

## **Samsung HSI Futures ETF**

(Stock Code: 3124)

## **Samsung HSI Futures RMB FX ETF**

(Stock Code: 3134)

For the period from 9 February 2015  
(date of commencement of operations) to  
31 March 2016

<b>Contents</b>	<b>Page(s)</b>
Management and administration	1
Manager's report	2 - 3
Trustee's report	4
Statement of responsibilities of the manager and the trustee	5
Independent auditor's report	6 - 7
Statement of assets and liabilities	8 - 9
Statement of comprehensive income	10
Statement of changes in equity	11
Cash flow statement	12
Notes to the financial statements	13 - 33
Investment portfolio (unaudited)	34 - 35
Statement of movements in portfolio holdings (unaudited)	36 - 37
Performance of the underlying index and the sub-funds (unaudited)	38
Performance record (unaudited)	39 - 40

## Management and administration

### **Manager**

Samsung Asset Management  
 (Hong Kong) Limited  
 4513-14, Two International Finance Centre  
 8 Finance Street  
 Central  
 Hong Kong

### **Directors of the manager**

LIM Sungil, CFA  
 KIM Yousang  
 HONG Eui Suk

### **Investment Adviser**

Samsung Asset Management Co., Limited  
 55 Sejong-daero  
 Jung-gu  
 Seoul 100-715  
 South Korea

### **Service Agent**

HK Conversion Agency Services Limited  
 1/F One & 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

### **Listing Agent**

Altus Capital Limited  
 21 Wing Wo Street  
 Central  
 Hong Kong

### **Auditor**

KPMG  
 8th Floor, Prince's Building  
 10 Chater Road  
 Central  
 Hong Kong

### **Participating Dealers**

China Merchants Securities (HK) Co., Ltd  
 48/F, One Exchange Square  
 Central  
 Hong Kong  
  
 Merrill Lynch Far East Ltd  
 55/F, Cheung Kong Center  
 2 Queen's Road Central  
 Central  
 Hong Kong

## Manager's report

The Samsung ETFs Trust ("the Trust") is an umbrella unit trust established under Hong Kong law by a trust deed dated 13 January 2015 ("the Trust Deed") between Samsung Asset Management (Hong Kong) Limited ("the Manager") and HSBC Institutional Trust Services (Asia) Limited ("the Trustee"). The Trust have a number of sub-funds which are exchange traded funds.

### ***Samsung HSI Futures ETF***

The Units of the Samsung HSI Futures ETF ("the Sub-Fund") are listed on The Stock Exchange of Hong Kong Limited and commenced trading in HKD under stock code 3124 on 12 February 2015. The Sub-Fund is a passively-managed exchange traded fund ("ETF") falling under Chapter 8.6, Chapter 8.4A and Appendix I of the Hong Kong Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission. The Sub-Fund is a futures-based ETF which invests directly in Hang Seng Index ("the HSI") futures contracts to provide investment results that, before fees and expenses, closely correspond to the performance of the HSI Futures Index ("the Index"). The Index represents the performance of the HKD denominated spot month futures contracts on the HSI ("HSI futures contracts").

As at 31 March 2016, net asset value per unit of the Sub-fund was HKD 10.4743, and there were 4,000,000 units outstanding. The net asset value was HKD 41,897,285.

### ***Samsung HSI Futures RMB FX ETF***

The Units of the Samsung HSI Futures RMB FX ETF ("the Sub-Fund") are listed on The Stock Exchange of Hong Kong Limited and commenced trading HKD under stock code 3134 on 12 February 2015. The Sub-Fund is a passively-managed exchange traded fund ("ETF") falling under Chapter 8.6, Chapter 8.4A and Appendix I of the Hong Kong Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission. The Sub-Fund is a futures-based ETF which invests directly in Hang Seng Index ("the HSI") futures contracts to provide investment results that, before fees and expenses, closely correspond to the performance of the HSI Futures RMB FX Index ("the Index"). The Index represents the performance of the HKD denominated spot month futures contracts on the HSI ("HSI futures contracts") and the currency return of RMB against HKD on the value of HSI futures contracts.

## Manager's report (continued)

### ***Samsung HSI Futures RMB FX ETF (continued)***

As at 31 March 2016, net asset value per unit of the Sub-fund was HKD 10.2105, and there were 20,000,000 units outstanding. The net asset value was HKD 204,209,247.

For and on behalf of  
Samsung Asset Management (Hong Kong) Limited  
as the Manager

27 July 2016

## Trustee's report

We hereby confirm that, in our opinion, the Manager of the Samsung HSI Futures ETF and Samsung HSI Futures RMB FX ETF ("the Sub-Funds") has, in all material respects, managed the Sub-Funds in accordance with the provisions of the trust deed dated 13 January 2015, for the period from 9 February 2015 (date of commencement of operations) to 31 March 2016.

HSBC Institutional Trust Services (Asia) Limited

27 July 2016

## Statement of responsibilities of the manager and the trustee

### **Manager's responsibilities**

The Manager of the Samsung HSI Futures ETF and Samsung HSI Futures RMB FX ETF ("the Sub-Funds") is required by the Hong Kong Code on Unit Trusts and Mutual Funds ("the Code") issued by the Hong Kong Securities and Futures Commission ("the SFC") and the Trust Deed dated 13 January 2015 to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that 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-Funds will continue in operation unless it is inappropriate to assume this.

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

Samsung ETFs Trust ("the Trust") is an umbrella unit trust governed by its Trust Deed. As at 31 March 2016, the Trust has established with two Sub-Funds.

### **Trustee's responsibilities**

The Trustee of the Sub-Funds is required to:

- ensure that the Sub-Funds in all material respects are 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-Funds and rights attaching thereto; and
- report to the unitholders for each annual accounting period should the Manager not managing the Sub-Funds in accordance with the Trust Deed.

## Independent auditors' report to the unitholders

### **Report on the financial statements**

We have audited the financial statements of Samsung HSI Futures ETF and Samsung HSI Futures RMB FX ETF, collectively “the Sub-Funds” of Samsung ETFs Trust (“the Trust”) set out on pages 8 to 33 which comprise the statement of assets and liabilities as at 31 March 2016, and the statement of comprehensive income, statement of changes in equity, cash flow statement for the period from 9 February 2015 (date of commencement of operations) to 31 March 2016, and a summary of significant accounting policies and other explanatory information.

### *Manager's and Trustee's responsibilities for the financial statements*

The Manager and the Trustee of the Trust and its Sub-Funds are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”), and are responsible for ensuring that the financial statements have been properly prepared in accordance with the relevant disclosure provision of the Trust Deed dated 13 January 2015 (“the Trust Deed”), and Appendix E of the Hong Kong Code on Unit Trusts and Mutual Funds (“the Code”) issued by the Hong Kong Securities and Futures Commission (“the SFC”), and for such internal control as the Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made 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 International Standards on Auditing (“ISA”). 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.



## Independent auditors' report to the unitholders (continued)

### **Report on the financial statements (continued)**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation of the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager and the Trustee, 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.

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Funds of the Trust as at 31 March 2016, and of their financial performance and their cash flows for the period from 9 February 2015 (date of commencement of operations) to 31 March 2016 in accordance with IFRSs.

### **Report on disclosure requirements under the Code**

We report that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure requirements set out in the Code.

Certified Public Accountants

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

27 July 2016

## Statement of assets and liabilities at 31 March 2016

(Expressed in Hong Kong dollars)

	<i>Note</i>	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
<b>Assets</b>			
Investments	6, 12, 13	30,800,050	159,675,544
Interest receivables		56,786	1,062,638
Due from brokers	7	4,618,379	16,122,586
Cash and cash equivalents	2(h)	6,633,935	27,717,975
		<hr/>	<hr/>
<b>Total assets</b>		42,109,150	204,578,743
		<hr/>	<hr/>
<b>Liabilities</b>			
Management fee payable	4	4,333	109,212
Trustee fee payable	4	4,333	75,619
Accrued expenses and other payable		203,199	184,665
		<hr/>	<hr/>
<b>Total liabilities</b>		211,865	369,496
		<hr/>	<hr/>
<b>Net assets attributable to unitholders</b>		41,897,285	204,209,247
		<hr/>	<hr/>
<b>Representing:</b>			
Total equity		41,897,285	204,209,247
		<hr/>	<hr/>

## Statement of assets and liabilities at 31 March 2016 (continued)

*(Expressed in Hong Kong dollars)*

	<i>Note</i>	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
<b>Total number of units in issue</b>	10	<u>4,000,000</u>	<u>20,000,000</u>
<b>Net asset value per unit</b>		<u>10.4743</u>	<u>10.2105</u>

Approved by the Trustee and the Manager on 27 July 2016

)  
 ) For and on behalf of  
 ) Trustee  
 ) HSBC Institutional Trust Services (Asia) Limited  
  
 )  
 ) For and on behalf of  
 ) Manager  
 ) Samsung Asset Management (Hong Kong) Limited

The notes on pages 13 to 33 form part of these financial statements.

**Statement of comprehensive income**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
*(Expressed in Hong Kong dollars)*

	<i>Note</i>	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
<b>Income</b>			
Interest on bank deposits		331,852	6,448,559
Net losses on investments	3	(12,354,747)	(35,523,590)
Net foreign exchange losses		(26)	(14,787,783)
<b>Total net loss</b>		(12,022,921)	(43,862,814)
<b>Expenses</b>			
Management fees	4	(106,732)	(2,300,787)
Trustee fees	4	(106,732)	(511,316)
Establishment costs		(150,150)	(150,150)
Auditor's remuneration		(129,999)	(129,999)
Accounting and professional fees		(76,454)	(74,511)
Listing fees		(15,000)	(15,000)
Other operating expenses		(341,127)	(681,376)
<b>Total expenses</b>		(926,194)	(3,863,139)
<b>Loss attributable to unitholders and total comprehensive income for the period</b>		(12,949,115)	(47,725,953)

The notes on pages 13 to 33 form part of these financial statements.

**Statement of changes in equity**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
*(Expressed in Hong Kong dollars)*

	<i>Samsung HSI</i> <i>Futures ETF</i> HK\$	<i>Samsung HSI</i> <i>Futures RMB</i> <i>FX ETF</i> HK\$
<b>Balance at the beginning of the period</b>	----- -	----- -
Loss attributable to unitholders and total comprehensive income for the period	----- (12,949,115)	----- (47,725,953)
Subscription of units	122,613,000	409,364,400
Redemption of units	(67,766,600)	(157,429,200)
	----- 54,846,400	----- 251,935,200
<b>Balance at the end of the period</b>	===== 41,897,285	===== 204,209,247

The notes on pages 13 to 33 form part of these financial statements.

**Cash flow statement**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
*(Expressed in Hong Kong dollars)*

	<i>Samsung HSI Futures ETF</i> HK\$	<i>Samsung HSI Futures RMB FX ETF</i> HK\$
<b>Operating activities</b>		
Interest received	275,066	5,385,921
Management fees paid	(102,399)	(2,191,575)
Trustee's fees paid	(102,399)	(435,697)
Purchase of investments	(95,000,000)	(358,843,815)
Sale of investments	65,000,000	193,046,260
Payments for settlement of futures contracts	(13,154,797)	(39,464,841)
Other operating expenses paid	(509,557)	(5,590,892)
Deposits with brokers	(4,618,379)	(16,122,586)
<b>Net cash used in operating activities</b>	(48,212,465)	(224,217,225)
<b>Financing activities</b>		
Proceeds from issue of units	122,613,000	409,364,400
Payments on redemption of units	(67,766,600)	(157,429,200)
<b>Net cash generated from financing activities</b>	54,846,400	251,935,200
<b>Net increase in cash and cash equivalents</b>	6,633,935	27,717,975
<b>Cash and cash equivalents at the beginning of the period</b>	-	-
<b>Cash and cash equivalents at the end of the period</b>	6,633,935	27,717,975

The notes on pages 13 to 33 form part of these financial statements.

## Notes to the financial statements

*(Expressed in Hong Kong dollars unless otherwise indicated)*

### **1 The Trust**

Samsung HSI Futures ETF and Samsung HSI Futures RMB FX ETF, collectively “the Sub-Funds” of Samsung ETFs Trust (“the Trust”), are established under a trust deed dated 13 January 2015 (“the Trust Deed”), and governed by the laws of Hong Kong. The Trust and the Sub-Funds are authorised under the Section 104 of the Hong Kong Securities and Futures Ordinance (“the SFO”) and the Sub-Funds are funds falling under Chapter 8.6 and Appendix I of the Hong Kong Code on Unit Trusts and Mutual Funds (“the Code”).

The Sub-Funds were created under the Trust with the date of commencement of operations set out below:

	<i>Date of commencement of operations</i>
Samsung HSI Futures ETF	9 February 2015
Samsung HSI Futures RMB FX ETF	9 February 2015

The investment objective of Samsung HSI Futures ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the HSI Futures Index. HSI Futures Index represents the performance of HKD denominated spot month futures contracts on the Hang Seng Index.

The investment objective of Samsung HSI Futures RMB FX ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the HSI Futures RMB FX Index. HSI Futures RMB FX Index represents the performance of the HKD denominated spot month futures contracts on the Hang Seng Index and the currency return of RMB against HKD on the value of HSI Futures Contracts.

The Trust Deed does not contain any requirement that a combined set of financial statements for the Trust itself be prepared.

The investment activities of the Trust are managed by Samsung Asset Management (Hong Kong) Limited (“the Manager”) and the trustee of the Trust is delegated to HSBC Institutional Trust Services (Asia) Limited (“the Trustee”).

## **2 Significant accounting policies**

### **(a) *Statement of compliance***

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”), and Interpretations issued by the International Accounting Standards Board (“IASB”), the relevant disclosure provisions of the Trust Deed and the relevant disclosure requirements of the Code issued by the Hong Kong Securities and Futures Commission (“the SFC”). A summary of the significant accounting policies adopted by the Sub-Funds is set out below.

The ISAB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Sub-Funds. The Sub-Funds have not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 14).

### **(b) *Basis of preparation of the financial statements***

The functional and presentation currency of the Sub-Funds are Hong Kong dollars as it represents the primary economic environment in which the Sub-Funds operate and reflects the fact that the participating redeemable units of the Sub-Funds are issued and redeemed in Hong Kong dollars.

The financial statements have been prepared in accordance with IFRSs on the historical cost basis, except for financial assets classified at fair value through profit or loss that are measured at fair value, as explained in the accounting policies set out below.

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements cover from 9 February 2015 (date of commencement of operations) to 31 March 2016, which is the first reporting period of the Sub-Funds; therefore, no comparative figures are available.

## **2 Significant accounting policies (continued)**

### **(c) Foreign currency translation**

Foreign currency transactions during the period are translated into the functional currency of the respective Sub-Fund at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into the functional currency of the respective Sub-Fund at the foreign exchange rates ruling at the date of statement of assets and liabilities. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in profit or loss.

Foreign currency exchange differences relating to investments at fair value through profit or loss are included in net gains or losses on investments. All other foreign currency exchange differences relating to monetary items including cash and cash equivalents are presented separately in profit or loss.

### **(d) Financial instruments**

#### **(i) Classification**

All of the Sub-Funds' investments in derivatives are designated as financial assets at fair value through profit or loss.

Financial assets that are classified as loans and receivables include fixed deposits, interest receivables and due from brokers.

Financial liabilities that are not at fair value through profit or loss include management fee payable, trustee fee payable and accrued expenses and other payable.

#### **(ii) Recognition**

The Sub-Funds recognises financial assets and financial liabilities on the date they become a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets is recognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of IAS 39.

## **2 Significant accounting policies (continued)**

### **(iii) Measurement**

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

### **(iv) Fair value measurement principles**

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 in the principal or, in its absence, the most advantageous market to which the Sub-Funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Sub-Funds measures the fair value of an instrument using the quoted price in an active market for that instrument provided such price is within the bid-ask spread. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. In circumstances where the quoted price is not within the bid-ask spread, the Manager of the Sub-Funds will determine the points within the bid-ask spread that are most representative of the fair value.

When there is no quoted price in an active market, the Sub-Funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Sub-Funds determine that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

## **2 Significant accounting policies (continued)**

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Sub-Funds on the basis of the net exposure to either market or credit risk, are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

### **(v) Amortised cost measurement principles**

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

### **(vi) Impairment**

A financial asset not classified at fair value through profit or loss is assessed at each date of the statement of assets and liabilities to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is “impaired” if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets and that loss events had an impact on the estimated future cash flows of that assets that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Sub-Funds would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

## **2 Significant accounting policies (continued)**

### **(vii) Derecognition**

The Sub-Funds derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or they transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Sub-Funds neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the assets (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Sub-Funds is recognised as a separate asset or liability.

If a Sub-Fund enters into transactions whereby it transfers assets recognised on its statement of assets and liabilities, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

The Sub-Funds use the weighted average method to determine realised gains and losses on derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

### **(viii) Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Sub-Funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously.

Income and expenses are presented in a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

## **2 Significant accounting policies (continued)**

### **(e) Revenue recognition**

Provided it is probable that the economic benefits will flow to the Sub-Funds and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

#### *Interest income*

Interest income is recognised in profit or loss as it accrues, using the effective interest rate method. Interest income on bank deposits is disclosed separately on the statement of comprehensive income.

### **(f) Expense**

All expenses are recognised in profit or loss on an accrual basis.

### **(g) Related parties**

- (a) A person, or a close member of that person's family, is related to a Sub-Fund if that person:
  - (i) has control or joint control over the Sub-Fund;
  - (ii) has significant influence over the Sub-Fund; or
  - (iii) is a member of the key management personnel of the Sub-Fund.
- (b) An entity is related to the Sub-Fund if any of the following conditions applies:
  - (i) The entity and the Sub-Fund are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);

## **2 Significant accounting policies (continued)**

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### **(h) *Cash and cash equivalents***

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Sub-Funds in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

### **(i) *Subscriptions and redemptions***

The Sub-Funds recognise unitholders' subscriptions and allots units upon receipt of a valid subscription application and derecognise them upon receipt of a valid redemption application.

### **(j) *Units in issue***

The Sub-Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

Each of the Sub-Funds has one class of redeemable units in issue. This is the most subordinate class of financial instruments in the respective Sub-Fund and ranks *pari passu* in all material respects and has identical terms and conditions. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholder's share in the Sub-Fund's net assets at each redemption date and also in the event of the Sub-Fund's liquidation.

## 2 Significant accounting policies (continued)

A puttable financial instrument that includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset is classified as an equity instrument if it meets the following conditions:

- (a) It entitles the holder to a pro rata share of the issuer's net assets in the event of the issuer's liquidation;
- (b) It is in the class of instruments that is subordinate to all other classes of instruments;
- (c) All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (d) Apart from the contractual obligation for the issuer to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- (e) The total expected cash flows attributable to the instrument over its life are based substantially on profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the issuer over the life of the instrument.

The Sub-Funds' redeemable units meet all of these conditions and are classified as equity.

## 3 Net losses on investments

	<i>Period from 9 February 2015</i> <i>(date of commencement of</i> <i>operations) to</i> <i>31 March 2016</i>	
	<i>Samsung</i> <i>HSI Futures</i> <i>ETF</i> HK\$	<i>Samsung</i> <i>HSI Futures</i> <i>RMB FX ETF</i> HK\$
Net realised losses	(13,154,797)	(39,464,841)
Net movement in unrealised gain or loss on investments	800,050	3,941,251
	<u>(12,354,747)</u>	<u>(35,523,590)</u>

## 4 Fees

### (a) *Management fees*

The Manager is entitled to receive a management fee at 0.12% and 0.65% per annum on the net asset value of Samsung HSI Futures ETF and Samsung HSI Futures RMB FX ETF respectively. The Management fee is calculated and accrued as at each valuation day and payable in monthly in arrears. The management fee for the period from 9 February 2015 (date of commencement of operations) to 31 March 2016 and the management fee payable as at 31 March 2016 are as follows.

	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
Management fee for the period	106,732	2,300,787
Management fee payable at period end date	<u>4,333</u>	<u>109,212</u>

### (b) *Trustee fees and registrar's fees*

The Trustee is entitled to receive a trustee fee at 0.12% per annum on the net asset value of the Sub-Funds. The trustee fee is calculated and accrued as at each valuation day and payable in monthly in arrears. The trustee fee for the period from 9 February 2015 (date of commencement of operations) to 31 March 2016 and the trustee fee payable as at 31 March 2016 are as follows.

	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
Trustee fee for the period	106,732	511,316
Trustee fee payable at period end date	<u>4,333</u>	<u>75,619</u>

## 5 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Trust and Sub-Funds are exempt from taxation under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

## 6 Investments

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
Fixed deposits	30,000,000	155,734,293
Futures contracts	800,050	3,941,251
	<u>30,800,050</u>	<u>159,675,544</u>

## 7 Due from brokers

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
Deposits with brokers	<u>4,618,379</u>	<u>16,122,586</u>

## 8 Related party transactions

The Manager has the responsibility for making the investment management decisions and the selection of the Sub-Funds' investments in accordance with the investment objectives as set out in the private placement memorandum. Details of the management fee to which the Manager is entitled are set out in note 4 to the financial statements.

## 9 Soft commission arrangements

No soft commission arrangements were entered into with brokers by the Trust and the Sub-Funds during the period from 9 February 2015 (date of commencement of operations) to 31 March 2016.

## 10 Units issued and redeemed

	<i>Period from 9 February 2015 (date of commencement of operations) to 31 March 2016</i>	
	<i>Samsung HSI Futures ETF</i>	<i>Samsung HSI Futures RMB FX ETF</i>
Units issued during the period	10,000,000	34,000,000
Units redeemed during the period	(6,000,000)	(14,000,000)
Number of units in issue carried forward	<u>4,000,000</u>	<u>20,000,000</u>

## 11 Distributions

During the period from 9 February 2015 (date of commencement of operations) to 31 March 2016, no distributions were made to the unitholders of the Sub-Funds.

## 12 Financial instruments and associated risks

The Sub-Funds maintain investment portfolios as dictated by their respective investment management strategies. The Sub-Funds' investment objectives are disclosed in note 1. The Sub-Funds' investment portfolio comprise mainly fixed deposits and futures contracts.

The Sub-Funds' investing activities expose them to various types of risks that are associated with the financial instruments and markets in which they invest. The Manager and the Trustee have set out below the most important types of financial risks inherent in each type of financial instruments. The Manager and the Trustee would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Funds. Unitholders should note that additional information in respect of risks associated with financial instruments in the Sub-Funds can be found in the Sub-Funds' offering document.

The asset allocation is determined by the Sub-Funds' Manager who manages and monitors the distribution of the assets to achieve the investment objectives.

## 12 Financial instruments and associated risks (continued)

The nature and extent of the financial instruments outstanding at the period end date and the risk management policies employed by the Sub-Funds are discussed below.

### (a) *Price risk*

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Sub-funds are exposed to a price risk arising from changes in market prices. Price risk is managed by the Manager on an ongoing basis in accordance with the investment objectives.

#### *Price sensitivity*

The impact of a 10% increase in the market price of futures contracts on 31 March 2016, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net assets attributable to unitholders by an equal but opposite amount.

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI</i>	<i>Samsung HSI</i>
	<i>Futures ETF</i>	<i>Futures RMB FX</i>
	<i>HK\$</i>	<i>ETF</i>
	<i>HK\$</i>	<i>HK\$</i>
Estimated increase in net assets attributable to unitholders	4,161,400	20,286,825

## 12 Financial instruments and associated risks (continued)

### (b) Interest rate risk

Interest rate risk arises from change in interest rates which may inversely affect the value of interest bearing assets and therefore result in potential gain or loss to the Sub-Funds. The Sub-Funds' interest rate risk is managed on an ongoing basis by the Manager.

The Sub-Funds' exposure to interest rate risks which indicates the interest sensitivity gap and the period in which interest-bearing assets and interest-bearing liabilities mature as at period end are shown in the table below.

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
<b>Assets</b>		
Investments		
– 1 year or less	30,000,000	155,734,293
– non-interest bearing	800,050	3,941,251
Interest receivables		
– non-interest bearing	56,786	1,062,638
Due from brokers		
– 1 year or less	4,618,379	16,122,586
Cash and cash equivalents		
– 1 year or less	6,633,935	27,717,975
Total assets		
– 1 year or less	41,252,314	199,574,854
– non-interest bearing	856,836	5,003,889

## 12 Financial instruments and associated risks (continued)

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
<b>Liabilities</b>		
Management fee payable		
– non-interest bearing	4,333	109,212
Trustee fee payable		
– non-interest bearing	4,333	75,619
Accrued expenses and other payable		
– non-interest bearing	203,199	184,665
<b>Total liabilities</b>		
– non-interest bearing	211,865	369,496
<b>Interest sensitivity gap</b>		
– 1 year or less	41,252,314	199,574,854
– non-interest bearing	644,971	4,634,393

As at 31 March 2016, the Sub-Funds have minimal exposure to fair value interest rate risk. The Sub-Funds' interest rate risk arises from investments, due from brokers and cash and cash equivalents. These balances expose the Sub-Funds to cash flow interest rate risk.

As at 31 March 2016, if the interest rate had been 50 basis points higher, with all other variables held constant, net assets attributable to unitholders of the Sub-Funds would have increase by:

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF HK\$</i>	<i>Samsung HSI Futures RMB FX ETF HK\$</i>
Effect on net assets attributable to unitholders	206,262	997,874

An equal change in the opposite direction would decrease net assets attributable to unitholders by an equal amount.

## 12 Financial instruments and associated risks (continued)

### (c) *Currency risk*

The Sub-Funds' functional currency is Hong Kong dollars. The Sub-Funds are exposed to currency risk primarily through investments and cash at banks that are denominated in Renminbi ("RMB").

#### (i) Exposure to currency risk

The following table details the Sub-Funds' exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in RMB. For presentation purposes, the amounts of the exposure are in Hong Kong dollars.

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF</i>	<i>Samsung HSI Futures RMB FX ETF</i>
	HK\$	HK\$
Net exposure to currency risk	-	200,450,065

#### (ii) Sensitivity analysis

At the period end dates, had RMB strengthened by 5% in relation to the functional currencies of the Sub-Funds, with all other variables held constant, net assets attributable to unitholders of the Sub-Funds would have increase by:

	<i>As at 31 March 2016</i>	
	<i>Samsung HSI Futures ETF</i>	<i>Samsung HSI Futures RMB FX ETF</i>
	HK\$	HK\$
Effect on net assets attributable to unitholders	-	10,022,503

## **12 Financial instruments and associated risks (continued)**

### **(d) Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Sub-Funds.

Credit risk arising from derivatives transactions with counterparty relates to transactions awaiting settlement. This credit risk is managed by monitoring the credit quality of the derivative instruments held by the Sub-Funds and the financial position of the derivative instrument counterparties.

Credit risk arising from transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used.

All of the fixed deposits and cash held by the Sub-Funds are deposited with banks. Bankruptcy or insolvency of the banks may cause the Sub-Funds' rights with respect to the fixed deposits and cash held by the banks to be delayed or limited. The Manager monitors the credit rating of the banks on an ongoing basis. The banks have credit ratings of Baa1 or better as determined by Moody's.

Substantially all of the assets of the Sub-Funds are held by HSBC Institutional Trust Services (Asia) Limited ("the Custodian"). Bankruptcy or insolvency of the Custodian may cause the Sub-Funds' rights with respect to assets held by the Custodian to be delayed or limited. The Manager monitors the credit quality and financial position of the Custodian on an ongoing basis. The Custodian is a group company of the HSBC Group, which has credit rating of A1 as determined by Moody's. As such, the credit risk is considered insignificant.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the reporting date.

As at 31 March 2016, there were no significant concentration of credit risk to counterparties except to the Custodian.

### **(e) Liquidity risk**

Liquidity risk is the risk that the Sub-Funds will encounter difficulty in meeting obligations arising from their financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Sub-Funds. The Sub-Funds are exposed to daily liquidity risk on redemption of units.

The Sub-Funds' policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities to meet their liquidity requirements in the short and longer term.

The Sub-Funds' investments are considered to have insignificant exposure to liquidity risk as they are all readily realisable under normal market conditions.

As at 31 March 2016, the Sub-Funds' financial liabilities are due within three months.

## **12 Financial instruments and associated risks (continued)**

### **(f) Capital management**

The Sub-Funds' capital as at the period end date is represented by their net assets attributable to unitholders.

The Sub-Funds' objective in managing the capital is to ensure a stable and strong base to maximise returns to all unitholders, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Sub-Funds in accordance with the Sub-Funds' investment objectives and policies stated in the Offering Document.

The amount and the movement of equity are stated in the statement of changes in equity. As the redeemable units are redeemed on demand at the unitholders' option, the actual level of redemption may differ significantly from historical experience.

### **(g) Specific instrument**

Futures contracts

Futures contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or index at a specified future date for a specified price and may be settled in cash or the underlying financial asset. Futures are standardised exchange-traded contracts. Initial margin requirements for futures are met in cash or other instruments, and changes in future contract values are marked to market daily. Futures contracts have lower credit risk because the counterparties are futures exchanges.

Futures contracts result in exposure to market risk based on changes in market prices relative to contracted price. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a futures contract and may result in substantial losses to the Sub-Funds. Certain futures exchanges do not permit trading in particular futures contracts at prices that represent a material fluctuation in price during a single day's trading beyond certain present limits. If prices fluctuate during a single day's trading beyond those limits, the Sub-Funds could be prevented from promptly liquidating unfavourable positions and thus could be subject to substantial losses.

## 12 Financial instruments and associated risks (continued)

The following futures contracts were unsettled at the date of the statement of assets and liabilities:

At 31 March 2016

### *Samsung HSI Futures ETF*

<i>Type of contract</i>	<i>Expiration</i>	<i>Notional amount HK\$</i>	<i>Underlying</i>	<i>Fair value assets HK\$</i>
Futures	April 2016	41,614,000	Hang Seng Index Future	800,050

### *Samsung HSI Futures RMB FX ETF*

<i>Type of contract</i>	<i>Expiration</i>	<i>Notional amount HK\$</i>	<i>Underlying</i>	<i>Fair value assets HK\$</i>
Futures	April 2016	202,868,250	Hang Seng Index Future	3,941,251

## 13 Fair value information

The Sub-Funds' financial instruments are measured at fair value on the date of the statement of assets and liabilities. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. Usually, fair values can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including interest receivables, management fee payable, trustee fee payable and accrued expenses and other payable, the carrying amounts approximate fair values due to the immediate or short-term nature of these financial instruments.

### *Valuation of financial instruments*

The Sub Funds' accounting policy on fair value measurements is detailed in the significant accounting policy in note 2(d)(iv).

### 13 Fair value information (continued)

The Sub Funds measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using: quoted market price in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

When fair values of financial assets at the date of the statement of assets and liabilities are based on quoted market prices or dealer price quotations in an active market, without any deduction for transaction costs, the instruments are included within level 1 of the hierarchy. For all other financial instruments, the Sub-Funds determine fair value using valuation techniques.

The Sub-Funds use widely recognised valuation models for determining the fair value of financial instruments which do not have quoted market prices in an active market. Valuation techniques include comparison to quoted prices for identical instruments that are considered less than active and other valuation models.

The following analyses financial instruments measured at fair value through profit or loss at the date of the statement of assets and liabilities by the level in the fair value hierarchy into which the fair value measurement is categorised.

#### *Samsung HSI Futures ETF*

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	HK\$	HK\$	HK\$	HK\$
<b>Financial assets</b>				
Futures contracts	800,050	-	-	800,050

### 13 Fair value information (continued)

#### *Samsung HSI Futures RMB FX ETF*

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	HK\$	HK\$	HK\$	HK\$
<b>Financial assets</b>				
Futures contracts	3,941,251	-	-	3,941,251

There were no transfers of financial instruments between fair value hierarchy levels during the period.

### 14 Possible impact of amendments, new standards and interpretations issued but not yet effective for the period ended 31 March 2016

Up to the date of issue of these financial statements, the ISAB has issued a few amendments and new standards which are not yet effective for the period ended 31 March 2016 and which have not been adopted in these financial statements. These include the following which may be relevant to the Sub-Funds.

*Effective for  
accounting periods  
beginning on or after*

<i>Annual Improvements to IFRSs 2012-2014 Cycle</i>	1 January 2016
<i>Amendments to IAS 1, Disclosure initiative</i>	1 January 2016
<i>IFRS 9, Financial instruments</i>	1 January 2018

The Sub-Funds are in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Sub Funds' results of operations and financial position.

## Investment portfolio as at 31 March 2016 (unaudited)

*(Expressed in Hong Kong dollars)*

### Samsung HSI Futures ETF

	<i>Bank deposit maturity date</i>	<i>Market value HK\$</i>	<i>% of total net assets attributable to unitholders</i>
<b>Bank deposits</b>			
Bank of China (Hong Kong) Limited	14 November 2016	30,000,000	71.60
<b>Total bank deposits</b>		30,000,000	71.60
<b>Futures contracts</b>			
	<i>Expiration Date</i>		
Hang Seng 0416 HIJ6	28 April 2016	800,050	1.91
<b>Total futures contracts</b>		800,050	1.91
<b>Total investments</b>		30,800,050	73.51
<b>Other net assets</b>		11,097,235	26.49
<b>Net assets attributable to unitholders</b>		41,897,285	100.00

## Investment portfolio as at 31 March 2016 (unaudited)

(continued)

*(Expressed in Hong Kong dollars)*

### Samsung HSI Futures RMB FX ETF

	<i>Bank deposit maturity date</i>	<i>Market value HK\$</i>	<i>% of total net assets attributable to unitholders</i>
<b>Bank deposits</b>			
Bank of China (Hong Kong) Limited	18 August 2016	71,877,366	35.20
Bank of China (Hong Kong) Limited	14 November 2016	83,856,927	41.06
<b>Total bank deposits</b>		155,734,293	76.26
<b>Futures contracts</b>			
	<i>Expiration Date</i>		
Hang Seng 0416 HIJ6	28 April 2016	3,941,251	1.93
<b>Total futures contracts</b>		3,941,251	1.93
<b>Total investments</b>		159,675,544	78.19
<b>Other net assets</b>		44,533,703	21.81
<b>Net assets attributable to unitholders</b>		204,209,247	100.00

**Statement of movements in portfolio holdings (unaudited)**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
*(Expressed in Hong Kong dollars)*

**Samsung HSI Futures ETF**

<i>Investments</i>	<i>Holdings as at 9 February 2015 (date of commencement of operations)</i>	<i>Additions</i>	<i>Disposals</i>	<i>Holdings as at 31 March 2016</i>
<b>Fixed deposits</b>				
Bank of China (Hong Kong) Limited	-	HK\$95,000,000	HK\$(65,000,000)	HK\$30,000,000
<b>Futures contracts</b>				
Hang Seng Index Future 26/02/2015	-	78	(78)	-
Hang Seng Index Future 30/03/2015	-	79	(79)	-
Hang Seng Index Future 29/04/2015	-	78	(78)	-
Hang Seng Index Future 28/05/2015	-	78	(78)	-
Hang Seng Index Future 29/06/2015	-	79	(79)	-
Hang Seng Index Future 30/07/2015	-	79	(79)	-
Hang Seng Index Future 28/08/2015	-	79	(79)	-
Hang Seng Index Future 29/09/2015	-	59	(59)	-
Hang Seng Index Future 29/10/2015	-	59	(59)	-
Hang Seng Index Future 27/11/2015	-	59	(59)	-
Hang Seng Index Future 30/12/2015	-	59	(59)	-
Hang Seng Index Future 28/01/2016	-	59	(59)	-
Hang Seng Index Future 26/02/2016	-	59	(59)	-
Hang Seng Index Future 30/03/2016	-	60	(60)	-
Hang Seng Index Future 28/04/2016	-	40	-	40

**Statement of movements in portfolio holdings (unaudited)**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
**(continued)**  
*(Expressed in Hong Kong dollars)*

**Samsung HSI Futures RMB FX ETF**

<i>Investments</i>	<i>Holdings as at 9 February 2015 (date of commencement of operations)</i>	<i>Additions</i>	<i>Disposals</i>	<i>Holdings as at 31 March 2016</i>
<b>Fixed deposits</b>				
Bank of China (Hong Kong) Limited	-	RMB290,000,000	(RMB160,000,000)	RMB130,000,000
<b>Futures contracts</b>				
Hang Seng Index Future 26/02/2015	-	333	(333)	-
Hang Seng Index Future 30/03/2015	-	338	(338)	-
Hang Seng Index Future 29/04/2015	-	338	(338)	-
Hang Seng Index Future 28/05/2015	-	338	(338)	-
Hang Seng Index Future 29/06/2015	-	342	(342)	-
Hang Seng Index Future 30/07/2015	-	341	(341)	-
Hang Seng Index Future 28/08/2015	-	347	(347)	-
Hang Seng Index Future 29/09/2015	-	197	(197)	-
Hang Seng Index Future 29/10/2015	-	198	(198)	-
Hang Seng Index Future 27/11/2015	-	198	(198)	-
Hang Seng Index Future 30/12/2015	-	198	(198)	-
Hang Seng Index Future 28/01/2016	-	196	(196)	-
Hang Seng Index Future 26/02/2016	-	194	(194)	-
Hang Seng Index Future 30/03/2016	-	195	(195)	-
Hang Seng Index Future 28/04/2016	-	195	-	195

**Performance of the underlying index and the Sub-Funds**  
**(unaudited)**  
**for the period from 9 February 2015**  
**(date of commencement of operations) to 31 March 2016**  
*(Expressed in Hong Kong dollars)*

	<i>Performance</i>
	%
<b>Fund</b>	
Samsung HSI Futures ETF Fund*	(12.71)%
Samsung HSI Futures RMB FX ETF Fund*	(14.91)%
<b>Index</b>	
Hang Seng Index Futures Index <sup>#</sup>	(15.27)%
Hang Seng Index Futures RMB FX Index <sup>#</sup>	(16.18)%

Source: Unit-prices are provided by HSBC Institutional Trust Services (Asia) Limited. The performance information of the Samsung HSI Futures ETF Fund and Samsung HSI Futures RMB FX ETF Fund is provided by the Manager. Index information is provided by Hang Seng Indexes Company Limited.

\* Performance is calculated in base currency with Unit-price to Unit-price, total return with dividend (if any) reinvested. The performance information presented is calculated based on the assumption that there were no distribution to Unitholders, and is for reference only.

<sup>#</sup> Performance is calculated in total return with dividend reinvested, net of PRC withholding tax.

Investors should note that all investment involves risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the relevant fund's offering documents (including the full text of the risk factors stated therein) in detail before making any investment decision.

## Performance record (unaudited)

*(Expressed in Hong Kong dollars)*

### **Samsung HSI Futures ETF**

**(a) Price record (Dealing net asset value per unit)**

<i>Period</i>	<i>Lowest HK\$</i>	<i>Highest HK\$</i>
Period ended 31 March 2016	<u>9.1565</u>	<u>14.0154</u>

**(b) Net asset value**

	<i>Net asset value HK\$</i>
As at 31 March 2016	<u>41,897,285</u>

**(c) Net asset value per unit**

	<i>HK\$</i>
As at 31 March 2016	<u>10.4743</u>

## Performance record (unaudited) (continued)

*(Expressed in Hong Kong dollars)*

### **Samsung HSI Futures RMB FX ETF**

**(a) Price record (Dealing net asset value per unit)**

<i>Period</i>	<i>Lowest HK\$</i>	<i>Highest HK\$</i>
Period ended 31 March 2016	<u>8.9087</u>	<u>14.1905</u>

**(b) Net asset value**

	<i>Net asset value \$</i>
As at 31 March 2016	<u>204,209,247</u>

**(c) Net asset value per unit**

	<i>\$</i>
As at 31 March 2016	<u>10.2105</u>