

2019 年 12 月期 決算短信 (2019 年 1 月 1 日～2019 年 12 月 31 日)
Earnings Report for Fiscal Year ended December 2019 (January 1, 2019 – December 31, 2019)

2020 年 5 月 11 日
May 11, 2020

フ ァ ン ド 名 南方 FTSE 中国 A 株 50 ETF 上場取引所 東
コ ー ド 番 号 1576 売買単位 10 口
連 動 対 象 指 標 FTSE 中国 A50 インデックス
主 要 投 資 資 産 株式
管 理 会 社 中国南方アセット・マネジメント・リミテッド
U R L <http://www.csopasset.com/en/home/index.php>
代 表 者 (役職名) 最高経営責任者 (氏名) 丁 晨
問合せ先責任者 (役職名) アンダーソン・毛利・友 (氏名) 飛岡 和明 (TEL)03(6775)1000
常法律事務所 弁護士

Fund name: CSOP FTSE China A50 ETF Listed Exchange: TSE
Code: 1576 Trading unit: 10 units
Underlying indicator: FTSE China A50 Index
Primary invested assets: Shares
Management co.: CSOP Asset Management Limited
URL: <http://www.csopasset.com/en/home/index.php>
Representative: (Title) Chief Executive Officer (Name) Ding Chen
Contact person: (Title) Anderson Mori & Tomotsune, (Name) Kazuaki Tobioka (TEL)03(6775)1000
Attorney-at-law

有価証券報告書提出予定日 2020 年 6 月
Scheduled submission date of Annual Securities June 2020
Report:

I ファンドの運用状況

I Fund Management

1. 2019 年 12 月期の運用状況 (2019 年 1 月 1 日～2019 年 12 月 31 日)
1. Management Status for Fiscal Year ended December 2019 (from January 1, 2019 to December 31, 2019)

(1) 信託財産である外国 ETF の資産内訳 (百万円未満切捨て)
(1) Assets of Trust Asset Foreign ETF (amounts below 1 mil. yen are discarded)

	主要投資資産 Primary Invested Assets		現金・預金・その他の資産 (負債控 除後) Cash/Deposits/Other Assets (excluding liabilities)		合計 (純資産) Total (Net Assets)	
	金額 Amount	構成 比 ratio	金額 Amount	構成比 ratio	金額 Amount	構成 比 ratio
2019 年 12 月期 FY ended December 2019	百万円 JPY mil.	% %	百万円 JPY mil.	% %	百万円 JPY mil.	% %
	234,477	99.32	1,600	0.68	236,078	100
2018 年 12 月期 FY ended December 2018	235,760	99.26	1,752	0.74	237,513	100

(2) 信託財産である外国 ETF の設定・交換実績

(2) Creation and Redemption of Trust Asset Foreign ETF

	前計算期間末発行済口数 No. of Issued Units at End of Previous Calculation Period (①)	設定口数 No. of Units Created (②)	交換口数 No. of Units Redeemed (③)	当計算期間末発行済口数 No. of Issued Units at End of Calculation Period (①+②-③)
	千口 '000 units	千口 '000 units	千口 '000 units	千口 '000 units
2019 年 12 月期 FY ended December 2019	1,564,000	239,500	664,000	1,139,500
2018 年 12 月期 FY ended December 2018	1,495,000	424,500	355,500	1,564,000

(3) 信託財産である外国 ETF の基準価額

(3) Net Asset Value of Trust Asset Foreign ETF

	総資産 Total Assets (①)	負債 Liabilities (②)	純資産 Net Assets (③(①-②))	1 口当たり基準価額 (((③/当計算期間末 (前計算期間 末) 発行済口数)×1) Net Asset Value per 1 unit (((③/No. of Issued Units at End of Calculation Period (Previous Calculation Period))×1)
	百万円 JPY mil.	百万円 JPY mil.	百万円 JPY mil.	円 JPY
2019 年 12 月期 FY ended December 2019	236,333	255	236,078	207
2018 年 12 月期 FY ended December 2018	237,842	329	237,513	151

(4) 上場外国 ETF 信託受益証券に係る設定・交換実績

(4) Creation and Redemption of Listed Foreign ETF Trust Beneficiary Certificates (JDR)

	前計算期間末発行済口数 No. of Issued Units at End of Previous Calculation Period (①)	設定口数 No. of Units Created (②)	交換口数 No. of Units Redeemed (③)	当計算期間末発行済口数 No. of Issued Units at End of Calculation Period (①+②-③)
	千口 '000 units	千口 '000 units	千口 '000 units	千口 '000 units
2019 年 12 月期 FY ended December 2019	53	0	0	53

(5) 上場外国 ETF 信託受益証券の分配金

(5) Dividend Payment of Listed Foreign ETF Trust Beneficiary Certificates (JDR)

	1 口当たり分配金 Dividend per 1 unit
	円 JPY
2019 年 12 月期 FY ended December 2019	15
2018 年 12 月期 FY ended December 2018	12

注) 日本円への換算は、1 人民元 = 15.13 円 (2020 年 4 月 27 日東京時間午後 5 時現在のブルームバーグによる人民元 (CNH) /米国ドル及び米国ドル/日本円の仲値) により計算されています。

Note: Conversion into Japanese yen has been calculated at the exchange rate of CNH 1.00 = JPY 15.13, which represents the middle rates for CNH-USD and USD-JPY as of 17:00 Tokyo time on April 27, 2020 as published by Bloomberg.

2. 信託財産である外国 ETF の会計方針の変更

2. Change in Accounting Policies of Trust Asset Foreign ETF

(1) 会計基準等の改正に伴う会計方針の変更 : 無

(1) Changes accompanying revision to accounting standards, etc. : No

(2) ①以外の会計方針の変更 : 無

(2) Changes other than those in ① : No



CSOP ETF SERIES
(An umbrella unit trust established in Hong Kong)

CSOP FTSE CHINA A50 ETF
Stock Codes: 82822 (RMB counter) and 02822 (HKD counter)
(A sub-fund of CSOP ETF Series)

Reports and Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2019

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

CONTENTS

	Page
Report of the Manager to the Unitholders	1 – 2
Report of the Trustee to the Unitholders	3
Statement of Responsibilities of the Manager and the Trustee	4
Independent Auditor’s Report	5 – 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Net Assets Attributable to Unitholders	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 – 29
Investment Portfolio (Unaudited)	30 – 31
Statement of Movements in Investment Portfolio (Unaudited)	32 – 36
Performance Record (Unaudited)	37
Management and Administration	38

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

CSOP FTSE China A50 ETF (the “CSOP A50 ETF” or the “Sub-Fund”), a sub-fund of the CSOP ETF Series, is a unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 23 August 2012 and commenced trading in RMB under the stock code 82822 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 28 August 2012; following the SEHK’s dual counter model, the CSOP A50 ETF started trading in HKD under the stock code 02822 on the SEHK on 8 November 2012. The CSOP A50 ETF is benchmarked against the FTSE China A50 Index (the “A50 Index”) and adopts the full-replication strategy. The manager and Renminbi Qualified Foreign Institutional Investor (“RQFII”) Holder of the CSOP A50 ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP A50 ETF is a physical ETF which invests directly in the A50 Index securities through the RQFII quotas of the Manager, Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. Under current regulations in the People’s Republic of China (“PRC”), foreign investors can invest in the domestic securities market through certain qualified foreign institutional investors that have obtained status as a Qualified Foreign Institutional Investor (“QFII”) or a RQFII from the China Securities Regulatory Commission (“CSRC”) and have been granted quota(s) by the State Administration of Foreign Exchange (“SAFE”) to remit foreign freely convertible currencies (in the case of a QFII) and RMB (in the case of a RQFII) into the PRC for the purpose of investing in the PRC’s domestic securities markets. Meanwhile, from 17 November 2014, foreign investors can trade eligible stocks listed in Shanghai Stock Exchange through Shanghai-Hong Kong Stock Connect. And from 5 December 2016, foreign investors can trade eligible stocks listed in Shenzhen Stock Exchange through Shenzhen-Hong Kong Stock Connect. The Manager has obtained RQFII status and the total RQFII quotas obtained by the Manager amount to RMB 46.1 billion as of 31 December 2019.

The FTSE China A50 Index (the “Index”) is compiled and published by FTSE International Limited. It comprises the top 50 A-Share companies from both the Shanghai and Shenzhen markets by market capitalisation. The Index operates under clearly defined rules published by the index provider and is a tradable index.

Capital Gains Tax (“CGT”) Treatment

Rules governing taxes on capital gains derived by QFIIs or RQFIIs from the trading of PRC Securities (including China A-Shares) were announced on 14 November 2014. According to the rules, investors are not required to pay capital gain tax from 17 November 2014. Therefore, the Manager did not make provision for any withholding tax after 17 November 2014.

Change to the type of the Underlying Index

The Sub-Fund has been using FTSE China A50 price return index as its Underlying Index since its inception in August 2012. Price return index does not include the reinvestment of dividends from the constituent securities of the index. Price return index only considers price movements of the constituent securities of the index but the net total return index assumes that dividends paid by the constituent securities of the index, net of any withholding taxes, are reinvested in additional shares of such index’s constituents. As such, an index’s net total return is usually considered to be a more accurate measurement of the actual investment return and performance. Therefore, it is proposed that the type of the Underlying Index of the Sub-Fund will change from price return index to net total return index with effect from 27 February 2015.

The Manager believes that the change to the type of the Underlying Index will not only reduce the cash dragging but also its tracking error of the Sub-Fund. The Manager considers that the change made to the type of the Sub-Fund’s Underlying Index would not materially prejudice unitholders’ rights or interests and does not anticipate adverse impact to the operation of the Sub-Fund.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

REPORT OF THE MANAGER TO THE UNITHOLDERS (CONTINUED)

The Sub-Fund Performance

The CSOP A50 ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Index. As of 31 December 2019, the dealing Net Asset Value (“NAV”) per unit of the CSOP A50 ETF was RMB 13.6931 and there were 1,139,500,000 units outstanding. The total asset under management was approximately RMB 15.6 billion.

For the year ended 31 December 2019, the FTSE China A50 net return index increased by 42.12% while the dealing NAV increased by 36.41%. The difference in performance between the NAV of the CSOP A50 ETF and the Index is mainly attributed to dividends, fees and expenses including tax on dividends. YTD Net total return of the RMB counter (stock code 82822) was 40.35%.

Exchange Liquidity

Since inception, the CSOP A50 ETF has attracted great attention from investors across the globe. The trading value of the RMB counter (stock code: 82822) has an average daily turnover of RMB 8.8 million in December 2019. The trading value of the HKD counter (stock code: 02822) has an average daily turnover of HKD 388.7 million in December 2019. The Sub-Fund’s high liquidity often placed it in the most actively traded ETFs on the HKEx. The trading volume for the CSOP A50 ETF reflected strong interest in the CSOP A50 ETF.

Portfolio Rebalance

The CSOP A50 ETF adopts a full-replication strategy to track the Index. Since inception, the CSOP A50 ETF has experienced thirty quarterly index rebalances.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager of CSOP FTSE China A50 ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series, has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 25 July 2012, as amended, for the year ended 31 December 2019.

HSBC Institutional Trust Services (Asia) Limited
27 April 2020

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

MANAGER’S RESPONSIBILITIES

The Manager of CSOP FTSE China A50 ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series, is required by the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong and the Trust Deed dated 25 July 2012, as amended, (the “Trust Deed”) to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of the year and of the transactions for the year then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Fund in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

CSOP ETF Series (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31 December 2019, the Trust has established six sub-funds, namely, CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF, CSOP Hong Kong Dollar Money Market ETF and CSOP US Dollar Money Market ETF. CSOP CES China A80 ETF and CSOP China CSI 300 Smart ETF were terminated on 31 May 2019 and 27 December 2019 respectively. CSOP US Dollar Money Market ETF and CSOP CSI 500 ETF were launched on 23 January 2019 and 18 March 2020 respectively.

TRUSTEE’S RESPONSIBILITIES

The Trustee of the Sub-Fund is required to:

- ensure that the Sub-Fund in all material respects is managed in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Fund and rights attaching thereto; and
- report to the unitholders for each annual accounting period should the Manager not managing the Sub-Fund in accordance to the Trust Deed.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of CSOP FTSE China A50 ETF (the "Sub-Fund"), a sub-fund of CSOP ETF Series, set out on pages 9 to 29, which comprise:

- the statement of financial position as at 31 December 2019;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2019, and of its financial transactions and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP FTSE CHINA A50 ETF (CONTINUED)
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

Key Audit Matters (Continued)

Key audit matter identified in our audit is summarised as follows:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><u>Existence and valuation of investments</u></p> <p>The Sub-Fund's investments as at 31 December 2019 were comprised of listed equities of companies in the People's Republic of China, valued at RMB15,497,514,898.</p> <p>We focused on the existence and valuation of the investments because the investments represented the principal element of the Sub-Fund's net asset value.</p> <p>Refer to Note 8 to the financial statements.</p>	<p>We tested the existence of the Sub-Fund's holdings of investments by obtaining a direct confirmation from the custodian and checking the confirmation to the Sub-Fund's records. Based on the procedures we performed, we found the Sub-Fund's holdings of investments to be in agreement with the confirmation received.</p> <p>We tested the valuation of the Sub-Fund's investments by comparing the pricing used by the manager of the Sub-Fund to the publicly available external pricing sources as at 31 December 2019. We found no material exceptions from our testing.</p>

Other Information

The trustee and the manager (the "Management") of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP FTSE CHINA A50 ETF (CONTINUED)
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

Responsibilities of Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Fund is responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 25 July 2012, as amended, ("Trust Deed") and the Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the Appendix E of the SFC Code.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP FTSE CHINA A50 ETF (CONTINUED)
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and the Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Josephine W.T. Kwan.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 April 2020

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2019

	<i>Notes</i>	2019 <i>RMB</i>	2018 <i>RMB</i>
ASSETS			
NON-CURRENT ASSETS			
Deposit reserve		1,383,200	1,383,200
		-----	-----
CURRENT ASSETS			
Investments	7(c),8(a)	15,497,514,898	15,582,325,704
Interest receivable		7,375	6,787
Bank balances	7(c)	121,318,541	136,222,741
		-----	-----
		15,618,840,814	15,718,555,232
		-----	-----
Total assets		15,620,224,014	15,719,938,432
		-----	-----
LIABILITIES			
CURRENT LIABILITIES			
Management fee payable	7(a)	12,076,568	13,383,339
Trustee fee payable	7(b)	487,942	540,741
License fee payable		3,421,534	7,108,826
Other accounts payable		916,694	726,804
		-----	-----
Total liabilities		16,902,738	21,759,710
		-----	-----
EQUITY			
Net assets attributable to unitholders	4	15,603,321,276	15,698,178,722
		=====	=====

The financial statements on pages 9 to 29 were approved by the Trustee and the Manager on 27 April 2020 and were signed on their behalf.

For and on behalf of

For and on behalf of

CSOP Asset Management Limited
as the Manager

HSBC Institutional Trust Services (Asia) Limited
as the Trustee

The accompanying notes form an integral part of these financial statements.

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2019

		Year ended 31 December 2019 RMB	Year ended 31 December 2018 RMB
	<i>Notes</i>		
INCOME			
Dividend income		423,182,021	374,786,899
Interest income	7(c)	840,750	616,279
Net gain/(loss) on investments	5	5,290,006,769	(3,538,491,346)
Other income		11,449,952	34,940,701
Total net income/(loss)		<u>5,725,479,492</u>	<u>(3,128,147,467)</u>
EXPENSES			
Management fee	7(a)	(156,109,144)	(151,041,314)
Trustee fee	7(b)	(6,307,440)	(12,909,111)
Transaction costs on investments		(33,940,684)	(23,393,914)
Audit fee		(1,015,986)	(740,420)
Safe custody and bank charges		(4,100,831)	(1,119,874)
Legal and other professional fee		(417,655)	(443,587)
License fee		(15,867,275)	(15,911,091)
Other operating expenses		(1,872,922)	(613,758)
Total operating expenses		<u>(219,631,937)</u>	<u>(206,173,069)</u>
Operating profit/(loss)		<u>5,505,847,555</u>	<u>(3,334,320,536)</u>
Taxation	6	<u>(42,482,001)</u>	<u>(37,571,176)</u>
Total comprehensive income/(loss)		<u><u>5,463,365,554</u></u>	<u><u>(3,371,891,712)</u></u>

The accompanying notes form an integral part of these financial statements.

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
For the year ended 31 December 2019

		Year ended 31 December 2019 RMB	Year ended 31 December 2018 RMB
Net assets attributable to unitholders at the beginning of the year	<i>Note</i>	15,698,178,722	19,305,132,834
Proceeds on issue of units		3,244,967,300	4,737,783,550
Payments on redemption of units		(8,427,155,300)	(4,559,070,950)
Net (decrease)/increase from unit transactions		(5,182,188,000)	178,712,600
Distribution to unitholders	9	(376,035,000)	(413,775,000)
Total comprehensive income/(loss) for the year		5,463,365,554	(3,371,891,712)
Net assets attributable to unitholders at the end of the year		15,603,321,276	15,698,178,722

The accompanying notes form an integral part of these financial statements.

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF CASH FLOWS
For the year ended 31 December 2019

	Year ended 31 December 2019 RMB	Year ended 31 December 2018 RMB
OPERATING ACTIVITIES		
Payments for purchase of investments	(8,663,051,208)	(8,092,592,048)
Proceeds from sale of investments	14,037,868,783	8,289,170,128
Dividend income received	423,182,021	374,786,899
Interest income received	840,162	611,935
Other income received	11,449,952	34,940,701
Management fee paid	(157,415,915)	(154,331,325)
Trustee fee paid	(6,360,239)	(13,831,218)
Transaction costs paid	(33,940,684)	(23,393,914)
Taxation paid	(42,482,001)	(37,571,176)
Other operating expenses paid	(26,772,071)	(17,341,220)
Net cash generated from operating activities	5,543,318,800	360,448,762
FINANCING ACTIVITIES		
Proceeds on issue of units	3,244,967,300	4,737,783,550
Payments on redemption of units	(8,427,155,300)	(4,584,837,016)
Distribution paid	(376,035,000)	(413,775,000)
Net cash used in financing activities	(5,558,223,000)	(260,828,466)
Net (decrease)/increase in cash and cash equivalents	(14,904,200)	99,620,296
Cash and cash equivalents at the beginning of the year	136,222,741	36,602,445
Cash and cash equivalents at the end of the year	121,318,541	136,222,741
Analysis of balances of cash and cash equivalents		
Bank balances	121,318,541	136,222,741

The accompanying notes form an integral part of these financial statements.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

CSOP ETF Series (the “Trust”) is an umbrella unit trust governed by its trust deed dated 25 July 2012, as amended, (the “Trust Deed”) and authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance. The terms of the Trust Deed are governed by the laws of Hong Kong. As at 31 December 2019, the Trust has six sub-funds which are CSOP FTSE China A50 ETF (the “Sub-Fund”), CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF, CSOP Hong Kong Dollar Money Market ETF and CSOP US Dollar Money Market ETF. CSOP CES China A80 ETF and CSOP China CSI 300 Smart ETF were terminated on 31 May 2019 and 27 December 2019 respectively. CSOP US Dollar Money Market ETF and CSOP CSI 500 ETF were launched on 23 January 2019 and 18 March 2020 respectively. The date of inception of the Sub-Fund was 23 August 2012. The Sub-Fund is listed on The Stock Exchange of Hong Kong Limited. CSOP Asset Management Limited, the manager of the Sub-Fund, applied and obtained approval to list Japan Depository Receipt (“JDR”) which represents units of the Sub-Fund on the Tokyo Stock Exchange (“TSE”). The JDR which represents units of the Sub-Fund was listed on the TSE on 27 February 2013.

The manager and the trustee of the Sub-Fund are CSOP Asset Management Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”) respectively.

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the underlying index, namely, FTSE China A50 Index (the “Underlying Index”). In order to achieve the investment objective of the Sub-Fund, the Manager will adopt a full replication strategy by directly investing all, or substantially all, of the assets of the Sub-Fund in index securities constituting the Underlying Index in substantially the same weightings (i.e. proportions) as these index securities have in the Underlying Index. The Manager may also use a representative sampling strategy in exceptional circumstances.

The Sub-Fund has been using FTSE China A50 net total return index as its underlying index.

Under current regulations in the People’s Republic of China (“PRC”), generally foreign investors can invest in the domestic securities market through certain qualified foreign institutional investors that have obtained status as a Qualified Foreign Institutional Investor (“QFII”) or a Renminbi Qualified Foreign Institutional Investor (“RQFII”) from the China Securities Regulatory Commission (“CSRC”) and have been granted quota(s) by the State Administration of Foreign Exchange (“SAFE”) of the PRC to remit foreign freely convertible currencies (in the case of a QFII) and Chinese Renminbi (“RMB”) (in the case of a RQFII) into the PRC for the purpose of investing in the PRC’s domestic securities markets. Foreign investors can also invest in the domestic securities market through Shanghai/Shenzhen – Hong Kong Stock Connect Program (“Stock Connect”).

The Sub-Fund obtains exposure to securities issued within the PRC through the RQFII quotas of the Manager and Stock Connect. The Manager has obtained RQFII status in the PRC and the RQFII quotas have been granted, on behalf of the Sub-Fund. To the extent that the Manager has, on behalf of the Sub-Fund, utilised its entire RQFII quota, the Manager may, subject to any applicable requirements, apply for an increase of the RQFII quota. On the other hand, the Manager actively manages the RQFII quota obtained and may impose limits on creation applications as it considers appropriate.

These financial statements are prepared for the Sub-Fund only. The financial statements for CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF, CSOP Hong Kong Dollar Money Market ETF and CSOP US Dollar Money Market ETF have been prepared separately.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Standards and amendments to existing standards effective 1 January 2019

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2019 that have a material effect on the financial statements of the Sub-Fund.

New standards and amendments to standards effective after 1 January 2019 that are relevant to the Sub-Fund but are not yet effective and have not been early adopted by the Sub-Fund

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

(b) Investments

(i) Classification

The Sub-Fund classifies its investments based on both the Sub-Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

(ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis - the date on which the Sub-Fund commits to purchase or sell the investments. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investments (Continued)

(iii) Measurement

Investments are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all investments are measured at fair value. Realised and unrealised gains and losses on investments are recognised in the statement of comprehensive income in the year in which they arise.

(iv) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both listed financial assets and liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets that are not traded in an active market (for example, over-the-counter derivatives) is determined by using broker quotes or valuation techniques.

(v) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(c) Amounts due from participating dealers/brokers

Amounts due from participating dealers represent the subscription receivable from the participating dealers at the end of the reporting year. The amounts are non-interest bearing and repayable on demand.

Amounts due from brokers represent receivables for securities sold that have been contracted for but not yet settled on the statement of financial position date.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Amounts due from participating dealers/brokers (Continued)

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from participating dealers/brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the participating dealers/brokers, probability that the participating dealers/brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by Management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(d) Amounts due to participating dealers/brokers

Amounts due to participating dealers represent the redemption payable to the participating dealers at the end of the reporting year. The amounts are non-interest bearing and repayable on demand.

Amounts due to brokers represent payables for securities purchased that have been contracted for but not yet delivered on the statement of financial position date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(e) Dividend income and interest income

Dividend income is recorded on the ex-dividend date with the corresponding foreign withholding taxes recorded as an expense.

Interest income is recognised on a time-proportionate basis using the effective interest method.

(f) Distributions to unitholders

Distributions to unitholders are recognised in the statement of changes in net assets attributable to unitholders when they are approved by the Manager. Distributions to unitholders are recognised as distributions in the statement of changes in net assets attributable to unitholders.

(g) Other income/expense

Other income/expense mainly represents the difference between the proceeds received from/paid to participating dealers and cost of investment purchased/sold.

(h) Transactions costs

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

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Expenses

Expenses are accounted for on an accrual basis.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank, demand deposits, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(k) Foreign currencies translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the “functional currency”). The Sub-Fund invests in A-Shares in the PRC and the performance of the Sub-Fund is measured and reported to the unitholders in RMB. The Manager considers Renminbi as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in RMB, which is the Sub-Fund’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net gain/(loss) on investments”.

(l) Redeemable units

The Sub-Fund issues redeemable units, which are redeemable at the holder’s option. These units represent puttable financial instruments of the Sub-Fund. The Sub-Fund classifies its puttable financial instruments as equity in accordance with HKAS 32 (Amendment), “Financial instruments: Presentation” as those puttable financial instruments meet all the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net asset value;
- the puttable financial instruments are the most subordinated units in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable financial instrument over its life are based substantially on the profit or loss of the Sub-Fund.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Redeemable units (Continued)

Units are issued and redeemed at the holder's option at prices based on the Sub-Fund's net asset value per unit at the time of issue or redemption. The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

In accordance with the Prospectus of the Sub-Fund, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions of the Sub-Fund.

(m) Taxation

The Sub-Fund currently incurs withholding taxes imposed by PRC on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included as taxation in the statement of comprehensive income.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(n) Establishment costs

Establishment costs are recognised as an expense in the year in which they are incurred.

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the fair value of the securities that are suspended from trading which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (Continued)

Fair value of securities that are suspended from trading

As at 31 December 2018, there were listed equities which have been suspended for trading mainly due to business restructuring. Management used its judgment in determining the fair values of these investments and involved a higher degree of subjectivity. Management judgment in determining the fair values of the suspended investments includes factors such as the duration of suspension period, the relevant market information and news of the suspended listed equities, the price movement of comparable listed equities/index during the suspension period and, if applicable, the market prices of the suspended listed equities upon resumption of trading after year end.

As at 31 December 2018, the Sub-Fund held one listed equity of RMB448,585,791, representing 2.86% of the net asset value of the Sub-Fund, which was suspended for trading and classified as level 2. Such suspended investment held by the Sub-Fund has resumed trading subsequent to the year ended 31 December 2018. Having considered the factors mentioned above, Management decided to use the latest available price before suspension as the fair value of such suspended investment as at 31 December 2018. Refer to Note 8(d).

As at 31 December 2019, there was no investment held by the Sub-Fund which has been suspended for trading.

4. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT

The Sub-Fund's capital is represented by the units in the Sub-Fund, and shown as "net assets attributable to unitholders" in the statement of financial position. Subscriptions and redemptions of units during the year are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-Fund endeavors to invest its capital in accordance with the investment policies, whilst maintaining sufficient liquidity to meet redemption requests.

In accordance with the provisions of the Trust Deed dated 25 July 2012, as amended, and the Prospectus of the Sub-Fund, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculations.

As stated in Note 2(l), redeemable units of the Sub-Fund are classified as equity and they are carried at the price based on the Sub-Fund's net asset value per unit at the reporting date if the unitholder exercised the right to redeem the units in the Sub-Fund.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

4. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (Continued)

The movements of the redeemable units for the years ended 31 December 2019 and 2018 are as follows:

	2019 Units	2018 Units
Number of units in issue at the beginning of the year	1,564,000,000	1,495,000,000
Units issued	239,500,000	424,500,000
Units redeemed	(664,000,000)	(355,500,000)
	<hr/>	<hr/>
Number of units in issue at the end of the year	1,139,500,000	1,564,000,000
	<hr/>	<hr/>

	2019 RMB	2018 RMB
Net assets attributable to unitholders per unit as at 31 December (per statement of financial position)	13.6931	10.0372
	<hr/>	<hr/>

5. NET GAIN/(LOSS) ON INVESTMENTS

	2019 RMB	2018 RMB
Net change in unrealised gain/loss in value of investments	3,359,721,636	(4,131,134,857)
Net realised gain on sale of investments	1,930,285,133	592,643,511
	<hr/>	<hr/>
	5,290,006,769	(3,538,491,346)
	<hr/>	<hr/>

6. TAXATION

No provision for Hong Kong profits tax has been made for the Sub-Fund as it is authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

PRC tax

The Sub-Fund invests in A-Shares listed in the PRC and is subjected to 10% withholding tax on dividend income derived from A-Shares. Withholding tax was charged on dividend income received from A-Shares during the years ended 31 December 2019 and 2018.

The taxation of the Sub-Fund for the years ended 31 December 2019 and 2018 represents:

	2019 RMB	2018 RMB
Withholding tax on dividend income	42,443,177	37,550,526
Withholding tax on interest income	38,824	20,650
	<hr/>	<hr/>
Taxation	42,482,001	37,571,176
	<hr/>	<hr/>

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

7. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS

The following is a summary of significant related party transactions and transactions entered into during the year between the Sub-Fund and the Trustee, the Manager and the Connected Persons of the Manager. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the “SFC Code”). All transactions entered into during the years ended 31 December 2019 and 2018, between the Sub-Fund and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager’s knowledge, the Sub-Fund does not have any other transactions with the Connected Persons of the Manager except for those disclosed below.

(a) Management fee

The Manager is entitled to receive a management fee, currently at the rate of 0.99% per annum of the net asset value of the Sub-Fund accrued daily and calculated as at each dealing day and payable monthly in arrears.

(b) Trustee fee and Registrar’s fee

The Trustee is entitled to receive a trustee fee of up to 1% per annum of the net asset value of the Sub-Fund, which accrued daily and calculated as at each dealing day and payable monthly in arrears. For the period from 1 January 2018 to 30 November 2018, the trustee fee was calculated as a percentage per annum of the net asset value of the Sub-Fund at the rate as follows, subject to a monthly minimum of RMB40,000:

Prior to 1 December 2018:

	Trustee fee percentage per annum
For first RMB200 million	0.16%
For next RMB1,000 million	0.14%
For next RMB1,000 million	0.12%
For next RMB1,000 million	0.10%
Thereafter	0.08%

Effective from 1 December 2018, the trustee fee is calculated at the rate up to 0.08% per annum of the net asset value of the Sub-Fund.

The Trustee fee is inclusive of fees payable to The Hongkong and Shanghai Banking Corporation Limited (the “Custodian”) and HSBC Bank (China) Company Limited (the “PRC Custodian”).

The Trustee, acting as the Registrar, is also entitled to a fee of RMB120 per participating dealer per transaction for the period from 1 January 2018 to 30 November 2018. Effective from 1 December 2018, the Trustee is entitled to a fee of RMB100 per participating dealer per transaction.

The Trustee shall also be entitled to be reimbursed from the Sub-Fund for all out-of-pocket expenses incurred.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

7. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS (Continued)

(c) Financial assets

The investments and bank balances of the Sub-Fund held with related parties of the Trustee are:

	2019 <i>RMB</i>	2018 <i>RMB</i>
Investments		
The Hongkong and Shanghai Banking Corporation Limited	12,622,214,674	13,147,055,563
HSBC Bank (China) Company Limited	2,875,300,224	2,435,270,141
	<u>15,497,514,898</u>	<u>15,582,325,704</u>
Bank balances		
The Hongkong and Shanghai Banking Corporation Limited	89,544,243	86,356,792
HSBC Bank (China) Company Limited	31,774,298	49,865,949
	<u>121,318,541</u>	<u>136,222,741</u>
Deposit reserve		
HSBC Bank (China) Company Limited	<u>1,383,200</u>	<u>1,383,200</u>

Interest income amounted to RMB840,750 was earned on these bank balances and deposit reserve for the year ended 31 December 2019 (2018: RMB616,279).

During the years ended 31 December 2019 and 2018, the Sub-Fund invested in Huatai Securities Co Ltd, a connected person of the Manager.

8. FINANCIAL RISK MANAGEMENT

The objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the FTSE China A50 Index. The Sub-Fund's activities may expose it to a variety of risks including but not limited to market risk (including market price risk, interest rate risk and currency risk), credit and counterparty risk and liquidity risk which are associated with the markets in which the Sub-Fund invests.

The following is a summary of the main risks and risk management policies.

(a) Market risk

(i) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Sub-Fund is designated to track the performance of the FTSE China A50 Index, therefore the exposures to market risk in the Sub-Fund will be substantially the same as the tracked index. The Manager manages the Sub-Fund's exposures to market risk by ensuring that the key characteristics of the portfolio, such as security weight and industry weight, are closely aligned with the characteristics of the tracked index.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(i) Market price risk (Continued)

As at 31 December, the Sub-Fund's investments were concentrated in the following industries:

	2019		2018	
	Fair value RMB	% of net asset value	Fair value RMB	% of net asset value
Listed equities in PRC – by industry				
Basic materials	94,150,582	0.60	251,191,126	1.60
Consumer goods	4,022,500,080	25.78	3,279,491,218	20.89
Consumer services	181,100,866	1.16	-	-
Financials	8,745,290,441	56.05	9,501,148,790	60.52
Health care	585,416,264	3.75	322,042,179	2.05
Industrials	1,130,418,192	7.24	1,534,072,192	9.77
Oil & gas	188,821,650	1.21	279,175,429	1.78
Technology	243,190,388	1.56	46,706,158	0.30
Telecommunications	116,879,788	0.75	141,804,657	0.90
Utilities	189,746,647	1.22	226,693,955	1.45
	<u>15,497,514,898</u>	<u>99.32</u>	<u>15,582,325,704</u>	<u>99.26</u>

The Sub-Fund held 50 out of 50 (2018: 50 out of 50) constituent securities comprising the FTSE China A50 Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the FTSE China A50 Index.

Sensitivity analysis in the event of a possible change in the index as estimated by the Manager

As at 31 December 2019 and 2018, if the FTSE China A50 Index were to increase by 25% (2018: 10%) with all other variables held constant, this would increase the operating profit for the year by approximately RMB3,737,309,260 (2018: RMB1,588,417,089). Conversely, if the FTSE China A50 Index were to decrease by 25% (2018: 10%), this would decrease the operating profit for the year by an equal amount.

(ii) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31 December 2019 and 2018, interest rate risk arises only from bank balances. As the bank balances held by the Sub-Fund is short term in nature and interest arising from these interest bearing assets are immaterial, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. As a result, the Manager considers sensitivity analysis of interest rate risk is not necessary to be presented.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Sub-Fund is not exposed to currency risk arising from balances and transactions in foreign currencies as the majority of its assets and liabilities are denominated in RMB, the Sub-Fund's functional and presentation currency. As a result, the Manager considers sensitivity analysis of currency risk is not necessary to be presented.

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Sub-Fund.

The Sub-Fund limits its exposure to credit and counterparty risk by carrying out the majority of its investment transactions and contractual commitment activities with well-established broker-dealers, banks and regulated exchanges with high credit ratings.

All transactions in listed securities are settled or paid for upon delivery using approved and reputable brokers. In addition, the Sub-Fund places bank balances with reputable financial institutions. As such, the Manager does not consider the Sub-Fund to be exposed to significant credit and counterparty risk.

As at 31 December 2019 and 2018, the Sub-Fund placed bank balances of RMB89,544,243 (2018: RMB86,356,792) and investments of RMB12,622,214,674 (2018: RMB13,147,055,563) with The Hong Kong and Shanghai Banking Corporation Limited ("HSBC"), which is the custodian of the Sub-Fund. The S&P credit rating of HSBC is A (2018: A).

As at 31 December 2019 and 2018, the Sub-Fund placed bank balances of RMB31,774,298 (2018: RMB49,865,949), deposit reserve of RMB1,383,200 (2018: RMB1,383,200) and investments of RMB2,875,300,224 (2018: RMB2,435,270,141) with HSBC Bank (China) Company Limited ("HSBC China"), which is the PRC custodian of the Sub-Fund. The Moody's credit rating of HSBC China is A1 (2018: A1).

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. As at 31 December 2019 and 2018, deposit reserve, interest receivables and bank balances are held with counterparties with high credit ratings and are due to be settled within 1 month. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

The maximum exposure to credit risk as at 31 December 2019 and 2018 is the carrying amount of the financial assets as shown on the statement of financial position.

(c) Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in securities that are traded in an active market which can be readily disposed of.

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month <i>RMB</i>	1 month to less than 3 months <i>RMB</i>	Over 3 months <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2019				
Management fee payable	12,076,568	-	-	12,076,568
Trustee fee payable	487,942	-	-	487,942
License fee payable	-	3,421,534	-	3,421,534
Other accounts payable	16,010	2,000	898,684	916,694
Contractual cash outflow	12,580,520	3,423,534	898,684	16,902,738

As at 31 December 2018

Management fee payable	13,383,339	-	-	13,383,339
Trustee fee payable	540,741	-	-	540,741
License fee payable	-	7,108,826	-	7,108,826
Other accounts payable	-	87,980	638,824	726,804
Contractual cash outflow	13,924,080	7,196,806	638,824	21,759,710

Units are redeemed on demand at the unitholder's option. As at 31 December 2019, there was 1 (2018: 1) unitholder holding more than 10% of the Sub-Fund's units, representing in aggregate 31.82% (2018: 28.64%) of the total Sub-Fund's units.

The Sub-Fund manages its liquidity risk by investing in securities that it expects to be able to liquidate within 7 days or less. The following table illustrates the expected liquidity of assets held:

	Less than 1 month <i>RMB</i>	1 to 12 months <i>RMB</i>	No stated maturity <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2019				
Total assets	15,618,833,439	7,375	1,383,200	15,620,224,014
As at 31 December 2018				
Total assets	15,718,548,445	6,787	1,383,200	15,719,938,432

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Sub-Fund can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Sub-Fund. The Sub-Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Sub-Fund’s financial assets (by class) measured at fair value at 31 December 2019 and 2018:

	Level 1 <i>RMB</i>	Level 2 <i>RMB</i>	Level 3 <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2019				
Assets				
Investments				
- Equity securities	15,497,514,898	-	-	15,497,514,898
Total assets	<u>15,497,514,898</u>	<u>-</u>	<u>-</u>	<u>15,497,514,898</u>
As at 31 December 2018				
Assets				
Investments				
- Equity securities	15,133,739,913	448,585,791	-	15,582,325,704
Total assets	<u>15,133,739,913</u>	<u>448,585,791</u>	<u>-</u>	<u>15,582,325,704</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Sub-Fund does not adjust the quoted price for these instruments.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. Management has used best estimation and assessed all available information and considers that the last traded price was the best estimation of the fair value of level 2 investments as at 31 December 2018.

As at 31 December 2018, one listed equity investment held by the Sub-Fund amounted to RMB448,585,791, representing 2.86% of the net asset value of the Sub-Fund, was suspended for trading due to business restructuring and was classified as level 2. Such investment has resumed trading subsequent to the year ended 31 December 2018.

As at 31 December 2019, there was no investment held by the Sub-Fund which has been suspended for trading.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or do not trade. As at 31 December 2019 and 2018, the Sub-Fund did not hold any investments classified in level 3.

During the year ended 31 December 2019, the suspended equity investment of RMB448,585,791 has been transferred from level 2 to level 1 related to the security which was suspended for trading as at 31 December 2018 and has resumed trading during the year ended 31 December 2019.

During the year ended 31 December 2018, the suspended equity investment of RMB448,585,791 was transferred from level 1 to level 2 and classified as level 2 investments.

Transfer between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year.

The assets and liabilities included in the statement of financial position, other than investments, are carried at amortised cost. The carrying value of these financial assets and liabilities are considered by the Manager to approximate their fair value as they are short term in nature and the effect of discounting is immaterial. There are no other assets and liabilities not carried at fair value but for which fair value is disclosed.

(e) Capital risk management

The Sub-Fund's capital is represented by the redeemable units outstanding. The Sub-Fund's objective is to provide investment results that correspond generally to the performance of the respective index. The Manager may:

- Redeem and issue new units on a daily basis in accordance with the constitutive documents of the Sub-Fund;
- Exercise discretion when determining the amount of distributions of the Sub-Fund to the unitholders; and
- Suspend the creation and redemption of units under certain circumstance as currently disclosed in the Prospectus of the Sub-Fund.

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

9. DISTRIBUTION

	2019 <i>RMB</i>	2018 <i>RMB</i>
Final distribution		
RMB0.33 per unit on 1,139,500,000 units (2018: RMB0.27 per unit on 1,532,500,000 units)	<u>376,035,000</u>	<u>413,775,000</u>

The final distribution of RMB0.33 (2018: RMB0.27) per unit on 1,139,500,000 (2018: 1,532,500,000) units outstanding on the ex-dividend date 20 December 2019 (2018: 14 December 2018) was paid on 30 December 2019 (2018: 27 December 2018).

10. FINANCIAL INSTRUMENTS BY CATEGORY

As of 31 December 2019 and 2018, other than investments as disclosed in the financial statements which are classified as financial assets at fair value through profit or loss, all financial assets including deposit reserve, interest receivable and bank balances are categorised as and carried at amortised cost. All the financial liabilities of the Sub-Fund are carried at amortised cost.

11. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

The SFC Code allows the Sub-Fund to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Fund's net asset value provided that the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the Index and the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the Index (except as a result of changes in the composition of the Index and the excess is transitional and temporary in nature).

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the years ended 31 December 2019 and 2018.

There was one constituent security (2018: 1) that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the FTSE China A50 Index as at 31 December 2019 and 2018.

	<u>Weighting in the Index (%)</u>		<u>% of net asset value</u>	
	2019	2018	2019	2018
PING AN INSURANCE (GROUP) CO OF CHINA LTD A SHR ORD CNY1	13.16	11.91	12.60	11.50

During the year ended 31 December 2019, the FTSE China A50 Net Total Return Index increased by 42.12% (2018: decreased by 19.36%) while the net asset value per unit of the Sub-Fund increased by 36.42% (2018: decreased by 22.27%).

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

12. SOFT COMMISSION ARRANGEMENTS

The Manager has entered into soft commission arrangements for the years ended 31 December 2019 and 2018 with some brokers under which certain goods and services used to support investment decision making are obtained from third parties and are paid for by the brokers in consideration of transactions of the Sub-Fund directed to the brokers. These may include, for example, research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; clearing, registrar and custodial services and investment-related publication; computer hardware and software incidental to the above goods and services.

13. SEGMENT INFORMATION

The Manager makes the strategic resource allocations on behalf of the Sub-Fund and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that the Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Fund are to track the performance of the FTSE China A50 Index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked index.

The internal financial information used by the Manager for the Sub-Fund's assets, liabilities and performance is the same as that disclosed in the statement of financial position and statement of comprehensive income.

The Sub-Fund is domiciled in Hong Kong. The Sub-Fund's income is derived from investments in PRC securities which constitute FTSE China A50 Index, the tracked index.

The total of non-current assets of the Sub-Fund located in PRC is RMB1,383,200 (2018: RMB1,383,200) as at 31 December 2019. The Sub-Fund has no other assets classified as non-current assets. As at 31 December 2019, the Sub-Fund has a diversified portfolio of investments and one investment accounts for more than 10% of the Sub-Fund's net asset value (2018: one).

14. SUBSEQUENT EVENTS

After the outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020, the Manager, the Trustee and the Custodian have all deployed business continuity arrangements to minimise interruption to business. As of the date of issuance of these financial statements, the extent and duration of the impact of COVID-19 on global and local economies, financial markets, and sectors and specific positions in which the Sub-Fund invests are uncertain. The Manager and the Trustee are closely monitoring, and responding to, the development of COVID-19 as appropriate.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 27 April 2020.

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

INVESTMENT PORTFOLIO (Unaudited)

As at 31 December 2019

	Holdings	Fair value RMB	% of net assets
Investments (99.32%)			
Listed equities (99.32%)			
China (99.32%)			
360 SECURITY TECHNOLOGY INC A SHRS ORD CNY1	1,035,450	24,343,429	0.16
AGRICULTURAL BANK OF CHINA A SHS ORD CNY1	99,870,603	368,522,525	2.36
ANHUI CONCH CEMENT COMPANY LTD SHS A ORD CNY1	4,504,446	246,843,641	1.58
BANK OF CHINA LTD A SHS ORD CNY1	54,945,653	202,749,460	1.30
BANK OF COMMUNICATIONS LTD A SHRS ORD CNY1	52,185,859	293,806,386	1.88
CHINA CITIC BANK CORP A SHRS ORD CNY1	7,101,880	43,818,600	0.28
CHINA CONSTRUCTION BANK A SHS ORD CNY1	23,467,107	169,667,184	1.09
CHINA EVERBRIGHT BANK CO LTD A ORD CNY1	36,324,441	160,190,785	1.03
CHINA INTERNATIONAL TRAVEL SERVICE CORP LTD A SHS ORD CNY1	2,035,985	181,100,866	1.16
CHINA LIFE INSURANCE CO A SHS ORD NPV	3,799,982	132,505,372	0.85
CHINA MERCHANTS BANK A SHR ORD CNY1	30,653,821	1,151,970,593	7.38
CHINA MERCHANTS SHEKOU INDUSTRIAL ZONE CO LTD ORD CNY1	5,357,442	106,452,372	0.68
CHINA MINSHENG BANKING CO LTD A SHR ORD CNY1	72,091,103	454,894,860	2.92
CHINA PACIFIC INSURANCE GROUP A SHR ORD CNY1	6,555,632	248,065,115	1.59
CHINA PETROLEUM & CHEMICAL CORP CL A ORD CNY1	24,911,436	127,297,438	0.82
CHINA SHENHUA ENERGY CO LTD A SHS ORD CNY1	5,158,936	94,150,582	0.60
CHINA STATE CONSTRUCTION ENGINEERING CORP LTD A SHR ORD CNY1	43,777,297	246,028,409	1.58
CHINA UNITED NETWORK COMMUNICATIONS LTD A SHRS ORD CNY1	19,843,767	116,879,788	0.75
CHINA VANKE CO LTD A SHR ORD CNY1	16,857,234	542,465,790	3.48
CHINA YANGTZE POWER CO LTD CL A ORD CNY1	10,323,539	189,746,647	1.22
CITIC SECURITIES CO LTD A SHR ORD CNY1	20,262,415	512,639,099	3.29
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A SHS ORD CNY1	572,211	60,883,250	0.39
CRRC CORP LTD A SHR ORD CNY1	19,413,198	138,610,234	0.89
FOSHAN HAITIAN FLAVOURING & FOOD COMPANY LTD A SHS ORD CNY1	703,991	75,686,072	0.49
FOXCONN INDUSTRIAL INTERNET CO LTD A SHRS ORD CNY1	2,914,267	53,243,658	0.34
GREE ELECTRIC APPLIANCES INC OF ZHUHAI A SHS ORD CNY1	11,091,245	727,363,847	4.66
GUOTAI JUNAN SECURITIES CO LTD A SHRS ORD NPV	8,621,457	159,410,740	1.02
HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO LTD A SHS ORD NPV	7,378,804	241,582,043	1.55
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD A SHS ORD CNY1	56,229,383	330,628,772	2.12
INDUSTRIAL BANK CO LTD A SHR ORD CNY1	36,118,303	715,142,399	4.58

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

INVESTMENT PORTFOLIO (Unaudited) (Continued)
As at 31 December 2019

	Holdings	Fair value RMB	% of net assets
Investments (99.32%) (Continued)			
Listed equities (99.32%) (Continued)			
China (99.32%) (Continued)			
INNER MONGILIA YILI INDUSTRIAL GROUP CO LTD A SHS ORD CNY1	13,032,830	403,235,760	2.58
JIANGSU HENGRUI MEDICINE CO LTD A SHR ORD CNY1	5,302,905	464,110,246	2.97
JIANGSU YANGHE BREWERY JOINT-STOCK CO LTD A SHS ORD CNY1	1,148,767	126,938,753	0.81
KWEICHOW MOUTAI CO LTD A SHR ORD CNY1	1,152,446	1,363,343,618	8.74
LUXSHARE PRECISION INDUSTRY CO LTD A SHS ORD CNY1	5,204,020	189,946,730	1.22
MIDEA GROUP CO LIMITED A SHR ORD NPV	5,419,480	315,684,710	2.02
MUYUAN FOODSTUFF CO LTD A SHS ORD CNY1	1,500,996	133,273,435	0.85
NEW CHINA LIFE INSURANCE CO LTD A SHRS ORD NPV	1,709,058	84,000,201	0.54
PETROCHINA CO LTD A SHRS CNY1	10,553,038	61,524,212	0.39
PING AN BANK CO LTD A SHR ORD CNY1	21,247,966	349,529,041	2.24
PING AN INSURANCE (GROUP) CO OF CHINA LTD A SHR ORD CNY1	23,004,246	1,965,942,863	12.60
POLY DEVELOPMENTS AND HOLDINGS GROUP CO LTD A SHR ORD CNY1	17,866,497	289,079,921	1.85
S F HOLDING CO LTD A SHRS ORD CNY1	1,854,883	68,983,099	0.44
SAIC MOTOR CORP LTD A SHR ORD CNY1	7,063,783	168,471,225	1.08
SHANGHAI INTERNATIONAL AIRPORT CO LTD A SHR ORD CNY1	1,507,011	118,677,116	0.76
SHANGHAI INTERNATIONAL PORT GR LTD A SHR ORD CNY1	7,859,657	45,350,221	0.29
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD A SHR ORD CNY1	37,494,613	463,808,363	2.97
SHENZHEN MINDRAY BIO MEDICAL ELECTRONICS CO LTD A SHS ORD CNY1	666,883	121,306,018	0.78
WENS FOODSTUFF GROUP CO LTD A SHRS ORD CNY1	1,108,111	37,232,530	0.24
WULIANGYE YIBIN CO LTD A SHS ORD CNY1	4,589,030	610,386,880	3.91
		<hr/>	<hr/>
Total investments		15,497,514,898	99.32
Other net assets		105,806,378	0.68
		<hr/>	<hr/>
Net assets attributable to unitholders at 31 December 2019		15,603,321,276	100.00
		<hr/>	<hr/>
Total investments, at cost		12,476,779,768	
		<hr/>	

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)
For the year ended 31 December 2019

	Holdings				
	1 January 2019	Additions	Corporate actions	Disposals	31 December 2019
Investments					
Listed equities					
360 SECURITY					
TECHNOLOGY INC A SHRS ORD CNY1	1,431,850	502,300	-	898,700	1,035,450
AGRICULTURAL BANK OF CHINA A SHS ORD CNY1	138,101,703	40,432,600	-	78,663,700	99,870,603
ANHUI CONCH CEMENT COMPANY LTD SHS A ORD CNY1	6,228,856	1,950,590	-	3,675,000	4,504,446
BANK OF BEIJING CO LTD ORD CNY1 CL A	45,786,026	34,702,382	-	80,488,408	-
BANK OF CHINA LTD A SHS ORD CNY1	75,979,087	23,905,766	-	44,939,200	54,945,653
BANK OF COMMUNICATIONS LTD A SHRS ORD CNY1	72,162,959	24,870,000	-	44,847,100	52,185,859
BANK OF SHANGHAI CO LTD A SHS ORD CNY1	16,439,426	11,771,600	-	28,211,026	-
BAOSHAN IRON & STEEL CO LTD CL A ORD CNY1	18,933,451	16,591,556	-	35,525,007	-
BOE TECHNOLOGY GROUP CO LTD ORD CNY1	-	139,000	-	139,000	-
BYD CO LTD ORD CNY1	-	5,400	-	5,400	-
CHINA CITIC BANK CORP A SHRS ORD CNY1	9,820,542	3,239,638	-	5,958,300	7,101,880
CHINA CITIC BANK CORP NIL PAID RTS 04/03/2019	-	-	1,510,000	1,510,000	-
CHINA COMMUNICATIONS CONSTRUCTION CO LTD A SHS ORD NPV	5,081,717	4,794,200	-	9,875,917	-
CHINA CONSTRUCTION BANK A SHS ORD CNY1	32,450,407	8,656,400	-	17,639,700	23,467,107
CHINA EVERBRIGHT BANK CO LTD A ORD CNY1	50,229,641	14,224,500	-	28,129,700	36,324,441
CHINA INTERNATIONAL TRAVEL SERVICE CORP LTD A SHS ORD CNY1	-	3,511,285	-	1,475,300	2,035,985
CHINA LIFE INSURANCE CO A SHS ORD NPV	5,254,723	1,557,759	-	3,012,500	3,799,982

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the year ended 31 December 2019

	Holdings				
	1 January 2019	Additions	Corporate actions	Disposals	31 December 2019
Investments (Continued)					
Listed equities (Continued)					
CHINA MERCHANTS BANK A SHR ORD CNY1	42,388,303	16,523,159	-	28,257,641	30,653,821
CHINA MERCHANTS SHEKOU INDUSTRIAL ZONE CO LTD ORD CNY1	7,408,313	2,284,529	-	4,335,400	5,357,442
CHINA MINSHENG BANKING CO LTD A SHR ORD CNY1	99,687,916	31,118,887	-	58,715,700	72,091,103
CHINA PACIFIC INSURANCE GROUP A SHR ORD CNY1	9,065,234	3,077,298	-	5,586,900	6,555,632
CHINA PETROLEUM & CHEMICAL CORP CL A ORD CNY1	34,447,736	9,253,100	-	18,789,400	24,911,436
CHINA RAILWAY GROUP LTD A ORD CNY1	18,536,147	17,259,600	-	35,795,747	-
CHINA RAILWAYS CONSTRUCTION CORP A SHS ORD CNY1	13,684,401	16,740,265	-	30,424,666	-
CHINA SHENHUA ENERGY CO LTD A SHS ORD CNY1	7,133,836	2,625,300	-	4,600,200	5,158,936
CHINA STATE CONSTRUCTION ENGINEERING CORP LTD A SHR ORD CNY1	60,562,477	19,562,320	-	36,347,500	43,777,297
CHINA UNITED NETWORK COMMUNICATIONS LTD A SHRS ORD CNY1	27,428,367	8,962,900	-	16,547,500	19,843,767
CHINA VANKE CO LTD A SHR ORD CNY1	23,310,319	6,377,315	-	12,830,400	16,857,234
CHINA YANGTZE POWER CO LTD CL A ORD CNY1	14,275,438	3,870,901	-	7,822,800	10,323,539
CITIC SECURITIES CO LTD A SHR ORD CNY1	28,019,100	9,230,415	-	16,987,100	20,262,415
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A SHS ORD CNY1	791,295	893,216	-	1,112,300	572,211
CRRC CORP LTD A SHR ORD CNY1	26,844,690	8,588,908	-	16,020,400	19,413,198
FOCUS MEDIA INFORMATION TE ORD CNY1	-	37,900	-	37,900	-

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the year ended 31 December 2019

	Holdings				
	1 January 2019	Additions	Corporate actions	Disposals	31 December 2019
Investments (Continued)					
Listed equities (Continued)					
FOSHAN HAITIAN FLAVOURING & FOOD COMPANY LTD A SHS ORD CNY1	973,767	270,724	-	540,500	703,991
FOXCONN INDUSTRIAL INTERNET CO LTD A SHRS ORD CNY1	4,029,867	821,900	-	1,937,500	2,914,267
GF SECURITIES CO LTD ORD CNY1	-	21,000	-	21,000	-
GREE ELECTRIC APPLIANCES INC OF ZHUHAI A SHS ORD CNY1	15,337,012	4,816,333	-	9,062,100	11,091,245
GUANGZHOU AUTOMOBILE GROUP ORD CNY1	-	3,400	-	3,400	-
GUOTAI JUNAN SECURITIES CO LTD A SHRS ORD NPV	11,921,756	3,448,701	-	6,749,000	8,621,457
HAITONG SECURITIES CO LTD ORD CNY1	-	45,100	-	45,100	-
HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO LTD A SHS ORD NPV	10,071,162	3,164,242	-	5,856,600	7,378,804
HUATAI SECURITIES CO LTD ORD CNY1	-	22,400	-	22,400	-
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD A SHS ORD CNY1	77,754,283	21,220,100	-	42,745,000	56,229,383
INDUSTRIAL BANK CO LTD A SHR ORD CNY1	49,944,618	15,620,185	-	29,446,500	36,118,303
INNER MONGILIA YILI INDUSTRIAL GROUP CO LTD A SHS ORD CNY1	17,968,172	4,836,958	-	9,772,300	13,032,830
JIANGSU HENGRUI MEDICINE CO LTD A SHR ORD CNY1	6,105,065	2,569,072	1,249,868	4,621,100	5,302,905
JIANGSU YANGHE BREWERY JOINT-STOCK CO LTD A SHS ORD CNY1	1,588,585	287,082	-	726,900	1,148,767
KWEICHOW MOUTAI CO LTD A SHR ORD CNY1	1,593,582	510,264	-	951,400	1,152,446
LUXSHARE PRECISION INDUSTRY CO LTD A SHS ORD CNY1	-	9,404,020	-	4,200,000	5,204,020

CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the year ended 31 December 2019

	Holdings				
	1 January 2019	Additions	Corporate actions	Disposals	31 December 2019
Investments (Continued)					
Listed equities (Continued)					
MIDEA GROUP CO LIMITED A SHR ORD NPV	14,148,895	6,483,185	-	15,212,600	5,419,480
MUYUAN FOODSTUFF CO LTD A SHS ORD CNY1	-	2,800,996	-	1,300,000	1,500,996
NEW CHINA LIFE INSURANCE CO LTD A SHRS ORD NPV	2,363,258	552,300	-	1,206,500	1,709,058
PETROCHINA CO LTD A SHRS CNY1	14,592,838	4,658,400	-	8,698,200	10,553,038
PING AN BANK CO LTD A SHR ORD CNY1	25,997,087	10,774,479	-	15,523,600	21,247,966
PING AN BANK CO LTD NIL PAID RTS 21/01/2019	-	-	6,917,900	6,917,900	-
PING AN INSURANCE (GROUP) CO OF CHINA LTD A SHR ORD CNY1	32,193,144	11,998,002	-	21,186,900	23,004,246
POLY DEVELOPMENTS AND HOLDINGS GROUP CO LTD A SHR ORD CNY1	24,629,910	7,156,187	-	13,919,600	17,866,497
S F HOLDING CO LTD A SHRS ORD CNY1	2,562,143	1,084,040	-	1,791,300	1,854,883
S F HOLDING CO LTD NIL PAID RTS 18/11/2019	-	-	425,400	425,400	-
SAIC MOTOR CORP LTD A SHR ORD CNY1	9,767,843	2,593,340	-	5,297,400	7,063,783
SHANGHAI INTERNATIONAL AIRPORT CO LTD A SHR ORD CNY1	-	2,671,311	-	1,164,300	1,507,011
SHANGHAI INTERNATIONAL PORT GR LTD A SHR ORD CNY1	10,868,480	3,418,177	-	6,427,000	7,859,657
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD A SHR ORD CNY1	51,847,667	19,124,646	-	33,477,700	37,494,613
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD NIL PAID RTS 28/10/2019	-	-	11,342,000	11,342,000	-
SHENZHEN MINDRAY BIO MEDICAL ELECTRONICS CO LTD A SHS ORD CNY1	-	999,483	-	332,600	666,883

CSOP FTSE CHINA A50 ETF
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the year ended 31 December 2019

	Holdings				
	1 January 2019	Additions	Corporate actions	Disposals	31 December 2019
Investments (Continued)					
Listed equities (Continued)					
WENS FOODSTUFF					
GROUP CO LTD A SHRS					
ORD CNY1	-	3,174,211	-	2,066,100	1,108,111
WULIANGYE YIBIN CO					
LTD A SHS ORD CNY1	6,345,755	1,791,175	-	3,547,900	4,589,030

**CSOP FTSE CHINA A50 ETF
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PERFORMANCE RECORD (Unaudited)

Net asset value

	Dealing net asset value of the Sub-Fund* <i>RMB</i>	Dealing net asset value per unit <i>RMB</i>
At the end of financial year dated		
31 December 2019	15,603,321,276	13.6931
31 December 2018	15,698,178,722	10.0372
31 December 2017	19,305,132,834	12.9131

Highest and lowest net asset value per unit

	Highest net asset value per unit <i>RMB</i>	Lowest net asset value per unit <i>RMB</i>
Financial year/period ended		
31 December 2019	13.9976	9.9063
31 December 2018	14.5348	9.9521
31 December 2017	13.9003	9.9773
31 December 2016	10.8850	8.5007
31 December 2015	15.0028	8.6763
31 December 2014	11.3976	6.3961
31 December 2013	9.1469	6.8307
31 December 2012 (since 23 August 2012 (date of inception))	8.2890	6.9571

**The dealing net asset value of the Sub-Fund disclosed is calculated in accordance with the Trust's Prospectus.*

**CSOP FTSE CHINA A50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

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Hong Kong

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