund: USD 303,895



## ChinaAMC Fund

---

### 13. SOFT COMMISSION ARRANGEMENTS

During the period ended June 30, 2016, the Investment Manager received and entered into soft-dollar commissions/arrangements with a broker relating to ChinaAMC China Opportunities Fund and ChinaAMC China Growth Fund that invested in equity securities, in respect of which certain goods and services used to support the investment decision making process were received. The soft commission arrangements were entered into on the basis that the execution of transactions on behalf of the Sub-Fund will be consistent with best execution standards and brokerage rates will not be in excess of customary institutional full-service brokerage rates.

The goods and services received include specialist industry, company and consumer research, portfolio and market analysis and computer software used for the delivery of such services. The nature of the goods and services received is such that the benefits provided under the arrangement must be those which assist in the provision of investment services to the Sub-Funds and may contribute to an improvement in the Sub-Funds' performance. For the avoidance of doubt, such goods and services do not include travel, accommodations, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

### 14. TRANSACTION COSTS

For the period ended June 30, 2016, the Sub-Funds incurred transaction costs related to purchase and sale of transferable securities as follows:

Sub-Funds	Currency	Transaction Costs
ChinaAMC China Opportunities Fund	USD	175,586
ChinaAMC China Growth Fund	USD	805,369
ChinaAMC China A Share Opportunities Fund	USD	303,895
ChinaAMC Asia Bond Fund	USD	-

The transaction costs include broker fees, settlement fees, taxes and other charges.

## ChinaAMC Fund

---

### INFORMATION TO SHAREHOLDERS FOR THE PERIOD ENDED JUNE 30, 2016

---

#### GLOBAL RISK EXPOSURE

**ChinaAMC China Opportunities Fund:**

The global exposure of the ChinaAMC China Opportunities Fund is monitored via daily Commitment approach.

**ChinaAMC China A Share Opportunities Fund:**

The global exposure of the ChinaAMC China A Share Opportunities Fund is monitored via daily Commitment approach.

**ChinaAMC China Growth Fund:**

The calculation of the global exposure for ChinaAMC China Growth Fund is monitored via the Absolute Value-at-Risk ("VaR") method.

**ChinaAMC Asia Bond Fund:**

The calculation of the global exposure for ChinaAMC Asia Bond Fund is monitored via the Absolute Value-at-Risk ("VaR") method.