

# CHINESE MAINLAND FOCUS FUND

A Sub-fund of Value Partners Intelligent Funds

SEMI-ANNUAL REPORT 2015  
For the six months ended 30 June 2015



**Value Partners Limited**

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*In the event of inconsistency, the English text of this Semi-Annual Report shall prevail over the Chinese text. This report shall not constitute an offer to sell or a solicitation of an offer to buy shares in any of the funds. Subscriptions are to be made only on the basis of the information contained in the prospectus, as supplemented by the latest semi-annual and annual reports.*

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## GENERAL INFORMATION

### Manager

Value Partners Limited  
9th Floor, Nexxus Building  
41 Connaught Road Central  
Hong Kong

### Directors of the Manager

Dato' Cheah Cheng Hye  
Mr Ho Man Kei, Norman  
Mr So Chun Ki Louis

### Trustee, Registrar, Administrator and Principal Office

Bank of Bermuda (Cayman) Limited  
P.O. Box 513  
HSBC House  
68 West Bay Road  
Grand Cayman KY1-1106  
Cayman Islands

### Custodian and Registrar's Agent

HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

### Legal Advisors

*With respect to Cayman Islands law*  
Maples and Calder  
53rd Floor, The Center  
99 Queen's Road Central  
Hong Kong

*With respect to Hong Kong law*  
King & Wood Mallesons  
13th Floor, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

### Auditor

KPMG  
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**GENERAL INFORMATION (Continued)****Recent awards and achievements**

<b>Corporate awards</b>	
<b>2015</b>	<ul style="list-style-type: none"> <li>• <b>The Asset Triple A, Investor and Fund Management Awards 2015</b> <b>Fund Management Company of the Year (Hong Kong)</b> <i>– The Asset</i></li> <li>• <b>Asset Management Awards for Excellence 2014/15</b> <b>Best Fund Provider – China Equity</b> <i>– Asian Private Banker</i></li> <li>• <b>2015 Hong Kong’s Best Cross-Border Financial Institutions</b> <b>Outstanding Fund Management Business</b> <i>– Hong Kong’s Wen Wei Po</i></li> </ul>
<b>2014</b>	<ul style="list-style-type: none"> <li>• <b>Fund of the Year Awards 2014</b> (i) <b>High Dividend Fixed Income – Outstanding Achiever</b> (ii) <b>China Equity – Outstanding Achiever</b> (iii) <b>Investor Education – ETF – Outstanding Achiever</b> <i>– Benchmark Magazine</i></li> <li>• <b>Hong Kong Business Awards 2014</b> <b>Enterprise Award</b> <i>– DHL/South China Morning Post</i></li> <li>• <b>Management Firm of the Year</b> <i>– AsiaHedge Awards 2014</i></li> <li>• <b>2014 - Asia Hedge Fund 25</b> <b>Value Partners was ranked no. 2 in Asia Hedge Fund 25</b> <i>– Institutional Investor’s Alpha Magazine, September 2014</i></li> <li>• <b>2014 Top 100 Hedge Fund</b> <b>Value Partners was ranked as Asia’s largest hedge fund manager,</b> <b>and 58th worldwide</b> <i>– Institutional Investor’s Alpha Magazine, May 2014</i></li> <li>• <b>The Asset Triple A, Investor and Fund Management Awards 2014</b> <b>Asset Management Company of the Year (Hong Kong)</b> <i>– The Asset</i></li> <li>• <b>Investment Performance Awards 2014</b> <b>Asian Fund House of the Year</b> <i>– AsianInvestor</i></li> </ul>

## MANAGER'S REPORT

What started as a normal market correction for Chinese stocks turned into an ugly stampede. In a market dominated by retail investors, who were sitting on huge paper gains, there was a mad rush to cash in at the first sign of restrictions on the use of margin financing. As of 8 July 2015, the Shanghai Composite Index plunged 32% (in local currency terms) from its peak on 12 June, within a matter of weeks. Government measures to restore stability were too little, too late.

All of a sudden, euphoria gave way to big anxiety.

While China investing has always been a roller-coaster ride, this time the swing was wilder and more frightening than usual. From past experience, we know it is important to step back and evaluate calmly. Our conclusion is that the situation was not as bad as it might seem. Here are our reasons:

- Not a real collapse. Actually, despite the recent fall, Chinese equities as measured by the Shanghai A-share market (represented by the Shanghai Composite Index), still showed a gain of about 8% year to date and 70% over the past 12 months as of 8 July 2015 (all in local currency terms). The crash in June and early July 2015 has hurt those who entered the market recently, but the numerous investors who have been in the market for a longer period were still profitable. This explains a lack of real panic, and it is a reason not to over-react to the severe setback in June and July. After all, a bull market has to climb a wall of worry.
- “Capitalism with Chinese characteristics” means that the government has huge power to influence markets. Developing a healthy stockmarket is a top official priority, and many tools remain available to make this happen. For example, the government has significant room to reduce interest rates and bank reserve ratios. Unlike some Western countries, Chinese government agencies can intervene forcefully in the market to get what they want without the need to gain legislative approval. The central bank has come out to provide liquidity to the China Securities Finance Corporation, a government-backed agency that has been buying shares in the market.

## MANAGER'S REPORT (Continued)

Our impression is that because the market's recent fall hasn't caused social or financial instability, the government hasn't felt a pressing need to bring out the bazooka. China has the world's biggest pool of savings, but the wealth is mainly allocated to bank deposits and real estate, with the amount tied up in stocks estimated at only 10% to 15% of household wealth.

- Some of the worst excesses in the market have been purged, at least for the time being. For example, the excessive use of margin loans to buy stocks is widely blamed for the plunge – but in recent weeks, the outstanding amount of margin loans has dropped to less than 1.5 trillion renminbi from a peak of 2.3 trillion renminbi on 18 June. The total is dropping so quickly that it should be below 1 trillion renminbi (the level at the end of 2014) by mid-July.

And valuations have become much more reasonable, especially for the Hong Kong-listed H shares, which is our favourite segment of the Chinese equity markets. As of 8 July 2015, the H shares (represented by the MSCI China Index) traded at about 9.2 times forward earnings. Chinese A shares – using the CSI 300 Index as the benchmark – were down to approximately 13.5 times forward earnings, a 9% discount to the 10-year average.

### Market outlook

It is possible – only time will tell – that what has happened will be seen as a swift and frightening correction within the context of an on-going bull market. In a market with Chinese characteristics, brutal corrections need to happen from time to time to cure excesses that could otherwise make it impossible to sustain a healthy market.

The recent troubles do have some lingering impact, however. Renewed caution among investors is apparent, and in the big cities with concentrations of stockmarket speculators, there may be some negative wealth effect, we also see a possible slowdown in China's reform agenda. The Chinese government is sincere about wanting to deregulate financial markets and further liberalize capital flows in and out of the country – but it may now do this more cautiously, to safeguard its power to carry out market interventions.

## **MANAGER'S REPORT (Continued)**

### **Fund performance and portfolio strategy update**

Prior to the market turbulence, Chinese Mainland Focus Fund returned 23.7% in the first six months up to the end of June. For reference, the MSCI China Index was up 14.6% over the same period.

While it is prudent to be defensive, the rapid and unpredictable deterioration in market sentiment has undoubtedly made a negative impact on the Fund. In order to reduce the downside risk of the portfolio, we have already made a number of changes on a stock level by the end of June. We have decreased our A-share exposure from 33% as of end March to 29% now, reflecting the greater uncertainty in the near-term deleveraging cycle. Our investments in A shares remained focused on large caps that were trading at attractive valuations and were less vulnerable to retail sentiment. We have also increased our exposure to large-cap stocks listed in Hong Kong. These portfolio changes reflected our disciplined value investing approach and should help mitigate some of the near-term drawdowns.

History may not repeat itself but it often rhymes. We believe this market correction will once again benefit the true value investors who invest based on a bottom-up approach. As the Chinese stockmarkets learn the lessons and become more mature, investors will gradually appreciate value investing and look into the fundamentals of companies.

### **Corporate update**

We are pleased to announce that Value Partners has won two new awards in the second quarter. In The Asset Triple A Investor and Fund Management Awards 2015, we were named "Fund Management Company of the Year (Hong Kong)". This highly acclaimed title recognizes our consistent efforts in achieving above-benchmark performance across different asset classes for our institutional and retail clients. In addition, we were also crowned "Best Fund Provider – China Equity" in the Asian Private Banker Asset Management Awards for Excellence 2014/15. Asian Private Banker is a prestigious industry publication established in 2009 for Asia's private banking community.



## MANAGER'S REPORT (Continued)

As we continue to grow, our leading position in the fund management industry is also reflected in the industry role played by our Chairman and Co-Chief Investment Officer Dato' Cheah Cheng Hye. In the annual London Value Investor Conference on 20 May 2015, Dato' Cheah was the only value investor in Asia that was invited to give a speech. In his presentation entitled "Chinese Stocks: From Ugly Duckling to Beautiful Princess," Dato' Cheah inspired the audience (with more than 400 people) with a brand new perspective on evaluating risks and opportunities in China's stockmarkets.

### Value Partners Limited

21 August 2015

*All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg (Data computed in US\$ terms on NAV-to-NAV basis with dividends reinvested) as at 30 June 2015. Performance data is net of all fees.*

*Individual stock performance is not indicative of fund performance.*

*The views expressed are the views of Value Partners Limited only and are subject to change based on market and other conditions. The information provided does not constitute investment advice and it should not be relied on as such. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. This material contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.*

**MANAGER'S REPORT (Continued)****Chinese Mainland Focus Fund: 5 biggest holdings of securities as at 30 June 2015**

Stock	Industry	Valuation (2015 Estimates)	Remarks
CGN Power (Code: 1816 HK)  Market cap: US\$23.8 billion	Nuclear power producer	Price: HK\$4.06 P/E: 21.5x P/B: 2.4x Yield: 1.5%	Listed in Hong Kong in December 2014, CGN Power is the leading nuclear power producer in China with the biggest total installed capacity as of June 2014. Its nuclear power stations are strategically located in economically developed regions in China that have a strong demand for electricity. Within China's energy spectrum, nuclear power is unique in that it has the lowest earnings volatility. As the Chinese government supports clean energy development, CGN Power is well positioned to benefit from the potential growth of the nuclear power industry in the coming years.

**MANAGER'S REPORT (Continued)**

Stock	Industry	Valuation (2015 Estimates)	Remarks
China Yangtze Power (Code: 600900 CH)  Market cap: US\$39.2 billion	Hydropower producer	Price: CNY14.73 P/E: 19.5x P/B: 2.6x Yield: 2.4%	China Yangtze Power ("Yangtze") is a leading hydropower generator in China which currently owns Gezhouba Hydropower plant and Three Gorges Hydropower plant and operates Xiluodu and Xiangjiaba hydropower plants along China's Yangtze River. The company has a strong cost advantage, making it well positioned for upcoming power reforms and competition in China. Meanwhile, it will engage in nuclear power. Its plan to make further hydropower acquisitions from its parent company and investments in nuclear power projects is expected to raise Yangtze's current installed capacity, contributing to future earnings growth potential.
Daqin Railway (Code: 601006 CH)  Market cap: US\$33.7 billion	Railway	Price: CNY14.04 P/E: 13.1x P/B: 2.2x Yield: 3.5%	Daqin Railway is one of the largest eastbound coal transporters in Northern China, serving a number of major coal companies while also running a passenger transportation business. The company possesses strong fundamentals with growth potential as a beneficiary of railway reforms with possible tariff hikes that will likely improve the company's profitability. The average dividend payout ratio of Daqin Railway in the past five years has been over 50%, contributing to its relatively high dividend yield.

**MANAGER’S REPORT (Continued)**

**Chinese Mainland Focus Fund: 5 biggest holdings of securities as at 30 June 2015 (Continued)**

Stock	Industry	Valuation (2015 Estimates)	Remarks
Ping An Insurance (Code: 601318 CH)  Market cap: US\$121.9 billion	Insurance	Price: CNY81.94 P/EV*: 1.3x Yield: 1.0%	Ping An Insurance (“Ping An”) is a leading provider of insurance service in China. It is one of the first Chinese non-state-owned financial conglomerates that provide insurance (both life and non-life), banking, securities, trust and asset management services to customers in the country. In the current tough operating environment, Ping An is well-positioned amongst peers given its superior agency force and multi-product platform.
Sunac China (Code: 1918 HK)  Market cap: US\$3.7 billion	Real estate	Price: HK\$8.49 P/E: 5.1x P/B: 1.2x Yield: 3.5%	Sunac China (“Sunac”), headquartered in Tianjin, is a mid- to high-end residential and commercial developer. Since its listing in 2010, Sunac has expanded its footprints to other six cities such as Shanghai, Beijing, Chongqing, Wuxi, and Hangzhou. It has generated a property sales CAGR of 71% during 2010-2014, outpacing the industry average of 10%. In addition to rapid sales growth, Sunac stands out with its strong execution capability as shown by top market share and several land acquisitions. Given its business model of focusing on selected cities, competitive products and healthy balance sheet, Sunac will likely maintain decent growth in the next few years.

\* EV = Embedded value

Note: The above investments made up 20.9% of Chinese Mainland Focus Fund as at 30 June 2015. The stock prices are based on the closing of 30 June 2015.

Individual stock performance/yield is not necessarily indicative of overall fund performance.

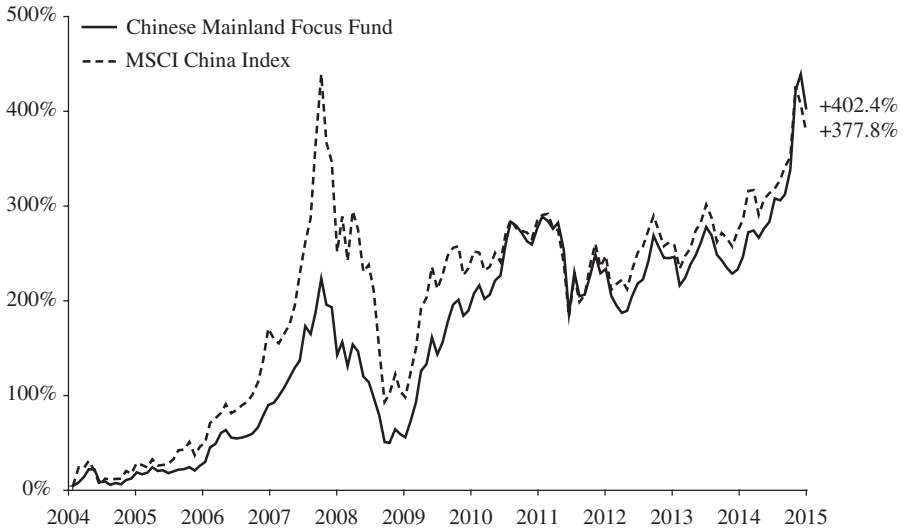
**MANAGER'S REPORT (Continued)**

**Chinese Mainland Focus Fund**

NAV per unit = US\$50.24 (as at 30 June 2015)

**Since launch return compared to index**

From 27 November 2003 to 30 June 2015



**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**
*AS AT 30 JUNE 2015*

	<b>30.6.2015</b>	<b>31.12.2014</b>
	<i>US\$</i>	<i>US\$</i>
<b>Assets</b>		
Deposits with brokers	3,670,174	–
Financial assets at fair value through profit or loss	187,381,552	153,284,170
Interest, dividends and other receivables	799,031	4,333
Amounts due from unitholders	266,539	43,794
Amounts due from brokers	6,848,115	81,331
Cash and cash equivalents	830,994	1,183,099
	<u>199,796,405</u>	<u>154,596,727</u>
<b>Total assets</b>		
	-----	-----
<b>Liabilities</b>		
Bank overdraft	13,609,015	8,967,187
Amounts due to unitholders	265,615	761,992
Amounts due to brokers	228,232	328,875
Management fees payable	212,421	155,774
Performance fees payable	5,892,381	2,860,778
Tax provision	272,633	272,633
Trustee fees payable	28,889	21,185
Accrued expenses and other payable	23,247	41,098
	<u>20,532,433</u>	<u>13,409,522</u>
<b>Total liabilities</b>		
	-----	-----
<b>Net assets attributable to unitholders</b>	<u>179,263,972</u>	<u>141,187,205</u>
<b>Net asset value per unit based on 3,568,457</b>		
<b>(31.12.2014: 3,474,553) units outstanding</b>	<u>50.24</u>	<u>40.63</u>

**INVESTMENT PORTFOLIO (UNAUDITED)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Listed Equity Securities</b>			
<i>China</i>			
China Merchants Property Development Co Ltd	1,012,624	2,978,191	1.66
China National Accord Medicines Corporation Ltd	275,649	1,707,450	0.95
China National Nuclear Power Co Ltd	19,000	40,032	0.02
China Sports Industry Group Co Ltd	589,500	2,722,655	1.52
China Yangtze Power Co Ltd	2,850,457	6,768,641	3.78
Chongqing Changan Automobile Co Ltd	797,181	2,039,150	1.14
Daqin Railway Co Ltd	3,428,845	7,760,669	4.33
Dawning Information Industry Co Ltd	166,300	2,321,369	1.29
Gree Electric Appliances, Inc. of Zhuhai	446,848	4,603,041	2.57
Guangdong East Power Co Ltd	387,182	2,434,243	1.36
Guotai Junan Securities Co Ltd	8,000	44,287	0.02
Henan Kedi Dairy Co Ltd	500	795	0.00
Hubei Yichang Transportation Group Co Ltd	501,050	2,360,990	1.32
Jchx Mining Management Co Ltd	1,000	3,990	0.00
Kweichow Moutai Co Ltd	43,500	1,806,773	1.01
Midea Group Co Ltd	239,413	1,438,825	0.80
Ping An Insurance (Group) Co of China Ltd	790,043	10,435,924	5.82
Puyang Huicheng Electronic Material Co Ltd	500	1,060	0.00
Shanghai Bailian Group Co Ltd	773,193	1,701,025	0.95
Vatti Corporation Limited	745,051	1,903,704	1.06
Zhejiang Dilong New Material Co Ltd	18,900	79,826	0.05
Zhejiang Zhenyuan Share Co Ltd	1,240,441	3,321,467	1.85
		----- 56,474,107	----- 31.50

**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE</b>			
<b>THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Listed Equity Securities (Continued)</b>			
<i>Hong Kong – H shares</i>			
AviChina Industry & Technology Co Ltd-H Shares	1,600,000	1,564,439	0.87
BBMG Corporation-H Shares	2,964,500	3,001,861	1.67
CGN Power Co Ltd-H Shares	10,792,000	5,651,938	3.15
China Galaxy Securities Co Ltd-H Shares	2,528,000	3,293,577	1.84
China National Building Material Co Ltd-H Shares	2,940,000	2,779,846	1.55
China National Materials Co Ltd-H Shares	5,384,000	1,750,149	0.98
CSSC Offshore & Marine Engineering (Group) Co Ltd -H Shares	388,000	1,428,918	0.80
Harbin Electric Co Ltd-H Shares	6,920,000	5,427,241	3.03
Huadian Fuxin Energy Corporation Ltd-H Shares	8,044,000	3,849,598	2.15
Huadian Power International Corporation Ltd-H Shares	2,490,000	2,759,065	1.54
Huaneng Renewables Corporation Ltd-H Shares	7,114,000	2,872,286	1.60
Huatai Securities Co Ltd-H Shares	1,411,400	3,987,160	2.22
Ping An Insurance (Group) Co of China Ltd-H Shares	326,500	4,409,601	2.46
Shandong Chenming Paper Holdings Ltd-H Shares	2,520,000	1,521,303	0.85
Shandong Luoxin Pharmaceutical Group Stock Co Ltd-H Shares	916,000	1,765,288	0.98
Shanghai Jin Jiang International Hotels (Group) Co Ltd-H Shares	4,758,000	2,092,899	1.17
Xinjiang Goldwind Science & Technology Co Ltd H Shares	802,000	1,622,146	0.91
Yunnan Water Investment Co Ltd-H Shares	728,000	622,607	0.35
Zhuzhou CSR Times Electric Co Ltd-H Shares	407,000	3,050,282	1.70
		----- 53,450,204	----- 29.82



**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Listed Equity Securities (Continued)</b>			
<i>Hong Kong – Red chips</i>			
BeijingWest Industries International Ltd	50,132,000	3,298,030	1.84
CGN Meiya Power Holdings Co Ltd	3,110,000	1,191,479	0.66
China Everbright Ltd	944,000	3,275,621	1.83
China Power International Development Ltd	3,492,000	2,662,142	1.48
China Power New Energy Development Co Ltd	23,700,000	1,773,151	0.99
China Resources Gas Group Ltd	804,000	2,385,357	1.33
Guangdong Investment Ltd	1,828,000	2,560,799	1.43
Poly Property Group Co Ltd	3,180,000	1,538,253	0.86
Shanghai Industrial Holdings Ltd	470,000	1,594,495	0.89
TCL Multimedia Technology Holdings Ltd	1,772,000	1,197,745	0.67
Technovator International Ltd	2,426,000	2,059,141	1.15
		23,536,213	13.13

**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE</b>			
<b>THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Listed Equity Securities (Continued)</b>			
<i>Hong Kong – Others</i>			
China Creative Home Group Ltd	7,080,000	1,360,783	0.76
China Traditional Chinese Medicine Co, Ltd	6,824,000	5,563,211	3.10
Concord New Energy Group Ltd	47,870,000	3,643,216	2.03
Fosun International Ltd	716,500	1,685,817	0.94
Future Land Development Holdings Ltd	9,556,000	1,775,040	0.99
GCL-Poly Energy Holdings Ltd	6,412,000	1,480,526	0.83
GOME Electrical Appliances Holding Ltd	10,157,000	2,240,428	1.25
Haitong International Securities Group Ltd	1,002,000	904,764	0.50
Jutal Offshore Oil Services Ltd	4,084,000	532,079	0.30
Lee & Man Paper Manufacturing Ltd	2,625,000	1,672,729	0.93
Luye Pharma Group Ltd	2,531,500	2,710,350	1.51
Nine Dragons Paper (Holdings) Ltd	2,058,000	1,799,884	1.00
NVC Lighting Holding Ltd	5,646,000	1,019,620	0.57
Real Gold Mining Ltd	1,315,000	237,478	0.13
Sunac China Holdings Ltd	5,785,000	6,335,494	3.54
Sunny Optical Technology (Group) Co Ltd	1,653,000	3,603,537	2.01
Tiangong International Co Ltd	13,378,000	2,157,102	1.20
Vinda International Holdings Ltd	1,357,000	2,842,728	1.59
West China Cement Ltd	13,444,000	2,601,292	1.45
Xingda International Holdings Ltd	5,721,000	1,660,443	0.93
		<u>45,826,521</u>	<u>25.56</u>
<b>Total Hong Kong</b>		<u>122,812,938</u>	<u>68.51</u>

**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Listed Equity Securities (Continued)</b>			
<i>Singapore</i>			
SIIC Environment Holdings Ltd	12,305,000	1,784,527	1.00
		-----	-----
<i>United States</i>			
Ctrip.com International Ltd	22,500	1,633,950	0.91
		-----	-----
<b>Participation Notes</b>			
BOCI Financial Products Ltd (Midea Group Co Ltd)			
P Note 18 Dec 2015	74,825	449,698	0.25
CICC Financial Trading (Daqin Railway Co Ltd)			
P Note 03 Oct 2017	241,027	545,444	0.30
		-----	-----
		995,142	0.55
		-----	-----

**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE</b>			
<b>THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Investment Funds</b>			
Value Partners Strategic Equity Fund	68,420	14,368 -----	0.01 -----
<b>Quoted Debt Securities</b>			
Petro-King Oilfield Service 5% 30 Mar 2018	6,000,000	773,964 -----	0.43 -----
<b>Unlisted Equity Securities</b>			
Peace Mark (Holdings) Ltd	1,030,000	- -----	- -----

**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2015

	Holdings	Fair value US\$	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Unlisted Equity Warrants</b>			
BNP Paribas (Poly Real Estate Group Co Ltd)			
CWts 11 Nov 2016	922,100	1,697,586	0.95
CICC (Zhejiang Dilong New Materials Co Ltd)			
Wts 15 May 2018	282,900	1,194,970	0.67
		<u>2,892,556</u>	<u>1.62</u>
<b>Total financial assets at fair value through profit or loss</b>		<u><u>187,381,552</u></u>	<u><u>104.53</u></u>
<b>Total investments, at cost</b>		<u><u>164,570,306</u></u>	

**INVESTMENT PORTFOLIO MOVEMENTS (UNAUDITED)**

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	% of net assets	
	30.6.2015	31.12.2014
<b>Listed equity securities</b>		
China	31.50	38.10
Hong Kong	68.51	51.48
Singapore	1.00	1.30
United States	0.91	2.45
	<hr/>	<hr/>
	101.92	93.33
<b>Participation notes</b>	0.55	7.38
<b>Investment funds</b>	0.01	0.01
<b>Quoted debt securities</b>	0.43	–
<b>Unlisted equity securities</b>	–	–
<b>Unlisted equity warrants</b>	1.62	7.85
	<hr/>	<hr/>
<b>Total investments, net</b>	<u>104.53</u>	<u>108.57</u>