

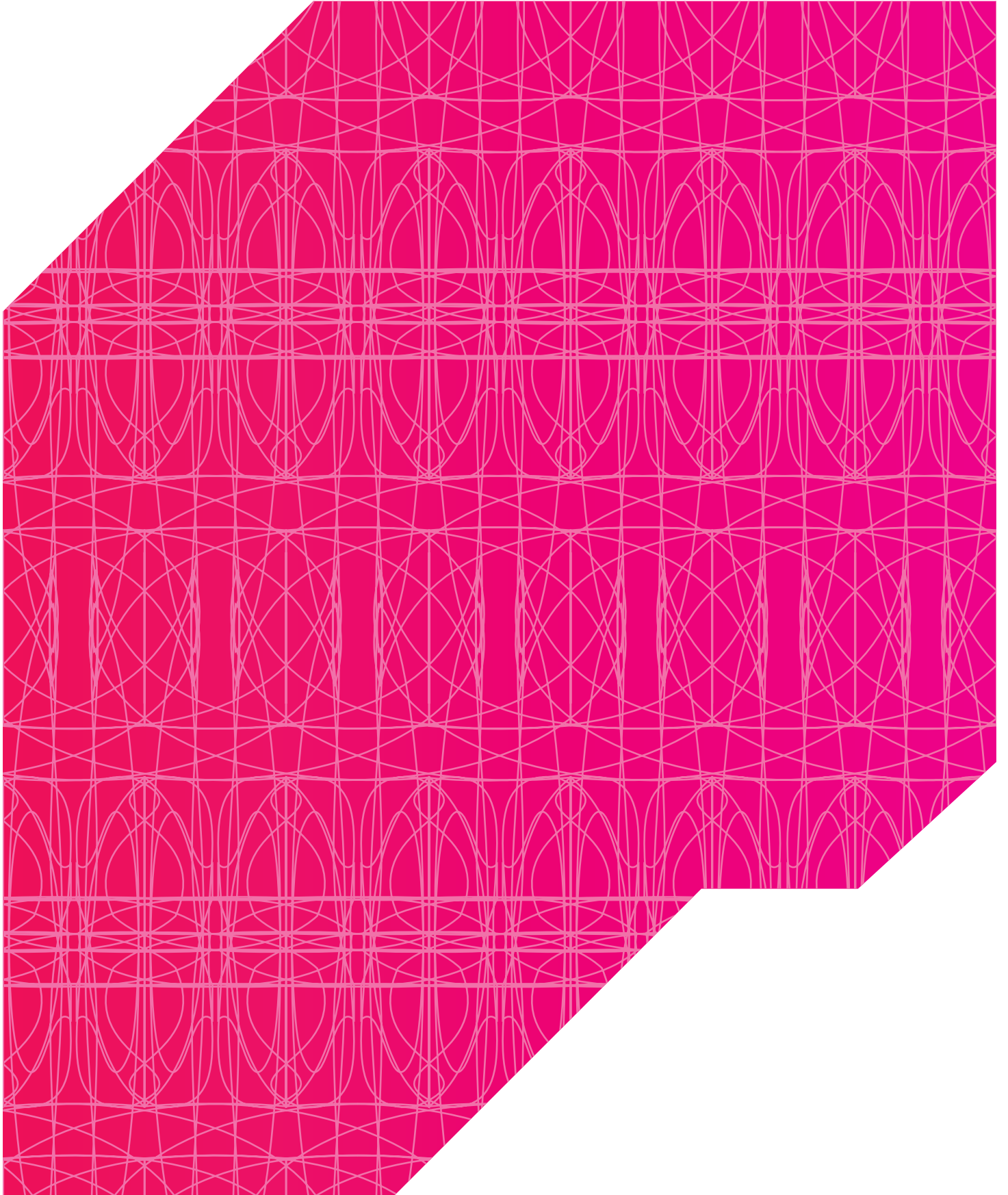


# Invesco China Opportunity Fund III

## Interim Report

For the six months ended 30 September 2017 (Unaudited)

(A sub-fund of Invesco China Series II, a unit trust established as an exempted trust in the Cayman Islands)



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## Description of the Fund

Invesco China Series II (the "Trust") is a unit trust established as an umbrella fund under the laws of the Cayman Islands by a Trust Deed dated 15 February 2012, as amended and managed by Invesco Hong Kong Limited. The Trust and Invesco China Opportunity Fund III (the "Fund") (sub-fund of Invesco China Series II) have been authorised by the Securities and Futures Commission of Hong Kong under section 104(1) of the Hong Kong Securities and Futures Ordinance and are required to comply with the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong.

The Trust is an umbrella fund with one or more sub-funds. Each sub-fund will have its own separate and distinct investment policy. The date of commencement of the Fund was 25 May 2012.

The investment objective of the Fund is to achieve long term capital growth by investing into equities and/or equity related securities of companies of different industry sectors and all market capitalisations (including small to medium sized companies) with substantial exposure to mainland China. The Fund will invest at least 70% of its assets in A Shares.

*The above details are in summary form only and must be read in conjunction with the detailed information contained in the current prospectus.*

## Schedule of Investments

AS AT 30 SEPTEMBER 2017

	Holdings	Fair value USD	% of net assets
<b>Listed/quoted investments</b>			
<b>Listed equities</b>			
<b>People's Republic of China ("PRC")</b>			
Anhui Conch Cement Co Ltd 'A'	30,000	112,869	2.03
China Jushi Co Ltd 'A'	69,600	120,179	2.16
China Merchants Shekou Industrial Zone Co 'A'	86,636	238,621	4.29
China Yangtze Power Co Ltd 'A'	121,900	276,791	4.98
Dong-E E-Jiao Co Ltd 'A'	15,800	154,574	2.78
Dr Peng Telecom & Media Group Co Ltd 'A'	38,500	114,916	2.07
Foshan Haitian Flavouring 'A'	18,200	129,955	2.34
Fuyao Glass Industry Group Co Ltd 'A'	46,600	178,974	3.22
Gree Electric Appliances 'A'	45,600	260,399	4.69
Guangshen Railway Co Ltd 'A'	170,300	129,837	2.34
Hangzhou Hik-Vision Digital Tech Co 'A'	39,650	191,174	3.44
Huayu Automotive Systems 'A'	31,000	105,328	1.90
Kweichow Moutai Co Ltd 'A'	1,500	116,991	2.11
Mayinglong Pharmaceutical 'A'	53,200	160,476	2.89
Midea Group Co Ltd 'A'	45,400	302,284	5.44
MYS Group Co Ltd 'A'	116,800	149,764	2.69
Nanfang Zhongjin Environment Co Ltd 'A'	54,360	138,584	2.49
Ningbo Tuopu Group Co Ltd 'A'	28,800	124,627	2.24
Ping An Insurance (Group) Co of China 'A'	34,200	279,087	5.02
SAIC Motor Corp 'A'	32,600	148,291	2.67
Shenzhen Sunway Communication 'A'	18,500	117,073	2.11
Sichuan Chuantou Energy Co Ltd 'A'	165,800	235,326	4.23
Suofeiya Home Collection Co Ltd 'A'	59,800	340,587	6.13
Tianjiu Zhongxin Pharmaceutical Co Ltd 'A'	46,800	120,298	2.16
Vatti Corp Ltd 'A'	90,080	365,781	6.58
Wuliangye Yibin Co Ltd 'A'	20,000	172,611	3.11
Wuxi Little Swan Co 'A'	26,000	178,167	3.21
<b>Total investments</b>		4,963,564	89.32
<b>Cash and other net assets</b>		593,837	10.68
<b>Net assets attributable to unitholders</b>		5,557,401	100.00
<b>Total investments at cost</b>		4,152,666	

## Movement of Portfolio Investments

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

	Holdings as at 31 Mar 2017	Additions	Disposals	Holdings as at 30 Sep 2017
<b>Listed/quoted investments</b>				
<b>Listed equities</b>				
<b>People's Republic of China ("PRC")</b>				
Anhui Conch Cement Co Ltd 'A'	-	30,000	-	30,000
China Jushi Co Ltd 'A'	58,000	11,600	-	69,600
China Merchants Shekou Industrial Zone Co 'A'	86,636	-	-	86,636
China Yangtze Power Co Ltd 'A'	121,900	-	-	121,900
Dong-E E-Jiao Co Ltd 'A'	15,800	-	-	15,800
Dr Peng Telecom & Media Group Co Ltd 'A'	48,500	-	(10,000)	38,500
Foshan Haitian Flavouring 'A'	18,200	-	-	18,200
Fuyao Glass Industry Group Co Ltd 'A'	46,600	-	-	46,600
Gree Electric Appliances 'A'	30,100	15,500	-	45,600
Guangdong Provincial Expressway Dev 'A'	124,300	-	(124,300)	-
Guangshen Railway Co Ltd 'A'	170,300	-	-	170,300
Hangzhou Hik-Vision Digital Tech Co 'A'	60,100	20,550	(41,000)	39,650
Huayu Automotive Systems 'A'	-	31,000	-	31,000
Jinyu Bio-Technology Co Ltd 'A'	18,600	-	(18,600)	-
Kweichow Moutai Co Ltd 'A'	1,500	-	-	1,500
Mayinglong Pharmaceutical 'A'	41,700	11,500	-	53,200
Midea Group Co Ltd 'A'	64,000	-	(18,600)	45,400
MYS Group Co Ltd 'A'	116,800	-	-	116,800
Nanfang Zhongjin Environment Co Ltd 'A'	30,200	24,160	-	54,360
Ningbo Tuopu Group Co Ltd 'A'	28,800	-	-	28,800
Ping An Insurance (Group) Co of China 'A'	-	34,200	-	34,200
SAIC Motor Corp 'A'	60,500	-	(27,900)	32,600
SDIC Power Holdings Co Ltd 'A'	118,000	-	(118,000)	-
Shenzhen Sunway Communication 'A'	18,500	-	-	18,500
Sichuan Chuantou Energy Co Ltd 'A'	165,800	-	-	165,800
Suofeiya Home Collection Co Ltd 'A'	31,100	31,100	(2,400)	59,800
Tianjin Zhongxin Pharmaceutical Co Ltd 'A'	46,800	-	-	46,800
Vatti Corp Ltd 'A'	56,300	33,780	-	90,080
Wuliangye Yibin Co Ltd 'A'	-	20,000	-	20,000
Wuxi Little Swan Co 'A'	26,000	-	-	26,000

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## Statement of Financial Position

AS AT 30 SEPTEMBER 2017  
(EXPRESSED IN US DOLLARS)

	30 Sep 2017	31 Mar 2017
	USD	USD
<b>Assets</b>		
<b>Current assets</b>		
Financial assets at fair value through profit or loss	4,963,564	4,328,454
Cash and cash equivalents	<u>607,444</u>	<u>399,932</u>
<b>Total assets</b>	<u>5,571,008</u>	<u>4,728,386</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Redemption payable	-	280,157
Accruals and other payables	<u>13,607</u>	<u>16,917</u>
<b>Liabilities (excluding net assets attributable to unitholders)</b>	<u>13,607</u>	<u>297,074</u>
<b>Net assets attributable to unitholders</b>	<u>5,557,401</u>	<u>4,431,312</u>
Adjustments for amortisation of organisation costs	<u>-</u>	<u>4,212</u>
<b>Net assets attributable to unitholders after adjustment to organisation costs</b>	<u><u>5,557,401</u></u>	<u><u>4,435,524</u></u>
<b>Number of units in issue</b>		
Class A - HKD Units	110,094.22	78,748.90
Class A - USD Units	244,325.63	246,988.69
Class I - USD Units	126,623.50	128,623.50
<b>Net asset attributable to unitholders per unit</b>		
Class A - HKD Units	HKD88.79	HKD74.56
Class A - USD Units	USD11.37	USD9.59
Class I - USD Units	USD12.07	USD10.19

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## Information for Unitholders

### Manager

The Manager is Invesco Hong Kong Limited, which was formed in Hong Kong in 1972. The Manager specialises in investment research and fund management in the Far East with offices and related companies in Hong Kong, Taiwan, Singapore, Japan and Australia.

Invesco Hong Kong Limited is an indirect wholly owned subsidiary of Invesco Ltd. (together with its members, “the Group”), which is listed on the New York Stock Exchange. It is one of the largest independent fund management firms in the world, with around US\$917.5 billion under management worldwide as at 30 September 2017. Through the extensive network of information resources and economic and investment research of the Group, Invesco Hong Kong Limited can tap into the expertise of more than 750 investment professionals throughout the Group operating in more than 20 countries.

The Directors of the Manager during the period were:

Andrew T S Lo

Jeremy C Simpson

John G Greenwood

Fanny S M Lee

Terry S K Pan

Anna S M Tong

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## Management and Administration

<b>Manager</b>	Invesco Hong Kong Limited 41/F, Champion Tower Three Garden Road, Central Hong Kong
<b>Sub-Manager</b>	Invesco Asset Management Limited 6/F, 125 London Wall London EC2Y 5AS United Kingdom
<b>Investment Sub-Advisor</b>	Invesco Great Wall Fund Management Company Limited 21/F, Tower 1, Kerry Plaza No. 1 Zhong Xin Si Road Futian District, Shenzhen People's Republic of China
<b>Trustee</b>	Bank Consortium Trust Company Limited 18/F, Cosco Tower 183 Queen's Road Central Hong Kong
<b>Distributor</b>	Invesco Asset Management Asia Limited 41/F, Champion Tower Three Garden Road, Central Hong Kong
<b>Auditor</b>	PricewaterhouseCoopers 18 Forum Lane Camana Bay P.O. Box 258 Grand Cayman, KY1-1104 Cayman Islands British West Indies
<b>Global Custodian</b>	JPMorgan Chase Bank N.A., Hong Kong Branch 54/F, One Island East Quarry Bay Hong Kong
<b>QFII Custodian</b>	Bank of China Limited No.1 Fuxingmen Nei Dajie Xicheng District Beijing People's Republic of China
<b>Registrar</b>	Northern Trust Global Fund Services Cayman 94 Solaris Avenue P.O. Box 1348 Grand Cayman, KY1-1108 Cayman Islands



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## Management and Administration (Continued)

### Legal Advisers

to the Manager as to Hong Kong law:

Clifford Chance  
28/F, Jardine House  
One Cannaught Place, Central  
Hong Kong

to the Manager as to Cayman Islands law:

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Cayman Islands

to the Manager as to Singapore law:

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30 Raffles Place #11-00  
Chevron House  
Singapore 048622

to the Manager as to PRC law:

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Beijing 100032  
People's Republic of China

to the Trustee as to Hong Kong law:

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Hong Kong