

BOCOM INTERNATIONAL CHINA DYNAMIC FUND
(A sub-fund of BOCOM International Fund)

SEMI-ANNUAL REPORT (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2018

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MANAGEMENT AND ADMINISTRATION

Manager

BOCOM International Asset Management Limited
9/F, Man Yee Building
68 Des Voeux Road Central
Central
Hong Kong

Directors of the Manager

TAN Yueheng
LI Ying
CHENG Chuange

Trustee and Registrar

Bank of Communications Trustee Limited
1/F, Far East Consortium Building
121 Des Voeux Road Central
Central
Hong Kong

PRC Custodian

HSBC Bank (China) Company Limited
33/F, HSBC Building, Shanghai ifc
8 Century Avenue, Pudong
Shanghai

Legal Counsel to the Manager

Deacons
5/F, Alexandra House
18 Chater Road
Central
Hong Kong

Auditor

PricewaterhouseCoopers
21/F, Edinburgh Tower
15 Queen's Road
Central
Hong Kong

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REPORT OF THE MANAGER TO THE UNITHOLDERS

The A-share market under-performance in 1H2018 can be attributed to two main factors: 1) the United States entered an interest rate hike cycle, which caused wide concern about the emerging market's debt problems. In order to ease the debt risk, China has to take the action of De-leveraging, which tightens the liquidity of the equity market. Meanwhile, 2) Owing to the trade war between China and the US, people worried about the huge negative impact on the economy and chose to reduce the position in the equity market, even the Blue chips with good performance have been affected. And market valuations have come close to the historical bottom.

In 1H2018, the Fund preferred to select stocks from constituent stocks of the CSI 300 Index. As of June 30, 2018, the Fund's RMB R-class and I-class respectively decreased by 16.6% and 16.5% YTD, underperforming the CSI 300 Index, which decreased by 12.9% during the same period

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STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2018

	30 Jun 2018 RMB	31 Dec 2017 RMB
Non-Current Assets		
Deposit reserve	224,000	224,000
Assets		
Financial assets at fair value through profit or loss	31,825,012	39,072,994
Interest receivable	34,658	35,392
Amounts due from brokers	377,521	1,464,961
Cash and cash equivalents	7,152,129	6,474,073
Total assets	39,613,320	47,271,420
Liabilities		
Amounts due to brokers	1,740,900	1,632,472
Management fee payable	42,141	49,355
Trustee fee payable	61,151	63,189
Sub-custodian fee payable	3,258	3,813
Preliminary expenses payable	54,688	52,473
Provision for tax	23,917	23,917
Accrued expenses and other payables	134,642	235,666
Total liabilities (excluding net assets attributable to unitholder)	2,060,697	2,060,885
Net assets attributable to unitholders (after amortization of establishment costs)	37,552,623	45,210,535
Represented by:		
Net assets attributable to unitholders (before amortization of establishment costs)	37,634,542	45,328,183
Adjustment for different basis adopted by the Sub-Fund in arriving at net asset attributable to unitholder	(81,919)	(117,648)
Net assets per class		
Class I	25,877,846	30,995,843
Class R	11,756,696	14,332,340
Number of units outstanding		
Class I	2,100,000.000	2,100,000.000
Class R	965,184.939	980,891.190
Net asset value per unit		
Class I	12.322	14.759
Class R	12.180	14.611

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INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 JUNE 2018

Investments (84.56%)	Holdings	Fair Value RMB	% of Net Asset
Debt securities (7.74%)			
Listed in China			
China Government Bond 4.26 07/31/2021	1,300,000	1,328,600	3.53%
China Government Bond 3.40 04/17/2023	1,600,000	1,586,560	4.21%
		2,915,160	7.74%
Equity securities (76.82%)			
Listed in China			
Midea Group Co Ltd	47,000	2,454,340	6.52%
Weichai Power Co Ltd	75,000	656,250	1.74%
Gree Electric Appliances Inc of Zhuhai	42,500	2,003,875	5.32%
Hengyi Petrochemical Co Ltd	50,000	744,000	1.98%
Huadong Medicine Co Ltd	12,000	579,000	1.54%
East Money Information Co Ltd	120,000	1,581,600	4.20%
Beijing Thunisoft Corp Ltd	23,000	406,640	1.08%
Baoshan Iron & Steel Co Ltd	65,000	506,350	1.35%
CITIC Securities Co Ltd	35,000	579,950	1.54%
Sany Heavy Industry Co Ltd	85,000	762,450	2.03%
China Merchants Bank Co Ltd	34,000	898,960	2.39%
BTG Hotels Group Co Ltd	40,500	1,100,385	2.92%
Jiangsu Hengrui Medicine Co Ltd	29,550	2,238,708	5.95%
Nanjing Iron & Steel Co Ltd	127,000	561,340	1.49%
Kweichow Moutai Co Ltd	3,100	2,267,526	6.03%
Anhui Conch Cement Co Ltd	24,000	803,520	2.14%
Zhejiang Xinan Chemical Industrial Group Co Ltd	45,937	742,801	1.97%
Xinyu Iron & Steel Co Ltd	123,000	686,340	1.82%
Huaxin Cement Co Ltd	37,500	563,625	1.50%
Inner Mongolia Yili Industrial Group Co Ltd	19,500	544,050	1.45%
China Yangtze Power Co Ltd	40,000	645,600	1.72%
Daqin Railway Co Ltd	50,000	410,500	1.09%
Industrial Bank Co Ltd	50,000	720,000	1.91%
Shaanxi Coal Industry Co Ltd	48,000	394,560	1.05%
Agricultural Bank of China Ltd	150,000	516,000	1.37%
Ping An Insurance Group Co of China Ltd	38,000	2,226,040	5.91%
Industrial & Commercial Bank of China Ltd	70,000	372,400	0.99%
China State Construction Engineering Corp Ltd	196,700	1,073,982	2.85%

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INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 JUNE 2018

Investments (84.56%) (Continued)	Holdings	Fair Value RMB	% of Net Asset
Equity securities (76.82%) (Continued)			
Listed in China (Continued)			
Huatai Securities Co Ltd	40,000	598,800	1.59%
Hoshine Silicon Industry Co Ltd	18,000	1,270,260	3.38%
		<u>28,909,852</u>	<u>76.82%</u>
Total investments		<u>31,825,012</u>	<u>84.56%</u>
Other net assets		<u>5,809,530</u>	<u>15.44%</u>
Total net assets as at 30 June 2018 (before amortization of establishment costs)		<u><u>37,634,542</u></u>	<u><u>100.00%</u></u>
Total investments at cost		<u><u>30,545,959</u></u>	

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2018

Investments	31 December	Holdings		30 June
	2017	Additions	Disposals	2018
Ping An Bank Co Ltd	148,000	105,000	253,000	
Tianma Microelectronics Co Ltd		24,000	24,000	
ZTE Corp		52,000	52,000	
Midea Group Co Ltd	35,000	12,000		47,000
Weichai Power Co Ltd		75,000		75,000
Shandong Chenming Paper Holdings Ltd		70,000	70,000	
Livzon Pharmaceutical Group Inc	7,000	25,371	32,371	
Yunnan Baiyao Group Co Ltd	7,000	4,000	11,000	
Gree Electric Appliances Inc of Zhuhai		42,500		42,500
Hengyi Petrochemical Co Ltd		50,000		50,000
Beijing New Building Materials PLC		20,000	20,000	
Yunnan Aluminium Co Ltd	22,000		22,000	
Luxi Chemical Group Co Ltd		45,000	45,000	
Wuliangye Yibin Co Ltd		30,000	30,000	
Henan Shenhua Coal & Power Co Ltd	23,000	80,000	103,000	
Huadong Medicine Co Ltd		48,000	36,000	12,000
Zhejiang NHU Co Ltd		11,900	11,900	
Han's Laser Technology Industry Group Co Ltd		24,000	24,000	
Unigroup Guoxin Microelectronics Co Ltd		3,500	3,500	
DHC Software Co Ltd		22,000	22,000	
Zhejiang Dahua Technology Co Ltd		30,000	30,000	
Jiangsu Nhwa Pharmaceutical Co Ltd		116,600	116,600	
Shenzhen Salubris Pharmaceuticals Co Ltd	10,000	13,952	23,952	
Guangdong Haid Group Co Ltd		27,926	27,926	
Guangdong Zhongsheng Pharmaceutical Co Ltd		20,000	20,000	
NAURA Technology Group Co Ltd		3,500	3,500	
Glodon Co Ltd		30,000	30,000	
Hangzhou Hikvision Digital Technology Co Ltd		10,000	10,000	
Sichuan Kelun Pharmaceutical Co Ltd		14,000	14,000	
Jiangxi Ganfeng Lithium Co Ltd		11,000	11,000	
Tianqi Lithium Corp		15,000	15,000	
Luxshare Precision Industry Co Ltd		25,000	25,000	
Rongsheng Petro Chemical Co Ltd		23,000	23,000	
Suofeiya Home Collection Co Ltd		11,000	11,000	
Zhejiang Satellite Petrochemical Co Ltd		23,000	23,000	
Yunnan Hongxiang Yixintang Pharmaceutical Co Ltd		6,500	6,500	
Sunflower Pharmaceutical Group Co Ltd		20,000	20,000	
Asymchem Laboratories Tianjin Co Ltd		5,500	5,500	
Xiamen Intretech Inc		21,000	21,000	
Lepu Medical Technology Beijing Co Ltd		12,000	12,000	
East Money Information Co Ltd		329,000	209,000	120,000
Beijing Originwater Technology Co Ltd		25,000	25,000	
Hebei Jianxin Chemical Co Ltd		30,000	30,000	
Shenzhen Inovance Technology Co Ltd		12,000	12,000	
Zhejiang Huace Film & TV Co Ltd		35,000	35,000	
Shenzhen Sunway Communication Co Ltd		70,000	70,000	

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FOR THE SIX MONTHS ENDED 30 JUNE 2018

Investments (Continued)	31 December	Holdings		30 June
	2017	Additions	Disposals	2018
Beijing Enlight Media Co Ltd		36,000	36,000	
Beijing Thunisoft Corp Ltd	45,000	88,000	110,000	23,000
Inner Mongolia M-Grass Ecology And Enviroment Group Co Ltd		50,000	50,000	
Zhejiang Wolwo Bio-Pharmaceutical Co Ltd		5,400	5,400	
Beijing Sinnet Technology Co Ltd		52,000	52,000	
Zhejiang Garden Bio-Chemical High-tech Co Ltd		14,000	14,000	
Lens Technology Co Ltd		16,000	16,000	
Wuxi Lead Intelligent Equipment Co Ltd		21,000	21,000	
Guangdong Wens Foodstuffs Group Co Ltd		54,000	54,000	
Guangzhou Baiyun International Airport Co Ltd	90,000	152,000	242,000	
Shanghai International Airport Co Ltd		12,000	12,000	
Baoshan Iron & Steel Co Ltd	80,000	410,000	425,000	65,000
China Petroleum & Chemical Corp	80,000	630,000	710,000	
China Southern Airlines Co Ltd		150,000	150,000	
CITIC Securities Co Ltd		209,000	174,000	35,000
Sany Heavy Industry Co Ltd	50,000	85,000	50,000	85,000
China Merchants Bank Co Ltd	64,000	116,000	146,000	34,000
AVIC Helicopter Co Ltd		4,000	4,000	
Poly Real Estate Group Co Ltd		217,000	217,000	
China United Network Communications Ltd		550,000	550,000	
China Meheco Co Ltd		46,000	46,000	
China Gezhouba Group Co Ltd	55,000	120,000	175,000	
SAIC Motor Corp Ltd		9,400	9,400	
China Northern Rare Earth Group High-Tech Co Ltd	97,000	12,000	109,000	
China Eastern Airlines Corp Ltd		145,000	145,000	
China Railway Tielong Container Logistics Co Ltd	45,000		45,000	
Zhejiang Juhua Co Ltd		26,000	26,000	
China Jushi Co Ltd	60,000		60,000	
Yanzhou Coal Mining Co Ltd		191,000	191,000	
Shanghai Fosun Pharmaceutical Group Co Ltd	40,000	118,000	158,000	
BTG Hotels Group Co Ltd		40,500		40,500
Jiangsu Hengrui Medicine Co Ltd	33,000	11,050	14,500	29,550
Nanjing Iron & Steel Co Ltd		127,000		127,000
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	13,994	40,000	53,994	
China Fortune Land Development Co Ltd		35,000	35,000	
Hengli Petrochemical Co Ltd		95,000	95,000	
Shenghe Resources Holding Co Ltd	70,000		70,000	
Tangshan Sanyou Chemical Industries Co Ltd		45,000	45,000	
Shandong Hualu Hengsheng Chemical Co Ltd		122,000	122,000	
Zhangzhou Pientzehuang Pharmaceutical Co Ltd		16,944	16,944	
Tongwei Co Ltd		35,000	35,000	
Fangda Special Steel Technology Co Ltd		15,000	15,000	
Fangda Carbon New Material Co Ltd	70,000	173,000	243,000	
Kweichow Moutai Co Ltd	3,600	600	1,100	3,100
Tasly Pharmaceutical Group Co Ltd		23,000	23,000	

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FOR THE SIX MONTHS ENDED 30 JUNE 2018

Investments (Continued)	31 December	Holdings		30 June
	2017	Additions	Disposals	2018
Shandong Gold Mining Co Ltd	30,000	81,901	111,901	
Hundsun Technologies Inc		22,000	22,000	
Jiangsu Changjiang Electronics Technology Co Ltd	20,000	30,000	50,000	
Anhui Conch Cement Co Ltd		77,000	53,000	24,000
Yonyou Network Technology Co Ltd		46,100	46,100	
Zhejiang Xinan Chemical Industrial Group Co Ltd		100,937	55,000	45,937
Qingdao Haier Co Ltd		50,000	50,000	
Shede Spirits Co Ltd		20,000	20,000	
Shanxi Coking Co Ltd		100,000	100,000	
Xinyu Iron & Steel Co Ltd		193,000	70,000	123,000
Huaxin Cement Co Ltd		37,500		37,500
Shanxi Xinghuacun Fen Wine Factory Co Ltd		11,000	11,000	
Shanghai Baosight Software Co Ltd		12,000	12,000	
Wangfujing Group Co Ltd		22,000	22,000	
Tonghua Dongbao Pharmaceutical Co Ltd		84,000	84,000	
Jonjee Hi-Tech Industrial And Commercial Holding Co Ltd		8,000	8,000	
Ningbo Shanshan Co Ltd		20,000	20,000	
Inner Mongolia Yili Industrial Group Co Ltd		19,500		19,500
China Yangtze Power Co Ltd		40,000		40,000
Inner Mongolia First Machinery Group Co Ltd		14,970	14,970	
Daqin Railway Co Ltd		110,000	60,000	50,000
China Shenhua Energy Co Ltd	50,000	90,000	140,000	
Air China Ltd		40,000	40,000	
China National Chemical Engineering Co Ltd		210,000	210,000	
Industrial Bank Co Ltd		96,000	46,000	50,000
Shaanxi Coal Industry Co Ltd		48,000		48,000
Tongkun Group Co Ltd		74,000	74,000	
Agricultural Bank of China Ltd		410,000	260,000	150,000
Ping An Insurance Group Co of China Ltd	19,000	52,000	33,000	38,000
Guangshen Railway Co Ltd	80,000		80,000	
New China Life Insurance Co Ltd		24,200	24,200	
China Railway Group Ltd		70,000	70,000	
Industrial & Commercial Bank of China Ltd	260,000	130,000	320,000	70,000
China Pacific Insurance Group Co Ltd		34,000	34,000	
Shanghai Pharmaceuticals Holding Co Ltd		20,000	20,000	
China State Construction Engineering Corp Ltd	100,000	336,700	240,000	196,700
Befar Group Co Ltd		30,000	30,000	
Huatai Securities Co Ltd		132,000	92,000	40,000
Shanxi Lu'an Environmental Energy Development Co Ltd		153,000	153,000	
CRRC Corp Ltd	144,000	60,000	204,000	
PetroChina Co Ltd		130,000	130,000	
Zhejiang Chint Electrics Co Ltd		15,000	15,000	
Zijin Mining Group Co Ltd		650,000	650,000	
Yonghui Superstores Co Ltd		125,000	125,000	
China Construction Bank Corp	235,960	100,000	335,960	

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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

Investments (Continued)	31 December	Holdings		30 June
	2017	Additions	Disposals	2018
China CITIC Bank Corp Ltd		130,000	130,000	
Hoshine Silicon Industry Co Ltd		33,000	15,000	18,000
China Molybdenum Co Ltd	100,000	200,000	300,000	
China Government Bond 4.26% 7/31/2021	1,300,000			1,300,000
China Government Bond 3.4% 4/17/2023	1,600,000			1,600,000