

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

**SEMI-ANNUAL REPORT (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

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

**Contents**

	Pages
Management and Administration	1
Report of the Manager to the Unitholders	2
Statement of Financial Position (Unaudited)	3
Statement of Comprehensive Income (Unaudited)	4
Statement of Changes in Net Assets Attributable to Unitholders (Unaudited)	5
Notes to the Financial Statements (Unaudited)	6 – 8
Investment Portfolio (Unaudited)	9 – 10
Statement of Movement in Portfolio Holdings (Unaudited)	11

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**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**

XI Xuanhua  
LI Wu

**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**

KPMG  
8th Floor, Prince's Building  
10 Chater Road, Central  
Hong Kong

## **BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

### **REPORT OF THE MANAGER TO THE UNITHOLDERS**

#### **Market Review**

The CSI 300 Index fell -8.3% during the first half of 2022, while ChiNext Index underperformed a lot which went down 15.4%. Affected by the US rate hike, unexpected Ukraine-Russia war in February and the following tight quarantine policy in Shanghai, the A-share market plummeted during the first four months. China relaxed the quarantine policy in late April and correspondingly, CSI 300 index rebounded sharply then. Energy sector went up 21.5% during the first half which was the only sector that achieved positive return. Property, consumer discretionary and materials sectors also outperformed which gained -2.16%, -3.57% and -6.78% respectively, and IT and healthcare sectors underperformed the most which gained -18.99% and -13.70% return respectively.

#### **Portfolio Review**

During the first half year ended 30 June 2022, the fund's Class R and Class I's return was -15.63% and -15.50% respectively, which underperformed the CSI 300 index. Looking forward to second half of 2022, we see both opportunities and risks. On one hand, US rate hike and energy shortage are expected to go on, and geopolitics will also continuously disturb global supply chain which may cause severe global recession. However, on the other hand, we also expect more stimulus policies in China including easier monetary policy and more infrastructure construction. During the second half of 2022, we shall keep the portfolio being of growth preference on the whole, and pay more attention to energy and new infrastructure related sectors.

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

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 30 JUNE 2022**

	<b>30 Jun</b>	<b>31 Dec</b>
	<b>2022</b>	<b>2021</b>
	<b>RMB</b>	<b>RMB</b>
<b>Non-Current Assets</b>		
Deposit reserve	21,420	24,332
<b>Current Assets</b>		
Financial assets at fair value through profit or loss	38,947,137	48,635,738
Interest receivable	22,557	22,893
Due from brokers	644,594	-
Prepayment	4,451	4,451
Cash and cash equivalents	2,238,569	2,612,063
<b>Total assets</b>	41,878,728	51,299,477
<b>Liabilities</b>		
Management fee payable	40,556	54,836
Trustee fee payable	61,151	63,189
Sub-custodian fee payable	3,220	4,362
Due to brokers	110,081	49,206
Accrued expenses and other payables	496,647	324,022
<b>Total liabilities (excluding net assets attributable to unitholders)</b>	711,655	495,615
Net assets attributable to unitholders	41,167,073	50,803,862

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

	Note	<b>For the six months ended 30 Jun 2022 RMB</b>	<b>For the six months ended 30 Jun 2021 RMB</b>
<b>Income</b>			
Interest income		6,060	4,708
Interest from financial assets at fair value through profit or loss		53,983	52,184
Dividend income		466,190	312,013
Net (losses)/gains on financial assets at fair value through profit or loss		(7,471,260)	2,630,991
Net foreign currency gains		-	1,078
Other income		-	93,871
<b>Total income</b>		<b>(6,945,027)</b>	<b>3,094,845</b>
<b>Expenses</b>			
Management fee	2(a)	254,207	308,067
Trustee fee	2(b)	368,943	368,943
Sub-custodian fee		18,486	23,768
Audit fee		85,423	85,423
Transaction costs		24,121	10,666
Bank charges		966	1,527
Other operating expenses		123,598	14,618
<b>Total operating expenses</b>		<b>875,744</b>	<b>813,012</b>
<b>(Loss)/Profit before tax</b>		<b>(7,820,771)</b>	<b>2,281,833</b>
Taxation		(47,212)	(31,643)
<b>(Decrease)/Increase in net assets attributable to unitholders from operations</b>		<b>(7,867,983)</b>	<b>2,250,190</b>

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

	Class R			Class I			Total
	Number of units	Net assets attributable to unitholders RMB	Net asset value per unit RMB	Number of units	Net assets attributable to unitholders RMB	Net asset value per unit RMB	Net assets attributable to unitholders RMB
<b>As at 1 January 2021</b>	463,898.056	9,051,234	19.511	2,100,000.000	41,763,988	19.887	50,815,222
Issuance of units	183,637.459	3,399,694		-	-		3,399,694
Redemption of units	(176,935.441)	(3,608,129)		-	-		(3,608,129)
Total comprehensive profit		672,003			1,578,187		2,250,190
<b>As at 30 June 2021</b>	<u>470,600.074</u>	<u>9,514,802</u>	20.218	<u>2,100,000.000</u>	<u>43,342,175</u>	20.639	<u>52,856,977</u>
<b>As at 1 January 2022</b>	505,759.733	9,686,188	19.151	2,100,000.000	41,117,674	19.579	50,803,862
Issuance of units	-	-		-	-		-
Redemption of units	(5,860.290)	(90,606)		(100,000.000)	(1,678,200)		(1,768,806)
Total comprehensive profit		(1,517,782)			(6,350,201)		(7,867,983)
<b>As at 30 June 2022</b>	<u>499,899.443</u>	<u>8,077,800</u>	16.158	<u>2,000,000.000</u>	<u>33,089,273</u>	16.544	<u>41,167,073</u>

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**1. Basis of preparation and accounting policies**

The unaudited interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

The accounting policies and methods of computation applied are consistent with those of the annual financial statements for the year ended 31 December 2021. Other amendments to HKFRS effective for the financial year ended 31 December 2022 are not expected to have a material impact on the fund.

**2. Transactions with the Trustee and its affiliates and the Manager and its connected persons**

Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the period between the fund and the Trustee and its affiliates and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms.

**(a) Management fee**

The Manager is entitled to receive a management fee calculated and accrued on each dealing day and payable monthly in arrears. The Manager currently charges a rate of 1.5% per annum for Class R and 1.2% per annum for Class I.

The management fee charged for the six months ended 30 June 2022 was RMB254,207 (2021: RMB308,067), of which RMB40,556 (2021: RMB53,252) was outstanding at 30 June 2022.

**(b) Trustee fee**

The Trustee is entitled to receive a trustee fee of up to 1% per annum of the net asset value of the fund. Currently, the Trustee is entitled to receive a fee of 0.11% per annum of the net asset value of each class of the fund, subject to a monthly minimum fee of RMB62,000 for the sub-fund (2021: RMB62,000 for the sub-fund) for each class of units. The fee is calculated and accrued daily and payable monthly in arrears.

The trustee fee charged for the six months ended 30 June 2022 was RMB368,943 (2021: RMB368,943), of which RMB61,151 (2021: RMB61,151) was outstanding at 30 June 2022.

**(c) Cash and Cash equivalents and investments**

Cash and cash equivalents of RMB2,238,569 (2021: RMB3,358,974) and deposit reserve of RMB21,420 (2021: RMB22,880) are held with related parties of the Trustee and the Manager. During the period for the six months ended 30 June 2022, the fund recognised interest income of RMB6,060 (2021: RMB4,708) and bank charges of RMB966 (2021: RMB1,527) from the cash and cash equivalents and deposit reserve held with related parties of the Trustee and the Manager.



**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**Transactions with the Trustee and its affiliates and the Manager and its connected persons (Continued)**

**(d) Transactions with Manager's parent company**

As at 30 June 2022, BOCOM International Holdings Company Limited, the holding company of the Manager, held 2,000,000 (2021: 2,000,000) Class I units in the fund.

**(e) Transaction with the related parties of the Manager**

During the period for six months ended 30 June 2022, the fund recognized a sub-custodian fee of RMB18,486 (2021: RMB23,768) charged by the related parties of the Trustee and the Manager.

**3. Soft Dollar arrangements**

The manager confirms that there was no soft dollar arrangement relating to directing transactions of the fund through a broker or dealer during the six months ended 30 June 2022.

**4. Borrowings**

The fund did not make any borrowings during the six months ended 30 June 2022.

**5. Contingent liabilities and commitments**

The fund did not have any contingent liabilities and commitments during the six months ended 30 June 2022.

**6. Establishment costs**

Establishment costs are recognized as an expense in the period in which they are incurred.

**7. Distribution to unitholders**

The fund did not make any distribution during the six months ended 30 June 2022.

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**8. Details on units/shares**

	30 Jun 2022 RMB	31 Dec 2021 RMB
<b>Net assets per class</b>		
Class I	33,089,273	41,117,674
Class R	8,077,800	9,686,188
<b>Number of units outstanding</b>		
Class I	2,000,000.000	2,100,000.000
Class R	499,899.443	505,759.733
<b>Net asset value per unit</b>		
Class I	16.544	19.579
Class R	16.158	19.151

**9. Transaction Costs**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized in the statement of comprehensive income as an expense.

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**INVESTMENT PORTFOLIO (UNAUDITED)**

**AS AT 30 JUNE 2022**

<b>Investments (94.61%)</b>	<b>Holdings</b>	<b>Fair Value RMB</b>	<b>% of Net Asset</b>
<b>Debt securities (7.95%)</b>			
<b>Listed in China</b>			
China Government Bond 3.4% 4/17/2023	3,200,000	3,238,208	7.87%
Luxshare Precision Industry Co Ltd 0.2% 11/3/2026	30,000	34,279	0.08%
		3,272,487	7.95%
<b>Equity securities (86.66%)</b>			
<b>Listed in China</b>			
Chongqing Changan Automobile Co Ltd	30,000	519,600	1.26%
China Minmetals Rare Earth Co Ltd	20,000	625,000	1.52%
Zhejiang Sanhua Intelligent Controls Co Ltd	113,100	3,107,988	7.55%
Beijing Oriental Yuhong Waterproof Technology Co Ltd	23,000	1,183,810	2.88%
NAURA Technology Group Co Ltd	2,300	637,376	1.55%
Luxshare Precision Industry Co Ltd	67,497	2,280,724	5.54%
Muyuan Foodstuff Co Ltd	10,000	552,700	1.34%
Huizhou Desay Sv Automotive Co Ltd	9,000	1,332,000	3.24%
East Money Information Co Ltd	108,000	2,743,200	6.66%
Contemporary Ampere Technology Co Ltd	3,000	1,602,000	3.89%
Shenzhen Mindray Bio-Medical Electronics Co Ltd	4,600	1,440,720	3.50%
Yunnan Botanee Bio-Technology Group Co Ltd	3,000	652,590	1.59%
HFT CSI Commercial Paper ETF	10,000	1,053,010	2.56%
Shanghai Construction Co Ltd	120,000	363,600	0.88%
Shanghai Zi Jiang Enterprise Group Co Ltd	59,981	383,278	0.93%
Wanhua Chemical Group Co Ltd	33,000	3,200,670	7.77%
Tangshan Sanyo Chemical Industries Co Ltd	60,000	491,400	1.19%
Kweichow Moutai Co Ltd	1,900	3,885,500	9.44%
Shanxi Xinghuacun Fen Wine Factory Co Ltd	10,000	3,248,000	7.89%
Inner Mongolia Yili Industrial Group Co Ltd	20,000	779,000	1.89%
China Mobile Ltd	24,000	1,452,000	3.53%
Bank of Nanjing Co Ltd	80,000	833,600	2.02%
China Railway Construction Corp Ltd	120,000	948,000	2.30%
China State Construction Engineering Corp Ltd	170,000	904,400	2.20%
WuXi AppTec Co Ltd	6,000	623,940	1.52%
Will Semiconductor Ltd	4,800	830,544	2.02%
		35,674,650	86.66%
<b>Total investments</b>		38,947,137	94.61%

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**

**AS AT 30 JUNE 2022**

	<b>Fair Value RMB</b>	<b>% of Net Asset</b>
<b>Other net assets</b>	<u>2,219,936</u>	<u>5.39%</u>
<b>Total net assets as at 30 June 2022</b>	<u><u>41,167,073</u></u>	<u><u>100.00%</u></u>
<b>Total investments at cost</b>	<u><u>27,217,684</u></u>	

**BOCOM INTERNATIONAL CHINA DYNAMIC FUND**

(A sub-fund of BOCOM International Fund)

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2022**

Investments	31 December	Holdings		30 June
	2021	Additions	Disposals	2022
Midea Group Co Ltd	26,000		26,000	
Chongqing Changan Automobile Co Ltd		49,100	19,100	30,000
China Minmetals Rare Earth Co Ltd	30,000		10,000	20,000
Sieyuan Electric Co Ltd	11,000	2,000	13,000	
Zhejiang Sanhua Intelligent Controls Co Ltd	140,400		27,300	113,100
Beijing Oriental Yuhong Waterproof Technology Co Ltd		23,000		23,000
Gem Co Ltd	65,000	20,000	85,000	
NAURA Technology Group Co Ltd		2,300		2,300
Luxshare Precision Industry Co Ltd	69,997		2,500	67,497
Shijiazhuang Yiling Pharmaceutical Co Ltd		20,000	20,000	
Muyuan Foodstuff Co Ltd		10,000		10,000
Chow Tai Seng Jewellery Co Ltd		35,000	35,000	
Huizhou Desay Sv Automotive Co Ltd	14,000	2,500	7,500	9,000
Aier Eye Hospital Group Co Ltd	23,965		23,965	
East Money Information Co Ltd	90,000	18,000		108,000
Sungrow Power Supply Co Ltd	17,000		17,000	
Jafron Biomedical Co Ltd	25,000		25,000	
SG Micro Corp	3,000		3,000	
Contemporary Ampere Technology Co Ltd	7,000		4,000	3,000
Shenzhen Mindray Bio-Medical Electronics Co Ltd	4,600			4,600
Shenzhen Dynanonic Co Ltd		1,500	1,500	
Maxscend Microelectronics	2,100		2,100	
Yunnan Botanee Bio-Technology Group Co Ltd		3,000		3,000
HFT CSI Commercial Paper ETF		10,000		10,000
SAIC Motor Corp Ltd	22,000		22,000	
Shanghai Construction Co Ltd		120,000		120,000
Shanghai Zi Jiang Enterprise Group Co Ltd		59,981		59,981
Wanhua Chemical Group Co Ltd	34,000		1,000	33,000
Tangshan Sanyo Chemical Industries Co Ltd		60,000		60,000
Kweichow Moutai Co Ltd	2,000		100	1,900
Wolong Electric Group Co Ltd	27,000		27,000	
Anhui Conch Cement Co Ltd		37,000	37,000	
Shanxi Xinghuacun Fen Wine Factory Co Ltd	10,000			10,000
Inner Mongolia Yili Industrial Group Co Ltd		20,000		20,000
China Three Gorges Renewables Group Co Ltd		65,000	65,000	
China Mobile Ltd		24,000		24,000
Bank of Nanjing Co Ltd		80,000		80,000
LONGi Green Energy Technology Co Ltd		7,000	7,000	
China Railway Construction Corp Ltd		120,000		120,000
China State Construction Engineering Corp Ltd		170,000		170,000
China Tourism Group Duty Free Corp Ltd		6,000	6,000	
WuXi AppTec Co Ltd	13,800	6,000	13,800	6,000
Will Semiconductor Ltd		4,800		4,800
Zhejiang Huayou Cobalt Co Ltd		4,000	4,000	
Advanced Micro-Fabrication Equipment Inc China	10,000		10,000	
Beijing Sinohytec Co Ltd	3,510		3,510	
Farasis Energy Gan Zhou Co Ltd	27,789		27,789	
China Government Bond 3.4% 4/17/2023	3,200,000			3,200,000
Luxshare Precision Industry Co Ltd 0.2% 11/3/2026	30,000			30,000