



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

CSOP MSCI T50 ETF
(A sub-fund of CSOP ETF Series)

Reports and Financial Statements
FOR THE PERIOD FROM
26 JANUARY 2015 (DATE OF INCEPTION) TO
31 DECEMBER 2015



**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

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**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The CSOP MSCI T50 ETF (the “CSOP T50 ETF”), a sub-fund of the CSOP ETF Series, is a unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 26 January 2015 and commenced trading in HKD under the stock code 3021 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 28 January 2015. The CSOP T50 ETF is benchmarked against the MSCI China and USA Internet Top 50 Equal Weighted Index (the “MSCI T50 Index”) and adopts the full-replication strategy. The Manager of the CSOP MSCI T50 ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP T50 ETF is a physical ETF which invests directly in the MSCI T50 Index securities. The MSCI T50 Index (the “Index”) is compiled and published by MSCI Inc. It is an equal weighted index compiled and published by MSCI, which is designed to reflect the performance of the 50 largest USA and China internet software and services and internet retail entities selected by full market capitalization. The Index operates under clearly defined rules published by the index provider and is a tradable index.

Fund Performance

The CSOP T50 ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Index. As of 31 December 2015, the dealing Net Asset Value (“NAV”) per unit of the CSOP T50 ETF was USD 0.5213 and there were 11,500,000 units outstanding. The total asset under management was approximately USD 5.99 million.

For the period from 28 January 2015 (first date of listing) to 31 December 2015, the dealing NAV of CSOP T50 ETF (stock code 3021) performed 5.06% while the index performed 9.06%. The difference in performance between the NAV of the CSOP T50 ETF and the Index is mainly attributed to fees, expenses and market change during launch period.

Exchange Liquidity

Since inception, the CSOP T50 ETF has attracted great investor attention from investors across the globe. The trading value of the HKD counter (stock code: 3021) remained steadily at an average daily turnover of HKD 61,345 in December 2015. The trading volume for the CSOP T50 ETF reflected strong interest in the CSOP T50 ETF.

Portfolio Rebalance

The CSOP T50 ETF adopts full-replication strategy to track the Index. Since inception, the Sub-Fund has experienced four quarterly index rebalances.

**CSOP MSCI T50 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 MSCI T50 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 period from 26 January 2015 (date of inception) to 31 December 2015.

HSBC Institutional Trust Services (Asia) Limited
27 April 2016

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

MANAGER'S RESPONSIBILITIES

The Manager of the CSOP MSCI T50 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 & 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 period and of the transactions for the period 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 2015, the Trust has established six sub-funds, namely, the CSOP FTSE China A50 ETF, CSOP CES China A80 ETF, CSOP MSCI T50 ETF, CSOP SZSE ChiNext ETF, CSOP China CSI 300 Smart ETF and CSOP MSCI China A International ETF.

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 MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

Report on the Financial Statements

We have audited the financial statements of CSOP MSCI T50 ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series, set out on pages 6 to 23, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the period from 26 January 2015 (date of inception) to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Trustee and the Manager (the “Management”) of the Sub-Fund are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants, and are responsible for ensuring 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, (the “Trust Deed”) and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the “SFC Code”), 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are also 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 SFC Code.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Sub-Fund’s preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP MSCI T50 ETF (CONTINUED)
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

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 2015, and of its financial transactions and cash flows for the period from 26 January 2015 (date of inception) to 31 December 2015 in accordance with Hong Kong Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

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 SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 April 2016

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	<i>Notes</i>	2015 <i>USD</i>
ASSETS		
CURRENT ASSETS		
Investments	<i>6(c), 7(a)</i>	5,856,334
Dividend receivable		69
Amounts due from brokers		71,039
Bank balances	<i>6(c)</i>	49,932
		<hr style="width: 100%; border: 0.5px solid black;"/>
		5,977,374
		<hr style="width: 100%; border: 0.5px dashed black;"/>
Total assets		5,977,374
		<hr style="width: 100%; border: 0.5px solid black;"/>
		<hr style="width: 100%; border: 0.5px dashed black;"/>
LIABILITIES		
CURRENT LIABILITIES		
Amounts due to participating dealers		71,414
Management fee payable	<i>6(a)</i>	6,752
Other accounts payable		300
		<hr style="width: 100%; border: 0.5px dashed black;"/>
Total liabilities		78,466
		<hr style="width: 100%; border: 0.5px solid black;"/>
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EQUITY		
Net assets attributable to unitholders	<i>3</i>	5,898,908
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The financial statements on pages 6 to 23 were approved by the Trustee and the Manager on 27 April 2016 and were signed on their behalf.

For and on behalf of

CSOP Asset Management Limited
as the Manager

For and on behalf of

HSBC Institutional Trust Services (Asia) Limited
as the Trustee

The notes on pages 10 to 23 form part of these financial statements.

CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF COMPREHENSIVE INCOME

For the period from 26 January 2015 (date of inception) to 31 December 2015

		Period from 26 January 2015 (date of inception) to 31 December 2015 USD
	<i>Notes</i>	
INCOME		
Dividend income		22,963
Net gain on investments	4	1,375,335
Other income		16,932
Net foreign currency gain		49,993
		<hr/>
Total net income		1,465,223
		<hr style="border-top: 1px dashed black;"/>
EXPENSES		
Management fee	6(a), 6(b)	(124,265)
Transaction costs on investments		(23,001)
Safe custody and bank charges		(3,453)
Establishment costs		(125,540)
Other operating expenses		(43,230)
		<hr/>
Total operating expenses		(319,489)
		<hr style="border-top: 1px dashed black;"/>
Operating profit		1,145,734
		<hr style="border-top: 1px dashed black;"/>
Taxation	5	(5,326)
		<hr style="border-top: 1px dashed black;"/>
Total comprehensive income		1,140,408
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The notes on pages 10 to 23 form part of these financial statements.

CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period from 26 January 2015 (date of inception) to 31 December 2015

	Period from 26 January 2015 (date of inception) to 31 December 2015 USD
Net assets attributable to unitholders at the beginning of the period	-

Proceeds on issue of units	20,873,000
Payments on redemption of units	(16,114,500)

Net increase from unit transactions	4,758,500

Total comprehensive income for the period	1,140,408

Net assets attributable to unitholders at the end of the period	5,898,908
	=====

The notes on pages 10 to 23 form part of these financial statements

CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)

STATEMENT OF CASH FLOWS

For the period from 26 January 2015 (date of inception) to 31 December 2015

Period from
26 January 2015
(date of inception)
to 31 December 2015
USD

OPERATING ACTIVITIES

Payments for purchase of investments	(27,157,731)
Proceeds from sale of investments	22,655,686
Dividend received	22,894
Other income received	16,932
Management fee paid	(117,512)
Transaction costs paid	(23,001)
Taxation paid	(5,326)
Other operating expenses paid	(171,924)
Net cash used in operating activities	(4,779,982)

FINANCING ACTIVITIES

Proceeds on issue of units	20,873,000
Amounts received from participating dealers	71,414
Payments on redemption of units	(16,114,500)
Net cash generated from financing activities	4,829,914

Net increase in cash and cash equivalents	49,932
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	49,932
Analysis of balances of cash and cash equivalents	
Bank balances	49,932

The notes on pages 10 to 23 form part of these financial statements

**CSOP MSCI T50 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 2015, the Trust has six sub-funds which are CSOP MSCI T50 ETF (“the Sub-Fund”), CSOP FTSE China A50 ETF, CSOP CES China A80 ETF, CSOP SZSE ChiNext ETF, CSOP China CSI 300 Smart ETF and CSOP MSCI China A International ETF. The date of inception of the Sub-Fund was 26 January 2015. The Sub-Fund is listed on The Stock Exchange of Hong Kong Limited.

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, the MSCI China and USA Internet Top 50 Equal Weighted Index. In order to achieve the investment objective of the Sub-Fund, the Manager will primarily use 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 Sub-Fund may also invest not more than 5% of its Net Asset Value in Non-Index Securities which have investment profile that aims to reflect the profile of the Underlying Index.

These financial statements are prepared for the Sub-Fund only. The financial statements for CSOP FTSE China A50 ETF, CSOP CES China A80 ETF, CSOP SZSE ChiNext ETF, CSOP China CSI 300 Smart ETF and CSOP MSCI China A International ETF have been prepared separately.

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 the period 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.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee and Manager (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

New standard and amendments to standards effective after 26 January 2015 (date of inception) that are relevant to the Sub-Fund but are not yet effective and have not been early adopted by the Sub-Fund

HKFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Manager is yet to assess HKFRS 9's full impact to the Sub-Fund.

HKFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 'Revenue' and HKAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Manager of the Sub-Fund is assessing the impact of HKFRS 15.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the Sub-Fund.

(b) Investments

(i) Classification

The Sub-Fund classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by the Management at fair value through profit or loss at inception. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Fund's documented investment strategies. The Sub-Fund's policies require the Management to evaluate the information about these financial assets on a fair value basis together with other related financial information.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Investments (Continued)

(ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis. 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.

(iii) Measurement

Investments are initially recognised at fair value. Transaction costs are expensed 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 period 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, 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. Details of fair value estimation of these securities are discussed in note 7(d).

(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.

(c) Amounts due from/to participating dealers

Amounts due from/to participating dealers represent the subscription receivable and redemption payable to the participating dealer at the end of the reporting period. The amounts are non-interest bearing and repayable on demand.

(d) 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.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) 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.

(f) Other income/expense

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

(g) 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.

(h) 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.

(i) Other income/expense

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

(j) 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 profit or loss as an expense.

(k) Expenses

Expenses are accounted for on an accrual basis.

(l) Cash and cash equivalents

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

(m) 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 US listed equity investments and the performance of the Sub-Fund is measured and reported to the unitholders in USD. The Manager considers United States Dollar (“USD”) as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Sub-Fund’s functional and presentation currency.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Foreign currencies translation (Continued)

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”.

(n) Redeemable units

The Sub-Fund issues redeemable units, which are redeemable at the holder’s option represents 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.

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 creations and redemptions of the Sub-Fund.

(o) Taxation

The Sub-Fund currently incurs withholding taxes imposed by the US Internal Revenue Service 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 substantially 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.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Taxation (Continued)

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.

(p) Establishment costs

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

3. 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 period 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's 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(k), redeemable units of the Sub-Fund are classified as equity and they are carried at the redemption amount that would be payable at the reporting date if the unitholder exercised the right to redeem the units in the Sub-Fund.

The movements of the redeemable units for the period from 26 January 2015 (date of inception) to 31 December 2015 are as follows:

	Period from 26 January 2015 (date of inception) to 31 December 2015 Units
Number of units in issue at the beginning of the period	-
Units issued	41,500,000
Units redeemed	(30,000,000)
	<hr/>
Number of units in issue at the end of the period	11,500,000
	<hr/> <hr/>

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

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

	Period from 17 February 2014 (date of inception) to 31 December 2014 <i>USD</i>
Net assets attributable to unitholders as reported in the statement of financial position	5,898,908
Adjustments for unamortized establishment costs	96,085
Net asset value in accordance with the Fund's Offering Memorandum	<u>5,994,993</u>
Net assets attributable to unitholders per unit (per statement of financial position)	<u>0.5129</u>
Net assets attributable to unitholders per unit (at dealing net asset value)	<u>0.5213</u>

4. NET GAIN ON INVESTMENTS

	Period from 26 January 2015 (date of inception) to 31 December 2015 <i>USD</i>
Net fair value change in unrealised gain/loss in value of investments	87,458
Net realised gain on sale of investments	1,287,877
	<u>1,375,335</u>

5. TAXATION

No provision for Hong Kong profits tax has been made for the Sub-Fund as it was authorised as collective investment schemes 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.

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

5. TAXATION (Continued)

The overseas withholding tax of the Sub-Fund for the period from 26 January 2015 (date of inception) to 31 December 2015 represents:

	Period from 26 January 2015 (date of inception) to 31 December 2015 USD
Withholding tax on dividend income	5,326
Taxation	<u>5,326</u>

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS

The following is a summary of significant related party transactions/transactions entered into during the period between the Sub-Fund and the Trustee, the Manager and their Connected Persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the period from 26 January 2015 (date of inception) to 31 December 2015 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 Connected Persons 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, inclusive of Trustee fee and Registrar's fee, accrued daily and calculated as at each dealing day and payable monthly in arrears.

(b) Trustee fee and Registrar's fee

The Trustee's and Registrar's fee are included in the Management fee and the Manager will pay the fees of the Trustee and the Registrar out of the management fee. Refer to Note 6(a).

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

(c) Financial assets

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

	2015 USD
Investments	
The Hongkong and Shanghai Banking Corporation Limited	<u>5,856,334</u>
Bank balances	
The Hongkong and Shanghai Banking Corporation Limited	<u>49,932</u>

**CSOP MSCI T50 ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI China and USA Internet Top 50 Equal Weighted 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 MSCI China and USA Internet Top 50 Equal Weighted 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.

As at 31 December 2015, the Sub-Fund's investments were concentrated in the following industries:

	2015	
	Fair value <i>USD</i>	% of net asset value
Listed equities - by geographical region		
Hong Kong	120,023	2.03
United States	5,736,111	97.25
	5,856,334	99.28
Listed equities - by industry		
Consumer Discretionary	1,656,238	28.08
Information Technology	4,200,096	71.20
	5,856,334	99.28

The Sub-Fund held 50 out of 50 constituent securities comprising the MSCI China and USA Internet Top 50 Equal Weighted Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the MSCI China and USA Internet Top 50 Equal Weighted Index.

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NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(i) Market price risk (Continued)

Sensitivity analysis in the event of a possible change in the index by 10% as estimated by the Manager

As at 31 December 2015, if the MSCI China and USA Internet Top 50 Equal Weighted Index were to increase by 10% with all other variables held constant, this would increase the operating profit for the period by approximately USD575,733. Conversely, if the MSCI China and USA Internet Top 50 Equal Weighted Index were to decrease by 10%, this would decrease the operating profit for the period 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 2015, 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.

(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 has assets and liabilities denominated in currencies other than United States Dollar, the Sub-Fund's functional and presentation currency. The Sub-Fund is therefore exposed to currency risk, as the value of the monetary assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates.

The table below summarises the Sub-Fund's net exposure to different major currencies:

	As at 31 December 2015	
	Monetary USD	Non- monetary USD
Hong Kong Dollar	-	120,023

Assets and liabilities denominated in Hong Kong Dollars are not considered as subject to currency risk as it is currently pegged to the USD within a narrow range. 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.

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NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

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 2015, the Sub-Fund placed bank balances of USD49,932 and investment balances of USD5,856,334 with The Hong Kong and Shanghai Banking Corporation Limited (“HSBC”). The S&P credit rating of HSBC is A.

The maximum exposure to credit risk as at 31 December 2015 is the carrying amount of the financial assets as shown on the statement of financial position.

The Manager considers that none of assets are impaired nor past due as at 31 December 2015.

(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.

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>USD</i>	1 month to less than 3 months <i>USD</i>	Total <i>USD</i>
As at 31 December 2015			
Amounts due to participating dealers	71,414	-	71,414
Management fee payable	6,752	-	6,752
Other accounts payable	-	300	300
Contractual cash outflow	78,166	300	78,466

Units are redeemed on demand at the unitholder’s option. As at 31 December 2015, there were two unitholders holding more than 10% of the Sub-Fund’s units.

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NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

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>USD</i>	1 to 12 months <i>USD</i>	No stated maturity <i>USD</i>	Total <i>USD</i>
As at 31 December 2015				
Total assets	5,977,374	-	-	5,977,374

(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 (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 2015:

	Level 1 <i>USD</i>	Level 2 <i>USD</i>	Level 3 <i>USD</i>	Total <i>USD</i>
As at 31 December 2015				
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	5,856,334	-	-	5,856,334
Total assets	5,856,334	-	-	5,856,334

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NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

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.

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. As at 31 December 2015, the Sub-Fund did not hold any investments classified in level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 31 December 2015, the Sub-Fund did not hold any investments classified in level 3.

For the period from 26 January 2015 (date of inception) to 31 December 2015, there were no transfers between levels.

The assets and liabilities included in the statement of financial position, other than financial assets and liabilities at fair value through profit or loss, are carried at amortised cost; their carrying value are approximation of fair value. 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.

8. FINANCIAL INSTRUMENTS BY CATEGORY

As of 31 December 2015, other than investments as disclosed in the financial statements which are classified as the financial assets at fair value through profit or loss, all financial assets including dividend receivable, Amount due from brokers and bank balances are categorised as loans and receivables and carried at amortised costs. All the financial liabilities of the Sub-Fund are carried at amortised cost.

The carrying value of the 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.

**CSOP MSCI T50 ETF
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NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

Pursuant to the SFC's Guidelines for Regulating Index Tracking Exchange Trade Funds (the "ETF Guidelines"), the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the underlying index, except where the weightings are exceeded as a result of changes in the composition of the underlying index and the excess is only transitional and temporary in nature.

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period from 26 January 2015 (date of inception) to 31 December 2015.

There were no constituent securities that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the MSCI China and USA Internet Top 50 Equal Weighted Index as at 31 December 2015.

During the period from 26 January 2015, date of inception of the Sub-Fund, to 31 December 2015, the MSCI China and USA Internet Top 50 Equal Weighted Index increased by 5.93% while the net asset value per unit of the Sub-Fund increased by 2.59%.

10. SOFT COMMISSION ARRANGEMENT

The Manager confirms that there has been no soft commission arrangements' existing during the period in relation to directing transactions of the Sub-Fund through a broker or dealer.

11. 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 MSCI China and USA Internet Top 50 Equal Weighted 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 securities which constitute MSCI China and USA Internet Top 50 Equal Weighted Index, the tracked index.

The Sub-Fund has no assets classified as non-current assets. As at 31 December 2015, the Sub-Fund has a diversified portfolio of investments and no single investment accounts for more than 10% of the Sub-Fund's net asset value.

12. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 27 April 2016.

CSOP MSCI T50 ETF
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INVESTMENT PORTFOLIO (Unaudited)
As at 31 December 2015

	Holdings	Fair value USD	% of net Assets
Investments (99.28%)			
Listed Equities (99.28%)			
Hong Kong (2.04%)			
TENCENT HOLDINGS LTD ORD HKD0.00002	6,100	120,023	2.04
USA (97.24%)			
58.COM INC ADR	2,234	147,355	2.50
AKAMAI TECHNOLOGIES INC COM USD0.01	1,957	102,997	1.75
ALIBABA GROUP HOLDING LTD ORD	1,494	121,417	2.06
ALPHABET INC CL A USD0.001	75	58,351	0.99
ALPHABET INC-CL C COM USD0.001	81	61,469	1.04
AMAZON.COM INC COM USD0.01	175	118,281	2.00
BAIDU INC ADR USD0.00005	567	107,186	1.82
CIMPRESS ORD USD0.001	1,385	112,379	1.90
COMSCORE INC COM USD0.001	2,739	112,710	1.91
CORNERSTONE ONDEMAND INC COM USD0.0001	3,373	116,470	1.97
COSTAR GROUP INC COM USD0.01	558	115,333	1.95
CTRIIP.COM INTL LTD ADR	2,500	115,825	1.96
DEMANDWARE INC COM USD0.01	2,516	135,789	2.30
EBAY INC COM USD0.001	4,036	110,909	1.88
ENDURANCE INTERNATIONAL GROUP HOLDINGS INC COM USD0.0001	8,348	91,244	1.55
EXPEDIA INC COM USD 0.001	1,523	189,309	3.21
FACEBOOK INC CL A COM USD0.000006	1,076	112,614	1.91
GODADDY INC - CLASS A COM USD0.001	3,550	113,813	1.93
GROUPON INC COM USD0.0001	43,133	132,418	2.24
GRUBHUB INC COM USD0.0001	4,466	108,077	1.83
IAC/INTERACTIVECORP COM USD0.01	1,865	111,993	1.90
J2 GLOBAL INC COM USD0.01	1,434	118,047	2.00
JD.COM INC ADR	4,063	131,093	2.22
LIBERTY TRIPADVISOR HOLDINGS INC	3,841	116,536	1.98
LIBERTY VENTURES SER A COM USD0.01	2,675	120,669	2.05
LINKEDIN CORP CL A ORD USD0.0001	466	104,887	1.78
LOGMEIN INC COM USD0.01	1,622	108,836	1.84
MERCADOLIBRE INC COM USD0.001	959	109,652	1.86
NETEASE INC ADR USD0.0001	751	136,111	2.31
NETFLIX INC COM USD0.001	959	109,690	1.86
PANDORA MEDIA INC COM USD0.0001	9,173	123,010	2.09
PRICELINE GROUP INC USD0.008	90	114,746	1.95
QIHOO 360 TECHNOLOGY CO LTD ADR	1,856	135,135	2.29
QUNAR CAYMAN ISLANDS LIMITED-ADR	2,944	155,267	2.63
RACKSPACE HOSTING INC COM USD0.001	4,244	107,458	1.82
SHUTTERFLY INC COM USD0.0001	2,537	113,049	1.92
SINA CORP COM USD0.133	2,304	113,818	1.93
SOHU.COM INC COM USD0.001	2,188	125,132	2.12

**CSOP MSCI T50 ETF
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INVESTMENT PORTFOLIO (Unaudited)

As at 31 December 2015

	Holdings	Fair value USD	% of net Assets
Investments (99.28%) (continued)			
Listed Equities (99.28%) (continued)			
USA (97.24%) (continued)			
SOUFUN HOLDINGS LTD ADR	16,319	120,597	2.04
TRIPADVISOR INC COM USD0.001	1,386	118,157	2.00
TWITTER INC COM USD0.000005	4,479	103,644	1.76
VERISIGN INC COM USD0.001	1,344	117,412	1.99
VIPSHOP HOLDINGS LTD-ADS COM USD0.0001	7,937	121,198	2.05
WEBMD HEALTH CORP COM USD0.01	2,701	130,458	2.21
YAHOO INC COM USD0.001	3,517	116,975	1.98
YELP INC COM USD0.000001	4,109	118,339	2.01
YOUKU.COM INC ADR	4,363	118,368	2.01
YY INC ADR USD0.00001	1,990	124,315	2.11
ZILLOW GROUP INC CLASS C COM NPV	4,590	107,773	1.83
		<u>5,736,111</u>	<u>97.24</u>
Total investments		5,856,334	99.28
Other net assets		<u>42,574</u>	<u>0.72</u>
Net assets attributable to unitholders at 31 December 2015		<u>5,898,908</u>	<u>100.00</u>
Total investments, at cost		<u>5,768,876</u>	

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the period from 26 January 2015 (date of inception) to 31 December 2015

	Holdings				31 December 2015
	26 January 2015 (date of inception)	Additions	Corporate actions	Disposals	
Investments					
Listed equities					
Hong Kong					
TENCENT HOLDINGS LTD ORD HKD0.00002	-	25,900	-	19,800	6,100
USA					
21VIANET GROUP INC ADR	-	8,377	-	8,377	-
58.COM INC ADR	-	3,420	-	1,186	2,234
AKAMAI TECHNOLOGIES INC COM USD0.01	-	7,822	-	5,865	1,957
ALIBABA GROUP HOLDING LTD ORD	-	5,180	-	3,686	1,494
ALPHABET INC CL A USD0.001	-	401	-	326	75
ALPHABET INC-CL C COM USD0.001	-	415	1	335	81
AMAZON.COM INC COM USD0.01	-	1,365	-	1,190	175
AOL INC COM USD0.01	-	10,075	-	10,075	-
BAIDU INC ADR USD0.00005	-	2,247	-	1,680	567
BITAUTO HOLDINGS LTD ADR	-	7,247	-	7,247	-
CIMPRESS ORD USD0.001	-	6,730	-	5,345	1,385
COMSCORE INC COM USD0.001	-	4,193	-	1,454	2,739
CORNERSTONE ONDEMAND INC COM USD0.0001	-	13,893	-	10,520	3,373
COSTAR GROUP INC COM USD0.01	-	2,701	-	2,143	558
CTRIIP.COM INTL LTD ADR	-	9,013	1,928	8,441	2,500
DEALERTRACK TECHNOLOGIES COM USD0.01	-	10,396	-	10,396	-
DEMANDWARE INC COM USD0.01	-	8,784	-	6,268	2,516
EBAY INC COM USD0.001	-	14,858	-	10,822	4,036
ENDURANCE INTERNATIONAL GROUP HOLDINGS INC COM USD0.0001	-	35,038	-	26,690	8,348
ENVESTNET INC COM NPV	-	9,199	-	9,199	-
EQUINIX INC REIT COM USD0.001	-	1,919	-	1,919	-

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the period from 26 January 2015 (date of inception) to 31 December 2015

	Holdings				31 December 2015
	26 January 2015 (date of inception)	Additions	Corporate actions	Disposals	
Investments (continued)					
Listed equities (continued)					
USA (continued)					
EXPEDIA INC COM USD 0.001	-	6,082	-	4,559	1,523
FACEBOOK INC CL A COM USD0.000006	-	5,847	-	4,771	1,076
GODADDY INC - CLASS A COM USD0.001	-	5,478	-	1,928	3,550
GROUPON INC COM USD0.0001	-	100,797	-	57,664	43,133
GRUBHUB INC COM USD0.0001	-	15,298	-	10,832	4,466
HOMEAWAY INC COM USD0.0001	-	15,212	-	15,212	-
IAC/INTERACTIVECORP COM USD0.01	-	7,260	-	5,395	1,865
J2 GLOBAL INC COM USD0.01	-	7,994	-	6,560	1,434
JD.COM INC ADR	-	16,523	-	12,460	4,063
LIBERTY TRIPADVISOR HOLDINGS INC	-	14,638	-	10,797	3,841
LIBERTY VENTURES SER A COM USD0.01	-	12,296	-	9,621	2,675
LINKEDIN CORP CL A ORD USD0.0001	-	2,257	-	1,791	466
LOGMEIN INC COM USD0.01	-	2,507	-	885	1,622
MERCADOLIBRE INC COM USD0.001	-	3,444	-	2,485	959
NETEASE INC ADR USD0.0001	-	4,419	-	3,668	751
NETFLIX INC COM USD0.001	-	1,204	2,232	2,477	959
PANDORA MEDIA INC COM USD0.0001	-	33,765	-	24,592	9,173
PAYPAL HOLDINGS INC COM USD0.0001	-	3,870	-	3,870	-
PRICELINE GROUP INC USD0.008	-	389	-	299	90
QIHOO 360 TECHNOLOGY CO LTD ADR	-	7,450	-	5,594	1,856
QUNAR CAYMAN ISLANDS LIMITED-ADR	-	4,548	-	1,604	2,944
RACKSPACE HOSTING INC COM USD0.001	-	13,023	-	8,779	4,244
SHUTTERFLY INC COM USD0.0001	-	10,588	-	8,051	2,537

CSOP MSCI T50 ETF
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the period from 26 January 2015 (date of inception) to 31 December 2015

	Holdings				31 December 2015
	26 January 2015 (date of inception)	Additions	Corporate actions	Disposals	
Investments (continued)					
Listed equities (continued)					
USA (continued)					
SHUTTERSTOCK INC COM					
USD0.01	-	7,493	-	7,493	-
SINA CORP COM USD0.133	-	11,180	-	8,876	2,304
SOHU.COM INC COM					
USD0.001	-	9,280	-	7,092	2,188
SOUFUN HOLDINGS LTD					
ADR	-	26,716	-	10,397	16,319
TRAVELPORT WORLDWIDE					
LTD COM USD0.0025	-	12,386	-	12,386	-
TRIPADVISOR INC COM					
USD0.001	-	6,565	-	5,179	1,386
TRULIA INC COM					
USD0.00001	-	8,398	-	8,398	-
TWITTER INC COM					
USD0.000005	-	14,260	-	9,781	4,479
VERISIGN INC COM					
USD0.001	-	7,315	-	5,971	1,344
VIPSHOP HOLDINGS LTD-					
ADS COM USD0.0001	-	22,738	-	14,801	7,937
WAYFAIR INC CLASS A					
COM USD0.001	-	3,897	-	3,897	-
WEBMD HEALTH CORP					
COM USD0.01	-	11,278	-	8,577	2,701
YAHOO INC COM USD0.001	-	11,192	-	7,675	3,517
YELP INC COM USD0.000001	-	11,932	-	7,823	4,109
YOUKU.COM INC ADR	-	25,434	-	21,071	4,363
YY INC ADR USD0.00001	-	7,240	-	5,250	1,990
ZILLOW GROUP INC CLASS					
A SHRS COM USD0.0001	-	11,374	-	11,374	-
ZILLOW GROUP INC CLASS					
C COM NPV	-	7,090	-	2,500	4,590

CSOP MSCI T50 ETF
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PERFORMANCE RECORD (Unaudited)

Net asset value

	Net asset value of the Sub-Fund <i>USD</i>	Net asset value per unit <i>USD</i>
At the end of financial period dated		
31 December 2015	5,898,908	0.5129

Highest and lowest net asset value per unit

	Highest net asset value per unit <i>USD</i>	Lowest net asset value per unit <i>USD</i>
Financial period ended		
31 December 2015 (since 26 January 2015 (date of inception))	0.5643	0.4460

**CSOP MSCI T50 ETF
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MANAGEMENT AND ADMINISTRATION

Manager

CSOP Asset Management Limited
Suite 2801 - 2803, Two Exchange Square
8 Connaught Place
Central
Hong Kong

Trustee and Registrar

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

Service Agent

HK Conversion Agency Services Limited
1st Floor, One & Two Exchange Square
8 Connaught Place
Central, Hong Kong

Listing Agent

Oriental Patron Asia Limited
27th Floor, Two Exchange Square
8 Connaught Place
Central, Hong Kong

Directors of the Manager

Benoit Descourtieux
Chen Ding
Gaobo Zhang
Haipeng Li
Liangyu Gao
Xiaosong Yang (resigned on 31 March 2015)
Zengtao Wu
Zhongping Cai (appointed on 15 April 2015)

Legal Adviser to the Manager

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