

ChinaAMC ETF Series

ChinaAMC CSI 300 Index ETF

Annual Report

For the year ended H1 / December / Q1 / Q2 / Q3 / Q4 / CF7



华夏基金
ChinaAMC

ANNUAL REPORT

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

For the year ended 31 December 2017

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC 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.chinaamc.com.hk/en/products/etf/csi300/documents.html>

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

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

MANAGEMENT AND ADMINISTRATION

Manager and RQFII Holder

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

Directors of the Manager

Mr. Yang Minghui
Mr. Zhang Xiaoling
Mr. Gan Tian
Mr. Tang Xiaodong (appointed 10 January 2018)

Trustee

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

PRC Custodian

Citibank (China) Co., Limited
Citigroup Tower
No. 33, Hua Yuan Shi Qiao Road
Lu Jia Zui Finance and Trade Area, Shanghai
People's Republic of China

Auditor

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

Investment Adviser

China Asset Management Co., Ltd.
3/F Tower B, Tongtai Building
No. 33 Finance Street
Xicheng District, Beijing
People's Republic of China
(Terminated on 25 April 2017)

Administrator and Custodian

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

Registrar

Computershare Hong Kong Investor Services
Limited
46/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Service Agent

HK Conversion Agency Services Limited
2/F, Infinitus Plaza
199 Des Voeus Road
Central, Hong Kong

Legal Counsel to the Manager

Simmons & Simmons
13/F, One Pacific Place
88 Queensway
Central, Hong Kong

ChinaAMC CSI 300 Index ETF
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MANAGEMENT AND ADMINISTRATION (continued)

Participating Dealers

ABN AMRO Clearing Hong Kong Limited
70/F, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

BNP Paribas Securities (Asia) Limited
59/F-63/F, Two International Finance Centre
8 Finance Street
Central, Hong Kong

BOCI Securities Limited
18/F, Grand Millennium Plaza
181 Queen's Road
Central, Hong Kong

China International Capital Corporation
Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

China Merchants Securities (HK) Co., Limited
48/F, One Exchange Square
8 Connaught Place
Central, Hong Kong

CITIC Securities Brokerage (HK) Limited
26/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

Credit Suisse Securities (Hong Kong) Limited
88/F, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Deutsche Securities Asia Limited
52/F, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Goldman Sachs (Asia) Securities Limited
68/F, Cheung Kong Center
2 Queen's Road
Central, Hong Kong

Guotai Junan Securities (Hong Kong) Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road
Central, Hong Kong

Haitong International Securities Company Limited
35/F, Infinitus Plaza
199 Des Voeux Road
Central, Hong Kong

J.P. Morgan Broking (Hong Kong) Limited
33/F, One Island East
18 Westlands Road, Island East
Hong Kong

Macquarie Bank Limited
Level 18, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Merrill Lynch Far East Limited
55/F, Cheung Kong Center
2 Queen's Road
Central, Hong Kong

Morgan Stanley Hong Kong Securities Limited
46/F, 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

SG Securities (HK) Limited
38/F, Pacific Place 3
1 Queen's Road East
Admiralty, Hong Kong

The Hongkong and Shanghai Banking Corporation
Limited
Level 18, HSBC Main Building
1 Queen's Road
Central, Hong Kong

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

Yuanta Securities (Hong Kong) Company Limited
23/F, Tower 1, Admiralty Centre
18 Harcourt Road
Admiralty, Hong Kong

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The ChinaAMC CSI 300 Index ETF (the "Sub-Fund"), a sub-fund of ChinaAMC ETF Series, an umbrella unit trust established under Hong Kong law by a trust deed dated 28 May 2012, as amended or supplemented from time to time (the "Trustee Deed") between China Asset Management (Hong Kong) Limited (the "Manager") and Cititrust Limited (the "Trustee"). The Sub-Fund is a physical exchange traded fund investing directly in underlying A-Shares. Its RMB counter (stock code: 83188) and HKD counter (stock code: 03188) commenced trading on the Stock Exchange of Hong Kong Limited (the "SEHK") on 17 July 2012 and 26 October 2012 respectively. The Sub-Fund is an index-tracking fund that seeks to track the performance of the CSI 300 Index (the "Index").

The Manager primarily use a full replication strategy through investing directly in securities included in the Index with substantially the same weightings in which they are included in the Index, through the Renminbi Qualified Foreign Institutional Investor ("RQFII") investment quota of RMB 11.45 billion (as of 31 December 2017) granted to the Manager by the State Administration of Foreign Exchange (the "SAFE") and the Stock Connect. The Manager may invest up to 100% of the Sub-Fund's NAV through either RQFII and/or the Stock Connect.

The Manager may also use a representative sampling strategy where it is not possible to acquire certain securities which are constituents of the Index due to restrictions or limited availability. This means that the Sub-Fund will invest directly in a representative sample of securities that collectively has an investment profile that aims to reflect the profile of the Index, through the RQFII investment quota granted to the Manager by the SAFE and the Stock Connect. The securities constituting the representative sample may or may not themselves be constituents of the Index.

Performance of the Sub-Fund

The investment objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. There can be no assurance that the Sub-Fund will achieve its investment objective.

The performance of the Sub-Fund is in below (Total returns in respective currency^{1,2,3}):

	1-Month	3-Month	Since Launch
The Index	0.62%	5.08%	88.27% ⁴
RMB Counter of the Sub-Fund (NAV-to-NAV)	0.50%	4.57%	70.32% ⁵
RMB Counter of the Sub-Fund (Market-to-Market)	0.98%	4.84%	70.04% ⁵
HKD Counter of the Sub-Fund (NAV-to-NAV)	2.17%	7.14%	76.27% ⁶
HKD Counter of the Sub-Fund (Market-to-Market)	2.81%	7.27%	75.49% ⁶

¹ Source: Bloomberg, as of 31 December 2017. Performances of the Index and RMB Counter of the Sub-Fund are calculated in RMB while performances of HKD Counter of the Sub-Fund are calculated in HKD.

² Past performance figures shown are not indicative of the future performance of the Sub-Fund.

³ With effect from 25 April 2017, China Asset Management Co., Ltd ceased to be the investment adviser of the Fund. The performance of the Fund prior to 25 April 2017 was achieved under circumstances that no longer apply.

⁴ Calculated since 16 July 2012.

⁵ Calculated since 17 July 2012.

⁶ Calculated since 26 October 2012.

ChinaAMC CSI 300 Index ETF
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REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Activities of the Sub-Fund

According to Bloomberg, the average daily trading volume of the Sub-Fund was approximately 6,152,030 units from 1 January 2017 to 31 December 2017. As of 31 December 2017, there were 269,700,000 units outstanding.

Activities of the Index

There were 2 rebalances for the Index from 1 January 2017 to 31 December 2017. As of 31 December 2017, the Sub-Fund comprised of all 300 constituent stocks in the Index.

China Asset Management (Hong Kong) Limited
18 April 2018

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, China Asset Management (Hong Kong) Limited, the Manager of ChinaAMC 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 28 May 2012, as amended or supplemented from time to time, for the year ended 31 December 2017.

Cititrust Limited
18 April 2018

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's responsibilities

China Asset Management (Hong Kong) Limited (the "Manager"), the manager of the ChinaAMC CSI 300 Index ETF (the 'Sub-Fund'), a sub-fund of ChinaAMC ETF Series (the "Trust"), 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 28 May 2012, as amended or supplemented from time to time (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.

The Trust is an umbrella unit trust governed by its Trust Deed. As at 31 December 2017, the Trust has established with two 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 ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of ChinaAMC CSI 300 Index ETF (a sub-fund of ChinaAMC ETF Series (the "Trust") and referred to as the "Sub-Fund") set out on pages 11 to 38 which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders, statement of cash flows and statement of distribution 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 disposition of the Sub-Fund as at 31 December 2017, and of its financial transactions and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by International Auditing and Assurance Standards Board. 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 International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("the IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We are also required to assess whether the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the trust deed dated 28 May 2012, as amended or supplemented from time to time (the "Trust Deed") and the relevant disclosure provisions specified in Appendix E to the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (the "SFC 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 ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

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 2017, financial assets at fair value through profit or loss amounted to RMB11,034,982,201 which represented 99.48% 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 and there were 300 constituent listed shares in the Sub-Fund. They were kept by one custodian and measured at fair value. Furthermore, as at 31 December 2017, equity investments amounting to RMB275,973,391 were suspended shares which represented 2.49% of the net asset value of the Sub-Fund. We focused on this area because financial assets at fair value through profit or loss represented the principal element of the financial statements and significant assumptions and judgement were 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 2017, and agreed 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 2017.</p> <p>For suspended shares in which the 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 reasonableness of the assumptions made by management and we reviewed the financial statement disclosures regarding the fair value hierarchy as set out in notes 11 - 12 to the financial statements.</p>

Information other than the financial statements and auditor's report thereon

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.

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.

Independent auditor's report (continued)

To the unitholders of ChinaAMC CSI 300 Index ETF
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Responsibilities of the Manager and the Trustee for the financial statements

The Manager and the Trustee are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs issued by the IASB, 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 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 disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in the SFC Code.

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 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 ISAs 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 disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report (continued)

To the unitholders of ChinaAMC CSI 300 Index ETF
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Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the Manager 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.

Report on matters under the relevant disclosure 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 disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Wong Sui Yan.

Certified Public Accountants
Hong Kong
18 April 2018

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

STATEMENT OF FINANCIAL POSITION

31 December 2017

	Notes	2017 RMB	2016 RMB
ASSETS			
Financial assets at fair value through profit or loss	11	11,034,982,201	9,391,649,133
Other receivable		607,961	1,198,943
Cash and cash equivalents	13	<u>94,106,564</u>	<u>96,290,361</u>
TOTAL ASSETS		<u>11,129,696,726</u>	<u>9,489,138,437</u>
LIABILITIES			
Management fee payable	5	6,138,403	5,753,594
Custodian, fund administration and trustee fees payable	5	4,177,711	1,918,809
Amounts due to participating dealers	8	24,584,495	3,859,452
Other payables and accruals		<u>1,788,415</u>	<u>1,685,674</u>
TOTAL LIABILITIES		<u>36,689,024</u>	<u>13,217,529</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	10	<u>11,093,007,702</u>	<u>9,475,920,908</u>
NUMBER OF UNITS IN ISSUE	10	<u>269,700,000</u>	<u>280,050,000</u>
NET ASSET VALUE PER UNIT	10	<u>41.1309</u>	<u>33.8365</u>

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

ChinaAMC CSI 300 Index ETF
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STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2017

	Notes	2017 RMB	2016 RMB
INCOME			
Dividend income		212,482,248	228,399,114
Interest income		449,512	511,428
		<u>212,931,760</u>	<u>228,910,542</u>
EXPENSES			
Management fee	5	(70,435,396)	(67,027,417)
Brokerage fee	5	(11,658,660)	(6,557,765)
Custodian, fund administration and trustee fees	5	(7,230,739)	(6,817,491)
Audit fee		(154,787)	(135,464)
Index licensing fee		(55,638)	(68,366)
Data licensing fee		(4,024,880)	(3,830,280)
Professional fee		(184,853)	(492,598)
Other operating expenses		(7,854,583)	(5,623,232)
		<u>(101,599,536)</u>	<u>(90,552,613)</u>
PROFIT BEFORE INVESTMENT AND EXCHANGE DIFFERENCES		111,332,224	138,357,929
INVESTMENT GAINS/(LOSSES) AND EXCHANGE DIFFERENCES			
Net change in unrealised gains or losses on financial assets at fair value through profit or loss		1,429,628,449	(1,007,639,908)
Net realised gains or losses on financial assets at fair value through profit or loss		608,615,780	(105,214,207)
Net foreign exchange gains/(losses)		149	(587)
		<u>2,038,244,378</u>	<u>(1,112,854,702)</u>
NET INVESTMENTS AND EXCHANGE GAINS/(LOSSES)		2,038,244,378	(1,112,854,702)
PROFIT/(LOSS) BEFORE TAX		2,149,576,602	(974,496,773)
Withholding income tax expenses	7	(22,164,870)	(23,785,671)
TOTAL COMPREHENSIVE INCOME		<u>2,127,411,732</u>	<u>(998,282,444)</u>

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

ChinaAMC CSI 300 Index ETF
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2017

	Note	RMB
At 1 January 2016		10,233,734,995
Issue of units		3,049,503,598
Redemption of units		(2,714,175,241)
Total comprehensive income		(998,282,444)
Distribution to unitholders	9	<u>(94,860,000)</u>
At 31 December 2016 and 1 January 2017		9,475,920,908
Issue of units		5,749,891,820
Redemption of units		(6,170,770,258)
Total comprehensive income		2,127,411,732
Distribution to unitholders	9	<u>(89,446,500)</u>
At 31 December 2017		<u><u>11,093,007,702</u></u>

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

ChinaAMC CSI 300 Index ETF
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STATEMENT OF CASH FLOWS

Year ended 31 December 2017

	Note	2017 RMB	2016 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		2,149,576,602	(974,496,773)
(Increase)/decrease in financial assets at fair value through profit or loss	(	1,643,333,068)	770,595,572
Decrease in other receivable		590,982	132,764
Decrease in amounts due from brokers		–	1,148,400
Increase/(decrease) in management fee payable		384,809	(343,924)
Increase/(decrease) in custodian, fund administration and trustee fees payable		2,258,902	(640,978)
Increase/(decrease) in other payables and accruals		102,741	(125,434)
Cash generated from/(used in) operations		<u>509,580,968</u>	<u>(203,730,373)</u>
Tax paid	(	22,164,870)	(23,785,671)
Net cash flows generated from/(used in) operating activities		<u>487,416,098</u>	<u>(227,516,044)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution paid to unitholders	(	89,446,500)	(94,860,000)
Proceeds from issue of units		5,770,616,863	3,041,696,122
Payments on redemption of units	(	6,170,770,258)	(2,718,955,289)
Net cash flows (used in)/generated from financing activities	(	489,599,895)	227,880,833
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
	(	2,183,797)	364,789
Cash and cash equivalents at beginning of year		<u>96,290,361</u>	<u>95,925,572</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR			
	13	<u>94,106,564</u>	<u>96,290,361</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash at banks	13	<u>94,106,564</u>	<u>96,290,361</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Dividend received net withholding tax		190,350,421	204,664,009
Interest received net withholding tax		<u>416,469</u>	<u>460,862</u>

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

ChinaAMC CSI 300 Index ETF
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STATEMENT OF DISTRIBUTION

Year ended 31 December 2017

	Note	RMB
Undistributed income at 1 January 2016		–
Total comprehensive income		(998,282,444)
Add: net losses on financial assets at fair value through profit or loss		<u>1,112,854,702</u>
Undistributed income before distribution		114,572,258
Interim distribution declared on 15 July 2016 (RMB0.30 per unit)	9	(94,860,000)
Transfer to capital		<u>(19,712,258)</u>
Undistributed income at 31 December 2016 and 1 January 2017		–
Total comprehensive income		2,127,411,732
Less: net gains on financial assets at fair value through profit or loss		<u>(2,038,244,378)</u>
Undistributed income before distribution		89,167,354
Interim distribution declared on 19 July 2017 (RMB0.33 per unit)	9	(89,446,500)
Transfer from capital		<u>279,146</u>
Undistributed income at 31 December 2017		<u>–</u>

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

NOTES TO FINANCIAL STATEMENTS

31 December 2017

1. THE TRUST

ChinaAMC ETF Series (the "Trust") is an umbrella unit trust governed by its trust deed dated 28 May 2012, as amended or supplemented from time to time (the "Trust Deed") between China Asset Management (Hong Kong) Limited (the "Manager") and Cititrust 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.

These financial statements relate to the first sub-fund of the Trust, ChinaAMC CSI 300 Index ETF (the "Sub-Fund"). The Sub-Fund commenced trading under the stock codes 83188 (RMB counter) and 03188 (HKD counter) on the Stock Exchange of Hong Kong Limited ("SEHK") on 17 July 2012 and 26 October 2012, respectively. On 27 February 2013, the Sub-Fund commenced trading under the stock code 1575 on the Tokyo Stock Exchange ("TSE").

Pursuant to the guidelines on management and operation of Renminbi Qualified Foreign Institutional Investor ("RQFII") issued by the State of Administration of Foreign Exchange ("SAFE") on and effective from 30 May 2014, an RQFII has the flexibility to allocate its RQFII quota granted by SAFE across different public fund products under its management. Accordingly, the Sub-Fund no longer has the exclusive use of all the RQFII quota previously granted by SAFE to the Manager in respect of the Sub-Fund. The Manager, at its discretion, may re-allocate the RQFII quota in respect of the Sub-Fund to other public fund products under its management or vice versa without having to obtain prior approval from SAFE.

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.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and 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").

They 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 Chinese Renminbi ("RMB") and all values are rounded to the nearest RMB except where otherwise indicated.

NOTES TO FINANCIAL STATEMENTS

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Sub-Fund has adopted the following revised IFRS for the first time for the current year's financial statements, which is applicable to the Sub-Fund.

Amendments to IAS 7 *Statement of Cash Flows: Disclosure Initiative*

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

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. All the financing activities of the Sub-Fund related to net assets attributable to unitholders, but not relevant to any financial liabilities of the Sub-Fund, so these amendments have no material impact on the financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Sub-Fund has not applied the following new and revised IFRSs that have been issued but are not yet effective, in these financial statements. Among the new and revised IFRSs, the following are expected to be relevant to the Sub-Fund's financial statements upon becoming effective:

IFRS 9	<i>Financial Instruments</i> ¹
IFRS 15	<i>Revenue from Contracts with Customers</i> ¹

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

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Sub-Fund plans to adopt the new standard on the required effective date. Further information about the impact will be available nearer the implementation date of the standard. The Sub-Fund does not expect that the adoption of IFRS 9 will have a significant impact on the classification and measurement, and impairment of its financial assets.

IFRS 15 was issued in May 2014 and amended in April 2016, and it establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRSs. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted. The Sub-Fund plans to adopt the new standard on the required effective date 1 January 2018. The Sub-Fund does not expect that the adoption of IFRS 15 will have a significant impact on the recognition of its revenue.

NOTES TO FINANCIAL STATEMENTS

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(i) Classification

The Sub-Fund classifies its financial assets and liabilities into the following categories, in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*.

Financial assets at fair value through profit or loss

Financial assets designated as at fair value through profit or loss upon initial recognition: these include equity securities. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets 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.

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 other receivable and cash and cash equivalents.

Financial liabilities

This category includes all financial liabilities. The Sub-Fund includes in this category amounts relating to management fee payable, custodian, fund administration and trustee fees payable, amounts due to participating dealers and other payables and accruals.

(ii) Recognition

The Sub-Fund recognises a financial asset or a financial liability 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 market place (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.

(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. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense.

Loans and receivables and financial liabilities are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

NOTES TO FINANCIAL STATEMENTS

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) Subsequent measurement

After initial measurement, the Sub-Fund measures financial instruments, which are classified as at 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 or losses on financial assets at fair value through profit or loss. Interest and dividend earned on these instruments are recorded separately in interest income and dividend income.

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.

(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.

- the Sub-Fund has transferred substantially all the risks and rewards of the asset, or
- 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.

NOTES TO FINANCIAL STATEMENTS

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

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 to by the Sub-Fund.

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 Sub-Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — 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 re-assessing 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.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Sub-Fund assesses at the end of each reporting period whether a financial asset or a 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 has been incurred, 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 incurred) 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 as "credit loss expense".

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 profit or loss.

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

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, demand deposits, short-term deposits in banks and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as cash and cash equivalents.

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

NOTES TO FINANCIAL STATEMENTS

31 December 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 instruments.
- (c) All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- (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.
- (e) The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on 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 instruments or contracts that have:

- (a) Total cash flows based substantially on 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 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 equity transactions.

Upon issuance of redeemable units, the consideration received is included in equity. Transaction costs incurred by the Sub-Fund in issuing or acquiring 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 that 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 the statement of comprehensive income 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 income taxes, which are disclosed separately in the statement of comprehensive income.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income 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 financial assets at fair value through profit or loss

Realised gains and losses on financial assets at fair value through profit or loss are calculated using the weighted average method. They represent the difference between an instrument's average cost and disposal amount.

Foreign currency

These financial statements are presented in RMB, which is the Sub-Fund's functional and presentation 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 end of the reporting period. Differences arising on settlement or transaction of monetary items are recognised in the statement of comprehensive income.

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 is determined. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the dates of the transactions.

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 SEHK 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

In some jurisdictions, dividend income, interest income and capital gains are subject to withholding income tax deducted at the source of the income. The Sub-Fund presents the withholding tax separately from the gross investment gains 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.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 year in which it is approved by the Manager.

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 CHANGES IN ACCOUNTING ESTIMATES

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

Going concern

The Manager has made an assessment of the Sub-Fund's ability to continue as a going concern and is satisfied that the Sub-Fund has the intention and resources to continue in business for the next 12 months after the year end date. Furthermore, the Manager 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.

Taxation

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

NOTES TO FINANCIAL STATEMENTS

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5. TRANSACTIONS WITH THE TRUSTEE AND MANAGER AND THEIR CONNECTED PERSONS

The following is a summary of significant related party transactions entered into during the year between the Sub-Fund, the Trustee 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:

Management fee

The Manager is entitled to receive management fee from the Sub-Fund, at a rate of 0.70% (up to maximum of 1%) per annum with respect to 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, if any, to the investment adviser, China Asset Management Co., Ltd., out of its fees received from the Sub-Fund. The arrangement was terminated on 25 April 2017.

The management fee incurred during the year ended 31 December 2017 amounted to RMB70,435,396 (2016: RMB67,027,417). As at 31 December 2017, management fee of RMB6,138,403 (2016: RMB5,753,594) was payable to the Manager.

Custodian, fund administration and trustee fees

Custodian fees and fund administration fees pertain to the amounts charged by the Trustee as safe keeping and fund administration fees. The Trustee will bear the fees of Citibank, N.A. (the "Administrator and Custodian") and Citibank (China) Co., Limited (the "PRC Custodian").

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 as a percentage per annum of the net asset value of the Sub-Fund at the current rates ranging from 0.07% to 0.10%, subject to a monthly minimum of US\$4,000.

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.

The custodian, fund administration and trustee fees for the year ended 31 December 2017 amounted to RMB7,230,739 (2016: RMB6,817,491). As at 31 December 2017, the custodian, fund administration and trustee fees of RMB3,767,711 (2016: RMB1,784,809) and a transaction fee of RMB410,000 (2016: RMB134,000) were payable to the Trustee.

Brokerage fee

Brokerage fees pertain to the broker commission and administration fees for every transaction made through the brokers at the average market rate of 0.08% (2016: 0.08%) based on the transaction value. Brokerage fees through CITIC Securities Co. Ltd., the ultimate holding company of the Manager, amounted to RMB163,268 (2016: RMB512,266).

NOTES TO FINANCIAL STATEMENTS

31 December 2017

5. TRANSACTIONS WITH THE TRUSTEE AND MANAGER AND THEIR CONNECTED PERSONS
(continued)

Investment transactions with connected persons of the Manager

	Aggregate value of purchases and sales of securities RMB	Total commission paid RMB	% of Sub-Fund's total transactions during the period %	Average commission rate %
<u>2017</u>				
CITIC Securities Co. Ltd.	213,997,068	163,268	1.59%	0.08%
<u>2016</u>				
CITIC Securities Co. Ltd.	640,750,598	512,266	7.79%	0.08%

Cash and cash equivalents

Bank balances are maintained with the Administrator and Custodian and the PRC Custodian of the Sub-Fund. Bank balances deposited with the Administrator and Custodian and the PRC Custodian as at 31 December 2017 and 31 December 2016 are summarised below:

	2017 RMB	2016 RMB
Cash at banks	<u>94,106,564</u>	<u>96,290,361</u>

The carrying amount of cash at banks approximates its fair value as at year end.

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 years ended 31 December 2017 and 31 December 2016. The Manager and its connected persons have not retained any cash rebates from any broker or dealer.

7. TAXATION

Hong Kong profit tax

No provision for Hong Kong profits tax has been made for the Sub-Fund as the dividend income and realised gain on disposal of investments of the Sub-Fund are excluded from the charge to profits tax under Section 14, Section 26 or Section 26A of the Hong Kong Inland Revenue Ordinance.

PRC capital gain tax

No PRC withholding income tax credit on capital gains, including unrealised gains and realised gains was recognised by the Sub-Fund for the years ended 31 December 2017 and 31 December 2016.

PRC distribution tax

A ten per-cent (10%) PRC withholding income tax has been levied on dividend and interest payments from PRC-listed companies to foreign investors. The Sub-Fund is subject to a distribution tax of ten per-cent (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 provided for the year ended 31 December 2017 was RMB22,164,870 (2016: RMB23,785,671).

NOTES TO FINANCIAL STATEMENTS

31 December 2017

8. AMOUNTS DUE TO PARTICIPATING DEALERS

The balance represents the amounts due to participating dealers and is expected to be settled within 90 days.

9. DISTRIBUTION

	Distribution RMB	Distribution per unit RMB
Distribution declared by the Manager on		
- 19 July 2017 (paid on 27 July 2017)	89,446,500	0.33
- 15 July 2016 (paid on 21 July 2016)	94,860,000	0.30

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.

10. THE REDEEMABLE UNITS

	2017 Number of units	2016 Number of units
Units in issue at the beginning of the year	280,050,000	269,250,000
Issue of units	153,150,000	92,850,000
Redemption of units	<u>(163,500,000)</u>	<u>(82,050,000)</u>
Units in issue at the end of the year	<u>269,700,000</u>	<u>280,050,000</u>
	2017 At last trade market price RMB	2016 At last trade market price RMB
Dealing net asset value at the end of the year	<u>11,093,007,702</u>	<u>9,475,920,908</u>
Dealing net asset value per unit at the end of the year	<u>41.1309</u>	<u>33.8365</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 aggregations of a specified number of application units (the "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 are effected in cash.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows an analysis of the Sub-Fund's financial assets measured at fair value at 31 December 2017 and 31 December 2016:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<u>2017</u>				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	<u>10,759,009</u>	<u>–</u>	<u>275,973</u>	<u>11,034,982</u>
<u>2016</u>				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	<u>9,135,072</u>	<u>–</u>	<u>256,577</u>	<u>9,391,649</u>

Transfers between Level 1 and Level 2

As at 31 December 2017 and 31 December 2016, no listed equity securities were reclassified from Level 1 to Level 2.

Transfers between Level 1 and Level 3

As at 31 December 2017, the Sub-Fund reclassified ten listed equity securities from Level 1 to Level 3 following the suspension of trading of the investments. Those financial assets are namely (1) Aluminum Corp of China Ltd (stock code: 601600), (2) Aurora Optoelectronics Co Ltd (stock code: 600666), (3) China CSSC Holdings Ltd (stock code: 600150), (4) CSSC Offshore and Marine Engineering Group Co Ltd (stock code: 600685), (5) Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd (stock code: 600332), (6) Inner Mongolia Junzheng Energy & Chemical Industry Group Co (stock code: 601216), (7) Kingenta Ecological Engineering Group Co Ltd (stock code: 002470), (8) Wanda Film Holding Co Ltd (stock code: 002739), (9) Wanhua Chemical Group Co Ltd (stock code: 600309) and (10) Wintime Energy Co Ltd (stock code: 600157).

As at 31 December 2016, the Sub-Fund reclassified nine listed equity securities from Level 1 to Level 3 following the suspension of trading of the investments. Those financial assets are namely (1) Shenwan Hongyuan Group Co Ltd (stock code: 000166), (2) Beijing Xinwei Technology Group Co Ltd (stock code: 600485), (3) Shanghai Electric Group Co Ltd (stock code: 601727), (4) Sealand Securities Co Ltd (stock code: 000750), (5) Tianjin Zhonghuan Semicond Co Ltd (stock code: 002129), (6) Nari Technology Development Co Ltd (stock code: 600406), (7) China Security & Fire Co Ltd (stock code: 600654), (8) Dongfang Electric Corp. Ltd (stock code: 600875) and (9) Zhongtian Financial Group Co Ltd (stock code: 000540).

Transfers between levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

12. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Transfers between Level 1 and Level 3 (continued)

The following table shows the total amount of all transfers of financial assets at fair value through profit or loss from Level 1 to Level 3 of the fair value hierarchy:

	Transfer from Level 1 to Level 3	
	2017	2016
	RMB	RMB
Financial assets designated as at fair value through profit or loss		
- Listed equity securities	<u>205,809,974</u>	<u>224,191,883</u>

Transfers between Level 2 and Level 3

As at 31 December 2017, no listed equity was reclassified from Level 2 to Level 3.

As at 31 December 2016, the Sub-Fund reclassified its investment in Shanghai Chengtou Co Ltd from Level 2 to Level 3 following the suspension of trading of the investments. The listed equity security suspended trading as at 31 December 2016 and has resumed trading during the period between the end of the reporting period as at 31 December 2016 and the date of authorisation of the Sub-Fund's financial statements for the year ended 31 December 2016.

Transfers between levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

The following table shows the total amount of all transfers of financial assets at fair value through profit or loss from Level 2 to Level 3 of the fair value hierarchy:

	Transfer from Level 2 to Level 3	
	2017	2016
	RMB	RMB
Financial assets designated as at fair value through profit or loss		
- Listed equity securities	<u>–</u>	<u>30,526,339</u>

NOTES TO FINANCIAL STATEMENTS

31 December 2017

12. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Valuation techniques

Level 1

When fair values of listed equity securities at the reporting date are based on quoted market prices or binding dealer price quotations, 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.

Level 2

The Manager has adopted the Index Return Method to perform valuation for investments suspended from trading. As the model incorporates unobservable inputs, whether resumed or not, the investments suspended from trading are classified as Level 3. Hence, no investments are classified as Level 2 in 2017 and 2016.

Level 3

The valuation of investments suspended from trading is performed on a daily basis by the portfolio manager of the Manager and reviewed by senior management of the Manager and the Trustee. The fair value was estimated by the Manager using the Index Return Method and then adjusting the last traded price by applying available data of the corresponding sector of those investments since the suspension date. Such valuation method is generally accepted in the industry. The model incorporates unobservable inputs which include the relevant industry index. Hence, the Sub-Fund classifies the fair value of these investments as Level 3.

Quantitative information of significant unobservable inputs - Level 3

Description	RMB	Valuation technique	Unobservable input
31 December 2017			
Equity securities			
- Equity investment	275,973,391	Index Return Method	Return on relevant industry index (-18.03% to 10.52%)
31 December 2016			
Equity securities			
- Equity investment	256,576,923	Index Return Method	Return on relevant industry index (-10.45% to 11.17%)

NOTES TO FINANCIAL STATEMENTS

31 December 2017

12. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2017 and 31 December 2016 are as shown below:

As at 31 December 2017

	Input	Change in return of the relevant industry index	Effect on the fair value of investment RMB	Effect on the net assets attributable to unitholders RMB
Equity securities				
- Equity investment	AMAC Index	5%	13,798,670	13,798,670
	AMAC Index	(5%)	(13,798,670)	(13,798,670)

As at 31 December 2016

	Input	Change in return of the relevant industry index	Effect on the fair value of investment RMB	Effect on the net assets attributable to unitholders RMB
Equity securities				
- Equity investment	AMAC Index	5%	12,828,846	12,828,846
	AMAC Index	(5%)	(12,828,846)	(12,828,846)

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and the end of the reporting period.

	Financial assets designated as at fair value through profit or loss Equity securities	
	2017 RMB	2016 RMB
Opening balance	256,576,923	322,240,759
Transfer into Level 3	205,809,974	224,191,883
Total gains/(losses) in profit or loss	9,807,823	(94,892,372)
Purchases	14,366,579	10,745,072
Sales	(14,157,102)	(9,506,412)
Transfer out from Level 3	(196,430,806)	(205,708,419)
Closing balance	<u>275,973,391</u>	<u>256,576,923</u>
Total gains/(losses) for the year included in profit or loss for assets held at the end of the reporting period	<u>9,807,823</u>	<u>(94,892,372)</u>

NOTES TO FINANCIAL STATEMENTS

31 December 2017

13. CASH AND CASH EQUIVALENTS

	2017 RMB	2016 RMB
Cash at banks	<u>94,106,564</u>	<u>96,290,361</u>

Cash at banks held with the Administrator and Custodian and the PRC Custodian was placed into interest bearing accounts.

14. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

According to Chapter 7.1 of the investment limitations and prohibitions of a collective investment scheme, the value of a Sub-Fund's holding of securities issued by any single issuer may not exceed 10% of its total net asset value.

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 SFC Code further provides that, if the investment limits stated above are breached, the management company should take as a priority objective all steps as are necessary within a reasonable period of time to remedy the situation, taking due account of the interests of the holders.

The Trust Deed of the Trust also contains provisions mirroring the above provisions of the SFC Code.

The Manager and the 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 the Index as at 31 December 2017.

15. 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 the 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 price risk, interest rate risk and currency risk), credit risk and liquidity risk arising from the financial instruments it holds.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

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

Risk management (continued)

(a) Market risk

(i) Equity price risk

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, either caused by factors specific to the individual instruments or factors affecting all instruments in the market.

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 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.

As at 31 December 2017 and 31 December 2016, the Sub-Fund's investments were concentrated in the following industries.

	2017		2016	
	Fair value RMB	% of net asset value	Fair value RMB	% of net asset value
A-Shares holdings				
- by sectors				
Consumer Discretionary	1,231,788,150	11.10%	998,386,606	10.54%
Consumer Staples	880,903,022	7.94%	564,233,463	5.95%
Energy	262,634,540	2.37%	228,058,415	2.39%
Financials	3,715,379,252	33.49%	3,320,147,229	35.04%
Health Care	610,978,336	5.51%	485,151,877	5.13%
Industrials	1,554,702,772	14.02%	1,514,058,837	15.96%
Information Technology	1,064,891,583	9.60%	823,466,868	8.70%
Materials	797,461,077	7.19%	575,180,365	6.09%
Real Estate	551,810,597	4.97%	527,783,212	5.55%
Telecommunication				
Services	76,486,235	0.69%	88,565,175	0.94%
Utilities	287,946,637	2.60%	266,617,086	2.82%
	<u>11,034,982,201</u>	<u>99.48%</u>	<u>9,391,649,133</u>	<u>99.11%</u>

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

As at 31 December 2017, if the Index was to increase by 5% (2016: 5%) with all other variables held constant, the pre-tax profit for the year would have increased by approximately RMB552 million (2016: RMB470 million). Conversely, if the Index was to decrease by 5% (2016: 5%), the pre-tax profit for the year would have decreased by an approximately equal amount. The above sensitivity is affected by the tracking difference of the Sub-Fund.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

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

Risk management (continued)

(a) Market risk (continued)

(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 rates. As the Sub-Fund has no investments in fixed income assets, the Manager considers that changes in the fair value of its net assets 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% (2016: 100%) of the Sub-Fund's sales and purchases were denominated in RMB, the Sub-Fund's functional currency. Assets and liabilities held by the Sub-Fund are mainly denominated in RMB. 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 an approved broker. 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. The trade will fail if either party fails to meet its obligation.

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 tables below summarise the Sub-Fund's assets placed with banks and the PRC Custodian and their related credit ratings from Standard & Poor's ("S&P"):

31 December 2017

	RMB	Credit rating	Source of credit rating
<u>Banks</u>			
Citibank, N.A.	33,257,781	A	S&P
Citibank (China) Co., Limited	60,848,783	BBB+	S&P
<u>Custodians</u>			
Citibank, N.A.	1,668,822,506	A	S&P
Citibank (China) Co., Limited	9,366,159,695	BBB+	S&P

NOTES TO FINANCIAL STATEMENTS

31 December 2017

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

Risk management (continued)

(b) Credit and counterparty risk (continued)

31 December 2016

	RMB	Credit rating	Source of credit rating
<u>Banks</u>			
Citibank, N.A.	6,441,126	A+	S&P
Citibank (China) Co., Limited	89,849,235	A+	S&P
<u>PRC Custodian</u>			
Citibank (China) Co., Limited	9,391,649,133	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.

(c) Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash or resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As at 31 December 2017 and 31 December 2016, the Sub-Fund held liquid assets, comprising financial assets at fair value through profit or loss, cash and cash equivalents and other receivable that are expected to readily generate cash inflows for managing liquidity risk.

The tables below summarise the maturity profile of the Sub-Fund's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

At 31 December 2017

	Due on demand RMB'000	Due within 1 month RMB'000	1 month to 1 year RMB'000	Total RMB'000
<u>Financial assets</u>				
Financial assets at fair value through profit or loss	–	10,759,009	275,973	11,034,982
Other receivable	–	608	–	608
Cash and cash equivalents	94,107	–	–	94,107
Total financial assets	<u>94,107</u>	<u>10,759,617</u>	<u>275,973</u>	<u>11,129,697</u>
<u>Financial liabilities</u>				
Management fee payable	–	6,139	–	6,139
Custodian, fund administration and trustee fees payable	–	4,178	–	4,178
Amounts due to participating dealers	–	24,584	–	24,584
Financial liabilities included in other payables	–	–	1,788	1,788
Total financial liabilities	<u>–</u>	<u>34,901</u>	<u>1,788</u>	<u>36,689</u>

NOTES TO FINANCIAL STATEMENTS

31 December 2017

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

Risk management (continued)

(c) Liquidity risk (continued)

At 31 December 2016

	Due on demand RMB'000	Due within 1 month RMB'000	1 month to 1 year RMB'000	Total RMB'000
<u>Financial assets</u>				
Financial assets at fair value through profit or loss	–	9,135,072	256,577	9,391,649
Other receivable	–	1,199	–	1,199
Cash and cash equivalents	96,290	–	–	96,290
Total financial assets	<u>96,290</u>	<u>9,136,271</u>	<u>256,577</u>	<u>9,489,138</u>
<u>Financial liabilities</u>				
Management fee payable	–	5,754	–	5,754
Custodian, fund administration and trustee fees payable	–	1,919	–	1,919
Amounts due to participating dealers	–	3,859	–	3,859
Financial liabilities included in other payables	–	–	1,686	1,686
Total financial liabilities	<u>–</u>	<u>11,532</u>	<u>1,686</u>	<u>13,218</u>

Capital management

The Sub-Fund's capital is represented by its net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions of redeemable participating 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.

16. 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 has a single operating segment which is investments 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.

NOTES TO FINANCIAL STATEMENTS

31 December 2017

16. SEGMENT INFORMATION (continued)

The Sub-Fund is domiciled in Hong Kong. All of the Sub-Fund's income is derived 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 portfolios that closely correspond to the security weight and industry weight of its tracked index.

17. EVENTS AFTER THE REPORTING PERIOD

During the period between the year end and the date of authorisation of these financial statements, there were 18,450,000 units of subscription and 43,350,000 units of redemption of the Sub-Fund.

18. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Manager and the Trustee on 18 April 2018.

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

INVESTMENT PORTFOLIO

31 December 2017

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
<u>Listed securities</u>			
<u>China</u>			
Consumer Discretionary			
Alpha Group	494,054	7,060,032	0.06%
Beijing Enlight Media Co Ltd	823,990	8,610,696	0.08%
BYD Co Ltd	853,399	55,513,605	0.50%
China Film Co Ltd	701,200	10,798,480	0.10%
China Grand Automotive Services Co Ltd	2,278,036	18,269,849	0.16%
China International Travel Service Corp Ltd	912,902	39,610,818	0.36%
China Shipbuilding Industry Group Power Co Ltd	815,273	20,226,923	0.18%
Chinese Universe Publishing and Media Co Ltd	518,317	8,775,107	0.08%
Chongqing Changan Automobile Co Ltd	1,824,022	22,982,677	0.21%
CITIC Guoan Information Industry Co Ltd	2,569,550	24,641,985	0.22%
Fuyao Glass Industry Group Co Ltd	1,308,191	37,937,539	0.34%
Great Wall Motor Co Ltd	1,124,505	12,920,562	0.12%
Gree Electric Appliances Inc of Zhuhai	4,505,975	196,911,108	1.77%
Hangzhou Robam Appliances Co Ltd	448,427	21,569,339	0.19%
Huayi Brothers Media Corp	1,563,075	13,645,645	0.12%
Huayu Automotive Systems Co Ltd	1,472,804	43,727,551	0.39%
Jiangsu Broadcasting Cable Information Network Corp Ltd	1,453,680	11,891,102	0.11%
Liaoning Cheng Da Co Ltd	1,140,070	20,065,231	0.18%
Midea Group Co Ltd	4,259,676	236,113,841	2.12%
Nanjing Xinjiekou Department Store Co Ltd	413,300	15,618,607	0.14%
Oppein Home Group Inc	52,000	6,138,600	0.06%
Perfect World Co Ltd	368,404	12,326,798	0.11%
Qingdao Haier Co Ltd	2,857,086	53,827,500	0.49%
SAIC Motor Corp Ltd	3,278,311	105,037,084	0.94%
Shandong Linglong Tyre Co Ltd	452,300	7,897,158	0.07%
Shanghai Oriental Pearl Media Co Ltd	1,238,961	20,641,090	0.19%
Shenzhen Overseas Chinese Town Co Ltd	3,072,395	26,084,634	0.24%
Songcheng Performance Development Co Ltd	683,744	12,758,663	0.12%
Suning Commerce Group Co Ltd	3,488,858	42,878,065	0.39%
Suofeiya Home Collection Co Ltd	520,625	19,159,000	0.17%
TCL Corp	7,592,053	29,609,007	0.27%
Triangle Tyre Co Ltd	220,700	4,497,866	0.04%
Wanda Film Holding Co Ltd	516,911	23,653,847	0.21%
Wanxiang Qianchao Co Ltd	1,286,483	13,057,802	0.12%
Wuchan Zhongda Group Co Ltd	1,613,770	11,005,911	0.10%
Wuhu Shunrong Sanqi Interactive Entertainment Network Technology Co Ltd	306,900	6,303,726	0.06%
Zhejiang Century Huatong Group Co Ltd	294,900	10,020,702	0.09%

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

INVESTMENT PORTFOLIO (continued)

31 December 2017

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Consumer Staples			
Beijing Dabeinong Technology Group Co Ltd	1,910,853	11,579,769	0.10%
Henan Shuanghui Investment & Development Co Ltd	924,467	24,498,376	0.22%
Inner Mongolia Yili Industrial Group Co Ltd	5,698,053	183,420,326	1.65%
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	562,226	64,655,990	0.58%
Kweichow Moutai Co Ltd	474,266	330,795,792	2.99%
Luzhou Laojiao Co Ltd	688,918	45,468,588	0.41%
Muyuan Foodstuff Co Ltd	328,535	17,366,360	0.16%
New Hope Liuhe Co Ltd	1,974,547	14,710,375	0.13%
Shanghai Bailian Group Co Ltd	748,414	10,096,105	0.09%
Wuliangye Yibin Co Ltd	1,779,321	142,132,161	1.28%
Yonghui Superstores Co Ltd	3,582,097	36,179,180	0.33%
Energy			
China Coal Energy Co Ltd	1,721,680	9,848,010	0.09%
China Merchants Energy Shipping Co Ltd	1,981,506	8,698,811	0.08%
China Petroleum & Chemical Corp	9,837,747	60,305,389	0.55%
China Shenhua Energy Co Ltd	1,848,340	42,826,038	0.39%
Offshore Oil Engineering Co Ltd	2,066,132	12,706,712	0.11%
PetroChina Co Ltd	6,068,865	49,097,118	0.44%
Shaanxi Coal Industry Co Ltd	3,748,751	30,589,808	0.28%
Shanxi Meijin Energy Co Ltd	1,147,300	7,904,897	0.07%
Shanxi Xishan Coal & Electricity Power Co Ltd	1,472,152	14,927,621	0.13%
Sinopec Oilfield Service Corp	1,685,200	4,499,484	0.04%
Wintime Energy Co Ltd	4,545,004	15,998,414	0.14%
Yanzhou Coal Mining Co Ltd	360,347	5,232,238	0.05%
Financials			
Agricultural Bank of China Ltd	35,807,476	137,142,633	1.24%
Anxin Trust Co Ltd	1,699,306	22,226,922	0.20%
Avic Capital Co Ltd	4,205,741	23,215,690	0.21%
Bank of Beijing Co Ltd	13,671,217	97,749,202	0.88%
Bank of China Ltd	19,736,591	78,354,266	0.71%
Bank of Communications Co Ltd	25,741,249	159,853,156	1.44%
Bank of Guiyang Co Ltd	1,288,700	17,217,032	0.16%
Bank of Hangzhou Co Ltd	375,860	4,333,666	0.04%
Bank of Jiangsu Co Ltd	6,485,800	47,670,630	0.43%
Bank of Nanjing Co Ltd	4,770,656	36,924,877	0.33%
Bank of Ningbo Co Ltd	2,370,738	42,222,844	0.38%
Bank of Shanghai Co Ltd	796,580	11,295,504	0.10%

ChinaAMC CSI 300 Index ETF
(a sub-fund of ChinaAMC ETF Series)

INVESTMENT PORTFOLIO (continued)

31 December 2017

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Financials (continued)			
Bohai Financial Investment Holding Co Ltd	1,743,047	10,039,951	0.09%
Central China Securities Co Ltd	747,242	4,610,483	0.04%
Changjiang Securities Co Ltd	3,622,388	28,508,194	0.26%
China CITIC Bank Corp Ltd	2,870,852	17,799,282	0.16%
China Construction Bank Corp	6,289,615	48,304,243	0.44%
China Everbright Bank Co Ltd	14,917,757	60,416,916	0.54%
China Galaxy Securities Co Ltd	609,000	6,400,590	0.06%
China Life Insurance Co Ltd	1,565,320	47,663,993	0.43%
China Merchants Bank Co Ltd	9,664,176	280,454,389	2.53%
China Merchants Securities Co Ltd	2,143,807	36,787,728	0.33%
China Minsheng Banking Corp Ltd	22,138,592	185,742,788	1.67%
China Pacific Insurance Group Co Ltd	2,937,750	121,681,605	1.10%
CITIC Securities Co Ltd	7,371,295	133,420,440	1.20%
Dongxing Securities Co Ltd	1,037,230	14,936,112	0.13%
Everbright Securities Co Ltd	1,826,536	24,530,378	0.22%
First Capital Securities Co Ltd	1,968,949	19,295,700	0.17%
Founder Securities Co Ltd	3,847,707	26,510,701	0.24%
GF Securities Co Ltd	2,781,167	46,389,866	0.42%
Guosen Securities Co Ltd	2,306,871	25,029,550	0.23%
Guotai Junan Securities Co Ltd	3,524,725	65,277,907	0.59%
Guoyuan Securities Co Ltd	1,897,628	20,873,908	0.19%
Haitong Securities Co Ltd	7,576,057	97,503,854	0.88%
Huaan Securities Co Ltd	1,022,900	7,436,483	0.07%
Huatai Securities Co Ltd	3,058,762	52,794,232	0.48%
Huaxia Bank Co Ltd	6,008,818	54,079,362	0.49%
Hubei Biocause Pharmaceutical Co Ltd	1,381,664	11,053,312	0.10%
Industrial & Commercial Bank of China Ltd	20,199,041	125,234,054	1.13%
Industrial Bank Co Ltd	11,674,575	198,351,029	1.79%
Industrial Securities Co Ltd	4,342,831	31,615,810	0.29%
Jiangsu Zhangjiagang Rural Commercial Bank Co Ltd	185,400	2,172,888	0.02%
New China Life Insurance Co Ltd	775,681	54,452,806	0.49%
Northeast Securities Co Ltd	1,310,448	11,492,629	0.10%
Orient Securities Co Ltd	2,911,980	40,360,043	0.36%
Pacific Securities Co Ltd	6,386,531	23,119,242	0.21%
Ping An Bank Co Ltd	8,044,847	106,996,464	0.96%
Ping An Insurance Group Co of China Ltd	10,138,246	709,474,456	6.39%
SDIC Essence Holdings Co Ltd	796,249	10,494,562	0.09%
Sealand Securities Co Ltd	2,758,055	13,514,470	0.12%
Shanghai Pudong Development Bank Co Ltd	10,993,068	138,402,726	1.25%

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INVESTMENT PORTFOLIO (continued)

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	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Financials (continued)			
Shanxi Securities Co Ltd	1,592,004	14,678,277	0.13%
Shenwan Hongyuan Group Co Ltd	5,637,170	30,271,603	0.27%
Sinolink Securities Co Ltd	1,982,208	18,910,264	0.17%
SooChow Securities Co Ltd	2,255,304	21,921,555	0.20%
Southwest Securities Co Ltd	2,647,817	12,259,393	0.11%
Western Securities Co Ltd	1,637,826	20,178,016	0.18%
Zheshang Securities Co Ltd	344,800	5,730,576	0.05%
Health Care			
Aier Eye Hospital Group Co Ltd	566,605	17,451,434	0.16%
Beijing Tongrentang Co Ltd	516,053	16,637,549	0.15%
Chongqing Zhifei Biological Products Co Ltd	445,000	12,491,150	0.11%
Dong-E-E-Jiao Co Ltd	494,351	29,794,535	0.27%
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	544,427	17,149,450	0.15%
Guizhou Bailing Group Pharmaceutical Co Ltd	393,142	6,054,387	0.05%
Huadong Medicine Co Ltd	452,369	24,373,642	0.22%
Hualan Biological Engineering Inc	524,128	14,088,561	0.13%
Jiangsu Hengrui Medicine Co Ltd	1,586,014	109,403,245	0.99%
Jilin Aodong Pharmaceutical Group Co Ltd	873,617	19,656,383	0.18%
Kangmei Pharmaceutical Co Ltd	2,776,729	62,087,659	0.56%
Lepu Medical Technology Beijing Co Ltd	1,004,600	24,271,136	0.22%
Meinian Onehealth Healthcare Holding Co Ltd	967,710	21,163,818	0.19%
Searainbow Holding Corp	677,557	29,243,360	0.26%
Shandong Buchang Pharmaceuticals Co Ltd	80,173	4,077,599	0.04%
Shanghai Fosun Pharmaceutical Group Co Ltd	937,921	41,737,485	0.38%
Shanghai Pharmaceuticals Holding Co Ltd	1,080,365	26,134,029	0.24%
Shanghai RAAS Blood Products Co Ltd	1,400,151	27,792,997	0.25%
Shenzhen Salubris Pharmaceuticals Co Ltd	389,000	17,578,910	0.16%
Tasly Pharmaceutical Group Co Ltd	601,052	21,385,430	0.19%
Yunnan Baiyao Group Co Ltd	492,311	50,112,337	0.45%
Zhangzhou Pientzehuang Pharmaceutical Co Ltd	289,450	18,293,240	0.16%
Industrials			
Air China Ltd	1,871,479	23,056,621	0.21%
Aurora Optoelectronics Co Ltd	659,040	12,495,398	0.11%
AECC Aero-Engine Control Co Ltd	422,909	6,466,279	0.06%
AECC Aviation Power Co Ltd	847,865	22,816,047	0.21%
AVIC Aircraft Co Ltd	1,293,071	21,839,969	0.20%
AVIC Helicopter Co Ltd	217,164	10,104,641	0.09%

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INVESTMENT PORTFOLIO (continued)

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	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Industrials (continued)			
Beijing Orient Landscape & Environment Co Ltd	1,255,748	25,328,437	0.23%
Beijing Originwater Technology Co Ltd	1,764,212	30,644,362	0.28%
China Avionics Systems Co Ltd	498,273	6,821,357	0.06%
China Communications Construction Co Ltd	1,430,928	18,315,878	0.17%
China CSSC Holdings Ltd	641,901	15,296,501	0.14%
China Eastern Airlines Corp Ltd	3,667,739	30,112,137	0.27%
China Gezhouba Group Co Ltd	2,585,081	21,197,664	0.19%
China High-Speed Railway Technology Co Ltd	1,586,807	13,884,561	0.13%
China National Chemical Engineering Co Ltd	1,843,415	12,443,051	0.11%
China Nuclear Engineering Corp Ltd	735,852	7,557,200	0.07%
China Railway Construction Corp Ltd	4,309,691	48,009,958	0.43%
China Railway Group Ltd	5,234,268	43,915,509	0.40%
China Shipbuilding Industry Co Ltd	8,934,375	53,874,281	0.49%
China Southern Airlines Co Ltd	3,287,862	39,191,315	0.35%
China Spacesat Co Ltd	552,430	13,948,858	0.13%
China State Construction Engineering Corp Ltd	14,045,832	126,693,404	1.15%
CITIC Heavy Industries Co Ltd	1,624,912	6,694,637	0.06%
COSCO Shipping Holdings Co Ltd	3,572,670	24,186,976	0.22%
COSCO Shipping Development Co Ltd	2,963,417	10,105,252	0.09%
CRRC Corp Ltd	6,834,908	82,770,735	0.76%
CSSC Offshore and Marine Engineering Group Co Ltd	304,272	7,835,004	0.07%
Daqin Railway Co Ltd	5,569,723	50,517,388	0.46%
Guangshen Railway Co Ltd	3,166,986	17,640,112	0.16%
Guangzhou Port Company Limited	698,100	4,265,391	0.04%
Guoxuan High-Tech Co Ltd	633,896	14,110,525	0.13%
Hainan Airlines Holding Co Ltd	10,773,730	34,368,199	0.31%
Han's Laser Technology Industry Group Co Ltd	795,747	39,309,902	0.35%
Jiangsu Zhongnan Construction Group Co Ltd	1,737,885	11,139,843	0.10%
Jiangsu Zhongtian Technology Co Ltd	2,007,163	27,979,852	0.25%
Jihua Group Corp Ltd	1,229,149	8,272,173	0.07%
Luxshare Precision Industry Co Ltd	1,481,538	34,727,251	0.31%
Metallurgical Corp of China Ltd	5,016,263	24,278,713	0.22%
NARI Technology Co Ltd	1,571,464	28,726,362	0.26%
Ningbo Zhoushan Port Co Ltd	3,707,764	19,688,227	0.18%
Power Construction Corp of China Ltd	4,299,872	31,045,076	0.28%
S F Holding Co Ltd	204,200	10,283,512	0.09%
Sainty Marine Corporation Ltd	619,200	6,291,072	0.06%
Sany Heavy Industry Co Ltd	4,302,309	39,021,943	0.35%

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INVESTMENT PORTFOLIO (continued)

31 December 2017

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Industrials (continued)			
Shanghai Construction Group Co Ltd	4,170,094	15,512,750	0.14%
Shanghai Electric Group Co Ltd	3,306,410	22,119,883	0.20%
Shanghai International Airport Co Ltd	901,809	40,590,423	0.37%
Shanghai International Port Group Co Ltd	2,825,118	18,787,035	0.17%
Shanghai Tunnel Engineering Co Ltd	1,769,500	14,793,020	0.13%
Shenzhen Inovance Technology Co Ltd	932,360	27,057,087	0.24%
Siasun Robot & Automation Co Ltd	1,027,825	19,343,667	0.17%
Spring Airlines Co Ltd	220,852	8,231,154	0.07%
Sto Express Co Ltd	289,196	7,140,249	0.06%
Suzhou Gold Mantis Construction Decoration Co Ltd	1,481,087	22,690,253	0.20%
TBEA Co Ltd	3,476,674	34,453,839	0.31%
Tus-Sound Environmental Resources Co Ltd	483,978	15,980,954	0.14%
Weichai Power Co Ltd	4,532,309	37,799,457	0.34%
XCMG Construction Machinery Co Ltd	3,934,639	18,217,379	0.16%
Xiamen C & D Inc	1,322,593	14,707,234	0.13%
Xinjiang Goldwind Science & Technology Co Ltd	1,908,140	35,968,439	0.32%
Yto Express Group Co Ltd	321,300	5,381,775	0.05%
Zhejiang Chint Electrics Co Ltd	399,014	10,434,216	0.09%
Zhengzhou Yutong Bus Co Ltd	1,245,351	29,975,599	0.27%
Zoomlion Heavy Industry Science and Technology Co Ltd	4,082,055	18,246,786	0.16%
Information Technology			
Aisino Co Ltd	1,049,614	22,608,686	0.20%
Beijing Shiji Information Technology Co Ltd	305,083	8,133,513	0.07%
Beijing Xinwei Technology Group Co Ltd	1,485,100	23,479,431	0.21%
BOE Technology Group Co Ltd	22,198,914	128,531,712	1.16%
DHC Software Co Ltd	1,767,296	14,491,827	0.13%
Dongxu Optoelectronic Technology Co Ltd	3,600,088	33,768,825	0.30%
East Money Information Co Ltd	2,813,860	36,439,487	0.33%
Fiberhome Telecommunication Technologies Co Ltd	523,173	15,083,078	0.14%
Focus Media Information Technology Co Ltd	4,574,600	64,410,368	0.58%
Giant Network Group Co Ltd	566,132	20,833,658	0.19%
GoerTek Inc	1,821,246	31,598,618	0.28%
Guangzhou Haige Communications Group Inc Co	1,510,087	14,481,734	0.13%
Guangzhou Shiyuan Electronics Co Ltd	50,728	3,677,780	0.03%
Hangzhou Hikvision Digital Technology Co Ltd	3,453,460	134,684,941	1.22%
Hithink RoyalFlush Information Network Co Ltd	199,500	9,971,010	0.09%
Hundsun Technologies Inc	469,764	21,797,050	0.20%
Iflytek Co Ltd	909,386	53,781,088	0.48%

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INVESTMENT PORTFOLIO (continued)

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	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Information Technology (continued)			
Jiangsu Protruly Vision Technology Group Co Ltd	953,600	9,412,032	0.08%
Leshi Internet Information & Technology Corp Beijing	2,126,600	27,390,608	0.25%
Longi Green Energy Technology Co Ltd	1,303,915	47,514,663	0.43%
Ourpalm Co Ltd	2,063,150	11,471,114	0.10%
Sanan Optoelectronics Co Ltd	2,295,808	58,290,565	0.53%
Shenzhen Huiding Technology Co Ltd	54,800	5,312,312	0.05%
Shenzhen O-film Tech Co Ltd	1,781,519	36,681,476	0.33%
Shenzhen Sunway Communication Co Ltd	734,776	37,253,143	0.34%
Suzhou Victory Precision Manufacture Co Ltd	1,927,068	11,234,806	0.10%
Tsinghua Tongfang Co Ltd	1,661,184	16,279,603	0.15%
Tsinghua Unisplendour Co Ltd	140,511	10,121,007	0.09%
Wangsu Science & Technology Co Ltd	1,345,456	14,315,652	0.13%
Yonyou Network Technology Co Ltd	688,601	14,563,911	0.13%
Youzu Interactive Co Ltd	399,397	8,906,553	0.08%
Zhejiang Dahua Technology Co Ltd	1,627,889	37,587,957	0.34%
ZTE Corp	2,221,765	80,783,375	0.73%
Materials			
Aluminum Corp of China Ltd	6,270,358	41,635,177	0.38%
Angang Steel Co Ltd	1,733,900	11,010,265	0.10%
Anhui Conch Cement Co Ltd	1,870,688	54,867,279	0.49%
Baiyin Nonferrous Group Co Ltd	718,400	4,856,384	0.04%
Baoshan Iron & Steel Co Ltd	8,279,104	71,531,459	0.64%
BBMG Corp	3,119,100	16,936,713	0.15%
Beijing Sanju Environmental Protection and New Material Co Ltd	851,315	29,906,696	0.27%
Beijing Shougang Co Ltd	1,488,748	8,902,713	0.08%
China Hainan Rubber Industry Group Co Ltd	1,469,980	8,158,389	0.07%
China Molybdenum Co Ltd	2,481,335	17,071,585	0.15%
China Northern Rare Earth Group High-Tech Co Ltd	2,035,804	29,702,380	0.27%
Ganfeng Lithium Co Ltd	483,361	34,681,152	0.31%
Hesteel Co Ltd	3,986,228	15,546,289	0.14%
Inner Mongolia BaoTou Steel Union Co Ltd	12,810,473	31,513,763	0.28%
Inner Mongolia Junzheng Energy & Chemical Industry Group Co Ltd	2,877,976	13,382,588	0.12%
Jiangsu Bicon Pharmaceutical Listed Co	293,428	7,825,725	0.07%
Jiangxi Copper Co Ltd	973,217	19,629,787	0.18%
Jinduicheng Molybdenum Co Ltd	905,844	6,549,252	0.06%
Kangde Xin Composite Material Group Co Ltd	1,982,850	44,019,270	0.40%

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INVESTMENT PORTFOLIO (continued)

31 December 2017

	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Materials (continued)			
Kingenta Ecological Engineering Group Co Ltd	1,531,320	12,924,341	0.12%
Lomon Billions Group Co Ltd	568,100	9,100,962	0.08%
Minmetals Capital Company Limited	319,900	3,774,820	0.03%
Qinghai Salt Lake Industry Co Ltd	1,295,140	18,015,397	0.16%
Shandong Gold Mining Co Ltd	697,830	21,758,339	0.20%
Shandong Nanshan Aluminium Co Ltd	5,197,500	19,126,800	0.17%
Shenzhen Yuto Packaging Technology Co Ltd	53,600	2,995,168	0.03%
Shenzhen Zhongjin Lingnan Nonfemet Co Ltd	1,565,285	17,484,233	0.16%
Sinopec Shanghai Petrochemical Co Ltd	1,376,967	8,716,201	0.08%
Tianqi Lithium Corp	644,973	34,319,013	0.31%
Tongling Nonferrous Metals Group Co Ltd	5,917,687	17,279,646	0.16%
Wanhua Chemical Group Co Ltd	1,217,884	45,439,253	0.41%
Xiamen Tungsten Co Ltd	402,798	10,368,021	0.09%
Zhejiang Huayou Cobalt Co Ltd	284,900	22,857,527	0.21%
Zhejiang Longsheng Group Co Ltd	2,135,030	25,001,201	0.23%
Zhongjin Gold Corp Ltd	1,616,247	15,984,683	0.14%
Zijin Mining Group Co Ltd	9,714,293	44,588,606	0.41%
Real Estate			
Beijing Capital Development Co Ltd	1,212,500	11,264,125	0.10%
China Fortune Land Development Co Ltd	1,104,433	34,668,152	0.31%
China Merchants Shekou Industrial Zone Holdings Co Ltd	2,218,611	43,396,030	0.40%
China Vanke Co Ltd	4,548,292	141,269,949	1.28%
Financial Street Holdings Co Ltd	1,115,990	12,398,649	0.11%
Future Land Holdings Co Ltd	850,732	24,926,448	0.22%
Gemdale Corp	2,117,850	26,748,446	0.24%
Greenland Holdings Corp Ltd	3,418,495	24,955,014	0.22%
Poly Real Estate Group Co Ltd	6,662,434	94,273,440	0.86%
RiseSun Real Estate Development Co Ltd	1,627,957	15,514,430	0.14%
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd	689,751	13,125,962	0.12%
Shanghai SMI Holding Co Ltd	1,180,766	10,390,741	0.09%
Shanghai Zhangjiang High-Tech Park Development Co Ltd	724,645	10,362,424	0.09%
Sunshine City Group Co Ltd	1,511,740	11,897,394	0.11%
Xinhu Zhongbao Co Ltd	4,036,056	21,068,212	0.19%
Youngor Group Co Ltd	2,346,948	21,521,513	0.19%
Zhejiang China Commodities City Group Co Ltd	2,549,531	14,736,289	0.13%
Zhongtian Financial Group Co Ltd	2,515,434	19,293,379	0.17%

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INVESTMENT PORTFOLIO (continued)

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	Holdings Shares	Market Value RMB	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
(continued)			
<u>Listed securities (continued)</u>			
<u>China (continued)</u>			
Telecommunication Services			
China United Network Communications Ltd	8,494,092	53,767,602	0.49%
Dr Peng Telecom & Media Group Co Ltd	1,334,036	22,718,633	0.20%
Utilities			
Beijing Capital Co Ltd	2,248,754	11,558,596	0.10%
China National Nuclear Power Co Ltd	4,376,131	32,164,563	0.29%
China Yangtze Power Co Ltd	6,175,321	96,273,254	0.88%
Datang International Power Generation Co Ltd	2,803,800	11,635,770	0.10%
GD Power Development Co Ltd	11,044,428	34,458,615	0.32%
Huaneng Power International Inc	3,931,262	24,255,887	0.22%
SDIC Power Holdings Co Ltd	3,809,870	27,964,446	0.25%
Shanghai Electric Power Co Ltd	900,275	8,228,514	0.07%
Sichuan Chuantou Energy Co Ltd	2,065,915	21,031,015	0.19%
Zhejiang Zheneng Electric Power Co Ltd	3,822,885	20,375,977	0.18%
TOTAL INVESTMENTS, AT FAIR VALUE		11,034,982,201	99.48%
TOTAL INVESTMENTS, AT COST		9,466,727,969	

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MOVEMENTS IN INVESTMENT PORTFOLIO

Year ended 31 December 2017

INVESTMENTS	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss</u>					
Listed securities					
Agricultural Bank of China Ltd	39,014,786	20,242,990	–	23,450,300	35,807,476
Aier Eye Hospital Group Co Ltd	411,352	652,688	202,417	699,852	566,605
Air China Ltd	2,609,099	1,081,480	–	1,819,100	1,871,479
Aisino Co Ltd	1,130,844	590,770	–	672,000	1,049,614
Alpha Group	533,787	295,367	–	335,100	494,054
Aluminum Corp of China Ltd	6,710,009	2,616,449	–	3,056,100	6,270,358
Angang Steel Co Ltd	–	1,733,900	–	–	1,733,900
Anhui Conch Cement Co Ltd	2,040,880	1,071,808	–	1,242,000	1,870,688
Anxin Trust Co Ltd	903,000	939,866	989,640	1,133,200	1,699,306
Aurora Optoelectronics Co Ltd	468,200	21,300	247,140	77,600	659,040
AECC Aero-Engine Control Co Ltd	466,509	221,400	–	265,000	422,909
AECC Aviation Power Co Ltd	795,694	647,471	–	595,300	847,865
AVIC Aircraft Co Ltd	1,413,212	714,395	–	834,536	1,293,071
Avic Capital Co Ltd	4,579,152	2,369,489	–	2,742,900	4,205,741
AVIC Helicopter Co Ltd	240,907	102,257	–	126,000	217,164
Baiyin Nonferrous Group Co Ltd	–	718,400	–	–	718,400
Bank of Beijing Co Ltd	12,415,503	7,066,073	2,614,241	8,424,600	13,671,217
Bank of China Ltd	21,508,991	11,145,300	–	12,917,700	19,736,591
Bank of Communications Co Ltd	28,041,258	14,568,091	–	16,868,100	25,741,249
Bank of Guiyang Co Ltd	–	1,588,300	–	299,600	1,288,700
Bank of Hangzhou Co Ltd	–	538,740	–	162,880	375,860
Bank of Jiangsu Co Ltd	–	6,998,200	–	512,400	6,485,800
Bank of Nanjing Co Ltd	3,710,138	2,315,609	1,470,509	2,725,600	4,770,656
Bank of Ningbo Co Ltd	1,989,615	1,198,611	634,112	1,451,600	2,370,738
Bank of Shanghai Co Ltd	–	958,020	196,260	357,700	796,580
Baoshan Iron & Steel Co Ltd	5,036,403	5,558,172	2,842,829	5,158,300	8,279,104
BBMG Corp	–	4,516,800	–	1,397,700	3,119,100
Beijing Capital Co Ltd	2,458,654	1,258,700	–	1,468,600	2,248,754
Beijing Capital Development Co Ltd	1,052,700	789,100	–	629,300	1,212,500
Beijing Dabeinong Technology Group Co Ltd	2,092,553	1,075,700	–	1,257,400	1,910,853
Beijing Enlight Media Co Ltd	897,990	482,600	–	556,600	823,990
Beijing Gehua CATV Network Co Ltd	710,057	329,400	–	1,039,457	–
Beijing Jetsen Technology Co Ltd	1,045,381	205,900	–	1,251,281	–
Beijing Orient Landscape & Environment Co Ltd	1,092,500	818,848	–	655,600	1,255,748
Beijing Originwater Technology Co Ltd	1,912,228	984,884	–	1,132,900	1,764,212
Beijing Sanju Environmental Protection and New Material Co Ltd	605,151	478,389	265,875	498,100	851,315
Beijing Shiji Information Technology Co Ltd	326,420	196,863	–	218,200	305,083
Beijing Shougang Co Ltd	–	2,144,648	–	655,900	1,488,748

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Beijing Tongrentang Co Ltd	559,766	295,387	–	339,100	516,053
Beijing Ultrapower Software Co Ltd	1,402,405	296,299	–	1,698,704	–
Beijing Xinwei Technology Group Co Ltd	1,485,100	–	–	–	1,485,100
BlueFocus Communication Group Co Ltd	1,427,619	276,378	–	1,703,997	–
BOE Technology Group Co Ltd	24,252,661	12,582,253	–	14,636,000	22,198,914
Bohai Financial Investment Holding Co Ltd	1,892,797	984,950	–	1,134,700	1,743,047
BYD Co Ltd	555,087	626,212	–	327,900	853,399
By-health Co Ltd	742,986	154,791	–	897,777	–
Central China Securities Co Ltd	–	1,081,500	–	334,258	747,242
Changjiang Securities Co Ltd	3,386,271	2,198,917	–	1,962,800	3,622,388
China Avionics Systems Co Ltd	538,473	296,000	–	336,200	498,273
China Baoan Group Co Ltd	2,193,257	962,784	–	3,156,041	–
China CITIC Bank Corp Ltd	3,127,862	1,619,200	–	1,876,210	2,870,852
China Coal Energy Co Ltd	–	1,721,680	–	–	1,721,680
China Communications Construction Co Ltd	1,559,167	787,961	–	916,200	1,430,928
China Construction Bank Corp	6,855,972	3,548,343	–	4,114,700	6,289,615
China CSSC Holdings Ltd	702,972	293,429	–	354,500	641,901
China Eastern Airlines Corp Ltd	3,005,436	2,408,603	–	1,746,300	3,667,739
China Everbright Bank 0.02 03/16/2023	–	–	10,535,000	10,535,000	–
China Everbright Bank Co Ltd	16,252,664	8,427,593	–	9,762,500	14,917,757
China Film Co Ltd	–	925,900	–	224,700	701,200
China Fortune Land Development Co Ltd	904,533	838,200	–	638,300	1,104,433
China Galaxy Securities Co Ltd	–	869,200	–	260,200	609,000
China Gezhouba Group Co Ltd	2,820,079	1,465,300	–	1,700,298	2,585,081
China Grand Automotive Services Co Ltd	1,683,700	1,296,438	521,598	1,223,700	2,278,036
China Hainan Rubber Industry Group Co Ltd	1,205,370	1,116,010	–	851,400	1,469,980
China High-Speed Railway Technology Co Ltd	843,100	1,586,900	–	843,193	1,586,807
China International Marine Containers Group Co Ltd	772,755	154,800	–	927,555	–
China International Travel Service Corp Ltd	497,867	408,034	520,401	513,400	912,902
China Life Insurance Co Ltd	1,700,173	886,147	–	1,021,000	1,565,320
China Media Group Corp	2,058,766	906,315	–	2,965,081	–
China Merchants Bank Co Ltd	10,527,328	5,439,448	–	6,302,600	9,664,176
China Merchants Energy Shipping Co Ltd	2,164,506	490,700	–	673,700	1,981,506
China Merchants Securities Co Ltd	2,335,018	1,199,389	–	1,390,600	2,143,807

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
China Merchants Shekou Industrial Zone Holdings Co Ltd	2,419,892	1,267,819	–	1,469,100	2,218,611
China Minsheng Banking Corp Ltd	24,128,413	12,542,779	–	14,532,600	22,138,592
China Molybdenum Co Ltd	3,966,435	1,766,700	–	3,251,800	2,481,335
China National Chemical Engineering Co Ltd	–	2,645,415	–	802,000	1,843,415
China National Nuclear Power Co Ltd	4,765,082	2,473,149	–	2,862,100	4,376,131
China Northern Rare Earth Group High-Tech Co Ltd	2,224,495	1,161,009	–	1,349,700	2,035,804
China Nuclear Engineering Corp Ltd	535,600	528,252	–	328,000	735,852
China Pacific Insurance Group Co Ltd	3,208,394	1,658,056	–	1,928,700	2,937,750
China Petroleum & Chemical Corp	10,727,420	5,549,127	–	6,438,800	9,837,747
China Railway Construction Corp Ltd	4,693,787	2,444,304	–	2,828,400	4,309,691
China Railway Group Ltd	7,603,968	3,789,900	–	6,159,600	5,234,268
China Security & Fire Co Ltd	791,800	–	–	791,800	–
China Shenhua Energy Co Ltd	2,019,409	665,831	–	836,900	1,848,340
China Shipbuilding Industry Co Ltd	9,370,269	2,644,906	–	3,080,800	8,934,375
China Shipbuilding Industry Group Power Co Ltd	354,763	678,906	–	218,396	815,273
China Southern Airlines Co Ltd	3,583,962	1,859,500	–	2,155,600	3,287,862
China Spacesat Co Ltd	603,530	295,500	–	346,600	552,430
China State Construction Engineering Corp Ltd	15,308,632	7,936,900	–	9,199,700	14,045,832
China United Network Communications Ltd	8,651,714	2,679,400	–	2,837,022	8,494,092
China Vanke Co Ltd	6,949,607	3,368,382	–	5,769,697	4,548,292
China Yangtze Power Co Ltd	6,735,906	3,482,715	–	4,043,300	6,175,321
Chinese Universe Publishing and Media Co Ltd	562,523	295,294	–	339,500	518,317
Chongqing Changan Automobile Co Ltd	1,990,901	1,040,204	–	1,207,083	1,824,022
Chongqing Sokon Industry Group Co Ltd	182,087	82,400	–	264,487	–
Chongqing Zhifei Biological Products Co Ltd	–	445,000	–	–	445,000
CITIC Guoan Information Industry Co Ltd	2,800,150	1,464,500	–	1,695,100	2,569,550
CITIC Heavy Industries Co Ltd	1,328,610	1,005,850	–	709,548	1,624,912
CITIC Securities Co Ltd	8,032,846	4,159,349	–	4,820,900	7,371,295
COFCO Tunhe Sugar Co Ltd	1,049,000	447,355	–	1,496,355	–
COSCO Shipping Holdings Co Ltd	3,896,100	1,528,970	–	1,852,400	3,572,670
COSCO Shipping Development Co Ltd	3,238,217	1,668,500	–	1,943,300	2,963,417
CRRC Corp Ltd	9,356,143	5,469,965	–	7,991,200	6,834,908
CSSC Offshore and Marine Engineering Group Co Ltd	334,800	146,572	–	177,100	304,272

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Daqin Railway Co Ltd	6,069,223	3,147,800	–	3,647,300	5,569,723
Datang International Power Generation Co Ltd	–	2,803,800	–	–	2,803,800
DHC Software Co Ltd	960,952	741,296	953,648	888,600	1,767,296
Digital China Information Service Co Ltd	279,450	91,024	–	370,474	–
Dong-E-E-Jiao Co Ltd	533,881	298,870	–	338,400	494,351
Dongfang Electric Corp Ltd	1,284,767	215,531	–	1,500,298	–
Dongxing Securities Co Ltd	1,125,830	591,000	–	679,600	1,037,230
Dongxu Optoelectronic Technology Co Ltd	1,914,716	3,169,572	–	1,484,200	3,600,088
Dr Peng Telecom & Media Group Co Ltd	1,154,635	831,901	–	652,500	1,334,036
East Money Information Co Ltd	2,178,551	1,703,819	382,790	1,451,300	2,813,860
Eternal Asia Supply Chain Management Ltd	1,499,100	539,105	–	2,038,205	–
Everbright Securities Co Ltd	1,991,551	1,039,685	–	1,204,700	1,826,536
FAW CAR Co Ltd	828,915	162,506	–	991,421	–
Fiberhome Telecommunication Technologies Co Ltd	533,449	330,224	–	340,500	523,173
Financial Street Holdings Co Ltd	1,222,029	633,661	–	739,700	1,115,990
First Capital Securities Co Ltd	246,081	1,725,000	147,768	149,900	1,968,949
Focus Media Information Technology Co Ltd	624,700	4,197,428	532,672	780,200	4,574,600
Founder Securities Co Ltd	4,200,114	2,172,092	–	2,524,499	3,847,707
Fujian Sunner Development Co Ltd	453,884	173,400	–	627,284	–
Future Land Holdings Co Ltd	921,890	491,942	–	563,100	850,732
Fuyao Glass Industry Group Co Ltd	1,430,624	749,967	–	872,400	1,308,191
Ganfeng Lithium Co Ltd	–	483,361	–	–	483,361
GD Power Development Co Ltd	12,032,485	3,932,143	–	4,920,200	11,044,428
Gemdale Corp	2,296,855	1,181,795	–	1,360,800	2,117,850
GF Securities Co Ltd	3,020,957	1,575,910	–	1,815,700	2,781,167
Giant Network Group Co Ltd	–	603,212	37,820	74,900	566,132
GoerTek Inc	934,843	1,067,560	820,343	1,001,500	1,821,246
Great Wall Motor Co Ltd	1,229,932	635,273	–	740,700	1,124,505
Gree Electric Appliances Inc of Zhuhai	4,911,968	2,544,807	–	2,950,800	4,505,975
Greenland Holdings Corp Ltd	2,477,120	2,882,375	–	1,941,000	3,418,495
GRG Banking Equipment Co Ltd	827,100	431,042	444,084	1,702,226	–
Guangdong Golden Dragon Development Inc	456,850	80,700	–	537,550	–
Guanghui Energy Co Ltd	3,197,701	1,397,723	–	4,595,424	–
Guangshen Railway Co Ltd	3,461,288	1,800,698	–	2,095,000	3,166,986
Guangxi Wuzhou Zhongheng Group Co Ltd	2,837,175	588,526	–	3,425,701	–

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	573,910	247,117	–	276,600	544,427
Guangzhou Haige Communications Group Inc Co	1,751,655	881,932	–	1,123,500	1,510,087
Guangzhou Port Company Limited	–	698,100	–	–	698,100
Guangzhou Shiyuan Electronics Co Ltd	–	125,628	–	74,900	50,728
Guizhou Bailing Group Pharmaceutical Co Ltd	432,300	197,742	–	236,900	393,142
Guosen Securities Co Ltd	2,508,945	1,287,326	–	1,489,400	2,306,871
Guotai Junan Securities Co Ltd	4,662,522	2,336,503	–	3,474,300	3,524,725
Guoxuan High-Tech Co Ltd	447,575	355,245	144,276	313,200	633,896
Guoyuan Securities Co Ltd	1,203,020	1,107,948	596,310	1,009,650	1,897,628
Hainan Airlines Holding Co Ltd	6,710,357	7,918,473	–	3,855,100	10,773,730
Haitong Securities Co Ltd	8,259,243	4,267,664	–	4,950,850	7,576,057
Hangzhou Hikvision Digital Technology Co Ltd	1,868,367	2,537,042	926,833	1,878,782	3,453,460
Hangzhou Robam Appliances Co Ltd	–	678,327	–	229,900	448,427
Han's Laser Technology Industry Group Co Ltd	870,246	479,801	–	554,300	795,747
Henan Shuanghui Investment & Development Co Ltd	1,010,903	492,917	–	579,353	924,467
Hesteel Co Ltd	4,334,046	2,230,782	–	2,578,600	3,986,228
Hisense Electric Co Ltd	801,807	329,479	–	1,131,286	–
Hithink RoyalFlush Information Network Co Ltd	219,600	99,500	–	119,600	199,500
Huaan Securities Co Ltd	–	1,488,700	–	465,800	1,022,900
Huadong Medicine Co Ltd	248,234	228,001	239,534	263,400	452,369
Hualan Biological Engineering Inc	569,561	295,367	–	340,800	524,128
Huaneng Power International Inc	–	3,931,262	–	–	3,931,262
Huatai Securities Co Ltd	3,333,138	1,740,985	–	2,015,361	3,058,762
Huaxia Bank Co Ltd	5,452,974	3,123,948	1,158,395	3,726,499	6,008,818
Huayi Brothers Media Corp	1,705,944	885,269	–	1,028,138	1,563,075
Huayu Automotive Systems Co Ltd	1,286,863	1,061,441	–	875,500	1,472,804
Hubei Biocause Pharmaceutical Co Ltd	1,303,700	884,564	–	806,600	1,381,664
Hunan TV & Broadcast Intermediary Co Ltd	1,157,482	494,400	–	1,651,882	–
Hundsun Technologies Inc	504,106	301,358	–	335,700	469,764
Iflytek Co Ltd	933,820	533,266	–	557,700	909,386
Industrial & Commercial Bank of China Ltd	22,020,403	11,413,138	–	13,234,50	20,199,041
Industrial Bank Co Ltd	13,611,134	6,640,141	–	8,576,700	11,674,575
Industrial Securities Co Ltd	4,783,580	2,484,954	–	2,925,703	4,342,831

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Inner Mongolia BaoTou Steel Union Co Ltd	9,967,452	6,471,240	4,120,581	7,748,800	12,810,473
Inner Mongolia Junzheng Energy & Chemical Industry Group Co Ltd	2,583,276	2,160,800	–	1,866,100	2,877,976
Inner Mongolia Yili Industrial Group Co Ltd	6,189,838	3,186,115	–	3,677,900	5,698,053
Inspur Electronic Information Industry Co Ltd	612,100	254,866	182,329	1,049,295	–
Jiangsu Bicon Pharmaceutical Listed Co	–	622,050	–	328,622	293,428
Jiangsu Broadcasting Cable Information Network Corp Ltd	1,582,190	524,630	–	653,140	1,453,680
Jiangsu Hengrui Medicine Co Ltd	1,437,115	849,204	297,595	997,900	1,586,014
Jiangsu Phoenix Publishing & Media Corp Ltd	779,310	154,800	–	934,110	–
Jiangsu Protruly Vision Technology Group Co Ltd	995,400	250,500	–	292,300	953,600
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	615,371	295,337	–	348,482	562,226
Jiangsu Zhangjiagang Rural Commercial Bank Co Ltd	–	265,200	–	79,800	185,400
Jiangsu Zhongnan Construction Group Co Ltd	–	2,187,285	–	449,400	1,737,885
Jiangsu Zhongtian Technology Co Ltd	–	2,912,913	–	905,750	2,007,163
Jiangxi Copper Co Ltd	846,400	734,817	–	608,000	973,217
Jihua Group Corp Ltd	1,573,749	694,600	–	1,039,200	1,229,149
Jilin Aodong Pharmaceutical Group Co Ltd	730,149	448,713	230,055	535,300	873,617
Jinduicheng Molybdenum Co Ltd	988,103	511,741	–	594,000	905,844
Juneyao Airlines Co Ltd	262,312	46,600	–	308,912	–
Kangde Xin Composite Material Group Co Ltd	2,517,123	1,062,027	–	1,596,300	1,982,850
Kangmei Pharmaceutical Co Ltd	3,029,828	1,564,101	–	1,817,200	2,776,729
Kingenta Ecological Engineering Group Co Ltd	1,601,420	699,100	–	769,200	1,531,320
Kweichow Moutai Co Ltd	512,537	294,929	–	333,200	474,266
Leo Group Co Ltd	656,325	926,110	2,098,837	3,681,272	–
Lepu Medical Technology Beijing Co Ltd	–	1,004,600	–	–	1,004,600
Leshi Internet Information & Technology Corp Beijing	978,400	236,300	1,063,300	151,400	2,126,600
Liaoning Cheng Da Co Ltd	1,248,617	661,846	–	770,393	1,140,070
Lomon Billions Group Co Ltd	–	568,100	–	–	568,100
Longi Green Energy Technology Co Ltd	–	1,303,915	–	–	1,303,915
Luxin Venture Capital Group Co Ltd	303,564	77,302	–	380,866	–

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Luxshare Precision Industry Co Ltd	865,161	846,741	465,025	695,389	1,481,538
Luzhou Laojiao Co Ltd	715,420	410,898	–	437,400	688,918
MeiHua Holdings Group Co Ltd	1,903,406	387,000	–	2,290,406	–
Meinian Onehealth Healthcare Holding Co Ltd	–	1,626,210	–	658,500	967,710
Metallurgical Corp of China Ltd	4,971,429	3,313,934	–	3,269,100	5,016,263
Midea Group Co Ltd	4,586,589	2,387,318	–	2,714,231	4,259,676
Minmetals Capital Company Limited	–	319,900	–	–	319,900
Muyuan Foodstuff Co Ltd	422,155	196,880	–	290,500	328,535
Nanjing Xinjiekou Department Store Co Ltd	–	549,500	–	136,200	413,300
NARI Technology Co Ltd	1,480,864	724,600	–	634,000	1,571,464
Neusoft Corp	1,016,846	419,184	–	1,436,030	–
New China Life Insurance Co Ltd	850,848	446,333	–	521,500	775,681
New Hope Liuhe Co Ltd	2,127,644	1,116,903	–	1,270,000	1,974,547
Ningbo Zhoushan Port Co Ltd	4,031,845	2,097,119	–	2,421,200	3,707,764
Northeast Securities Co Ltd	1,432,810	752,388	–	874,750	1,310,448
Offshore Oil Engineering Co Ltd	2,256,130	1,166,402	–	1,356,400	2,066,132
Oppein Home Group Inc	–	52,000	–	–	52,000
Orient Securities Co Ltd	3,176,091	1,658,289	–	1,922,400	2,911,980
Ourpalm Co Ltd	1,979,650	929,500	–	846,000	2,063,150
Pacific Securities Co Ltd	6,955,231	3,615,700	–	4,184,400	6,386,531
Pang Da Automobile Trade Co Ltd	4,768,048	970,900	–	5,738,948	–
People.cn Co Ltd	564,222	116,100	–	680,322	–
Perfect World Co Ltd	–	368,404	–	–	368,404
PetroChina Co Ltd	4,957,738	3,975,127	–	2,864,000	6,068,865
Ping An Bank Co Ltd	8,758,127	4,552,920	–	5,266,200	8,044,847
Ping An Insurance Group Co of China Ltd	11,056,027	5,719,219	–	6,637,000	10,138,246
Poly Real Estate Group Co Ltd	7,261,018	3,758,916	–	4,357,500	6,662,434
Power Construction Corp of China Ltd	4,210,433	2,748,039	–	2,658,600	4,299,872
Qingdao Haier Co Ltd	3,111,065	1,602,701	–	1,856,680	2,857,086
Qinghai Salt Lake Industry Co Ltd	758,292	764,090	496,058	723,300	1,295,140
RiseSun Real Estate Development Co Ltd	1,331,310	1,251,447	–	954,800	1,627,957
S F Holding Co Ltd	–	287,300	–	83,100	204,200
SAIC Motor Corp Ltd	3,376,043	1,975,768	–	2,073,500	3,278,311
Sainty Marine Corporation Ltd	–	619,200	–	–	619,200
Sanan Optoelectronics Co Ltd	2,081,201	1,588,507	–	1,373,900	2,295,808
Sany Heavy Industry Co Ltd	3,885,256	2,672,133	–	2,255,080	4,302,309
SDIC Essence Holdings Co Ltd	1,131,049	569,800	–	904,600	796,249
SDIC Power Holdings Co Ltd	4,154,509	2,154,301	–	2,498,940	3,809,870
Sealand Securities Co Ltd	3,033,960	1,556,895	–	1,832,800	2,758,055
Searainbow Holding Corp	733,757	132,000	–	188,200	677,557

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Shaanxi Coal Industry Co Ltd	2,040,177	3,242,874	–	1,534,300	3,748,751
Shandong Buchang Pharmaceuticals Co Ltd	–	155,073	–	74,900	80,173
Shandong Gold Mining Co Ltd	758,182	391,548	–	451,900	697,830
Shandong Linglong Tyre Co Ltd	–	527,200	–	74,900	452,300
Shandong Nanshan Aluminium Co Ltd	–	5,197,500	–	–	5,197,500
Shanghai 2345 Network Holding Group Co Ltd	985,920	1,089,845	606,704	2,682,469	–
Shanghai Bailian Group Co Ltd	818,970	394,444	–	465,000	748,414
Shanghai Bairun Investment Holding Group Co Ltd	182,900	38,633	–	221,533	–
Shanghai Construction Group Co Ltd	3,636,017	2,328,800	686,777	2,481,500	4,170,094
Shanghai Electric Group Co Ltd	3,441,580	1,838,330	–	1,973,500	3,306,410
Shanghai Electric Power Co Ltd	868,890	559,245	–	527,860	900,275
Shanghai Fosun Pharmaceutical Group Co Ltd	1,028,175	494,646	–	584,900	937,921
Shanghai International Airport Co Ltd	983,470	492,139	–	573,800	901,809
Shanghai International Port Group Co Ltd	3,310,361	1,636,457	–	2,121,700	2,825,118
Shanghai Jinjiang International Hotels Development Co Ltd	163,513	38,573	–	202,086	–
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd	748,253	393,779	–	452,281	689,751
Shanghai Oriental Pearl Media Co Ltd	1,340,350	689,111	–	790,500	1,238,961
Shanghai Pharmaceuticals Holding Co Ltd	1,177,691	590,674	–	688,000	1,080,365
Shanghai Pudong Development Bank Co Ltd	8,825,394	5,701,607	2,640,428	6,174,361	10,993,068
Shanghai RAAS Blood Products Co Ltd	1,014,551	739,400	–	353,800	1,400,151
Shanghai SMI Holding Co Ltd	1,604,960	640,566	(348,860)	715,900	1,180,766
Shanghai Tunnel Engineering Co Ltd	1,925,000	985,700	–	1,141,200	1,769,500
Shanghai Waigaoqiao Free Trade Zone Group Co Ltd	381,577	73,776	–	455,353	–
Shanghai Zhangjiang High-Tech Park Development Co Ltd	790,444	393,901	–	459,700	724,645
Shanxi Meijin Energy Co Ltd	–	1,147,300	–	–	1,147,300
Shanxi Securities Co Ltd	1,154,912	1,338,392	–	901,300	1,592,004
Shanxi Xishan Coal & Electricity Power Co Ltd	1,608,529	832,423	–	968,800	1,472,152
Shenwan Hongyuan Group Co Ltd	6,190,311	3,008,249	–	3,561,390	5,637,170
Shenzhen Agricultural Products Co Ltd	692,858	147,800	–	840,658	–
Shenzhen Energy Group Co Ltd	1,213,385	242,878	–	1,456,263	–
Shenzhen Huiding Technology Co Ltd	–	129,700	–	74,900	54,800

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Shenzhen Infogem Technologies Co Ltd	280,300	57,100	–	337,400	–
Shenzhen Inovance Technology Co Ltd	982,381	518,981	–	569,002	932,360
Shenzhen Kingdom Sci-Tech Co Ltd	511,100	247,200	–	758,300	–
Shenzhen O-film Tech Co Ltd	776,124	752,503	1,167,042	914,150	1,781,519
Shenzhen Overseas Chinese Town Co Ltd	3,349,645	1,741,821	–	2,019,071	3,072,395
Shenzhen Salubris Pharmaceuticals Co Ltd	–	389,000	–	–	389,000
Shenzhen Sunway Communication Co Ltd	–	734,776	–	–	734,776
Shenzhen Yuto Packaging Technology Co Ltd	–	128,500	–	74,900	53,600
Shenzhen Zhongjin Lingnan Nonfemet Co Ltd	1,580,218	992,767	–	1,007,700	1,565,285
Siasun Robot & Automation Co Ltd	1,114,539	590,986	–	677,700	1,027,825
Sichuan Changhong Electric Co Ltd	3,767,478	786,800	–	4,554,278	–
Sichuan Chuantou Energy Co Ltd	2,246,225	1,177,890	–	1,358,200	2,065,915
Sinolink Securities Co Ltd	2,160,042	1,120,766	–	1,298,600	1,982,208
Sinopec Oilfield Service Corp	1,843,500	790,300	–	948,600	1,685,200
Sinopec Shanghai Petrochemical Co Ltd	2,236,514	1,109,953	–	1,969,500	1,376,967
Songcheng Performance Development Co Ltd	593,089	499,055	–	408,400	683,744
SooChow Securities Co Ltd	2,143,160	1,490,844	–	1,378,700	2,255,304
Southwest Securities Co Ltd	2,879,717	1,513,700	–	1,745,600	2,647,817
Spring Airlines Co Ltd	245,344	102,908	–	127,400	220,852
Sto Express Co Ltd	–	289,196	–	–	289,196
Suning Commerce Group Co Ltd	3,800,479	1,962,079	–	2,273,700	3,488,858
Suning Universal Co Ltd	1,237,800	907,580	–	2,145,380	–
Sunshine City Group Co Ltd	1,651,940	813,400	–	953,600	1,511,740
Suofeiya Home Collection Co Ltd	–	520,625	–	–	520,625
Suzhou Gold Mantis Construction Decoration Co Ltd	1,618,297	840,390	–	977,600	1,481,087
Suzhou Victory Precision Manufacture Co Ltd	1,745,800	476,700	–	295,432	1,927,068
Tasly Pharmaceutical Group Co Ltd	661,195	341,257	–	401,400	601,052
TBEA Co Ltd	3,308,599	1,872,675	534,421	2,239,021	3,476,674
TCL Corp	7,475,253	3,526,900	–	3,410,100	7,592,053
Tian Di Science & Technology Co Ltd	1,689,900	348,224	–	2,038,124	–
Tianjin Zhonghuan Semiconductor Co Ltd	1,602,186	–	–	1,602,186	–
Tianqi Lithium Corp	609,035	307,038	76,300	347,400	644,973
Tonghua Dongbao Pharmaceutical Co Ltd	1,016,186	197,313	218,499	1,431,998	–

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Tongling Nonferrous Metals Group Co Ltd	6,829,087	3,342,800	–	4,254,200	5,917,687
Triangle Tyre Co Ltd	–	334,300	–	113,600	220,700
Tsinghua Tongfang Co Ltd	1,814,584	372,400	–	525,800	1,661,184
Tsinghua Unisplendour Co Ltd	148,700	100,711	–	108,900	140,511
Tus-Sound Environmental Resources Co Ltd	522,903	295,373	–	334,298	483,978
Unigroup Guoxin Co Ltd	371,424	88,665	–	460,089	–
Wanda Film Holding Co Ltd	479,005	143,706	–	105,800	516,911
Wangsu Science & Technology Co Ltd	483,054	756,066	830,426	724,090	1,345,456
Wanhua Chemical Group Co Ltd	1,103,317	604,028	230,539	720,000	1,217,884
Wanxiang Qianchao Co Ltd	1,170,951	682,378	216,250	783,096	1,286,483
Wasu Media Holding Co Ltd	584,852	247,030	–	831,882	–
Weichai Power Co Ltd	2,471,934	1,911,638	2,343,437	2,194,700	4,532,309
Western Securities Co Ltd	1,426,154	900,529	322,443	1,011,300	1,637,826
Wintime Energy Co Ltd	5,070,389	2,212,715	–	2,738,100	4,545,004
Wonders Information Co Ltd	730,715	318,990	–	1,049,705	–
Wuchan Zhongda Group Co Ltd	1,172,280	793,400	601,190	953,100	1,613,770
Wuhan Iron & Steel Co Ltd	5,150,080	110,700	(5,076,480)	184,300	–
Wuhu Shunrong Sanqi Interactive Entertainment Network Technology Co Ltd	–	549,900	–	243,000	306,900
Wuliangye Yibin Co Ltd	1,937,614	984,507	–	1,142,800	1,779,321
XCMG Construction Machinery Co Ltd	4,274,039	2,216,500	–	2,555,900	3,934,639
Xiamen C & D Inc	1,737,121	811,972	–	1,226,500	1,322,593
Xiamen Tungsten Co Ltd	–	625,398	–	222,600	402,798
Xinhu Zhongbao Co Ltd	3,509,416	2,924,540	–	2,397,900	4,036,056
Xinjiang Goldwind Science & Technology Co Ltd	1,598,609	934,285	417,036	1,041,790	1,908,140
Xinxing Ductile Iron Pipes Co Ltd	2,230,771	410,300	–	2,641,071	–
Yanzhou Coal Mining Co Ltd	392,747	197,000	–	229,400	360,347
Yingkou Port Liability Co Ltd	–	–	–	–	–
Yonghui Superstores Co Ltd	3,905,924	2,017,971	–	2,341,798	3,582,097
Yonyou Network Technology Co Ltd	747,163	393,938	–	452,500	688,601
Youngor Group Co Ltd	1,567,152	1,291,728	642,568	1,154,500	2,346,948
Youzu Interactive Co Ltd	351,400	266,497	–	218,500	399,397
Yto Express Group Co Ltd	–	471,700	–	150,400	321,300
Yunnan Baiyao Group Co Ltd	627,550	292,061	–	427,300	492,311
Zhangzhou Pientzehuang Pharmaceutical Co Ltd	–	439,250	–	149,800	289,450
Zhejiang Century Huatong Group Co Ltd	–	447,700	–	152,800	294,900
Zhejiang China Commodities City Group Co Ltd	2,777,329	1,454,948	–	1,682,746	2,549,531
Zhejiang Chint Electrics Co Ltd	403,956	241,758	–	246,700	399,014
Zhejiang Dahua Technology Co Ltd	1,479,437	1,022,744	–	874,292	1,627,889

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MOVEMENTS IN INVESTMENT PORTFOLIO (continued)

Year ended 31 December 2017

INVESTMENTS (continued)	Holdings as at 1 January 2017	Additions	Corporate Actions	Disposals	Holdings as at 31 December 2017
<u>Financial assets at fair value through profit or loss (continued)</u>					
Listed securities (continued)					
Zhejiang Huace Film & TV Co Ltd	712,857	329,564	–	1,042,421	–
Zhejiang Huayou Cobalt Co Ltd	–	284,900	–	–	284,900
Zhejiang Longsheng Group Co Ltd	2,323,341	1,184,276	–	1,372,587	2,135,030
Zhejiang Wanfeng Auto Wheel Co Ltd	929,631	202,027	185,391	1,317,049	–
Zhejiang Zheneng Electric Power Co Ltd	4,163,060	2,158,071	–	2,498,246	3,822,885
Zhengzhou Yutong Bus Co Ltd	1,356,209	689,239	–	800,097	1,245,351
Zheshang Securities Co Ltd	–	344,800	–	–	344,800
Zhongjin Gold Corp Ltd	1,761,717	900,256	–	1,045,726	1,616,247
Zhongtian Financial Group Co Ltd	2,937,661	882,373	–	1,304,600	2,515,434
Zijin Mining Group Co Ltd	11,287,654	5,613,839	–	7,187,200	9,714,293
Zoomlion Heavy Industry Science and Technology Co Ltd	4,483,724	2,318,831	–	2,720,500	4,082,055
ZTE Corp	2,428,008	1,264,057	–	1,470,300	2,221,765

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PERFORMANCE RECORD

Year ended 31 December 2017

1. NET ASSET VALUE (calculated in accordance with the Sub-Fund's Trust Deed)

	Net assets attributable to unitholders RMB	Net asset value per unit RMB
As at:		
31 December 2017	11,093,007,702	41.1309
31 December 2016	9,475,920,908	33.8365
31 December 2015	10,233,734,995	38.0083

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT^A

	Highest issue unit price RMB	Lowest redemption unit price RMB
During the year/period ended:		
31 December 2017	43.1972	33.9102
31 December 2016	36.5111	29.1665
31 December 2015	53.7690	30.5877
31 December 2014	35.3314	21.0387
31 December 2013	27.1919	21.6261
31 December 2012 ^B	24.9664	21.1203

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

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:

	The Index (since 16 July 2012)	RMB counter of the Sub-Fund (since 17 July 2012)	HKD counter of the Sub-Fund (since 26 October 2012)
During the year/period ended:			
31 December 2017 ^B	88.27%	70.04%	75.49%
31 December 2016	37.94%	39.88%	33.75%
31 December 2015	55.48%	57.44%	59.33%
31 December 2014	47.25%	41.94%	52.57%
31 December 2013	-2.90%	-4.96%	4.44%
31 December 2012 ^C	5.13%	4.13%	11.72%

^A Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^B With effect from 25 April 2017, China Asset Management Co., Ltd ceased to be the investment adviser of the Fund. The performance of the Fund prior to 25 April 2017 was achieved under circumstances that no longer apply.

^C The financial period of the Sub-Fund extended from 11 July 2012 (date of inception) to 31 December 2012.

