

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds

2016 SEMI-ANNUAL
REPORT

For the six months ended 30 June 2016

Value Partners Limited

9th Floor, Nexxus Building

41 Connaught Road Central, Hong Kong

Tel: (852) 2880 9263 Fax: (852) 2565 7975

Email: vpl@vp.com.hk

Website: www.valuepartners-group.com

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 explanatory memorandum, as supplemented by the latest semi-annual and annual reports.

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

CONTENTS

	<i>Pages</i>
General information	2-3
Manager's report	4-9
Statement of financial position (unaudited)	10
Investment portfolio (unaudited)	11-15
Investment portfolio movements (unaudited)	16

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

GENERAL INFORMATION

Manager

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

Directors of the Manager

Dato' Seri 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
P.O. Box 493
Century Yard
Cricket Square
Grand Cayman KY1-1106
Cayman Islands

Information available from:

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

Investor hotline : (852) 2143 0688
Fax : (852) 2565 7975
Email : fis@vp.com.hk
Website : www.valuepartners-group.com

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

- | | |
|-------------|---|
| 2016 | <ul style="list-style-type: none"> • The Asset Triple A, Asset Servicing, Investor and Fund Management Awards 2016
Asset Management Company of the Year (Hong Kong)
Value Partners – Highly Commended Fund House
– <i>The Asset</i> • Asset Management Awards 2016
Fund House of the Year – Hong Kong
– <i>AsianInvestor</i> • Asset Management Awards for Excellence 2016
Best Fund Provider – Greater China Equity
– <i>Asian Private Banker</i> • Thomson Reuters Lipper Fund Awards 2016
Best Equity Group (Hong Kong)
– <i>Thomson Reuters</i> • 2015 Best of the Best Performance Awards
Value Partners: 20-Year Award for Greater China
– <i>Asia Asset Management</i> • 2015 Best of the Best Regional Awards
Value Partners: Longevity Awards – Best Asset Management House over the last 20 Years (Co-Winner)
– <i>Asia Asset Management</i> • International Financial Annual Champion Awards 2015
Value Partners: Best Asset Management Service Provider
– <i>SEEC and Hexun.com</i> |
|-------------|---|

China Convergence Fund

- | | |
|-------------|---|
| 2015 | <ul style="list-style-type: none"> • Fund of the Year Awards 2015 – China Equity
Outstanding Achiever
– <i>Benchmark Magazine</i> |
|-------------|---|

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

MANAGER'S REPORT

Growth opportunities are scarce

The world is sailing into uncharted waters. The Brexit shock has come at a time when the global economy is struggling with weak economic and profits growth. The British vote against more integrated global markets shows that protectionism and social unrest remain an elevated investment risk. As a result, we expect further pressure on global trade and a knock off impact on the global economy. We have entered an extended period of uncertainty, which now weighs not only on the developing countries but also the developed world.

It's time to look at China again

Amongst all the major economies around the world, China is one of the very few that is still growing at a decent pace of 6% per annum. Despite the moderation in growth from its peak, we don't believe China is entering into an economic hard-landing or debt driven crisis. Social stability in China is relatively intact, and the government is carefully walking a tightrope between managing growth and pressing ahead with structural reforms.

As for the vulnerabilities from Brexit, the business of most Chinese companies should not be fundamentally affected, given the UK is not a particularly important economy for China in terms of foreign direct investment and trade. UK represents only 3% of China's exports, and demand for Chinese products are unlikely to dry up due to Brexit. In the unlikely case of economic fallout, the government continues to have tools to respond with fiscal stimulus.

Despite MSCI's delay in China A-shares inclusion, the mid to long-term strategy is still to play on China's increasing presence in the global markets. It is only a matter of time that China opens up for foreign investors, and as one of the largest equity markets in the world it will be a market that they cannot ignore. For bargain hunters, China-related stocks can be very attractive in the current global environment, where there is a shortage of good investment opportunities around the world.

MANAGER'S REPORT (Continued)**Those who bet against RMB were proven wrong**

Brexit may make it more difficult for China to maintain a stable currency. It is believed that the pound sterling and Euro make up 3.9% and 21.5% of China's currency basket, respectively; as these two currencies weaken sharply in response to Brexit, it would drag the RMB down against the dollar, which is not helpful to Beijing's combat of capital outflow. It is likely that the People's Bank of China would resort to intervention to stabilize the RMB, and it has the resources to do so. One can recall that during the global financial crisis of 2008 the Chinese leadership were able to insulate China from the crisis with various forceful measures. The punters are likely to remain wrong.

Value investors' long winter may be passing

China Convergence Fund declined by 15.2% in the first six months up to the end of June 2016. For reference, in the same period, Hang Seng Index dropped 2.5% and MSCI China was down 4.7%.

2016 continues the trend of a long 5-year winter for the value investment style. Since the last quarter of 2011, the growth style has outperformed the value style in China-related stockmarkets most of the time¹. In a risk-off mode, investors tend to look for opportunities that are priced at attractive level with higher safety margin. The negative global investment sentiment towards China has driven its valuation to near crisis level: MSCI China is trading at a forward price-to-book ratio of 1.3 times against a 10-year average of 1.9 times as at end June 2016. The current risk aversion environment may actually trigger a reversal and bring the value style back in favour.

Portfolio review and outlook

The second quarter remained a challenging period for Chinese equities. Investors focused more on macro concerns than companies' fundamentals, as an "authoritative person" spoke to a leading China media about the L-shaped China economy outlook and temper market expectations for a large stimulus program. The heightened uncertainty in policy direction led to broad-based market weakness.

In the wake of growing concerns on economic outlook, our portfolio focused on companies with sustainable earnings growth and solid return-on-equity at attractive valuations. Sectors that are sensitive to macro systemic risks were avoided.

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

MANAGER'S REPORT (Continued)

During the quarter, we have increased exposures in consumer discretionary and energy. To make room for our additions, we trimmed the positions in utilities.

We remained nimble in our positioning and continued to strike balances between “old” and “new” economy sectors. There are attractive values amidst broad-based market weakness, and we are confident that companies with fundamental strengths will revive in the challenging environment.

Value Partners Limited

19 August 2016

1. Based on Bloomberg data: MSCI China Growth Index Total Return was 34.8% and MSCI China Value Index Total Return was 27.8% respectively in the period of 30 September 2011 to 30 June 2016.

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 2016. 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.

Investors should note that investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. This commentary has not been reviewed by the Securities and Futures Commission. Issuer: Value Partners Limited.

MANAGER'S REPORT (Continued)

5 biggest holdings of securities as at 30 June 2016

Stock	Industry	Valuation (2016 Estimates)	Remarks
Fuyao Glass Industry (Code: 600660 CH) Market cap: US\$5.3 billion	Automobile and components	Price: CNY14.00 P/E: 13.5x P/B: 2.3x Yield: 4.3%	Founded in 1987, Fuyao Glass Industry manufactures and distributes automobile glass, decorated glassware and other industrial glassware through its subsidiaries. It also provides glass installation service. Fuyao Glass also actively promotes the construction of the production and sales base for automotive glass and raw materials in the US. It has achieved a substantial progress in globalization through its transition to bulk production.
PetroChina (Code: 857 HK) Market cap: US\$190.3 billion	Energy	Price: HKD5.29 P/E: 17.8x P/B: 0.7x Yield: 1.0%	PetroChina is the largest oil and gas producer and distributor playing a dominant role in the oil and gas industry in China. It engages in a wide range of activities related to oil and natural gas, including exploration, development, production and marketing of crude oil and natural gas. As China is expected to achieve a moderate and stable economic growth, oil and gas demand in China is likely to continue its upward trajectory. With oil price hovering at a relatively low level, the company will also benefit as oil price recovers.
Sunny Optical Tech (Code: 2382 HK) Market cap: US\$3.8 billion	Technology hardware	Price: HKD27.15 P/E: 22.6x P/B: 5.2x Yield: 1.3%	Sunny Optical Technology engages in designing and manufacturing of optical components including glass and plastic lenses, lens sets and camera modules for mobile phones and digital cameras, as well as microscopes and surveying instruments. The company is a primary supplier for top-tier Chinese handset vendors including Huawei, Lenovo and Coolpad. Sunny Optical Technology is well positioned to benefit from the smartphone boom and smartphone camera upgrade cycle in China and other emerging markets.

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

MANAGER'S REPORT (Continued)

Stock	Industry	Valuation (2016 Estimates)	Remarks
Tencent Holdings (Code: 700 HK) Market cap: US\$213.5 billion	Internet	Price: HKD176.10 P/E: 33.5x P/B: 9.1x Yield: 0.3%	Tencent Holdings is a leading provider of online games, premium messaging services, internet value added services, and advertising and ecommerce services in China. Its instant messenger "QQ" has the largest online community base with over 800 million accounts. Leveraging its large active user base, it offers good long-term monetization potential.
Zhuzhou CRRC Times Electric (Code: 3898 HK) Market cap: US\$6.5 billion	Railway system provider and integrator	Price: HKD42.60 P/E: 15.8x P/B: 3.2x Yield: 1.6%	Zhuzhou CRRC Times Electric ("Zhuzhou CRRC") is a train-borne electrical systems and electrical components maker that develops, manufactures, and sells train power converters, auxiliary power supply equipment and control systems for trains for urban rail systems. The company already applied its solutions for more than 5,000 mass transit vehicles, 4,000 mainline locomotives and 7,000 high speed train vehicles/ EMUs worldwide and will enjoy accelerated maintenance revenue. As China pushes forward with the One Belt One Road initiative, we believe Zhuzhou CRRC will continue to benefit from potential overseas orders and gaining market share from former CNR subsidiaries.

Note: The above investments made up 24% of China Convergence Fund as at 30 June 2016. The stock prices are based on the closing of 30 June 2016.

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

CHINA CONVERGENCE FUND

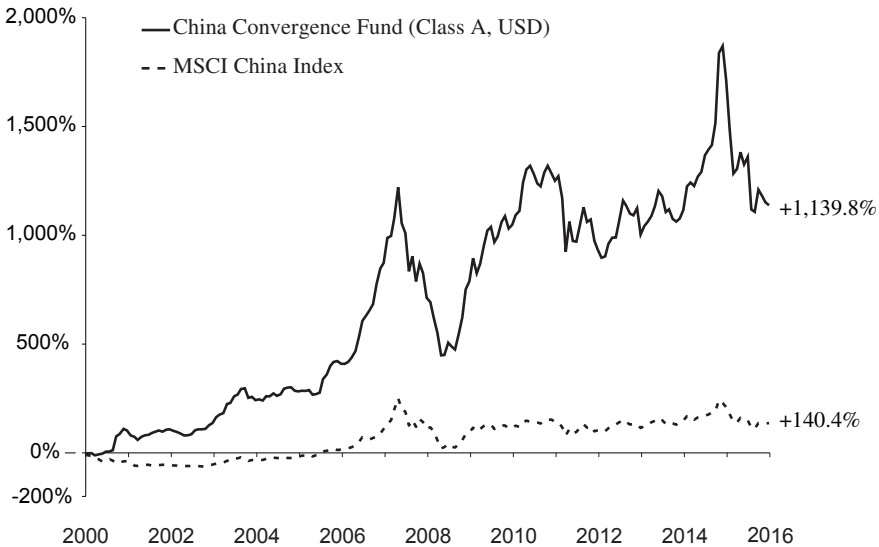
A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

MANAGER'S REPORT (Continued)

China Convergence Fund – NAV as at 30 June 2016

Classes	NAV per unit
Class A USD	USD123.98
Class A AUD Hedged	AUD8.27
Class A CAD Hedged	CAD9.45
Class A NZD Hedged	NZD9.72
Class Z	USD10.79

Since launch return compared to index From 14 July 2000 to 30 June 2016



CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 JUNE 2016

	30.6.2016	31.12.2015
	US\$	US\$
Assets		
Financial assets at fair value through profit or loss	463,613,453	547,617,636
Interest, dividends and other receivables	2,548,768	73,755
Amounts due from unitholders	124,815	1,042,622
Amounts due from brokers	4,370,542	8,528,332
Cash held with bank	7,126,089	50,464,224
	<u>477,783,667</u>	<u>607,726,569</u>
Total assets		
Liabilities		
Financial Liabilities at fair value through profit or loss	34,173,349	47,586,256
Bank overdraft	18,619,937	29,549,993
Amounts due to unitholders	855,927	705,089
Amounts due to brokers	5,020,144	9,238,831
Management fees payable	395,265	525,873
Performance fees payable	–	121,810
Trustee fees payable	49,364	62,661
Tax provision	–	14,348
Accrued expenses and other payables	512,892	328,539
	<u>59,626,878</u>	<u>88,133,400</u>
Total liabilities		
Net assets attributable to unitholders	<u>418,156,789</u>	<u>519,593,169</u>
	30.6.2016	31.12.2015
Net asset value per unit		
– Class A USD with 3,031,982 (31.12.2015: 3,214,763) units outstanding	USD123.98	USD146.20
– Class A AUD Hedged with 31,921 (31.12.2015: 60,826) units outstanding	AUD8.27	AUD9.40
– Class A CAD Hedged with 1,413 (31.12.2015: Nil) units outstanding	CAD9.45	–
– Class A NZD Hedged with 1,506 (31.12.2015: Nil) units outstanding	NZD9.72	–
– Class Z with 3,893,588 (31.12.2015: 3,873,100) units outstanding	USD10.79	USD12.70

CHINA CONVERGENCE FUNDA Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)**INVESTMENT PORTFOLIO (UNAUDITED)**

AS AT 30 JUNE 2016

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Listed Equity Securities			
<i>China</i>			
Anhui Gujing Distillery Co Ltd B Shrs	2,688,057	11,031,195	2.64
Aucma Co Ltd A Shrs	1,000,000	1,060,836	0.25
Beijing Capital Development Co Ltd A Shrs	899,925	1,505,811	0.36
Beijing Hualubaina Film & Tv Co Ltd A Shrs	300,000	1,062,191	0.25
Beijing Shougang Co Ltd A Shrs	4,500,000	2,505,379	0.60
BOE Technology Group Co Ltd B Shrs	1,006,200	238,623	0.06
China Merchants Securities Co Ltd A Shrs	1,051,500	2,610,673	0.62
China Merchants Shekou Industrial Zone Co Ltd A Shrs	2,053,736	4,403,710	1.05
China National Accord Medicines Co Ltd B Shrs	983,858	5,757,041	1.38
China Vanke Co Ltd A Shrs	496,700	1,502,275	0.36
China Yangtze Power Co Ltd A Shrs	2,257,865	4,243,456	1.01
CSG Holding Co Ltd B Shrs B Shrs	665,414	524,016	0.13
Dalian Refrigeration Co Ltd B Shrs	414,900	320,318	0.08
Dazhong Transportation (Group) Co Ltd B Shrs	477,606	377,309	0.09
DHC Software Co Ltd A Shrs	556,157	1,723,947	0.41
Fiyta Holdings Ltd B Shrs	245,362	223,266	0.05
Foshan Electrical & Lighting Co Ltd B Shrs	1,185,628	916,876	0.22
Goertek Inc A Shrs	366,200	1,580,363	0.38
Guangdong Electric Power Development Co Ltd B Shrs	311,643	144,199	0.03
Hangzhou Hikvision Digital Technology Co Ltd A Shrs	723,015	2,334,728	0.56
Hefei Meiling Company Ltd B Shrs	1,350,798	757,340	0.18
Huadong Medicine Co Ltd A Shrs	188,423	1,910,966	0.46
Huasu Holdings Co Ltd A Shrs	1,000,000	923,906	0.22
Huaxin Cement Co Ltd B Shrs	416,753	257,137	0.06
Jangho Group Co Ltd A Shrs	1,999,922	3,090,600	0.74
Jiangling Motors Corp Ltd B Shrs	426,971	1,096,223	0.26
Jiangsu Hengrui Medicine Co Ltd A Shrs	358,637	2,164,547	0.52
Konka Group Co Ltd B Shrs	977,396	362,806	0.09
Kweichow Moutai Co Ltd A Shrs	114,300	5,020,759	1.20
Lao Feng Xiang Co Ltd B Shrs	140,592	506,131	0.12
Luthai Textile Co Ltd B Shrs	561,347	727,848	0.17
NARI Technology Co Ltd A Shrs	1,016,549	2,045,121	0.49
Poly Real Estate Group Co Ltd A Shrs	2,923,550	3,796,475	0.91
Shandong Chenming Paper Hldgs Ltd B Shrs	639,156	486,038	0.12
Shanghai Diesel Engine Co Ltd B Shrs	521,260	450,369	0.11
Shanghai Friendship Group Inc Co B Shrs	2,654,268	3,999,982	0.96
Shanghai Highly (Group) Co Ltd B Shrs	446,300	357,040	0.08
Shanghai Jinjiang International Travel Co Ltd B Shrs	202,100	797,082	0.19

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30 JUNE 2016

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed Equity Securities (Continued)			
China (Continued)			
Shanghai Jinjiang International Hotels Development Co Ltd B Shrs	312,033	795,060	0.19
Shanghai Jinqiao Export Processing Zone Development Co Ltd B Shrs	467,300	786,933	0.19
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd B Shrs	542,120	844,081	0.20
Shanghai Mechanical & Electrical Industry Co Ltd B Shrs	337,777	687,714	0.16
Shanghai Waigaoqiao Free Trade Zone Development Co Ltd B Shrs	194,362	344,409	0.08
Shanghai Zhenhua Heavy Industries Co Ltd B Shrs	508,892	242,741	0.06
Shenzhen Chiwan Wharf Hldgs Ltd B Shrs	459,442	699,937	0.17
Tasly Pharmaceutical Group Co A Shrs	323,900	1,742,881	0.42
Weifu High-Technology Group Co Ltd B Shrs	355,745	752,417	0.18
Wuxi Little Swan Co Ltd B Shrs	618,500	2,126,051	0.51
Yantai Changyu Pioneer Wine Co Ltd B Shrs	163,753	495,985	0.12
Zhonglu Co Ltd B Shrs	164,594	370,501	0.09
ZTE Corp A Shrs	1,231,619	2,657,570	0.63
		<u>85,362,862</u>	<u>20.41</u>
Hong Kong – H shares			
AviChina Industry & Technology Co Ltd H Shrs	6,194,000	4,287,030	1.03
CGN Power Co Ltd H Shrs	30,962,000	8,579,827	2.05
China Shipping Development Co Ltd H Shrs	11,276,000	6,351,079	1.52
CSSC Offshore and Marine Engineering Group Co Ltd H Shrs	2,298,000	3,317,257	0.79
Dalian Wanda Commercial Properties Co Ltd H Shrs	551,900	3,385,933	0.81
Guangzhou Pharmaceutical Co Ltd H Shrs	4,448,000	10,491,242	2.51
Harbin Electric Co Ltd H Shrs	17,986,000	6,606,790	1.58
Huadian Fuxin Energy Corp Ltd H Shrs	24,862,000	5,447,485	1.30
Huaneng Renewables Corp Ltd H Shrs	16,084,000	5,327,681	1.27
PetroChina Co Ltd H Shrs	24,244,000	16,529,929	3.95
Ping An Insurance (Group) Co of China Ltd H Shrs (HKSE)	1,926,500	8,479,510	2.03
Poly Culture Group Corp H Shrs	635,500	1,469,430	0.35
Yunnan Water Industry Investment & Development Co Ltd H Shrs	2,438,000	1,272,623	0.31
Zhuzhou CRRC Times Electric Co Ltd H Shrs	3,282,500	18,022,929	4.31
ZTE Corp H Shrs	8,750,920	11,030,714	2.64
		<u>110,599,459</u>	<u>26.45</u>

CHINA CONVERGENCE FUNDA Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2016

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed Equity Securities (Continued)			
<i>Hong Kong – Red chips</i>			
BeijingWest Industries International Ltd	211,984,000	4,617,436	1.10
China Overseas Land & Investment Ltd	4,296,000	13,565,675	3.24
China Power International Development Ltd	23,221,000	8,529,760	2.04
China Power New Energy Development Co Ltd	4,988,000	2,912,297	0.70
China Resources Land Ltd	5,288,000	12,336,190	2.95
China Traditional Chinese Medicine Co Ltd	31,442,000	12,400,598	2.97
Guotai Junan International Holdings Ltd	26,518,000	8,988,921	2.15
Shanghai Industrial Holdings Ltd	2,043,000	4,613,319	1.10
Shanghai Industrial Urban Development Group Ltd (HKSE)	18,436,000	<u>3,706,827</u>	<u>0.89</u>
		<u>71,671,023</u>	<u>17.14</u>
<i>Hong Kong – Others</i>			
AIA Group Ltd	1,439,000	8,596,498	2.06
Carnival Group International Holdings Ltd	35,610,000	4,589,686	1.10
Fosun International Ltd	6,113,984	7,880,165	1.89
Real Gold Mining Ltd	3,046,000	392,592	0.09
Shenzhou International Group Holdings Ltd	3,363,000	16,232,661	3.88
Silverman Holdings Ltd	2,654,000	615,722	0.15
Sino Biopharmaceutical Ltd	12,473,000	8,118,454	1.94
Sunac China Holdings Ltd	25,750,000	15,930,504	3.81
Sundart Holdings Ltd	20,384,000	12,032,779	2.88
Sunny Optical Technology Group Co Ltd	7,209,000	25,226,436	6.03
Tencent Holdings Ltd	1,056,100	23,970,409	5.73
Vinda International Holdings Ltd	901,000	<u>1,556,111</u>	<u>0.37</u>
		<u>125,142,017</u>	<u>29.93</u>
<i>Hong Kong – Total</i>		307,412,499	73.52
<i>Singapore</i>			
SIIC Environment Holdings Ltd	8,882,360	4,079,004	0.97
<i>United States</i>			
Autohome Inc ADR	139,096	<u>2,797,221</u>	<u>0.67</u>
Total listed equity securities		<u>314,288,724</u>	<u>75.16</u>

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30 JUNE 2016

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Debt Securities			
Petro-King Oilfield Service Conv 5% 30 Mar 2018	14,000,000	1,804,426	0.43
Participation Notes			
CICC Financial Trading Ltd (China Vanke Co Ltd A Shrs) P Note 21 Oct 2017	2,048,300	6,196,107	1.48
CICC Financial Trading Ltd (Fuyao Group Glass Industry Co Ltd A Shrs) P Note 15 Dec 2018	2,175,356	4,583,475	1.10
Credit Suisse Nassau (China Vanke Co Ltd A Shrs) P Note 04 Nov 2016	896,000	2,710,400	0.65
Credit Suisse Nassau (Fuyao Group Glass Industry Co Ltd A Shrs) P Note 12 Mar 2020	2,396,400	5,049,215	1.21
Societe Generale (Fuyao Group Glass Industry Co Ltd A Shrs) P Note 11 Oct 2016	3,338,300	7,033,798	1.68
		<u>25,572,995</u>	<u>6.12</u>
Equity Warrants			
HSBC Bank Plc (China Vanke Co Ltd A Shrs) CWts 11 Feb 2019	1,034,200	3,128,455	0.75
HSBC Bank Plc (Ping An Insurance Group Co of China Ltd A Shrs (SSC)) CWts 26 Nov 2024	1,832,500	8,834,483	2.11
		11,962,938	2.86
Investment Funds			
Value Partners China A Share Opportunity Fund	208,744	24,621,345	5.89
Unlisted Equity Securities			
Peace Mark (Holdings) Ltd	1,912,000	—	—
Currency Forwards			
		<u>163</u>	<u>0.00</u>
Total financial assets at fair value through profit or loss		<u>463,613,453</u>	<u>110.87</u>

CHINA CONVERGENCE FUNDA Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 JUNE 2016

	Holdings	Fair value US\$	% of net assets
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed Equity Securities			
<i>Hong Kong – H shares</i>			
China Merchants Bank Co Ltd H Shrs	(3,000,000)	(6,704,731)	(1.60)
China Minsheng Banking Corp Ltd H Shrs	(20,000,000)	(19,281,581)	(4.61)
		(25,986,312)	(6.21)
<i>Hong Kong – Others</i>			
Bank Of East Asia Ltd	(2,131,000)	(8,184,851)	(1.96)
Hong Kong – Total		<u>(34,171,163)</u>	<u>(8.17)</u>
Total listed equities securities		(34,171,163)	(8.17)
Currency Forwards		<u>(2,186)</u>	<u>(0.00)</u>
Total financial liabilities at fair value through profit or loss		<u>(34,173,349)</u>	<u>(8.17)</u>
Total investments, net		<u>429,440,104</u>	<u>102.70</u>
Total investments, at cost		<u>477,180,803</u>	

CHINA CONVERGENCE FUND

A Sub-fund of Value Partners Intelligent Funds
(A Cayman Islands unit trust)

INVESTMENT PORTFOLIO MOVEMENTS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 JUNE 2016

	% of net assets	
	30.6.2016	31.12.2015
Listed equity securities		
China	20.41	14.63
Hong Kong	65.35	64.38
Singapore	0.97	0.93
United States	0.67	—
	<hr/>	<hr/>
	87.40	79.94
Debt securities	0.43	0.35
Participation notes	6.12	6.01
Equity warrants	2.86	4.44
Investment funds	5.89	5.50
Unlisted equity securities	—	—
Currency forwards	0.00	0.00
	<hr/>	<hr/>
Total investments, net	<u>102.70</u>	<u>96.24</u>