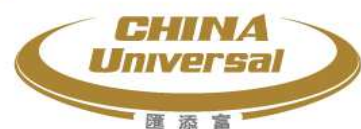


ANNUAL REPORT

CHINA UNIVERSAL INTERNATIONAL ETF SERIES
– C-SHARES CSI 300 INDEX ETF

(A Sub-Fund of China Universal International ETF Series, an umbrella
unit trust established under the laws of Hong Kong)

31 December 2016



CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

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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 prospectus of the Sub-Fund which is available at our website: <http://www.99fund.com.hk>

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

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

MANAGEMENT AND ADMINISTRATION

MANAGER AND RQFII HOLDER

China Universal Asset Management (Hong Kong) Company
Limited
3710-11, Two International Finance Centre
8 Finance Street
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Hong Kong

DIRECTORS OF THE MANAGER

LI Wen
WAN Qing
ZHANG Hui

ADVISER

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18 Whitfield Road
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REGISTRAR

Computershare Hong Kong Investor Services Limited
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Wan Chai
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8 Connaught Place
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AUDITOR

Ernst & Young
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Central
Hong Kong

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20/F, Bank of China Tower,
1 Garden Road, Hong Kong

China International Capital Corporation Hong Kong
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1 Harbour View Street, Central, Hong Kong

Haitong International Securities Company Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road, Central, Hong Kong

KGI Securities (Hong Kong) Limited
41/F, Central Plaza
18 Harbour Road, Wan Chai, Hong Kong

Morgan Stanley Hong Kong Securities Limited
Level 46, International Commerce Centre,
1 Austin Road West, Kowloon, Hong Kong

Nomura International (Hong Kong) Limited
30/F, Two International Finance Centre
8 Finance Street, Central, Hong Kong

Orient Securities (Hong Kong) Limited
28/F & 29/F
100 Queen's Road Central, Hong Kong

UBS Securities Hong Kong Limited
42/F, One Exchange Square, Central
Hong Kong

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The C-Shares CSI 300 Index ETF (the "Sub-Fund"), is a sub-fund of China Universal International ETF Series, a Hong Kong umbrella unit trust, authorised under Section 104 of the Securities and Futures Ordinance of Hong Kong. The Sub-Fund seeks to track the performance of CSI 300 Index (the "Index"). Both the RMB counter (stock code: 83008) and the HKD counter (stock code: 3008) commenced trading on the Hong Kong Stock Exchange (the "HKEx") on 8 July 2013.

The Sub-Fund is a physical ETF, and mainly invests in A shares listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange through the RMB Qualified Foreign Institutional Investor ("RQFII") investment quota of RMB3.1 billion granted to the Manager by the State Administration of Foreign Exchange.

Performance of the Sub-Fund

The C-Shares CSI 300 Index ETF seeks to provide investment result that, before deduction of fees and expenses, closely corresponds to the performance of the Index. There can be no assurance that the Sub-Fund will achieve its investment objective.

A summary of the performance of the CSI 300 Index and the Sub-Fund as at 31 December 2016 is given as follows:

Total Returns in respective currency¹:

	1-Month	3-Month	Since Launch
CSI 300 Index	-6.44%	1.75%	52.99%
RMB Counter of the Sub-Fund (NAV-to-NAV)	-6.07%	0.21%	34.84%
RMB Counter of the Sub-Fund (Market-to-Market)	-1.68%	4.40%	40.74%
HKD Counter of the Sub-Fund (NAV-to-NAV)	-6.99%	-3.90%	18.90%
HKD Counter of the Sub-Fund (Market-to-Market)	-6.31%	-3.20%	20.18%

Activities of the Sub-Fund

According to Wind Information Co., Ltd, a service provider of financial data and information in the People's Republic of China ("PRC"), the average daily trading volume of the RMB Counter of the Sub-Fund is 2,966 units, while the average daily trading volume of the HKD Counter of the Sub-Fund is 3,586 units. As of 31 December 2016, there were 600,000 units outstanding.

Activities of the Index

The CSI 300 Index had two regular rebalances during the year of 2016. The changes were made on 13 June 2016 and 12 December 2016 respectively.

13 June 2016:

Inclusion List²:

Code	Company
000839	CITIC Guoan Information Industry Co., Ltd
000977	Inspur Electronic Information Industry Co., Ltd
002027	Focus Media Information Technology Co., Ltd.
002152	GRG Banking Equipment Co., Ltd.
002183	Eternal Asia Supply Chain Management Ltd.

¹ Source: Wind Info, as of 31 December 2016, the performances of CSI 300 Index and the RMB counter of the Sub-Fund are calculated in RMB, and the performances of the HKD counter of the Sub-Fund are calculated in HKD.

² Source: China Securities Index Co. Ltd. www.csindex.com.cn

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Inclusion List² (continued):

Code	Company
002424	Guizhou Bailing Group Pharmaceutical Co., Ltd.
002568	Shanghai Bairun Investment Holding Group Co., Ltd.
300085	Shenzhen Infogem Technologies Co., Ltd.
300168	Wonders Information Co., Ltd.
600022	Shandong Iron and Steel Company Ltd
600037	Beijing Gehua CATV Network Co., Ltd.
600061	SDIC Essence (Holdings) Co., Ltd
600074	Jiangsu Protruly Vision Technology Group Co., Ltd.
600098	Guangzhou Development Group Incorporated
600376	Beijing Capital Development Co., Ltd.
600446	Shenzhen Kingdom Sci-Tech Co., Ltd.
600582	Tian Di Science & Technology Co., Ltd
600606	Greenland Holdings Corporation Limited
600666	Aurora Optoelectronics Co., Ltd.
600685	CSSC Offshore & Marine Engineering (Group) Company Limited
600704	Wuchan Zhongda Group Co., Ltd.
600737	Cofco Tunhe Sugar Co., Ltd.
600816	Anxin Trust Co., Ltd
600871	Sinopec Oilfield Service Corporation

Deletion List²:

Code	Company
000400	XJ Electric Co., Ltd.
000539	Guangdong Electric Power Development Co., Ltd.
000581	Weifu High-Technology Group Co., Ltd.
000598	Chengdu Xingrong Environment Co., Ltd.
000629	Pangang Group Vanadium Titanium & Resources Co., Ltd.
000831	China Minmetals Rare Earth Co., Ltd.
000937	Jizhong Energy Resources Co., Ltd.
000983	Shanxi Xishan Coal and Electricity Power Co., Ltd
002038	Beijing SL Pharmaceutical Co., Ltd.
002353	Yantai Jereh Oilfield Services Group Co., Ltd.
002375	Zhejiang Yasha Decoration Co., Ltd.
002410	Glodon Company Limited
600166	Beiqi Foton Motor Co., Ltd.
600315	Shanghai Jahwa United Co., Ltd
600350	Shandong Hi-Speed Company Limited
600549	Xiamen Tungsten Co., Ltd
600633	Zhe Jiang Daily Media Group Co., Ltd
600717	Tianjin Port Co., Ltd

² Source: China Securities Index Co. Ltd. www.csindex.com.cn

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Deletion List² (continued):

Code	Company
601158	Chongqing Water Group Co., Ltd.
601231	Universal Scientific Industrial (Shanghai) Co., Ltd.
601238	Guangzhou Automobile Group Co., Ltd.
601699	Shanxi Lu'An Environmental Energy Development Co., Ltd.
601969	Hainan Mining Co., Ltd.
603288	Foshan Haitian Flavouring and Food Company Ltd.

12 December 2016

Inclusion List²

Code	Company
000008	China High-Speed Railway Technology Co., Ltd.
000555	Digital China Information Service Company Ltd.
000627	Hubei Biocause Pharmaceutical Co., Ltd.
000671	Yango Group Co., Ltd
000718	Suning Universal Co., Ltd
000938	Unisplendour Corporation Limited
000983	Shanxi Xishan Coal and Electricity Power Co., Ltd
002049	Unigroup Guoxin Co., Ltd.
002074	Guoxuan High-Tech Co., Ltd.
002085	Zhejiang Wanfeng Auto Wheel Co., Ltd.
002131	Leo Group Co., Ltd.
002174	YOUZU Interactive Co., Ltd.
002299	Fujian Sunner Development Co., Ltd.
002310	Beijing Orient Landscape & Environment Co., Ltd.
002426	Suzhou Victory Precision Manufacture Co., Ltd.
002466	Tianqi Lithium Industries, Inc.
002714	Muyuan Foods Co., Ltd.
002797	First Capital Securities Co., Ltd
300033	Hithink Royalfly Information Network Co., Ltd.
300072	Beijing Sanju Environmental Protection & New Materials Co., Ltd.
300182	Beijing Jetsen Technology Co., Ltd.
600297	China Grand Automotive Services Co., Ltd.
600482	China Shipbuilding Industry Group Power Co., Ltd
600498	Fiberhome Telecommunication Technologies Co., Ltd.
600654	China Security & Fire Co., Ltd
600754	Shanghai Jin Jiang International Hotels Development Co., Ltd.
601127	Chongqing Sokon Industry Group Co., Ltd
601155	Future Land Holdings Co., Ltd.
601611	China Nuclear Engineering Corporation Limited.
601877	Zhejiang Chint Electrics Co., Ltd

² Source: China Securities Index Co. Ltd. www.csindex.com.cn

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Deletion List²:

Code	Company
000046	Oceanwide Holdings Co., Ltd.
000729	Beijing Yanjing Brewery Co., Ltd.
000825	Shanxi Taigang Stainless Steel Co., Ltd
000883	Hubei Energy Group Co., Ltd.
000898	Angang Steel Company Limited
000999	China Resources Sanjiu Medical & Pharmaceutical Co., Ltd.
002294	Shenzhen Salubris Pharmaceuticals Co., Ltd.
002399	Shenzhen Hepalink Pharmaceutical Co., Ltd.
002422	Sichuan Kelun Pharmaceutical Co., Ltd.
300003	Lepu Medical Technology (Beijing) Co., Ltd.
600011	Huaneng Power International, Inc.
600022	Shandong Iron and Steel Company Ltd
600027	Huadian Power International Corporation Limited
600098	Guangzhou Development Group Incorporated
600317	Yingkou Port Liability Co., Ltd
600398	Heilan Home Co., Ltd
600578	Beijing Jingneng Power Co., Ltd.
600600	Tsingtao Brewery Company Limited
600642	Shenergy Company Limited
600863	Inner Mongolia Mengdian Huaneng Thermal Power Corporation Limited
600998	Jointown Pharmaceutical Group Co., Ltd.
601016	CECEP Wind-Power Corporation
601098	China South Publishing & Media Group Co., Ltd.
601106	China First Heavy Industries
601117	China National Chemical Engineering Co., Ltd.
601179	China XD Electric Co., Ltd
601808	China Oilfield Services Limited
601898	China Coal Energy Company Limited
601991	Datang International Power Generation Co., Ltd.
601992	BBMG Corporation

As of 31 December 2016, all the stocks held by the Sub-Fund were constituent stocks of CSI 300 index.

For and on behalf of
China Universal Asset Management (Hong Kong) Company Limited, the Manager

21 April 2017

² Source: China Securities Index Co. Ltd. www.csindex.com.cn

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, China Universal Asset Management (Hong Kong) Company Limited, the Manager of C-Shares CSI 300 Index ETF (the "Sub-Fund") has, in all material respects, managed the Sub-Fund in accordance with the provisions of the trust deed dated 31 May 2013 as amended by three supplemental deeds dated 7 April 2014 (collectively, the "Trust Deed") for the year ended 31 December 2016.

For and on behalf of
BOCI-Prudential Trustee Limited, the Trustee

21 April 2017

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's responsibilities

The Manager of the C-Shares CSI 300 Index ETF (a Sub-Fund of China Universal International ETF Series) is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code") and the trust deed dated 31 May 2013 as amended by three supplemental deeds dated 7 April 2014 (collectively, the "Trust Deed") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to assume this.

The Manager is also required to manage the Sub-Fund in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

China Universal International ETF Series (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at 31 December 2016, the Trust has established three Sub-Funds.

Trustee's responsibilities

The Trustee of the Sub-Fund is required to:

- ensure that the Sub-Fund is managed by the Manager in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Fund and rights attaching thereto; and
- report to the unitholders for each annual accounting period on the conduct of the Manager in the management of the Sub-Fund.

Independent auditor's report

To the unitholders of China Universal International ETF Series – C-Shares CSI 300 Index ETF
(A Sub-Fund of China Universal International ETF Series, an umbrella unit trust established under the laws of Hong Kong)

Opinion

We have audited the financial statements of C-Shares CSI 300 Index ETF (a sub-fund of China Universal International ETF Series (the "Trust") and referred to as the "Sub-Fund") set out on pages 13 to 44, which comprise the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent auditor's report (continued)

To the unitholders of China Universal International ETF Series – C-Shares CSI 300 Index ETF
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Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Existence and valuation of financial assets at fair value through profit or loss	
<p>As at 31 December 2016, the financial assets at fair value through profit or loss represented the majority of the net asset value of the Sub-Fund. These financial assets were listed shares in the Shanghai Stock Exchange or the Shenzhen Stock Exchange, comprising of approximate 300 constituent listed shares of CSI 300 Index. They were kept by one custodian and measured at fair value. Furthermore, as at 31 December 2016, equity investments amounting to RMB244,610 were suspended shares which represented 3.0% of the net asset value of the Sub-Fund. We focused on this area because the financial assets at fair value through profit or loss represented the principal element of the financial statements and the significant assumptions and judgement involved in measuring the fair value of the suspended shares.</p>	<p>We obtained independent confirmation from the custodian and counterparties of the investment portfolio held at 31 December 2016, agreeing the quantities held to the accounting records. We tested the design and operating effectiveness of controls for the valuation of financial instruments. In addition, we checked the valuation of the financial assets at fair value through profit or loss that are quoted in active markets by independently agreeing the valuation of financial assets to third party vendor sources such as Reuters or Bloomberg at 31 December 2016.</p> <p>For suspended shares whose quoted price cannot be obtained, we evaluated the valuation techniques and inputs applied through comparison with the valuation techniques that are commonly used in the market and the validation of observable inputs using external market data. In addition, we evaluated the assumptions made by the management and we reviewed the financial statement disclosures regarding fair value hierarchy as set out in the note 11 to the financial statements.</p>

Other information included in the Annual Report

The Manager and the Trustee of the Sub-Fund are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Independent auditor's report (continued)

To the unitholders of China Universal International ETF Series – C-Shares CSI 300 Index ETF
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Other information included in the Annual Report (continued)

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustee for the financial statements

The Manager and the Trustee of the Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and the Trustee of the Sub-Fund are responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the trust deed dated 31 May 2013 as amended by three supplemental deeds dated 7 April 2014 (collectively, the "Trust Deed") and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

Independent auditor's report (continued)

To the unitholders of China Universal International ETF Series – C-Shares CSI 300 Index ETF
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Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- Conclude on the appropriateness of the Manager's and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager and the Trustee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager and the Trustee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report (continued)

To the unitholders of China Universal International ETF Series – C-Shares CSI 300 Index ETF
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Report on matters under the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Kwong Chun Kit.

Certified Public Accountants
Hong Kong
21 April 2017

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2016

	Notes	2016 RMB	2015 RMB
INCOME			
Dividend income		179,594	972,265
Interest income		390	6,099
Other income		44,480	-
		<u>224,464</u>	<u>978,364</u>
EXPENSES			
Management fee	5	-	(307,599)
Brokerage commission	5	(2,103)	(21,781)
Trustee and custodian fees	5	(76,924)	(65,495)
Auditor's remuneration		(166,306)	(178,036)
Index licensing fee		(150,438)	(200,000)
Professional fee		(97,246)	(251,332)
Other operating expenses		(299,836)	(526,627)
		<u>(792,853)</u>	<u>(1,550,870)</u>
LOSS BEFORE INVESTMENT AND EXCHANGE DIFFERENCES			
		(568,389)	(572,506)
INVESTMENT AND EXCHANGE DIFFERENCES			
Net change in unrealised gains or losses on financial assets at fair value through profit or loss		(1,548,787)	(73,259,260)
Net realised gains on financial assets at fair value through profit or loss		281,366	82,998,194
Foreign exchange differences		(12,901)	(12,855)
NET INVESTMENTS AND EXCHANGE (LOSS)/GAINS		<u>(1,280,322)</u>	<u>9,726,079</u>
(LOSS)/PROFIT BEFORE TAX		(1,848,711)	9,153,573
Withholding tax credit/(expense)	7	<u>10,364</u>	<u>(104,210)</u>
(LOSS)/PROFIT AFTER TAX AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,838,347)</u>	<u>9,049,363</u>

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

STATEMENT OF FINANCIAL POSITION

31 December 2016

	Notes	2016 RMB	2015 RMB
ASSETS			
Financial assets at fair value through profit or loss	10	8,159,760	10,700,908
Prepayment and other receivables		13,606	12,807
Amount due from the Manager	5	174,030	-
Cash and bank balances	12	<u>226,246</u>	<u>341,949</u>
TOTAL ASSETS		<u>8,573,642</u>	<u>11,055,664</u>
LIABILITIES			
Trustee and custodian fees payable	5	10,000	937
Withholding tax provision	7	343	721,065
Other payables and accruals		<u>314,511</u>	<u>246,527</u>
TOTAL LIABILITIES		<u>324,854</u>	<u>968,529</u>
EQUITY			
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	9	<u>8,248,788</u>	<u>10,087,135</u>
NUMBER OF UNITS IN ISSUE	9	<u>600,000</u>	<u>600,000</u>
NET ASSET VALUE PER UNIT	9	<u>13.7480</u>	<u>16.8119</u>

For and on behalf of
China Universal Asset Management (Hong Kong)
Company Limited, as the Manager

For and on behalf of
BOCI-Prudential Trustee Limited,
as the Trustee

.....
21 April 2017

.....
21 April 2017

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2016

	RMB
At 1 January 2015	216,372,653
Redemption of units	(215,334,881)
Total comprehensive income for the year	<u>9,049,363</u>
At 31 December 2015 and 1 January 2016	10,087,135
Total comprehensive income for the year	(<u>1,838,347</u>)
At 31 December 2016	<u><u>8,248,788</u></u>

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

STATEMENT OF CASH FLOWS

Year ended 31 December 2016

	Note	2016 RMB	2015 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/profit before tax	(	1,848,711)	9,153,573
Adjustments for:			
Net change in unrealised losses on financial assets at fair value through profit or loss		1,548,787	73,259,260
Net realised gains on financial assets at fair value through profit or loss	(	281,366)	(82,998,194)
	(	581,290)	(585,361)
Purchase of financial assets at fair value through profit or loss	(	686,279)	(8,086,083)
Proceeds from sale of financial assets at fair value through profit or loss		1,960,006	224,372,925
Decrease in deposit reserve-China Exchange Clearing		-	32,093
Increase in prepayment and other receivables	(	799)	(723)
Increase in amount due from investment manager	(	174,030)	-
Decrease in management fee payable		-	(97,435)
Increase/(decrease) in trustee and custodian fees payable		9,063	(18,550)
Increase in other payables and accruals		67,984	410
Cash generated from operations		594,655	215,617,276
Tax paid	(	710,358)	(104,210)
Net cash flows (used in)/from operating activities	(	115,703)	215,513,066
CASH FLOW FROM FINANCING ACTIVITIES			
Payments on redemption of units		-	(215,334,881)
Net cash flows used in financing activities		-	(215,334,881)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
	(	115,703)	178,185
Cash and cash equivalents at beginning of year		341,949	163,764
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>226,246</u>	<u>341,949</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	12	<u>226,246</u>	<u>341,949</u>
NET CASH USED IN OPERATING ACTIVITIES INCLUDES:			
Dividend received		179,594	972,265
Interest received		390	6,099

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

NOTES TO FINANCIAL STATEMENTS

31 December 2016

1. THE TRUST

China Universal International ETF Series (the "Trust") is an umbrella unit trust governed by its trust deed dated 31 May 2013 as amended by three supplemental deeds dated 7 April 2014 (collectively, the "Trust Deed") between China Universal Asset Management (Hong Kong) Company Limited (the "Manager") and BOCI-Prudential Trustee Limited (the "Trustee"). It is authorised by the Securities and Futures Commission of Hong Kong (the "SFC") pursuant to Section 104(1) of the Securities and Futures Ordinance of Hong Kong (the "SFO").

These financial statements relate to the first sub-fund of the Trust, C-Shares CSI 300 Index ETF (the "Sub-Fund"). The Sub-Fund commenced trading under the stock code 83008 (RMB counter) and 03008 (HKD counter) on the Hong Kong Stock Exchange ("HKEx") on 8 July 2013.

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI 300 Index (the "Index"). The Sub-Fund is a physical exchange traded fund investing directly in the underlying A-Shares of the Index. As at 31 December 2016, the approved Renminbi Qualified Foreign Institutional Investor ("RQFII") quota granted to the Manager by the State Administration of Foreign Exchange ("SAFE") was RMB3.1 billion (2015: RMB3.1 billion).

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong, the relevant disclosure provisions of the Trust Deed, and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the SFC (the "SFC Code").

The financial statements have been prepared under the historical cost basis, except for financial assets classified at fair value through profit or loss that have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest RMB except where otherwise indicated.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

2.2 CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting principles adopted in the current year are consistent with those of the prior year; expect that the Sub-Fund has adopted the following new revised accounting standard:

Amendments to HKAS 1 *Disclosure Initiative*
Annual Improvements to HKFRSs 2012-2014 Cycle

The nature and the impact of the amendments are described below:

Amendments to HKAS 1 - *Disclosure Initiative*

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

- (i) the materiality requirements in HKAS 1;
- (ii) that specific line items in the statement of comprehensive income and the statement of financial position may be disaggregated;
- (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
- (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The amendments have had no significant impact on the Sub-Fund's financial statements.

Amendments under *Annual Improvements to HKFRSs 2012-2014 Cycle*

The Sub-Fund has applied the applicable improvement for the first time in these financial statements. This includes:

HKFRS 7 Financial Instruments: Disclosures: Clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in HKFRS 7 in order to assess whether the HKFRS 7 disclosures are required.

2.3 NEW AND REVISED HKFRSs NOT YET ADOPTED

The Sub-Fund has not applied the following new and revised HKFRSs that have been issued but are not yet effective, in these financial statements.

HKFRS 9 *Financial Instruments*²
Amendments to HKAS 7 *Disclosure Initiative*¹

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

NOTES TO FINANCIAL STATEMENTS

31 December 2016

2.3 NEW AND REVISED HKFRSs NOT YET ADOPTED (continued)

In September 2014, the HKICPA issued the final version of HKFRS 9, which reflects all phases of the financial instruments project and replaces HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Sub-Fund expects to adopt the new standard from 1 January 2018. The Sub-Fund is currently assessing the impact of the standard upon adoption.

Amendments to HKAS 7 were issued in June 2016 and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Sub-Fund expects to adopt the amendments from 1 January 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(i) **Classification**

The Sub-Fund classifies its financial assets and liabilities into the categories below in accordance with HKAS 39.

Financial instruments at fair value through profit or loss

Financial instruments designated as fair value through profit or loss upon initial recognition: these include equity securities that are not held for trading. These financial instruments are designated upon initial recognition on the basis that they are part of a group of financial instruments which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Sub-Fund. This category includes listed equity securities.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Sub-Fund includes in this category amounts relating to cash and bank balances and other short-term receivables.

Financial liabilities

This category includes all financial liabilities. The Sub-Fund includes in this category amounts relating to management fee payable, trustee and custodian fees payable, accrued liabilities and other short-term payables.

(ii) **Recognition**

The Sub-Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commits to purchase or sell the financial asset.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iii) **Initial measurement**

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Loans and receivables and financial liabilities (other than those classified as designated as at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(iv) **Subsequent measurement**

After initial measurement, the Sub-Fund measures financial instruments which are classified as fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in "Net change in unrealised gains/losses on financial assets at fair value through profit or loss". Interests earned of such instruments are recorded separately in "Interest income on financial assets at fair value through profit and loss".

Loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(v) ***Derecognition***

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Sub-Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and either (a) the Sub-Fund has transferred substantially all the risks and rewards of the asset, or (b) the Sub-Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Fund's continuing involvement in the asset. In that case, the Sub-Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Fund has retained. The Sub-Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Fair value measurement

The Sub-Fund measures financial instruments, such as, equities investments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability the principal or the most advantageous market must be accessible by the Sub-Fund.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

For all other financial instruments not traded in an active market, the fair value is determined by using the last traded price or valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (e.g. Price to Earnings Ratio) and income approach.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - based on quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of financial assets

The Sub-Fund assesses at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been occurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Sub-Fund. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the profit or loss.

Interest revenue on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Cash and cash equivalents

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand, demand deposits, and short-term deposits in banks, with original maturities of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances as defined above, net of outstanding bank overdrafts when applicable.

Redeemable units

Redeemable units are classified as an equity instrument when:

- (a) The redeemable units entitle the holder to a pro-rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation;
- (b) The redeemable units are in the class of instruments that is subordinate to all other classes of instrument;
- (c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical feature;
- (d) The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a *pro-rata* share of the Sub-Fund's net assets; and
- (e) The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.

In addition to the redeemable units having all the above features, the Sub-Fund must have no other financial instrument or contract that has:

- (a) Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund; and
- (b) The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Fund's redeemable units meet the definition of puttable instruments classified as equity instruments under the revised HKAS 32 and are classified as equity.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Redeemable units (continued)

The Sub-Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as financial liabilities transactions. Upon issuance of redeemable units, the consideration received is included in equity.

Transaction costs incurred by the Sub-Fund in issuing or its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments which are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in profit or loss on the purchase, sale, issuance or cancellation of the Sub-Fund's own equity instruments.

Dividend income

Dividend income is recognised when the Sub-Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Interest income and expense

Interest income and expense is recognised in profit or loss as it accrues, using the effective interest method.

Net change in unrealised gains or losses on financial assets at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities as "at fair value through profit or loss" and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Net realised gains or losses on disposal of financial assets at fair value through profit or loss

Realised gains and losses on disposals of financial instruments classified as "at fair value through profit or loss" are calculated using the weighted average method. They represent the difference between an instrument's weighted average initial carrying amount and disposal amount.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency

These financial statements are presented in RMB, which is the Sub-Fund's functional currency. Foreign currency transactions recorded by the Sub-Fund are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the reporting date. Differences arising on settlement or transaction of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss in the statement of comprehensive income as part of the 'net gain or loss on financial assets and liabilities at fair value through profit or loss'.

Functional currency

The Sub-Fund's functional currency is RMB, which is the currency of the primary economic environment in which it operates. The Sub-Fund's performance is evaluated and its liquidity is managed in RMB. Moreover, the net asset value per unit at the time of issue or redemption is determined and units quoted on the HKEx are denominated in RMB. Therefore, the RMB is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Sub-Fund's presentation currency is also RMB.

Taxes

The Sub-Fund is exempt from all forms of taxation in Hong Kong, including income, capital gains and withholding taxes. However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Sub-Fund presents the withholding tax separately from the gross investment income in the statement of comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

Distributions to unitholders

Distributions are at the discretion of the Sub-Fund. A distribution to the Sub-Fund's unitholders is accounted for as a deduction from net assets attributable to unitholders. A proposed distribution is recognised as a liability in the period in which it is approved by the Manager. No distribution will be paid out of the Sub-Fund's capital.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Sub-Fund if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Fund;
 - (ii) has significant influence over the Sub-Fund; or
 - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Fund are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Fund or an entity related to the Sub-Fund;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Sub-Fund or to the parent of the Sub-Fund.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Sub-Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Sub-Fund's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Sub-Fund's management has made an assessment of the Sub-Fund ability to continue as a going concern and is satisfied that the Sub-Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Sub-Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

NOTES TO FINANCIAL STATEMENTS

31 December 2016

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Sub-Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Sub-Fund. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

When the fair values of financial assets recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument (without modification or repackaging) when available. To assess the significance of a particular input to the entire measurement, the Sub-Fund performs sensitivity analysis or stress testing techniques.

5. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

The following is a summary of significant related party transactions entered into during the year between the Sub-Fund and the Manager and their connected persons. Connected persons of the Manager are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund, the Manager and their connected persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with connected persons except for those disclosed below:

Brokerage commission

The Sub-Fund utilises the trading services of only one broker, UBS Securities Co Ltd. As such, the Sub-Fund did not enter into any transactions with any related broker for the year ended 31 December 2016.

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NOTES TO FINANCIAL STATEMENTS

31 December 2016

5. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS (continued)

Management fee

The Manager is entitled to receive a management fee from the Sub-Fund, at the current rate of 0.5% (up to maximum of 2%) per annum of the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears. The Manager is responsible for the payment of the investment advisory fees to China Universal Asset Management Company Limited (the "Investment Advisor"), out of its fees received from the Sub-Fund. On 30 September 2015, the Manager announced that for the period from 1 October 2015 to 31 March 2016, the Manager waived the management fee of the Sub-Fund. On 18 March 2016, the Manager announced that for the period from 1 April 2016 to 31 December 2016, the Manager waived the management fee of the Sub-Fund.

Trustee and custodian fees

Trustee and custodian fees pertain to the amounts charged by the Trustee and Bank of China (Hong Kong) Limited (the "Custodian") and Bank of China Limited (the "RQFII Custodian") as safe keeping and custodian fees, respectively.

The Trustee is entitled to receive a trustee fee from the Sub-Fund which is accrued on each dealing day and is paid monthly in arrears. The trustee fee is calculated at the current rate of 0.10% per annum of the net asset value of the Sub-Fund and subject to a monthly minimum fee of RMB40,000, which is waived from the initial launch of the Sub-Fund to 31 March 2016. 75% discount on monthly minimum trustee fee is applied from 1 April 2016 to 30 June 2017. The trustee fee is inclusive of the custodian fee to the Custodian and the RQFII Custodian.

Under the terms of the Trust Deed, the Trustee may, after consulting the Manager, on giving not less than one month's notice to unitholders, increase the rate of the trustee fee payable in respect of the Sub-Fund up to or towards the maximum rate of 1% per annum of the net asset value of the Sub-Fund accrued daily and calculated as at each dealing day and payable monthly in arrears.

Cash and bank balances

Bank balances are maintained with the RQFII Custodian and Custodian of the Sub-Fund. Bank balances deposited with the RQFII Custodian and the Custodian at 31 December 2016 and 31 December 2015 are summarised below:

	2016 RMB	2015 RMB
Cash at banks	<u>226,246</u>	<u>341,949</u>

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NOTES TO FINANCIAL STATEMENTS

31 December 2016

5. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS (continued)

Creation and redemption of the Sub-Fund

The Manager and the Trustee entered into a participating agreement with participating dealers to effect applications for creation and redemption of the Sub-Fund. There were no creation and redemption of the Sub-Fund by related party of the Trustee and Custodian for the year ended 31 December 2016 (2015: Nil).

Certain charges, fees and expenses borne by the Manager

Pursuant to the announcement of the Sub-Fund dated 15 November 2016, certain ongoing charges of the Sub-Fund are borne by the Manager at its discretion with effect from 15 November 2016 until a future date as notified by the Manager, and the ongoing charges in respect of the Sub-Fund are capped at 3% of the average net asset value of the Sub-Fund. For the year ended 31 December 2016, the Manager borne a total sum of RMB174,030 for the Sub-Fund (2015: Nil).

6. SOFT COMMISSION ARRANGEMENTS

The Manager and its connected persons have not received any soft dollar commissions or entered into any soft dollar arrangements in respect of the management of the Sub-Fund for the year ended 31 December 2016 (2015: Nil).

7. INCOME TAX

Hong Kong Profits Tax

No provision for Hong Kong profits tax has been made for the Sub-Fund. The Sub-Fund is authorised by the SFC as a collective investment scheme pursuant to Section 104 of the SFO to offer to the retail public in Hong Kong. It is exempted from Hong Kong profits tax under Section 26A (1A) of the Hong Kong Inland Revenue Ordinance.

People's Republic of China ("PRC") tax

Under PRC laws and regulations, foreign investors (such as the Sub-Fund) may be subject to a 10% withholding tax on income (such as dividend/interest and capital gains) imposed on securities issued by PRC tax resident enterprises.

Distribution tax

A 10% PRC withholding tax has been levied on dividend and interest payments from PRC companies to foreign investors. As such, the RQFII holder will pass on this tax liability to the Sub-Fund in the form of distribution tax and therefore the Sub-Fund is subject to a distribution tax of 10%. There is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future. The distribution tax for the year ended 31 December 2016 was RMB22,839 (2015: RMB104,210).

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7. INCOME TAX (continued)

Capital gains tax

In view of 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 RQFII" ("關於QFII和RQFII取得中國境內的股票等權益性投資資產轉讓所得暫免徵收企業所得稅問題的通知") Caishui [2014] No.79 (the "Notice") issued by the Ministry of Finance of the PRC (the "MoF"), the State Administration of Taxation of the PRC ("SAT") and the China Securities Regulatory Commission (the "CSRC"), no PRC withholding income tax ("WIT") provision is made on the gross realised and unrealised capital gains derived from investments in China A-Shares, except for those gross realised capital gains derived before 17 November 2014 from investments in China A-Shares issued by PRC tax resident companies which are "land rich companies" (i.e. at least 50% of the PRC tax resident company's assets are comprised, directly or indirectly, of immovable property situated in the PRC); and a 10% provision for PRC WIT is made for the gross realised capital gains derived before 17 November 2014 by the Sub-Fund from investments in China A-Shares issued by PRC tax resident companies which are land rich companies.

Upon the request of the Beijing Xicheng State Tax Bureau (the "Beijing Tax Authority"), the Manager, as the RQFII licence holder, submitted the requested information and documents on behalf of the Sub-Fund to the Beijing Tax Authority in July 2015 to (i) report the WIT payable on gross realised capital gains derived from transfer of China A-Shares issued by land rich companies and (ii) apply for tax treaty relief on gross realised capital gains derived from transfer of China A-Shares issued by non-land rich companies under the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("Arrangement") during the period commencing on the date of inception of the Sub-Fund and ending on 16 November 2014, both days inclusive. In the documents and information submitted, the Manager has set out the amount of gains, the amount of tax liability, the amount of tax relief or reduction and the Manager's basis for such position.

The Beijing Tax Authority completed the review on the Sub-Fund's aforesaid tax reporting and tax treaty relief application in February 2016. The Beijing Tax Authority has accepted the Sub-Fund's tax treaty application in the form of record-filing and affixed an official stamp on the "Reporting Form for Non-resident Taxpayer Claiming Tax Treaty Benefits" for the Sub-Fund. The Beijing Tax Authority has also reviewed the calculation of WIT liability on gains (including capital gains through the transfer of PRC securities, dividend and interest) of the Sub-Fund since its inception date to 16 November 2014. Upon the Beijing Tax Authority's confirmation, the Sub-Fund settled its PRC tax liability (for the period from its inception date to 16 November 2014) in respect of gross realised capital gains derived from transfer of China A-Shares issued by land rich companies amounting to RMB687,861 during the year ended 31 December 2016. The Manager, after consultation with the Trustee, has therefore decided to reverse the excess provision of previously made for the Sub-Fund. The capital gains tax credit for the year ended 31 December 2016 was RMB33,203 (2015: Nil).

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8. DISTRIBUTIONS

The Manager may in its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Fund.

The Sub-Fund did not make any distribution during the year ended 31 December 2016 (2015: Nil).

9. THE REDEEMABLE UNITS

	2016 Number of units	2015 Number of units
Units in issue at the beginning of the year	600,000	12,000,000
Redemption of units	<u>-</u>	<u>(11,400,000)</u>
Units in issue at the end of the year	<u>600,000</u>	<u>600,000</u>
	RMB	RMB
Net asset value attributable to unitholders at the end of the year	<u>8,248,788</u>	<u>10,087,135</u>
Net asset value per unit at the end of the year	<u>13.7480</u>	<u>16.8119</u>

The creation and redemption of units of the Sub-Fund can only be facilitated by or through participating dealers. Investors other than the participating dealers make a request to create or redeem units through a participating dealer, and if the investor is a retail investor, such request must be made through a stockbroker which has opened an account with a participating dealer.

The Trustee shall receive subscription proceeds from the participating dealers for the creation of units and pay redemption proceeds for the redemption of units to the relevant participating dealer in such form and manner as prescribed by the Trust Deed.

Units are denominated in RMB and no fractions of a unit shall be created or issued by the Trustee. Units of the Sub-Fund are offered and issued at their dealing net asset value only in aggregation of a specified number of units (an "Application Unit"). Units are redeemable only in an Application Unit or multiple thereof at the dealing net asset value. Currently, creation and redemption of units will be effected in cash.

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9. THE REDEEMABLE UNITS (continued)

A reconciliation of the net assets attributable to unitholders as reported in the statement of financial position to the net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions is provided below:

	2016 RMB	2015 RMB
Net assets attributable to unitholders (Note)	8,768,361	10,953,091
Recognition of preliminary expense (Note)	<u>(519,573)</u>	<u>(865,956)</u>
Net assets attributable to unitholders (per financial statements)	<u>8,248,788</u>	<u>10,087,135</u>

<u>At 31 December 2016</u>	Net assets per unit (Note) RMB	Net assets per unit (per financial statements) RMB
Net assets attributable to unitholders per unit	<u>14.6139</u>	<u>13.7480</u>

<u>At 31 December 2015</u>	Net assets per unit (Note) RMB	Net assets per unit (per financial statements) RMB
Net assets attributable to unitholders per unit	<u>18.2552</u>	<u>16.8119</u>

Note:

The net assets are calculated in accordance with the explanatory memorandum where preliminary expense are capitalised and to be amortised over the first five years of the operation of the Sub-Fund, while the net assets as reported in the audited financial statements, the preliminary expenses are expensed as incurred, as required under HKFRS.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2016 RMB	2015 RMB
Financial assets designated as at fair value through profit or loss:		
Listed equity securities	<u>8,159,760</u>	<u>10,700,908</u>

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets traded in active markets is based on quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Sub-Fund is the current traded price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The following table shows an analysis of the Sub-Fund's financial assets measured at fair value at 31 December 2016 and at 31 December 2015:

<u>2016</u>	Quoted prices in active markets (Level 1) RMB	Significant observable inputs (Level 2) RMB	Significant unobservable inputs (Level 3) RMB	Total RMB
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	<u>7,915,150</u>	<u>150,630</u>	<u>93,980</u>	<u>8,159,760</u>
<u>2015</u>	Quoted prices in active markets (Level 1) RMB	Significant observable inputs (Level 2) RMB	Significant unobservable inputs (Level 3) RMB	Total RMB
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	<u>9,658,872</u>	<u>480,295</u>	<u>561,741</u>	<u>10,700,908</u>

When fair values of listed equity securities at the reporting date are based on quoted market prices or binding dealer price quotations, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy.

During the year ended 31 December 2016, there has been transfers of investments between Level 1 and Level 2 and between Level 1 and Level 3 due to suspension of trading, and transfers of investments from Level 3 to Level 1 due to resumption of trading.

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Transfers between Level 1 and Level 2

As at 31 December 2016, the Sub-Fund reclassified four listed equity securities, amounted to RMB77,465 under the Level 2 financial instruments due to suspension. These listed equity securities temporarily suspended trading as at 31 December 2016 and resumed from suspension before the date of authorisation of the financial statements for the year ended 31 December 2016.

As at 31 December 2015, the Sub-Fund reclassified eight listed equity securities, amounted to RMB480,295 under the Level 2 financial instruments due to suspension. These listed equity securities temporarily suspended trading as at 31 December 2015 and resumed from suspension before the date of authorisation of the financial statements for the year ended 31 December 2015. As at 31 December 2016, these listed equity securities have been reclassified to Level 1.

The transfer between Level 1 and Level 2 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

Transfers between Level 1 and Level 3

As at 31 December 2016, the Sub-Fund reclassified five listed equity securities, amounted to RMB93,980, under the Level 3 financial instruments due to suspension. These listed equity securities suspended trading as at 31 December 2016 and were still suspended from trading during the period between the end of the reporting period (i.e. 31 December 2016) and the date of authorisation of the Sub-Fund's financial statements for the year ended 31 December 2016.

As at 31 December 2015, the Sub-Fund reclassified six listed equity securities, amounted to RMB561,741, under the Level 3 financial instruments due to suspension. These listed equity securities suspended trading as at 31 December 2015 and were still suspended from trading during the period between the end of the reporting period (i.e. 31 December 2015) and the date of authorisation of the Sub-Fund's financial statements for the year ended 31 December 2015. As at 31 December 2016, five of these listed equity securities have been reclassified to Level 1 due to resumption of trading in 2016.

The transfer between Level 1 and Level 3 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Transfers between Level 2 and Level 3

As at 31 December 2016, one of the listed equity securities temporarily suspended trading and resumed from suspension before the authorisation of the financial statements for the year ended 31 December 2016. As at 31 December 2016, the listed equity security has been reclassified from Level 3 to Level 2.

As at 31 December 2015, one of the listed equity securities temporarily suspended trading and resumed from suspension before the authorisation of the financial statements for the year ended 31 December 2015. As at 31 December 2015, the listed equity security has been reclassified from Level 3 to Level 2.

The transfer between Level 2 and Level 3 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

Valuation techniques

Listed equity securities traded in active market with quoted market prices

When fair values of listed equity securities at the reporting date are based on quoted market prices in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Sub-Fund values these investments at last traded prices.

Listed equity securities temporarily suspended on year end date

In the absence of a quoted price in an active market, the Manager applied market approach in which they have used the last traded price before their trading suspension trading as there has been no expected material gap-down. Adjustments are made to the valuations when necessary to recognise the differences of timing between the date of suspension and resumption which is within a reasonable time and the price fluctuation when the investments resume trading subsequent to the period end. To the extent that the significant inputs are observable, the Sub-Fund categorises these investments as Level 2.

Listed equity securities suspended on year end date and has not resumed prior to the date of authorisation of the financial statements

The fair value of suspended investments which do not resume trading in a short period of time subsequent to period end, for which there is an absence of quoted prices, the fair value was estimated by the Manager by multiplying the estimated forecast earnings per share ("Forecast EPS") of the investment by the industry average Price to Earnings Ratio ("P/E ratio") and then adjusting the valued price by a liquidity discount. Such valuation method is generally accepted in the industry. The model incorporates unobservable data inputs, which include industry average P/E ratio, assumptions regarding Forecast EPS and the liquidity discount rate. The Sub-Fund classifies the fair value of these investments as Level 3.

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Valuation process for Level 3 valuations

The valuation of suspended investment is performed on a quarterly basis by the portfolio manager or when the suspended investments are more than certain thresholds of the net asset value of the Sub-Fund and reviewed by the senior management of the Manager. The latest valuation is compared with the valuations in the preceding periods. If fair value changes are more than certain thresholds set, the changes are further considered by the senior management of the Manager. The Manager considers the appropriateness of the valuation methods and inputs, and may request that alternative valuation methods be applied to support the valuation arising from the chosen method. There were no changes in valuation techniques during the year.

Quantitative information of significant unobservable inputs – Level 3

Description	RMB	Valuation technique	Unobservable input	Range
As at 31 December 2016				
Equity securities	93,980	Price to earnings ("P/E") multiple/ last trade price	Average industry P/E Forecast EPS Liquidity discount	42.79 to 76.43 0.16 to 0.98 20% to 30%
As at 31 December 2015				
Equity securities	561,741	Price to earnings ("P/E") multiple	Average industry P/E Forecast EPS Liquidity discount	20.51 to 95.59 0.23 to 1.76 20% to 30%

The following table demonstrates the sensitivity of the fair value of investments as at the end of the period to a reasonably possible change in the inputs, with all other variables held constant.

As at 31 December 2016		Change in the input	Effect on the fair value of investment RMB	Effect on the net assets attributable to unitholders RMB
Equity securities	Average industry P/E	+5%	5,000	5,000
	Average industry P/E	-5%	(5,000)	(5,000)
	Forecast EPS	+5%	5,000	5,000
	Forecast EPS	-5%	(5,000)	(5,000)
	Liquidity discount	+10%	(12,000)	(12,000)
	Liquidity discount	-10%	12,000	12,000

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Quantitative information of significant unobservable inputs – Level 3 (continued)

As at 31 December 2015		Change	Effect on the	Effect on the
	Input	in the	fair value of	net assets
		input	investment	attributable to
			RMB	unitholders
				RMB
Equity securities	Average industry P/E	+5%	28,000	28,000
	Average industry P/E	-5%	(28,000)	(28,000)
	Forecast EPS	+5%	28,000	28,000
	Forecast EPS	-5%	(28,000)	(28,000)
	Liquidity discount	+10%	(80,000)	(80,000)
	Liquidity discount	-10%	80,000	80,000

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 for the year ended 31 December 2016 and 31 December 2015:

	Financial assets designated as fair value through profit or loss equity securities 2016 RMB	Financial assets designated as fair value through profit or loss equity securities 2015 RMB
At 1 January	561,741	1,131,436
Transfer out of Level 3 to Level 2	(64,680)	(546,306)
Transfer out of Level 3 to Level 1	(497,061)	(585,130)
Transfer from Level 1 into Level 3	<u>93,980</u>	<u>561,741</u>
At 31 December	<u>93,980</u>	<u>561,741</u>
Total (losses)/gains for the year included in profit or loss for assets held at the end of reporting period	<u>(13,396)</u>	<u>270,475</u>

12. CASH AND BANK BALANCES

The cash at banks held with the RQFII Custodian and the Custodian of the Sub-Fund, was placed into accounts bearing floating interest.

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13. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

The SFC Code allows the Sub-Fund to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Fund's net asset value provided that:

- (a) the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the index; and
- (b) the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the index, except where weightings are exceeded as a result of changes in the composition of the index and the excess is only transitional and temporary in nature.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the year.

There were no constituent securities that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of CSI 300 Index as at 31 December 2016.

14. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

Risk management

Risk is inherent in the Sub-Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring. The Manager is responsible for identifying and controlling risks. In perspective of risk management, the Sub-Fund's objective is to create and protect value for unitholders.

The Sub-Fund is exposed to market risk (which includes equity price risk, interest rate risk and currency risk), credit risk and counterparty risk and liquidity risk arising from the financial instruments it holds.

- (a) Market risk
 - (i) Equity price risk

The Sub-Fund invested substantially all of its assets in A-Shares of those PRC companies comprising the Index in substantially the same weightings as constituted in the CSI 300 Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the Index.

When there are changes in the constituent A-Shares comprised in the Index and/or their respective weightings within the Index, the Manager will rebalance the composition of the relevant investment holdings or the underlying dynamic basket of A-Shares of selected constituent companies of the Index.

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14 FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(a) Market risk (continued)

(i) Equity price risk (continued)

As at 31 December 2016, the Sub-Fund's investments were concentrated in the following industries.

	Fair value RMB	% of net asset value
A-Shares holdings - By Sectors		
Consumer Discretionary	972,274	11.81%
Consumer Staples	483,623	5.86%
Energy	213,669	2.58%
Financials	3,004,698	36.39%
Health Care	457,065	5.54%
Industrials	1,450,004	17.58%
Information Technology	727,451	8.82%
Materials	516,589	6.30%
Telecommunication Services	104,942	1.26%
Utilities	229,445	2.78%
	<u>8,159,760</u>	<u>98.92%</u>

As at 31 December 2015, the Sub-Fund's investments were concentrated in the following industries.

	Fair value RMB	% of net asset value
A-Shares holdings - By Sectors		
Consumer Discretionary	1,267,461	12.58%
Consumer Staples	668,395	6.63%
Energy	300,525	2.98%
Financials	3,957,295	39.20%
Health Care	479,925	4.77%
Industrials	1,969,100	19.53%
Information Technology	887,840	8.77%
Materials	585,926	5.82%
Telecommunication Services	124,100	1.23%
Utilities	460,341	4.57%
	<u>10,700,908</u>	<u>106.08%</u>

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14. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(a) Market risk (continued)

(i) Equity price risk (continued)

Sensitivity analysis in the event of a possible change in the Index by 5% as estimated by the Manager

As at 31 December 2016, if the CSI 300 Index was to increase by 5% with all other variables held constant, this would increase the pre-tax profit for the period by approximately RMB408,000 (2015: RMB535,000). Conversely, if the CSI 300 Index was to decrease by 5%, this would decrease the pre-tax profit for the period by an approximately equal amount.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

The Manager considers that the Sub-Fund is not subject to significant risk due to fluctuations in the prevailing level of market interest rate. As the Sub-Fund has no investments in fixed income assets, the Manager considers that changes in the fair value in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis is presented.

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Approximately 100% of the Sub-Fund's sales and purchases were denominated in the Sub-Fund's functional currency. Assets and liabilities held by the Sub-Fund are mainly denominated in RMB, the functional currency of the Sub-Fund. Therefore, the Manager considers the Sub-Fund is not exposed to significant currency risk and no sensitivity analysis is presented.

(b) Credit and counterparty risk

Credit risk is the risk of loss to the Sub-Fund that may arise on outstanding financial instruments should a counterparty default on its obligations. The Sub-Fund minimises exposure to credit risk by only dealing with creditworthy counterparties.

All transactions by the Sub-Fund in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

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14. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(b) Credit and counterparty risk (continued)

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the Custodian. The table below summarises the Sub-Fund's assets placed with a bank and the RQFII Custodian and their related credit ratings from Standard & Poor's ("S&P"):

As at 31 December 2016

	RMB	Credit rating	Source of credit rating
Bank			
Bank of China (Hong Kong) Limited	35,124	A+	S&P
Bank of China Limited	191,122	A	S&P
RQFII Custodian			
Bank of China Limited	8,159,760	A	S&P

As at 31 December 2015

	RMB	Credit rating	Source of credit rating
Bank			
Bank of China (Hong Kong) Limited	23,607	A+	S&P
Bank of China Limited	318,342	A	S&P
RQFII Custodian			
Bank of China Limited	10,700,908	A	S&P

The Sub-Fund's maximum exposure to credit risk at the end of the reporting period is the carrying amount of total assets as shown on the statement of financial position.

The Manager considers that none of these assets are impaired nor past due as at 31 December 2016.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Sub-Fund could be required to pay its liabilities or redeem its units earlier than expected. The Sub-Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holder's option based on the Sub-Fund's net asset value per unit at the time of redemption, calculated in accordance with the Sub-Fund's Trust Deed. It is the Sub-Fund's policy that the Manager monitors the Sub-Fund's liquidity position on a daily basis.

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14. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(c) Liquidity risk (continued)

The table below summarises the maturity profile of Sub-Fund's financial liabilities at the end of the reporting period based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Sub-Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Sub-Fund's contractual commitments and liquidity.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Sub-Fund can be required to pay.

Financial assets

Analysis of equity securities at fair value through profit or loss into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

At 31 December 2016	Less than 1 month RMB	1 to 12 months RMB	Total RMB
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	8,022,176	137,584	8,159,760
Financial assets included in prepayment and other receivables	-	25	25
Amount due from the Manager	-	174,030	174,030
Cash and bank balances	226,246	-	226,246
Total financial assets	<u>8,248,422</u>	<u>311,639</u>	<u>8,560,061</u>
	Less than 1 month RMB	1 to 12 months RMB	Total RMB
<u>Financial liabilities</u>			
Trustee and custodian fees payable	10,000	-	10,000
Other payables and accruals	16,944	297,567	314,511
Total financial liabilities	<u>26,944</u>	<u>297,567</u>	<u>324,511</u>

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14. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(c) Liquidity risk (continued)

At 31 December 2015	Less than 1 month RMB	1 to 12 months RMB	Total RMB
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	10,139,167	561,741	10,700,908
Financial assets included in prepayment and other receivables	-	19	19
Cash and bank balances	<u>341,949</u>	<u>-</u>	<u>341,949</u>
Total financial assets	<u>10,481,116</u>	<u>561,760</u>	<u>11,042,876</u>
	Less than 1 month RMB	1 to 12 months RMB	Total RMB
<u>Financial liabilities</u>			
Trustee and custodian fees payable	937	-	937
Other payables and accruals	<u>71,875</u>	<u>174,652</u>	<u>246,527</u>
Total financial liabilities	<u>72,812</u>	<u>174,652</u>	<u>247,464</u>

Capital management

The Sub-Fund's capital is represented by its net assets attributable to unitholders. The Sub-Fund strives to invest the subscription proceeds of redeemable units in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

The Manager manages the capital of the Sub-Fund in accordance with the Sub-Fund's investment objectives and policies stated in the prospectus.

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15. SEGMENT INFORMATION

The Manager makes the strategic resource allocations on behalf of the Sub-Fund and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that each sub-fund as a single operating segment which is investing in securities. The objectives of the Sub-Fund are to track the performance of its respective index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned to the characteristics of the tracked index.

The internal financial information used by the Manager for the Sub-Fund's assets, liabilities and performance is the same as that disclosed in the statement of financial position and statement of comprehensive income.

The Sub-Fund is domiciled in Hong Kong. All of the Sub-Fund's income is from investments in securities which constitute its tracked index. The Sub-Fund's investments are mainly domiciled in the PRC.

The Sub-Fund has no assets classified as non-current assets. The Sub-Fund has portfolio that closely correspond to the security weight and industry weight of its tracked index.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Manager and the Trustee on 21 April 2017.

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
(A Sub-Fund of China Universal International ETF Series)

INVESTMENT PORTFOLIO

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
Listed Securities			
China (100%)			
Consumer Discretionary			
Alpha Group	404	9,171	0.11%
Beijing Enlight Media Co Ltd	1,020	9,955	0.12%
Beijing Gehua Catv Network Co Ltd	700	10,724	0.13%
Bluefocus Communication Group Co Ltd	1,495	15,204	0.18%
Byd Co Ltd	492	24,443	0.30%
China Grand Automotive Services Co., Ltd.	1,500	12,840	0.16%
China International Travel Service Co Ltd	400	17,360	0.21%
Chinese Universe Publishing And Media Co Ltd	700	14,140	0.17%
Chongqing Changan Automobile Co Ltd	2,533	37,843	0.46%
Citic Guoan Information Industry Co Ltd	2,750	25,245	0.31%
Faw Car Co Ltd	1,115	12,120	0.15%
Focus Media Information Technology Co., Ltd.	200	2,854	0.03%
Fuyao Glass Industry Group Co.,Ltd	1,914	35,658	0.43%
Great Wall Motor Co Ltd	1,311	14,500	0.18%
Gree Electric Appliances,Inc. Of Zhuhai	4,774	117,536	1.42%
Hisense Electric Co Ltd	1,057	18,096	0.22%
Huawen Media Investment Corp	1,700	19,193	0.23%
Huayi Brothers Media Co Ltd	1,799	19,789	0.24%
Huayu Automotive Systems Company Limited	1,258	20,065	0.24%
Hunan Tv & Broadcast Intermediary Co Ltd	1,300	18,707	0.23%
Jiangsu Broadcasting Cable Information Network Corporation Limited	780	8,814	0.11%
Jiangsu Phoenix Publishing & Media Co Ltd	1,006	10,533	0.13%
Jihua Group Co Ltd	1,500	13,815	0.17%
Leo Group Co., Ltd.	600	9,570	0.12%
Midea Group Co., Ltd	3,067	86,397	1.05%
Pangda Automobile Trade Co Ltd	2,334	6,465	0.08%
Qingdao Haier Co Ltd	4,006	39,579	0.48%
Saic Motor Co Ltd	2,392	56,092	0.68%
Shanghai Oriental Pearl Media Co., Ltd.	1,448	33,738	0.41%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Consumer Discretionary (continued)			
Shenzhen Overseas Chinese Town Co Ltd	4,370	30,372	0.37%
Sichuan Changhong Electric Co Ltd	4,586	19,169	0.23%
Songcheng Performance Development Co., Ltd.	500	10,470	0.13%
Suning Commerce Group Co., Ltd.	4,359	49,911	0.61%
Tcl Corporation	9,895	32,654	0.40%
Wanda Cinema Line Co., Ltd	100	5,407	0.07%
Wanxiang Qianchao Co Ltd	1,360	18,034	0.22%
Wasu Media Holding Co., Ltd	100	1,791	0.02%
Youngor Group Co Ltd	1,842	25,751	0.31%
Zhejiang Huace Film & Tv Co Ltd	800	9,080	0.11%
Zhejiang Wanfeng Auto Wheel Co.,Ltd.	800	15,808	0.19%
Zhengzhou Yutong Bus Co Ltd	1,704	33,381	0.40%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Consumer Staples			
Beijing Dabeinong Technology Group Co Ltd	2,343	16,635	0.20%
By-Health Co., Ltd	600	7,164	0.09%
Cofco Tunhe Co Ltd	1,000	12,460	0.15%
Henan Shuanghui Investment & Development Co Ltd	1,205	25,221	0.31%
Inner Mongolia Yili Industrial Group Co Ltd	5,275	92,840	1.13%
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	568	40,101	0.49%
Kweichow Moutai Co Ltd	425	142,014	1.72%
Luzhou Lao Jiao Co Ltd	912	30,096	0.36%
Meihua Holdings Group Co., Ltd	1,680	10,954	0.13%
Muyuan Foodstuff Co., Ltd	400	9,312	0.11%
New Hope Liuhe Co., Ltd	1,514	12,188	0.15%
Shanghai Bailian Group Co., Ltd.	856	12,292	0.15%
Shanghai Bairun Investment Holding Group Co., Ltd.	300	6,072	0.07%
Wuliangye Yibin Co Ltd	1,324	45,652	0.55%
Yonghui Superstores Co Ltd	4,200	20,622	0.25%

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Energy			
China Petroleum & Chemical Corporation	7,690	41,603	0.50%
China Shenhua Energy Co Ltd	2,359	38,169	0.46%
Guanghui Energy Co., Ltd.	4,068	18,998	0.23%
Offshore Oil Engineering Co Ltd	2,330	17,195	0.21%
Petrochina Co Ltd	3,759	29,884	0.36%
Shaanxi Coal Industry Company Limited	2,200	10,670	0.13%
Shanxi Xishan Coal And Electricity Power Co Ltd	1,400	11,844	0.14%
Sinopec Oilfield Service Corporation	500	2,050	0.02%
Sinopec Shanghai Petrochemical Co Ltd	2,900	18,676	0.23%
Wintime Energy Co Ltd	4,280	17,163	0.21%
Yanzhou Coal Mining Co Ltd	683	7,417	0.09%

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Financials			
Agricultural Bank Of China Co Ltd	28,272	87,643	1.06%
Avic Capital Co., Ltd.	5,536	33,880	0.41%
Bank Of Beijing Co Ltd	8,914	87,001	1.05%
Bank Of China Ltd	15,469	53,213	0.65%
Bank Of Communications Co Ltd	27,719	159,939	1.94%
Bank Of Nanjing Co Ltd	3,627	39,317	0.48%
Bank Of Ningbo Co Ltd	2,234	37,174	0.45%
Beijing Capital Development Co., Ltd.	1,100	12,991	0.16%
Changjiang Securities Company Limited	4,000	40,920	0.50%
China Citic Bank Corporation Limited	2,929	18,775	0.23%
China Construction Bank	6,768	36,818	0.45%
China Everbright Bank Co Ltd	11,753	45,954	0.56%
China Fortune Land Development Co., Ltd.	826	19,741	0.24%
China Life Insurance Company Limited	878	21,151	0.26%
China Merchants Bank Co Ltd	7,576	133,338	1.62%
China Merchants Securities Co Ltd	2,768	45,201	0.55%
China Merchants Shekou Industrial Zone Holdings Co., Ltd	735	12,047	0.15%
China Minsheng Banking Corp Ltd	21,099	191,579	2.32%
China Pacific Insurance (Group) Co Ltd	2,302	63,927	0.77%
China Vanke Co Ltd	6,075	124,841	1.51%
Citic Securities Co Ltd	5,776	92,763	1.12%
Dongxing Securities Co., Ltd.	500	10,030	0.12%
Everbright Securities Co Ltd	1,200	19,188	0.23%
Financial Street Holding Co Ltd	1,585	16,326	0.20%
Founder Securities Co Ltd	4,830	36,708	0.45%
Gemdale Corporation	2,623	33,994	0.41%
GF Securities Co., Ltd.	2,130	35,912	0.44%
Guangdong Golden Dragon Development Inc.	500	11,720	0.14%
Guosen Securities Co., Ltd.	1,400	21,770	0.26%
Guotai Junan Securities Co., Ltd.	1,500	27,885	0.34%
Guoyuan Securities Company Limited	1,324	26,348	0.32%
Haitong Securities Company Limited	5,957	93,823	1.14%
Hua Xia Bank Co Ltd	3,872	42,011	0.51%
Huatai Securities Co Ltd	2,406	42,971	0.52%
Hubei Biocause Pharmaceutical Co Ltd	1,100	8,415	0.10%
Industrial and Commercial Bank Of China Ltd	15,862	69,951	0.85%
Industrial Bank Co Ltd	11,876	191,679	2.28%
Industrial Securities Co Ltd	5,377	41,134	0.50%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Financials (continued)			
New China Life Insurance Co Ltd	520	22,766	0.28%
Northeast Securities Co Ltd	1,560	19,282	0.23%
Orient Securities Company Limited	1,300	20,189	0.24%
Pacific Securities Co. Ltd	5,460	28,119	0.34%
Ping An Bank Co., Ltd.	4,573	41,614	0.50%
Ping An Insurance (Group) Company Of China Ltd	9,668	342,534	4.15%
Poly Real Estate Group Co Ltd	4,759	43,450	0.53%
Risesun Real Estate Development Co Ltd	1,342	10,535	0.13%
Sdic Essence Co., Ltd	300	4,683	0.06%
Sealand Securities Co., Ltd.	2,530	17,634	0.21%
Shanghai Lujiazui Finance and Trade Zone Development Co Ltd	884	19,563	0.24%
Shanghai Pudong Development Bank Co Ltd	7,909	128,205	1.55%
Shanghai Smi Hldg Co Ltd	1,661	33,785	0.41%
Shanghai Zhangjiang Hi-Tech Park Development Co Ltd	700	12,404	0.15%
Shanxi Securities Co Ltd	1,300	15,626	0.19%
Shenwan Hongyuan Group Co., Ltd	6,117	38,231	0.46%
Sinolink Securities Co. Ltd.	2,088	27,207	0.33%
Soochow Securities Co Ltd	1,398	18,551	0.22%
Southwest Securities Co Ltd	3,006	21,433	0.26%
Western Securities Co., Ltd	1,300	27,001	0.33%
Xinhu Zhongbao Co Ltd	2,891	12,027	0.15%
Zhongtian Urban Development Group Co Ltd	1,700	11,781	0.14%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Health Care			
Aier Eye Hospital Group Co Ltd	550	16,445	0.20%
Beijing Tongrentang Co Ltd	838	26,296	0.32%
Guangxi Wuzhou Zhongheng Group Co Ltd	2,869	13,140	0.16%
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited	612	14,676	0.18%
Guizhou Bailing Group Pharmaceutical Co Ltd	400	7,576	0.09%
Huadong Medicine Co Ltd	255	18,378	0.22%
Hualan Biological Engineering Inc	320	11,440	0.14%
Jiangsu Hengrui Medicine Co Ltd	1,012	46,046	0.56%
Jilin Aodong Pharmaceutical Group Co., Ltd.	881	27,302	0.33%
Kangmei Pharmaceutical Co Ltd	3,024	53,978	0.65%
Shandong Dong-Ee Jiao Co Ltd	669	36,039	0.44%
Shanghai Fosun Pharmaceutical (Group) Co Ltd	1,507	34,872	0.42%
Shanghai Pharmaceuticals Holding Co., Ltd	1,310	25,624	0.31%
Shanghai Raas Blood Products Co Ltd	1,080	24,937	0.30%
Tasly Pharmaceutical Group Co., Ltd	643	26,678	0.32%
Tonghua Dongbao Pharmaceutical Co., Ltd.	1,080	23,684	0.29%
Yunnan Baiyao Group Co., Ltd.	656	49,954	0.61%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Industrials			
Air China Ltd	2,300	16,560	0.20%
Avic Aero-Engine Controls Co Ltd	400	9,896	0.12%
Avic Aircraft Co.,Ltd.	1,208	25,682	0.31%
Avic Aviation Engine Corporation Plc.	710	23,245	0.28%
Avic Helicopter Co., Ltd.	300	14,526	0.18%
Beijing Orient Landscape Co Ltd	1,000	14,150	0.17%
Beijing Originwater Technology Co Ltd	1,725	30,222	0.37%
Bohai Financial Investment Holding Co., Ltd.	1,700	12,155	0.15%
China Avionics Systems Co., Ltd.	668	12,398	0.15%
China Baoan Group Co., Ltd.	2,136	22,129	0.27%
China Communications Construction Company Limited	1,400	21,266	0.26%
China Cosco Hldgs Co., Ltd.	3,300	17,292	0.21%
China Cssc Holdings Limited	920	25,401	0.31%
China Eastern Airlines Corp Ltd	3,300	23,331	0.28%
China Gezhouba Group Co Ltd	3,170	29,132	0.35%
China International Marine Containers (Group) Co Ltd	1,123	16,418	0.20%
China Merchants Energy Shipping Co., Ltd.	2,100	10,374	0.13%
China Nuclear Engineering Corporation Limited	500	8,595	0.10%
China Railway Construction Co Ltd	3,400	40,664	0.49%
China Railway Group Limited	5,548	49,155	0.60%
China Shipbuilding Industry Co Ltd	7,980	56,578	0.69%
China Southern Airlines Co Ltd	4,500	31,590	0.38%
China Spacesat Co Ltd	655	20,462	0.25%
China State Construction Engineering Co Ltd	13,148	116,491	1.41%
Citic Heavy Industries Co., Ltd.	1,200	6,732	0.08%
Cosco Shipping Development Co., Ltd.	3,400	13,872	0.17%
Crrc Corporation Limited	6,698	65,439	0.79%
Cssc Offshore & Marine Engineering (Group) Company Limited	200	5,940	0.07%
Daqin Railway Co Ltd	7,001	49,567	0.60%
Dongfang Electric Corporation Limited	910	9,819	0.12%
Eternal Asia Supply Chain Management Ltd	1,200	13,032	0.16%
Guangshen Railway Company Limited	4,500	22,815	0.28%
Guoxuan High-Tech Co., Ltd.	400	12,396	0.15%
Hainan Airlines Co Ltd	7,700	25,102	0.30%
Juneyao Airlines Co., Ltd	200	4,660	0.06%
Liaoning Cheng Da Co Ltd	1,302	23,384	0.28%
Luxin Venture Capital Group Co., Ltd.	301	6,809	0.08%
Metallurgical Corporation of China Co Ltd	4,900	22,834	0.28%
Nari Technology Co., Ltd.	1,864	30,998	0.38%
Ningbo Port Co Ltd	3,800	19,228	0.23%
Power Construction Corporation of China Ltd	4,800	34,848	0.42%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Industrials (continued)			
Sany Heavy Industry Co Ltd	3,865	23,577	0.29%
Shanghai Construction Group Co Ltd	2,345	11,092	0.13%
Shanghai Electric Group Co Ltd	3,000	25,260	0.31%
Shanghai International Airport Co Ltd	1,287	34,131	0.41%
Shanghai International Port (Group) Co Ltd	2,669	13,665	0.17%
Shanghai Tunnel Engineering Co Ltd	1,500	16,515	0.20%
Shanghai Waigaoqiao Free Trade Zone Group Co., Ltd.	300	5,922	0.07%
Shenzhen Agricultural Products Co Ltd	1,009	12,481	0.15%
Shenzhen Inovance Technology Co Ltd	1,000	20,330	0.25%
Siasun Robot & Automation Co Ltd	880	18,814	0.23%
Spring Airlines Co., Ltd.	200	7,348	0.09%
Suzhou Gold Mantis Construction Decoration Co Ltd	1,543	15,106	0.18%
Tbea Co Ltd	3,052	27,865	0.34%
Tiandi Science & Technology Co Ltd	1,200	5,964	0.07%
Tianjin Zhonghuan Semiconductor Co., Ltd.	1,144	9,461	0.11%
Tus-Sound Environmental Resources Co., Ltd.	720	23,746	0.29%
Wei Chai Power Co Ltd	2,630	26,195	0.32%
Wuchan Zhongda Group Co Ltd	910	9,400	0.11%
Xcmg Construction Machinery Co Ltd	4,763	16,099	0.20%
Xiamen C&D Inc	1,696	18,147	0.22%
Xinjiang Goldwind Science & Technology Co Ltd	2,177	37,248	0.45%
Zhejiang China Commodities City Group Co Ltd	3,526	30,500	0.37%
Zoomlion Heavy Industry Science & Technology Co Ltd	5,716	25,951	0.31%

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Information Technology			
Aisino Co., Ltd	1,048	20,908	0.25%
Aurora Optoelectronics Co., Ltd.	300	8,085	0.10%
Beijing Jetsen Technology Co Ltd	900	9,279	0.11%
Beijing Shiji Information Technology Co Ltd	300	7,311	0.09%
Beijing Ultrapower Software Co Ltd	1,500	13,860	0.17%
Boe Technology Group Co Ltd	17,500	50,050	0.61%
China Security & Fire Co., Ltd	700	12,201	0.15%
Dhc Software Co., Ltd.	942	21,949	0.27%
Dongxu Optoelectronic Technology Co., Ltd.	1,900	21,394	0.26%
Dr. Peng Telecom & Media Group Co., Ltd.	1,205	26,426	0.32%
East Money Information Co Ltd	2,160	36,569	0.44%
Goertek Inc	813	21,561	0.26%
Hangzhou Hikvision Digital Technology Co Ltd	1,707	40,644	0.49%
Han's Laser Technology Industry Group Co., Ltd.	1,100	24,860	0.30%
Hundsun Technologies Inc.	500	23,570	0.29%
Iflytek Co.,Ltd.	1,150	31,154	0.38%
Inspur Electronic Information Industry Co., Ltd	600	12,720	0.15%
Jiangsu Protruly Vision Technology Group Co., Ltd.	900	11,916	0.14%
Leshi Internet Information & Technology Corp Beijing	1,100	39,380	0.48%
Luxshare Precision Industry Co., Ltd.	639	13,259	0.16%
Neusoft Corporation	1,087	21,370	0.26%
Ourpalm Co., Ltd	1,400	12,936	0.16%
People.Cn Co., Ltd	700	12,362	0.15%
Sanan Optoelectronics Co., Ltd	2,416	32,350	0.39%
Searainbow Holding Corp	866	36,415	0.44%
Shanghai 2345 Network Holding Group Co., Ltd.	400	4,528	0.05%
Shenzhen Infogem Technologies Co., Ltd.	300	6,270	0.08%
Shenzhen Kingdom Technology Co Ltd	500	12,565	0.15%
Shenzhen O-Film Tech Co Ltd	986	33,800	0.41%
Tsinghua Tongfang Co Ltd	1,121	15,526	0.19%
Tsinghua Unisplendour Co., Ltd.	100	5,739	0.07%
Wangsu Science And Technology Co.,Ltd.	558	29,914	0.36%
Wonders Information Co Ltd	600	12,132	0.15%
Yonyou Network Technology Co., Ltd.	918	19,113	0.23%
Zhejiang Dahua Technology Co Ltd	1,852	25,335	0.31%

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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Materials			
Aluminum Corporation Of China Limited	3,700	15,614	0.19%
Anhui Conch Cement Co Ltd	2,474	41,959	0.51%
Baoshan Iron & Steel Co Ltd	5,814	36,919	0.45%
China Hainan Rubber Industry Group Co Ltd	1,462	10,176	0.12%
China Molybdenum Co., Ltd.	900	3,348	0.04%
China Northern Rare Earth (Group) High-Tech Co., Ltd	2,743	33,657	0.41%
Hesteel Company Limited	3,600	12,024	0.15%
Inner Mongolia Baotou Steel Union Co Ltd	10,300	28,737	0.35%
Inner Mongolia Junzheng Energy & Chemical Group Co., Ltd.	2,768	12,871	0.16%
Jiangxi Copper Co Ltd	1,133	18,955	0.23%
Jinduicheng Molybdenum Co Ltd	1,290	9,869	0.12%
Kangde Xin Composite Material Group Co., Ltd.	2,662	50,871	0.62%
Kingenta Ecological Engineering Group Co., Ltd	1,400	11,060	0.13%
Qinghai Salt Lake Industry Co Ltd	893	17,030	0.21%
Shandong Gold-Mining Co Ltd	899	32,822	0.40%
Shenzhen Zhongjin Lingnan Nonfermet Co Ltd	1,680	18,732	0.23%
Sichuan Tianqi Lithium Industries, Inc.	500	16,225	0.20%
Tongling Nonferrous Metals Group Co. Ltd	3,765	11,596	0.14%
Wanhua Chemical Group Co., Ltd.	1,183	25,470	0.31%
Wuhan Iron And Steel Company Limited	4,800	16,368	0.20%
Xinxing Ductile Iron Pipes Co Ltd	1,880	9,720	0.12%
Zhejiang Longsheng Group Co Ltd	2,580	23,762	0.29%
Zhongjin Gold Co Ltd	2,235	27,021	0.33%
Zijin Mining Group Co Ltd	9,516	31,783	0.39%

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF
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INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
Listed Securities			
China (100%)			
Telecommunication Services			
Beijing Xinwei Telecom Technology Group Co., Ltd.	1,100	16,060	0.19%
China United Network Communications Co Ltd	6,229	45,534	0.55%
Guangzhou Haige Communications Group Incorporated Company	1,800	20,970	0.25%
Zte Corporation	1,403	22,378	0.27%
Utilities			
Beijing Capital Co Ltd	2,200	9,042	0.11%
China National Nuclear Power Co., Ltd.	4,600	32,476	0.39%
China Yangtze Power Co Ltd	5,597	70,858	0.86%
Gd Power Development Co Ltd	11,243	35,640	0.43%
Sdic Power Holdings Co., Ltd.	3,100	20,677	0.25%
Shanghai Electric Power Co Ltd	800	9,712	0.12%
Shenzhen Energy Group Co Ltd	1,750	12,023	0.15%
Sichuan Chuantou Energy Co Ltd	2,500	21,750	0.26%
Zhejiang Zheneng Electric Power Co., Ltd.	3,180	17,267	0.21%
TOTAL INVESTMENTS, AT FAIR VALUE		<u>8,159,760</u>	<u>98.92%</u>
TOTAL INVESTMENTS, AT COST		<u>6,625,827</u>	

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF

MOVEMENTS IN INVESTMENT PORTFOLIO

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities					
Agricultural Bank of China Ltd	38,372	-	-	(10,100)	28,272
Aier Eye Hospital Group Co Ltd	550	-	-	-	550
Air China Ltd	2,300	-	-	-	2,300
Aisino Co Ltd	1,924	-	524	(1,400)	1,048
Alpha Group	404	-	-	-	404
Aluminum Corp of China Ltd	3,700	-	-	-	3,700
Angang Steel Co Ltd	2,500	-	-	(2,500)	-
Anhui Conch Cement Co Ltd	2,474	-	-	-	2,474
Aurora Optoelectronics Co Ltd	-	300	-	-	300
Avic Aero-Engine Controls Co Ltd	400	-	-	-	400
Avic Aircraft Co Ltd	1,208	-	-	-	1,208
Avic Aviation Engine Corp Plc	710	-	-	-	710
Avic Capital Co Ltd	2,768	-	2,768	-	5,536
Avic Helicopter Co Ltd	300	-	-	-	300
Bank of Beijing Co Ltd	10,228	1	1,485	(2,800)	8,914
Bank of China Ltd	15,469	-	-	-	15,469
Bank of Communications Co Ltd	23,619	10,300	-	(6,200)	27,719
Bank of Nanjing Co Ltd	2,015	-	1,612	-	3,627
Bank of Ningbo Co Ltd	2,234	-	-	-	2,234
Baoshan Iron & Steel Co Ltd	5,814	-	-	-	5,814
Bbmg Corp	1,402	-	1,402	(2,804)	-
Beijing Capital Co Ltd	1,100	-	1,100	-	2,200
Beijing Capital Development Co Ltd	-	1,100	-	-	1,100
Beijing Dabeinong Technology Group Co Ltd	1,562	-	781	-	2,343
Beijing Enlight Media Co Ltd	510	-	510	-	1,020
Beijing Gehua Catv Network Co Ltd	-	700	-	-	700
Beijing Jetsen Technology Co Ltd	-	900	-	-	900
Beijing Jingneng Power Co Ltd	3,400	-	-	(3,400)	-

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Beijing Orient Landscape & Environment Co Ltd	-	1,000	-	-	1,000
Beijing Originwater Technology Co Ltd	700	1	1,024	-	1,725
Beijing Shiji Information Technology Co Ltd	-	300	-	-	300
Beijing SI Pharmaceutical Co Ltd	595	-	-	(595)	-
Beijing Tongrentang Co Ltd	838	-	-	-	838
Beijing Ultrapower Software Co Ltd	1,500	-	-	-	1,500
Beijing Xinwei Technology Group Co Ltd	1,100	-	-	-	1,100
Beijing Yanjing Brewery Co Ltd	1,900	-	-	(1,900)	-
Beiqi Foton Motor Co Ltd	2,200	-	-	(2,200)	-
Bluefocus Communication Group Co Ltd	1,495	-	-	-	1,495
Boe Technology Group Co Ltd	23,800	-	-	(6,300)	17,500
Bohai Financial Investment Hldg Co Ltd	1,700	-	-	-	1,700
Byd Co Ltd	492	-	-	-	492
By-Health Co Ltd	300	-	300	-	600
Cecep Wind Power Corp	200	-	-	(200)	-
Changjiang Securities Co Ltd	4,000	-	-	-	4,000
Chengdu Xingrong Environment Co Ltd	2,300	-	-	(2,300)	-
China Avionics Systems Co Ltd	668	-	-	-	668
China Baoan Group Co Ltd	1,582	-	554	-	2,136
China Citic Bank Corp Ltd	2,929	-	-	-	2,929
China Coal Energy Co Ltd	2,367	-	-	(2,367)	-
China Communications Construction Co Ltd	1,400	-	-	-	1,400
China Construction Bank Corp	6,768	-	-	-	6,768

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
China Cosco Hldgs Co Ltd	3,300	-	-	-	3,300
China Cssc Hldgs Ltd	920	-	-	-	920
China Eastern Airlines Corp Ltd	3,300	-	-	-	3,300
China Everbright Bank Co Ltd	17,753	-	-	(6,000)	11,753
China First Heavy Industries Co Ltd	3,000	-	-	(3,000)	-
China Fortune Land Development Co Ltd	1,426	-	-	(600)	826
China Gezhouba Group Co Ltd	3,170	-	-	-	3,170
China Grand Automotive Services Co Ltd	-	1,500	-	-	1,500
China Hainan Rubber Industry Group Co Ltd	1,462	-	-	-	1,462
China Intl Marine Containers (Group) Co Ltd	1,123	-	-	-	1,123
China Intl Travel Service Corp Ltd	400	-	-	-	400
China Life Insurance Co Ltd	878	-	-	-	878
China Merchants Bank Co Ltd	10,776	-	-	(3,200)	7,576
China Merchants Energy Shipping Co Ltd	2,100	-	-	-	2,100
China Merchants Securities Co Ltd	2,768	-	-	-	2,768
China Merchants Shekou Industrial Zone Co Ltd	735	-	-	-	735
China Minmetals Rare Earth Co Ltd	737	-	-	(737)	-
China Minsheng Banking Corp Ltd	29,671	7,700	-	(16,272)	21,099
China Molybdenum Co Ltd	900	-	-	-	900
China National Chemical Engineering Co Ltd	2,520	-	-	(2,520)	-
China National Nuclear Power Co Ltd	4,600	-	-	-	4,600
China Northern Rare Earth Group Hi- Tech Co Ltd	2,743	-	-	-	2,743
China Nuclear Engineering Group Co	-	500	-	-	500
China Oilfield Services Ltd	694	-	-	(694)	-
China Pacific Insurance (Group) Co Ltd	2,802	-	-	(500)	2,302

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
China Petroleum & Chemical Corp	12,290	-	-	(4,600)	7,690
China Railway Construction Corp Ltd	3,400	-	-	-	3,400
China Railway Group Ltd	5,548	-	-	-	5,548
China Resources Sanjiu Medical & Pharmaceutical Co Ltd	500	-	-	(500)	-
China Security & Fire Co Ltd	-	700	-	-	700
China Shenhua Energy Co Ltd	2,359	-	-	-	2,359
China Shipbuilding Industry Co Ltd	7,980	-	-	-	7,980
China South Publishing & Media Group Co Ltd	891	-	-	(891)	-
China Southern Airlines Co Ltd	4,500	-	-	-	4,500
China Spacesat Co Ltd	655	-	-	-	655
China State Construction Engineering Corp Ltd	13,148	-	-	-	13,148
China United Network Communications Ltd	6,229	-	-	-	6,229
China Vanke Co Ltd	7,760	-	-	(1,685)	6,075
China Xd Electric Co Ltd	2,700	-	-	(2,700)	-
China Yangtze Power Co Ltd	5,597	-	-	-	5,597
Chinese Universe Publishing and Media Co Ltd	700	-	-	-	700
Chongqing Changan Automobile Co Ltd	2,533	-	-	-	2,533
Chongqing Water Group Co Ltd	660	-	-	(660)	-
Citic Guoan Information Industry Co Ltd	-	1,100	1,650	-	2,750
Citic Heavy Industries Co Ltd	1,200	-	-	-	1,200
Citic Securities Co Ltd	7,876	-	-	(2,100)	5,776
Cofco Tunhe Co Ltd	-	1,000	-	-	1,000
Cosco Shipping Development Co Ltd	3,400	-	-	-	3,400
Crrc Corp Ltd	8,198	-	-	(1,500)	6,698
Cssc Offshore and Marine Engineering Group Co Ltd	-	200	-	-	200
Daqin Railway Co Ltd	7,001	-	-	-	7,001

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Datang Intl Power Generation Co Ltd	3,600	-	-	(3,600)	-
Dhc Software Co Ltd	942	-	-	-	942
Dongfang Electric Corp Ltd	910	-	-	-	910
Dongxing Securities Co Ltd	500	-	-	-	500
Dongxu Optoelectronic Technology Co Ltd	1,900	-	-	-	1,900
Dr Peng Telecom & Media Group Co Ltd	1,205	-	-	-	1,205
East Money Information Co Ltd	1,200	-	960	-	2,160
Eternal Asia Supply Chain Management Ltd	-	1,200	-	-	1,200
Everbright Securities Co Ltd	1,200	-	-	-	1,200
Faw Car Co Ltd	1,115	-	-	-	1,115
Financial Street Hldgs Co Ltd	1,585	-	-	-	1,585
Focus Media Information Technology Co Ltd	-	100	100	-	200
Foshan Haitian Flavouring & Food Co Ltd	340	-	-	(340)	-
Founder Securities Co Ltd	4,830	-	-	-	4,830
Fuyao Glass Industry Group Co Ltd	1,914	-	-	-	1,914
Gd Power Development Co Ltd	11,243	-	-	-	11,243
Gemdale Corp	2,623	-	-	-	2,623
GF Securities Co Ltd	3,430	-	-	(1,300)	2,130
Glodon Software Co Ltd	751	-	-	(751)	-
Goertek Inc	813	-	-	-	813
Great Wall Motor Co Ltd	1,311	-	-	-	1,311
Gree Electric Appliances Inc	4,774	-	-	-	4,774
Guangdong Golden Dragon Development Inc	500	-	-	-	500
Guanghui Energy Co Ltd	4,068	-	-	-	4,068
Guangshen Railway Co Ltd	4,500	-	-	-	4,500

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Guangxi Wuzhou Zhongheng Group Co Ltd	2,869	-	-	-	2,869
Guangzhou Automobile Group Co Ltd	500	-	-	(500)	-
Guangzhou Baiyunshan Pharmaceutical Hldgs Co Ltd	612	-	-	-	612
Guangzhou Development Group Inc	-	800	-	(800)	-
Guangzhou Haige Communications Group Inc Co	1,800	-	-	-	1,800
Guizhou Bailing Group Pharmaceutical Co Ltd	-	400	-	-	400
Guosen Securities Co Ltd	1,400	-	-	-	1,400
Guotai Junan Securities Co Ltd	1,500	-	-	-	1,500
Guoxuan High-Tech Co Ltd	-	400	-	-	400
Guoyuan Securities Co Ltd	1,324	-	-	-	1,324
Hainan Airlines Co Ltd	7,700	-	-	-	7,700
Haitong Securities Co Ltd	7,157	-	-	(1,200)	5,957
Hangzhou Hikvision Digital Technology Co Ltd	1,138	-	569	-	1,707
Han's Laser Technology Industry Group Co Ltd	1,100	-	-	-	1,100
Heilan Home Co Ltd	1,500	-	-	(1,500)	-
Henan Shuanghui Investment & Development Co Ltd	1,205	-	-	-	1,205
Hesteel Co Ltd	3,600	-	-	-	3,600
Hisense Electric Co Ltd	1,057	-	-	-	1,057
Huadian Power Intl Co	2,400	-	-	(2,400)	-
Huadong Medicine Co Ltd	255	-	-	-	255
Hualan Biological Engineering Inc	200	-	120	-	320
Huaneng Power Intl Inc	5,158	-	-	(5,158)	-
Huatai Securities Co Ltd	3,806	-	-	(1,400)	2,406
Huawen Media Investment Corp	1,700	-	-	-	1,700
Huaxia Bank Co Ltd	6,272	-	-	(2,400)	3,872
Huayi Brothers Media Corp	900	-	899	-	1,799

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Huayu Automotive Systems Co Ltd	1,258	-	-	-	1,258
Hubei Biocause Pharmaceutical Co Ltd	-	1,100	-	-	1,100
Hubei Energy Group Co Ltd	2,500	-	-	(2,500)	-
Hunan Tv & Broadcast Intermediary Co Ltd	1,300	-	-	-	1,300
Hundsun Technologies Inc	500	-	-	-	500
Iflytek Co Ltd	1,150	-	-	-	1,150
Industrial & Commercial Bank Of China Ltd	21,562	-	-	(5,700)	15,862
Industrial Bank Co Ltd	14,376	2,100	-	(4,600)	11,876
Industrial Securities Co Ltd	4,136	1,241	-	-	5,377
Industrial Securities Co Ltd-Rts (Ex 29Dec2015)	1,241	-	-	(1,241)	-
Inner Mongolia Baotou Steel Union Co Ltd	10,300	-	-	-	10,300
Inner Mongolia Junzheng Energy & Chemical Group Co Ltd	1,384	-	1,384	-	2,768
Inner Mongolia Mengdian Huaneng Thermal Power Co Ltd	3,623	-	-	(3,623)	-
Inner Mongolia Yili Industrial Group Co Ltd	5,275	-	-	-	5,275
Inspur Electronic Information Industry Co Ltd	-	600	-	-	600
Jiangsu Broadcasting Cable Information Network Corp Ltd	600	-	180	-	780
Jiangsu Hengrui Medicine Co Ltd	1,143	1	168	(300)	1,012
Jiangsu Phoenix Publishing & Media Corp Ltd	1,006	-	-	-	1,006
Jiangsu Protruly Vision Technology Group Co Ltd	-	900	-	-	900
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	568	-	-	-	568
Jiangxi Copper Co Ltd	1,133	-	-	-	1,133
Jihua Group Corp Ltd	1,500	-	-	-	1,500
Jilin Aodong Medicine Industry Groups Co Ltd	881	-	-	-	881
Jinduicheng Molybdenum Co Ltd	1,290	-	-	-	1,290

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Jizhong Energy Resources Co Ltd	1,457	-	-	(1,457)	-
Jointown Pharmaceutical Group Co Ltd	500	-	-	(500)	-
Juneyao Airlines Co Ltd	200	-	-	-	200
Kangde Xin Composite Material Group Co Ltd	1,332	-	1,330	-	2,662
Kangmei Pharmaceutical Co Ltd	3,024	-	-	-	3,024
Kingenta Ecological Engineering Group Co Ltd	700	-	700	-	1,400
Kweichow Moutai Co Ltd	425	100	-	(100)	425
Leo Group Co Ltd	-	600	-	-	600
Lepu Medical Technology Beijing Co Ltd	500	-	500	(1,000)	-
Leshi Internet Information & Technology Corp Beijing	1,100	-	-	-	1,100
Liaoning Cheng Da Co Ltd	1,302	-	-	-	1,302
Luxin Venture Capital Group Co Ltd	301	-	-	-	301
Luxshare Precision Industry Co Ltd	426	-	213	-	639
Luzhou Laojiao Co Ltd	912	-	-	-	912
Meihua Hldgs Group Co Ltd	1,680	-	-	-	1,680
Metallurgical Corp Of China Ltd	4,900	-	-	-	4,900
Midea Group Co Ltd	2,045	-	1,022	-	3,067
Muyuan Foodstuff Co Ltd	-	400	-	-	400
Nari Technology Co Ltd	1,864	-	-	-	1,864
Neusoft Corp	1,087	-	-	-	1,087
New China Life Insurance Co Ltd	520	-	-	-	520
New Hope Liuhe Co Ltd	3,957	-	757	(3,200)	1,514
Ningbo Port Co Ltd	20,800	-	-	(17,000)	3,800
Northeast Securities Co Ltd	1,300	260	-	-	1,560
Northeast Securities Co Ltd-Rts (Ex 07Apr2016)	-	260	-	(260)	-
Oceanwide Hldgs Co Ltd	1,700	-	-	(1,700)	-
Offshore Oil Engineering Co Ltd	2,330	-	-	-	2,330
Orient Securities Co Ltd	1,300	-	-	-	1,300
Ourpalm Co Ltd	1,400	-	-	-	1,400
Pacific Securities Co Ltd	2,800	840	1,820	-	5,460

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Pacific Securities Co Ltd-Rts (Ex 15Jan2016)	-	840	-	(840)	-
Pang Da Automobile Trade Co Ltd	2,334	-	-	-	2,334
Pangang Group Vanadium Titanium and Resources Co Ltd	5,700	-	-	(5,700)	-
People.Cn Co Ltd	700	-	-	-	700
Petrochina Co Ltd	3,759	-	-	-	3,759
Ping An Bank Co Ltd	3,811	-	762	-	4,573
Ping An Insurance Group Co of China Ltd	11,697	2,800	-	(4,829)	9,668
Poly Real Estate Group Co Ltd	6,559	-	-	(1,800)	4,759
Power Construction Corp of China Ltd	4,800	-	-	-	4,800
Qingdao Haier Co Ltd	7,506	-	-	(3,500)	4,006
Qinghai Salt Lake Industry Co Ltd	893	-	-	-	893
Risesun Real Estate Development Co Ltd	1,342	-	-	-	1,342
Saic Motor Corp Ltd	3,392	-	-	(1,000)	2,392
Sanan Optoelectronics Co Ltd	1,510	-	906	-	2,416
Sany Heavy Industry Co Ltd	3,865	-	-	-	3,865
Sdic Essence Hldgs Co Ltd	-	300	-	-	300
Sdic Power Hldgs Co Ltd	3,100	-	-	-	3,100
Sealand Securities Co Ltd	1,687	-	843	-	2,530
Searainbow Hldg Corp	866	-	-	-	866
Shaanxi Coal Industry Co Ltd	2,200	-	-	-	2,200
Shandong Dong-E E-Jiao Co Ltd	669	-	-	-	669
Shandong Gold Mining Co Ltd	899	-	-	-	899
Shandong Hi-Speed Co Ltd	600	-	-	(600)	-
Shandong Iron and Steel Co Ltd	-	1,700	-	(1,700)	-
Shanghai 2345 Network Hldg Group Co Ltd	200	-	200	-	400
Shanghai Bailian Group Co Ltd	856	-	-	-	856
Shanghai Bairun Investment Hldg Group Co Ltd	-	300	-	-	300
Shanghai Construction Group Co Ltd	1,954	1	390	-	2,345
Shanghai Electric Group Co Ltd	3,000	-	-	-	3,000
Shanghai Electric Power Co Ltd	800	-	-	-	800

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Shanghai Fosun Pharmaceutical Group Co Ltd	1,507	-	-	-	1,507
Shanghai Intl Airport Co Ltd	1,287	-	-	-	1,287
Shanghai Intl Port Group Co Ltd	2,669	-	-	-	2,669
Shanghai Jahwa United Co Ltd	623	-	-	(623)	-
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd	491	1	392	-	884
Shanghai Oriental Pearl Media Co Ltd	1,448	-	-	-	1,448
Shanghai Pharmaceuticals Hldg Co Ltd	1,310	-	-	-	1,310
Shanghai Pudong Development Bank Co Ltd	10,090	-	719	(2,900)	7,909
Shanghai Raas Blood Products Co Ltd	600	-	480	-	1,080
Shanghai Smi Hldg Co Ltd	1,661	-	-	-	1,661
Shanghai Tunnel Engineering Co Ltd	1,500	-	-	-	1,500
Shanghai Waigaoqiao Free Trade Zone Group Co Ltd	300	-	-	-	300
Shanghai Zhangjiang Hi-Tech Park Development Co Ltd	700	-	-	-	700
Shanxi Luan Environmental Energy Development Co Ltd	1,550	-	-	(1,550)	-
Shanxi Securities Co Ltd	1,300	-	-	-	1,300
Shanxi Taigang Stainless Steel Co Ltd	2,900	-	-	(2,900)	-
Shanxi Xishan Coal & Electricity Power Co Ltd	1,999	1,400	-	(1,999)	1,400
Shenergy Co Ltd	2,900	-	-	(2,900)	-
Shenwan Hongyuan Group Co Ltd	4,531	1	1,585	-	6,117
Shenzhen Agricultural Products Co Ltd	1,009	-	-	-	1,009
Shenzhen Energy Group Co Ltd	1,750	-	-	-	1,750
Shenzhen Hepalink Pharmaceutical Co Ltd	435	-	261	(696)	-
Shenzhen Infogem Technologies Co Ltd	-	300	-	-	300
Shenzhen Inovance Technology Co Ltd	500	1	499	-	1,000
Shenzhen Kingdom Technology Co Ltd	-	500	-	-	500

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Shenzhen O-Film Tech Co Ltd	986	-	-	-	986
Shenzhen Overseas Chinese Town Co Ltd	4,370	-	-	-	4,370
Shenzhen Salubris Pharmaceuticals Co Ltd	523	-	-	(523)	-
Shenzhen Zhongjin Lingnan Nonfemet Co Ltd	1,680	-	-	-	1,680
Siasun Robot & Automation Co Ltd	400	-	480	-	880
Sichuan Changhong Electric Co Ltd	4,586	-	-	-	4,586
Sichuan Chuantou Energy Co Ltd	2,500	-	-	-	2,500
Sichuan Kelun Pharmaceutical Co Ltd	898	-	-	(898)	-
Sichuan Tianqi Lithium Industries Inc	-	500	-	-	500
Sinolink Securities Co Ltd	2,088	-	-	-	2,088
Sinopec Oilfield Service Corp	-	500	-	-	500
Sinopec Shanghai Petrochemical Co Ltd	2,900	-	-	-	2,900
Songcheng Performance Development Co Ltd	500	-	-	-	500
Soochow Securities Co Ltd	1,398	-	-	-	1,398
Southwest Securities Co Ltd	3,006	-	-	-	3,006
Spring Airlines Co Ltd	-	200	-	-	200
Suning Commerce Group Co Ltd	4,359	-	-	-	4,359
Suzhou Gold Mantis Construction Decoration Co Ltd	1,029	-	514	-	1,543
Tasly Pharmaceutical Group Co Ltd	643	-	-	-	643
Tbea Co Ltd	3,052	-	-	-	3,052
Tcl Corp	9,895	-	-	-	9,895
Tian Di Science & Technology Co Ltd	-	1,200	-	-	1,200
Tianjin Port Co Ltd	1,000	-	-	(1,000)	-
Tianjin Zhonghuan Semiconductor Co Ltd	1,144	-	-	-	1,144
Tonghua Dongbao Pharmaceutical Co Ltd	900	-	180	-	1,080
Tongling Nonferrous Metals Group Co Ltd	3,765	-	-	-	3,765
Tsinghua Tongfang Co Ltd	1,121	-	-	-	1,121
Tsinghua Unisplendour Co Ltd	-	100	-	-	100
Tsingtao Brewery Co Ltd	458	-	-	(458)	-
Tus-Sound Environmental Resources Co Ltd	720	-	-	-	720
Wanda Cinema Line Co Ltd	100	-	-	-	100

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Wangsu Science & Technology Co Ltd	558	-	-	-	558
Wanhua Chemical Group Co Ltd	1,183	-	-	-	1,183
Wanxiang Qianchao Co Ltd	1,360	-	-	-	1,360
Wasu Media Hldg Co Ltd	-	100	-	-	100
Weichai Power Co Ltd	2,630	-	-	-	2,630
Weifu High-Technology Group Co Ltd	756	-	-	(756)	-
Western Securities Co Ltd	1,300	-	-	-	1,300
Wintime Energy Co Ltd	4,280	-	-	-	4,280
Wonders Information Co Ltd	-	600	-	-	600
Wuchan Zhongda Group Co Ltd	-	700	210	-	910
Wuhan Iron & Steel Co Ltd	4,800	-	-	-	4,800
Wuliangye Yibin Co Ltd	1,824	-	-	(500)	1,324
Xcmg Construction Machinery Co Ltd	4,763	-	-	-	4,763
Xiamen C&D Inc	9,296	-	-	(7,600)	1,696
Xiamen Tungsten Co Ltd	399	-	-	(399)	-
Xinhu Zhongbao Co Ltd	2,891	-	-	-	2,891
Xinjiang Goldwind Science & Technology Co Ltd	2,177	-	-	-	2,177
Xinxing Ductile Iron Pipes Co Ltd	1,880	-	-	-	1,880
Xj Electric Co Ltd	650	-	-	(650)	-
Yantai Jereh Oilfield Services Group Co Ltd	551	-	-	(551)	-
Yanzhou Coal Mining Co Ltd	683	-	-	-	683
Yingkou Port Liability Co Ltd	2,200	-	-	(2,200)	-
Yonghui Superstores Co Ltd	2,100	-	2,100	-	4,200
Yonyou Network Technology Co Ltd	918	-	-	-	918
Youngor Group Co Ltd	1,842	-	-	-	1,842
Yunnan Baiyao Group Co Ltd	656	-	-	-	656
Zhejiang China Commodities City Group Co Ltd	3,526	-	-	-	3,526
Zhejiang Dahua Technology Co Ltd	741	-	1,111	-	1,852
Zhejiang Daily Media Group Co Ltd	1,400	-	-	(1,400)	-
Zhejiang Huace Film & Tv Co Ltd	500	-	300	-	800
Zhejiang Longsheng Group Co Ltd	2,580	-	-	-	2,580
Zhejiang Wanfeng Auto Wheel Co Ltd	-	800	-	-	800
Zhejiang Yasha Decoration Co Ltd	627	-	-	(627)	-

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF

MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

31 December 2016

	Holdings As at 1 January 2016	Additions	Corporate Action	Disposals	Holdings As at 31 December 2016
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed Securities (continued)					
Zhejiang Zheneng Electric Power Co Ltd	3,180	-	-	-	3,180
Zhengzhou Yutong Bus Co Ltd	1,704	-	-	-	1,704
Zhongjin Gold Co Ltd	1,894	341	-	-	2,235
Zhongjin Gold Co Ltd-Rts (Ex 16May2016)	-	341	-	(341)	-
Zhongtian Urban Development Group Co Ltd	1,700	-	-	-	1,700
Zijin Mining Group Co Ltd	9,516	-	-	-	9,516
Zoomlion Heavy Industry Science And Technology Co Ltd	5,716	-	-	-	5,716
Zte Corp	1,403	-	-	-	1,403

CHINA UNIVERSAL INTERNATIONAL ETF SERIES – C-SHARES CSI 300 INDEX ETF

PERFORMANCE RECORD

31 December 2016

1. NET ASSET VALUE

	Net asset value per unit RMB	Total net asset value RMB
As at 31 December 2016	<u>13.7480</u>	<u>8,248,788</u>
As at 31 December 2015	<u>16.8119</u>	<u>10,087,135</u>
As at 31 December 2014	<u>18.0311</u>	<u>216,372,653</u>

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT

	Highest issue unit price RMB	Lowest redemption unit price RMB
Year ended 31 December 2016	<u>17.3603</u>	<u>14.0090</u>
Year ended 31 December 2015	<u>27.3506</u>	<u>15.7425</u>
Year ended 31 December 2014	<u>18.1320</u>	<u>10.3942</u>
For the period from 3 July 2013 (date of inception) to 31 December 2013	<u>12.4495</u>	<u>10.8339</u>

3. COMPARISON OF THE SCHEME PERFORMANCE AND THE ACTUAL INDEX PERFORMANCE

The table below illustrates the comparison between the Sub-Fund's performance (Market-to-Market) and that of the Index during the following year/period:

	CSI 300 Index	RMB counter of the Sub-Fund	HKD counter of the Sub-Fund
During the year/period ended:			
31 December 2016	-11.28%	-16.30%	-24.44%
31 December 2015	5.58%	3.42%	-1.59%
31 December 2014	51.66%	53.50%	50.14%
31 December 2013 ¹	7.69%	5.93%	7.66%

¹ Year of inception