

ChinaAMC Investment Trust
ChinaAMC China Focus Fund

Unaudited Semi-Annual Report

For the six months ended
30 June 2021



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

UNAUDITED SEMI-ANNUAL REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2021

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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. Yang Minghui
Ms. Li Yimei
Mr. Gan Tian
Mr. Li Fung Ming

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
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Hong Kong

Legal Counsel to the Manager

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

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

REPORT OF THE MANAGER TO THE UNITHOLDERS

Market Review

We saw continuous divergence between Growth sectors (TMT, health care & consumer) outperforming Value sectors (Financials, properties, industrials) prior to the Chinese New Year. Then we have seen a huge rotation from Growth to Value sector since the middle of February until the end of the 1st quarter. The main driver is owing to the sharp increase in US 10-year treasury yield to around 1.7% level. Domestically, we also saw some tightening signal reflected from the macro data and the anti-trust policy against the giant internet leaders. The 2nd quarter was relatively stable, however, the yield continue to fall and we saw a rotation again since the middle of May until now, the Growth sector outperformed the Value sectors due to concerns on policy tightening and deleveraging.

For the 2nd half of the year, we think the market will continue to range bound as HK market has been under performed the global market for one and a half years, the valuations in major sectors are relatively cheap, especially financial sectors and property sectors. The government is aiming to direct a stable expectation for the economy and the equity market, therefore, we indeed see some catch-up valuation rebound opportunities which we would incline to overweight.

China Asset Management (Hong Kong) Limited
16 August 2021

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

(Expressed in United States dollars)

	<i>As at 30 June 2021 (unaudited)</i>	<i>As at 31 December 2020 (audited)</i>
Assets		
Cash and cash equivalents	\$ 1,382,266	\$ 2,611,444
Financial assets at fair value through profit or loss	30,604,848	23,312,206
Amounts due from brokers	-	494,874
Subscription receivable	334,651	14,681
Dividend receivable	350,181	17,096
	<u>\$ 32,671,946</u>	<u>\$ 26,450,301</u>
Liabilities		
Amounts due to brokers	\$ 209,369	\$ 465,463
Redemption payable	630,847	947,784
Accruals and other payables	871,404	536,787
	<u>\$ 1,711,620</u>	<u>\$ 1,950,034</u>
Total liabilities (excluding net assets attributable to unitholders)	<u>\$ 1,711,620</u>	<u>\$ 1,950,034</u>
Net assets attributable to unitholders	<u>\$ 30,960,326</u>	<u>\$ 24,500,267</u>
Total number of units in issue		
AUD units	9,394	9,394
EUR units	4,094	4,094
HKD units	1,376,723	1,216,410
SGD units	48,067	48,067
USD units	1,342,428	1,270,251
	<u>1,342,428</u>	<u>1,270,251</u>
Net asset value per unit in local currency		
AUD units	AUD 23.856	AUD 19.427
EUR units	EUR 22.178	EUR 17.999
HKD units	HKD 19.939	HKD 16.694
SGD units	SGD 20.530	SGD 16.882
USD units	USD 19.678	USD 16.561
	<u>19.678</u>	<u>16.561</u>

Note: The semi-annual report of the sub-funds have been prepared in accordance with the same accounting policies adopted in the 2020 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 2021**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2021 (unaudited)</i>	<i>For the six months ended 30 June 2020 (unaudited)</i>
Interest income	\$ 356	\$ 2,192
Dividend income	402,589	347,925
Net gain on financial instruments at fair value through profit or loss	5,870,206	1,452,227
Net foreign exchange gain/(loss)	2,330	(1,507)
Total income	\$ 6,275,481	\$ 1,800,837
Transaction costs	\$ (757,692)	\$ (352,589)
Management fee	(227,071)	(199,008)
Performance fee	(731,928)	(367)
Administration fee	(32,759)	(32,910)
Audit fee	(11,056)	(11,105)
Trustee fee	(4,964)	(4,986)
Custodian fee	(16,835)	(18,055)
Financial statements preparation fee	(3,249)	(3,459)
Legal and professional fee	(126)	(2,054)
Bank charges	(252)	(97)
Interest expense	(585)	(241)
Others	(3,650)	(1,542)
Total operating expenses	\$ (1,790,167)	\$ (626,413)
Profit before tax	\$ 4,485,314	\$ 1,174,424
Withholding tax expenses	(2,540)	(16,674)
Increase in net assets attributable to unitholders from operations for the period	\$ 4,482,774	\$ 1,157,750

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 2021**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2021 (unaudited)</i>	<i>For the six months ended 30 June 2020 (unaudited)</i>
Balance at the beginning of the period	\$ 24,500,267	\$ 26,026,343
Transactions with unitholders		
Subscription	\$ 17,749,923	\$ 9,177,337
Redemption	\$ (15,772,638)	\$ (14,362,518)
Total transactions with unitholders	\$ 1,977,285	\$ (5,185,181)
Increase in net assets attributable to unitholders from operations for the period	\$ 4,482,774	\$ 1,157,750
Balance at the end of the period	\$ 30,960,326	\$ 21,998,912

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 2021**

Units issued and redeemed

Number of units:

	<i>For the six months ended 30 June 2021 (unaudited)</i>				
	<i>AUD units</i>	<i>EUR units</i>	<i>HKD units</i>	<i>SGD units</i>	<i>USD units</i>
At 1 January 2021	9,394	4,094	1,216,410	48,067	1,270,251
Subscription of units during the period	-	-	322,519	-	903,691
Redemption of units during the period	-	-	(162,206)	-	(831,514)
At 30 June 2021	<u>9,394</u>	<u>4,094</u>	<u>1,376,723</u>	<u>48,067</u>	<u>1,342,428</u>
	<i>For the six months ended 30 June 2020 (unaudited)</i>				
	<i>AUD units</i>	<i>EUR units</i>	<i>HKD units</i>	<i>SGD units</i>	<i>USD units</i>
At 1 January 2020	9,944	4,094	2,850,558	77,973	1,561,405
Subscription of units during the period	-	-	1,369	-	725,745
Redemption of units during the period	(550)	-	(1,633,243)	(7,767)	(906,900)
At 30 June 2020	<u>9,394</u>	<u>4,094</u>	<u>1,218,684</u>	<u>70,206</u>	<u>1,380,250</u>

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

**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2021 (unaudited)</i>	<i>For the six months ended 30 June 2020 (unaudited)</i>
Operating activities		
Increase in net assets attributable to unitholders from operations for the period	\$ 4,482,774	\$ 1,157,750
Adjustments for:		
Interest income	(356)	(2,192)
Dividend income	(402,589)	(347,925)
Interest expense	585	-
Withholding tax expenses	2,540	16,674
	<hr/>	<hr/>
Operating profit before changes in working capital	\$ 4,082,954	\$ 824,307
(Increase)/decrease in financial assets at fair value through profit or loss	(7,292,642)	5,909,385
Decrease/(increase) in amounts due from brokers	494,874	(1,853,386)
(Decrease)/increase in amounts due to brokers	(256,094)	1,234,209
Increase/(decrease) in accruals and other payables	334,617	(41,033)
Interest received	356	2,192
Dividend received, net of withholding tax paid	66,964	103,289
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	<u>\$ (2,568,971)</u>	<u>\$ 6,178,963</u>

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

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

(Expressed in United States dollars)

	<i>For the six months ended 30 June 2021 (unaudited)</i>	<i>For the six months ended 30 June 2020 (unaudited)</i>
Financing activities		
Proceeds from unit subscriptions	\$ 17,429,953	\$ 10,158,157
Payments on unit redemptions	(16,089,575)	(15,155,991)
Interest paid	(585)	-
	<hr/>	<hr/>
Net cash generated from/(used in) financing activities	<u>\$ 1,339,793</u>	<u>\$ (4,997,834)</u>
Net (decrease)/increase in cash and cash equivalents	\$ (1,229,178)	\$ 1,181,129
Cash and cash equivalents at the beginning of the period	<hr/> 2,611,444	<hr/> 656,299
Cash and cash equivalents at the end of the period	<u>\$ 1,382,266</u>	<u>\$ 1,837,428</u>
Analysis of cash and cash equivalents		
Cash at bank	<u>\$ 1,382,266</u>	<u>\$ 1,837,428</u>

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

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2021**

(Expressed in United States dollars)

Country	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
China listed equities			
GLODON CO LTD-A	27,300	288,175	0.93
LUXSHARE PRECISION INDUSTR-A	121,700	866,478	2.80
		<u>1,154,653</u>	<u>3.73</u>
Hong Kong listed equities			
AIA GROUP LTD USD1.00	49,200	611,369	1.97
ALIBABA GROUP HOLDING LTD	53,728	1,522,070	4.92
BAIDU INC-CLASS A	6,050	155,343	0.50
BEIJING URBAN CONSTRUCTION-H 1599	894,000	235,995	0.76
CHINA COMMUNICATIONS CONST-H 'H'CN1	293,000	142,240	0.46
CHINA CONSTRUCTION BANK-H	277,000	217,938	0.70
CHINA EVERBRIGHT BANK CO L-H	366,000	149,400	0.48
CHINA EVERBRIGHT LIMITED	122,000	143,588	0.46
CHINA JINMAO HOLDINGS GROUP LTD	814,000	272,527	0.88
CHINA MOBILE LTD	104,000	650,180	2.10
CHINA OVERSEAS LAND & INVEST	260,500	591,722	1.91
CHINA PACIFIC INSURANCE GR-H	930,200	2,928,644	9.46
CHINA RAILWAY GROUP LTD-H	288,000	150,196	0.49
CHINA RESOURCES LAND LTD	222,000	899,052	2.90
CHINA STATE CONSTRUCTION INT	388,000	264,801	0.86
CHINA TELECOM CORP LTD SHS H	760,000	284,786	0.92
CHINA TOWER CORP LTD-H	6,498,000	895,313	2.89
CRRC CORP LTD - H	1,196,000	528,246	1.71
CSC FINANCIAL CO LTD-H	228,500	276,877	0.89
CSPC PHARMACEUTICAL GROUP LTD	278,000	402,367	1.30
EVERBRIGHT SECURITIES CO L-H	737,000	630,154	2.04
GREENTOWN CHINA HOLDINGS	237,000	364,998	1.18
GUANGDONG INVESTMENT LTD	604,000	867,985	2.80
HAIER SMART HOME CO LTD-H	64,600	225,431	0.73
IND & COMM BK OF CHINA-H	1,442,000	846,723	2.74
JD.COM INC - CL A	7,450	292,979	0.95

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

**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2021**

(Expressed in United States dollars)

Country	<i>Holdings</i>	<i>Market value</i>	<i>% of total net assets</i>
Hong Kong listed equities (continued)			
JOY CITY PROPERTY LTD	6,182,000	362,203	1.17
KWG GROUP HOLDINGS LTD	204,000	273,196	0.88
LONGFOR GROUP HOLDINGS LTD	95,500	534,939	1.73
LUOYANG GLASS COMPANY LTD-H	270,000	356,021	1.15
MEITUAN-CLASS B	15,900	655,996	2.12
MIDEA REAL ESTATE HOLDING LT 3990	136,800	289,600	0.94
NETEASE INC 9999	6,200	140,433	0.45
NEW ORIENTAL EDUCATION & TEC	71,400	588,423	1.90
NEW WORLD DEVELOPMENT	76,000	394,883	1.28
POLY CULTURE GROUP CORP-H	439,100	251,614	0.81
POLY PROPERTY SERVICES CO LT	17,400	118,079	0.38
POWERLONG REAL ESTATE HOLD	321,000	275,703	0.89
SHANDONG WEIGAO GP MEDICAL-H	116,000	270,662	0.87
SIMCERE PHARMACEUTICAL GROUP	82,000	147,616	0.48
SUNAC CHINA HOLDINGS LTD	738,000	2,532,590	8.18
TENCENT HOLDINGS LTD	19,200	1,443,861	4.66
TIANGONG INTL CO LTD USD0.01	314,000	133,835	0.43
TONG REN TANG TECHNOLOGIES-H	146,000	134,046	0.43
WH GROUP LTD	332,000	298,404	0.96
YUEXIU SERVICES GROUP LTD	3,500,000	2,501,338	8.08
ZHENGZHOU COAL MIN 'H'CNY1	2,452,600	3,123,448	10.09
ZYLOX-TONBRIDGE MEDICAL TECH	1,000	5,498	0.02
		29,383,312	94.90
Hong Kong unlisted equity			
CHAOJU EYE CARE HOLDINGS LTD	49,000	66,883	0.22
		66,883	0.22
Total investments <i>(Total cost of investments: 30,182,909)</i>		30,604,848	98.85
Other net assets		355,478	1.15
Total net assets		30,960,326	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 2021

	<i>% of total net assets 30 June 2021</i>	<i>% of total net assets 31 December 2020</i>
PRC listed equity securities	3.73	20.05
Hong Kong listed equity securities	94.90	75.10
Hong Kong unlisted equity securities	0.22	-
Total investments	98.85	95.15
Other net assets	1.15	4.85
Total net assets	100.00	100.00

