

**XIE Shares CLSA GARY ETF**  
**(Stock Code: 3102)**  
**a sub-fund of the XIE Shares Trust II**

**Unaudited Interim Report**

For the period from 1st January 2016  
to 30th June 2016

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## MANAGEMENT AND ADMINISTRATION

### Manager and Listing Agent

Enhanced Investment Products Limited  
337 New Henry House  
10 Ice House Street  
Central  
Hong Kong

### Directors of the Manager

BLAND Tobias Christopher James  
BEATTIE Nigel John  
GLADSTONE Xenophon Thomas  
LAU Che Loon David

### Trustee

Cititrust Limited  
50/F, Champion Tower<sup>1</sup>  
Three Garden Road  
Central  
Hong Kong

### Administrator

Cititrust, N.A.  
50/F, Champion Tower<sup>1</sup>  
Three Garden Road  
Central  
Hong Kong

### Participating Dealers

BNP Paribas Securities Services  
CLSA Limited

### Market Maker

Commerzbank AG

### Registrar

Computershare Hong Kong Investor Services Limited  
46/F, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### Service Agent

HK Conversion Agency Services Limited  
1/F One & Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

### Legal Counsel to the Manager

Simmons & Simmons  
13/F, One Pacific Place  
88 Queensway  
Hong Kong

### Auditor

PricewaterhouseCoopers  
22/F Prince's Building  
10 Chater Road  
Central  
Hong Kong

### Custodian

Citibank, N.A.  
50/F, Champion Tower<sup>1</sup>  
Three Garden Road  
Central  
Hong Kong

<sup>1</sup>Prior to 28 June 2016, Champion Tower was known as Citibank Tower.

Any opinion contained in this Interim Report (if any) reflects the Manager's view as at the date of this report and is subject to amendment(s) without notice. The information contained in this Interim Report does not constitute recommendation or investment advice. Investors should refer to the Prospectus of the XIE Shares Trust II for further details (including but not limited to risk factors, fees and charges and other important information) which is available from the website [www.xieshares.com](http://www.xieshares.com).

Issued by Enhanced Investment Products Limited, the Manager of the XIE Shares CLSA GARY ETF.

**STATEMENT OF FINANCIAL POSITION**

as at 30th June 2016

	<b>30th June 2016</b> <b>HKD</b> (UNAUDITED)	<b>31st December 2015</b> <b>HKD</b> (AUDITED)
<b>ASSETS</b>		
Financial assets at fair value through profit or loss	96,397,090	98,007,598
Dividends receivable	407,306	169,388
Cash and cash equivalents	742,788	637,312
<b>TOTAL ASSETS</b>	<b>97,547,184</b>	<b>98,814,298</b>
<b>LIABILITIES</b>		
Management fee payable	55,820	62,278
Preliminary expenses payable	575,890	1,464,055
Other payables	121,373	130,858
<b>TOTAL LIABILITIES</b>	<b>753,083</b>	<b>1,657,191</b>
<b>EQUITY</b>		
Net assets attributable to unitholders	<b>96,794,101</b>	<b>97,157,107</b>
<b>Number of units outstanding</b>	<b>12,500,000</b>	<b>12,500,000</b>
<b>Net asset value per unit</b>	<b>7.7435</b>	<b>7.7726</b>

## STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30th June 2016

Period from  
1st January 2016  
to 30th June 2016  
HKD  
(UNAUDITED)

### INCOME

Dividend income	2,006,731
Interest income	113
Net loss on investments	(1,700,265)
Net foreign exchange gain	22,461

**Total net income** 329,040

### OPERATING EXPENSES

Management fees	331,958
Audit fees	105,747
Transaction costs on investments	125,145
Interest expense	6,883
Other operating expenses	26,927

**Total operating expenses** 596,660

**Operating loss** (267,620)

**Loss before taxation** (267,620)

Dividend withholding tax 95,386

**TOTAL COMPREHENSIVE LOSS FOR THE PERIOD** (363,006)

The date of inception for this Sub-Fund was 5 November 2015. Therefore, comparative figures are unavailable.

**STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO UNITHOLDERS**

for the period ended 30th June 2016

**Period from  
1st January 2016  
to 30th June 2016  
HKD  
(UNAUDITED)**

<b>Balance at the beginning of the period</b>	97,157,107
Proceeds on issue of units	-
Payment on redemption of units	-
	<hr/>
Net increase from unit transactions	-
Total comprehensive loss for the period	(363,006)
	<hr/>
<b>Balance at the end of the period</b>	<b><u>96,794,101</u></b>

The date of inception for this Sub-Fund was 5 November 2015. Therefore, comparative figures are unavailable.

**STATEMENT OF CASH FLOWS**  
for the period ended 30th June 2016

**Period from  
1st January 2016  
to 30th June 2016  
HKD  
(UNAUDITED)**

**OPERATING ACTIVITIES**

Payments for purchase of investments	(53,774,254)
Proceeds from sale of investments	53,559,351
Dividends received	1,768,813
Interest received	113
Management fee paid	(338,416)
Dividend withholding tax paid	(95,386)
Preliminary expenses paid	(888,165)
Interest expense paid	(6,883)
Other receipts and payments	(142,159)
<b>Cash generated from operating activities</b>	<b>83,014</b>
<b>Net increase in cash and cash equivalents</b>	<b>83,014</b>
Cash and cash equivalents at beginning of period	637,312
Net foreign exchange gain	22,462
<b>Cash and cash equivalents at end of period</b>	<b>742,788</b>
<b>Analysis of balances of cash and cash equivalents</b>	
Cash and cash equivalents	<b>742,788</b>

The date of inception for this Sub-Fund was 5 November 2015. Therefore, comparative figures are unavailable.

**INVESTMENT PORTFOLIO (UNAUDITED)**

as at 30th June 2016

**Investments****Listed equities**

	<b>Holdings</b>	<b>Fair value HKD<sup>1</sup></b>	<b>% of net assets</b>
<b>Australia</b>			
AMP LTD	46,443	1,384,331	1.43%
BANK OF QUEENSLAND LTD	23,818	1,457,040	1.51%
BORAL LTD	42,281	1,519,168	1.57%
BRICKWORKS LTD	17,349	1,439,127	1.49%
CHARTER HALL GROUP	58,585	1,712,407	1.77%
FLEXIGROUP LTD	109,311	1,098,710	1.14%
GOODMAN GROUP	39,956	1,641,050	1.70%
HARVEY NORMAN HOLDINGS LTD	60,428	1,609,197	1.66%
MACQUARIE GROUP LTD	4,103	1,633,018	1.69%
MAGELLAN FINANCIAL GROUP LTD	11,621	1,493,632	1.54%
NATIONAL AUSTRALIA BANK LTD	10,049	1,476,180	1.53%
PREMIER INVESTMENTS LTD	16,671	1,373,255	1.42%
SAI GLOBAL LTD	74,696	1,579,242	1.63%
STOCKLAND	62,536	1,701,458	1.76%
SUNCORP GROUP LTD	21,703	1,526,993	1.58%
TABCORP HOLDINGS LTD	59,890	1,581,032	1.63%
WASHINGTON H SOUL PATTINSON & CO LTD	16,497	1,620,033	1.67%
WESFARMERS LTD	6,461	1,496,628	1.53%
<b>Total investments in listed Australian securities at fair value</b>		<b>27,342,501</b>	<b>28.25%</b>

	<b>Holdings</b>	<b>Fair value HKD<sup>1</sup></b>	<b>% of net assets</b>
<b>Hong Kong</b>			
ANTA SPORTS PRODUCTS LTD	84,000	1,302,000	1.35%
BOC HONG KONG HOLDINGS LTD	66,500	1,542,800	1.59%
CHINA LESSO GROUP HOLDINGS LTD	368,000	1,508,800	1.56%
CHINA VANKE CO LTD	79,900	1,214,480	1.25%
GUOTAI JUNAN INTERNATIONAL HOLDINGS LTD	568,000	1,493,840	1.54%
HENGAN INTERNATIONAL GROUP CO LTD	22,000	1,423,400	1.47%
JIANGSU EXPRESSWAY CO LTD	156,000	1,681,680	1.74%
LEE & MAN PAPER MANUFACTURING LTD	296,000	1,702,000	1.76%
LINK REIT	34,000	1,795,200	1.85%
MAN WAH HOLDINGS LTD	162,400	1,812,384	1.87%
QINQIN FOODSTUFFS GROUP CAYMAN CO LTD	4,400	-	0.00%
SHENZHOU INTERNATIONAL GROUP HOLDINGS LTD	40,000	1,498,000	1.55%
SKYWORTH DIGITAL HOLDINGS LTD	304,000	1,927,360	1.99%
SWIRE PROPERTIES LTD	76,600	1,574,130	1.63%
TEXWINCA HOLDINGS LTD	210,000	1,205,400	1.25%
YUE YUEN INDUSTRIAL HOLDINGS LTD	58,500	1,793,025	1.85%
<b>Total investments in listed Hong Kong securities at fair value</b>		<b>23,474,499</b>	<b>24.25%</b>

	<b>Holdings</b>	<b>Fair value HKD<sup>1</sup></b>	<b>% of net assets</b>
<b>India</b>			
BHARAT PETROLEUM CORP LTD	14,757	1,818,577	1.88%
SUN TV NETWORK LTD	38,106	1,594,091	1.65%
<b>Total investments in listed Indian securities at fair value</b>		<b>3,412,668</b>	<b>3.53%</b>

	<b>Holdings</b>	<b>Fair value HKD<sup>1</sup></b>	<b>% of net assets</b>
<b>Indonesia</b>			
ASTRA INTERNATIONAL TBK PT	355,600	1,545,180	1.60%
TELEKOMUNIKASI INDONESIA PERSERO TBK PT	779,800	1,822,434	1.88%
UNITED TRACTORS TBK PT	168,000	1,460,013	1.51%
<b>Total investments in listed Indonesian securities at fair value</b>		<b>4,827,627</b>	<b>4.99%</b>



**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**

as at 30th June 2016

**Investments (continued)****Listed equities (continued)**

	<b>Holdings</b>	<b>Fair value HKD<sup>1</sup></b>	<b>% of net assets</b>
<b>Malaysia</b>			
WESTPORTS HOLDINGS BHD	191,700	1,549,361	1.60%
<b>Total investments in listed Malaysian securities at fair value</b>		<u>1,549,361</u>	<u>1.60%</u>
<b>New Zealand</b>			
NUPLEX INDUSTRIES LTD	57,450	1,666,473	1.72%
SKYCITY ENTERTAINMENT GROUP LTD	59,112	1,495,857	1.55%
<b>Total investments in listed New Zealand securities at fair value</b>		<u>3,162,330</u>	<u>3.27%</u>
<b>Korea</b>			
HITE JINRO CO LTD	8,697	1,397,043	1.44%
<b>Total investments in listed Korean securities at fair value</b>		<u>1,397,043</u>	<u>1.44%</u>
<b>Singapore</b>			
CAPITALAND MALL TRUST	129,600	1,591,178	1.64%
DBS GROUP HOLDINGS LTD	17,900	1,626,086	1.68%
MAPLETREE INDUSTRIAL TRUST	172,100	1,706,253	1.76%
SATS LTD	69,300	1,641,758	1.70%
SINGAPORE EXCHANGE LTD	35,500	1,559,256	1.61%
SINGAPORE TELECOMMUNICATIONS LTD	73,300	1,744,971	1.80%
UNITED OVERSEAS BANK LTD	14,300	1,518,308	1.57%
VENTURE CORP LTD	33,800	1,613,174	1.67%
<b>Total investments in listed Singaporean securities at fair value</b>		<u>13,000,984</u>	<u>13.43%</u>
<b>Taiwan</b>			
FENG TAY ENTERPRISE CO LTD	42,000	1,343,370	1.39%
KING SLIDE WORKS CO LTD	17,000	1,541,292	1.59%
MAKALOT INDUSTRIAL CO LTD	38,000	1,375,355	1.42%
MICRO-STAR INTERNATIONAL CO LTD	131,000	1,861,888	1.92%
PRESIDENT CHAIN STORE CORP	28,000	1,690,155	1.75%
SERCOMM CORP	88,000	1,523,737	1.57%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	42,000	1,641,336	1.70%
UNI-PRESIDENT ENTERPRISES CORP	113,000	1,725,627	1.78%
<b>Total investments in listed Taiwanese securities at fair value</b>		<u>12,702,760</u>	<u>13.12%</u>
<b>Thailand</b>			
DELTA ELECTRONICS THAILAND PCL	81,600	1,229,545	1.27%
LPN DEVELOPMENT PCL	522,200	1,487,230	1.54%
THAICOM PCL	259,200	1,230,339	1.27%
THANACHART CAPITAL PCL	204,500	1,580,203	1.63%
<b>Total investments in listed Thai securities at fair value</b>		<u>5,527,317</u>	<u>5.71%</u>

**INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)**

as at 30th June 2016

**Investments (continued)**

<b>Total investments in securities at fair value</b>	<u>96,397,090</u>	<u>99.59%</u>
<b>Total investments</b>	96,397,090	99.59%
<b>Other net assets</b>	<u>397,011</u>	<u>0.41%</u>
<b>Net assets attributable to unitholders at 30th June 2016</b>	<u>96,794,101</u>	<u>100.00%</u>
<b>Total investments, at cost</b>	<u>94,422,891</u>	

<sup>1</sup> Exchange rate as at 30th June 2016

HKD/AUD 0.173113

HKD/INR 0.114942

HKD/IDR 0.000587

HKD/MYR 0.519659

HKD/NZD 0.180988

HKD/KRW 0.006835

HKD/SGD 0.173487

HKD/TWD 0.240489

HKD/THB 0.220776

HKD/USD 0.128900

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**

for the period ended 30th June 2016

Investments - listed equities	Holdings as at 1st January 2016	Additions	Corporate action	Disposals	Holdings as at 30th June 2016
ADELAIDE BRIGHTON LIMITED	-	59,426	-	(59,426)	-
AMP LTD	46,990	3,147	-	(3,694)	46,443
ANTA SPORTS PRODUCTS LTD	79,000	14,000	-	(9,000)	84,000
ASTRA INTERNATIONAL TBK PT	425,800	13,000	-	(83,200)	355,600
AURIZON HOLDINGS LTD	52,484	-	-	(52,484)	-
BANK OF QUEENSLAND LTD	20,618	4,245	-	(1,045)	23,818
BHARAT PETROLEUM CORP LTD	-	14,757	-	-	14,757
BOC HONG KONG HOLDINGS LTD	59,000	9,500	-	(2,000)	66,500
BOER POWER HOLDING	127,000	-	-	(127,000)	-
BORAL LTD	50,705	-	-	(8,424)	42,281
BRICKWORKS LTD	-	17,882	-	(533)	17,349
BT INVESTMENT MANAGEMENT LTD BT INV MGMT LTD	27,746	-	-	(27,746)	-
CAPITACOMMERCIAL TRUST	193,800	12,700	-	(206,500)	-
CAPITALLAND MALL TRUST	135,700	5,300	-	(11,400)	129,600
CHARTER HALL GROUP	62,982	273	-	(4,670)	58,585
CHICONY ELECTRONICS CO LTD	79,000	-	-	(79,000)	-
CHINA LESSO GROUP HOLDINGS LTD	-	380,000	-	(12,000)	368,000
CHINA VANKE CO LTD	-	83,300	-	(3,400)	79,900
CHONGQING RURAL COMMERCIAL	314,000	55,000	-	(369,000)	-
COMFORTDELGRO CORP LTD	91,600	1,200	-	(92,800)	-
CP POKPHAND CO	1,572,000	-	-	(1,572,000)	-
CYBG PLC	-	-	2,455	(2,455)	-
DBS GROUP HOLDINGS LTD	15,300	3,100	-	(500)	17,900
DELTA ELECTRONICS THAILAND PCL	71,700	15,100	-	(5,200)	81,600
ELITE MATERIAL CO LTD	94,000	26,000	-	(120,000)	-
FAR EAST HORIZON LTD	242,000	-	-	(242,000)	-
FAR EASTERN DEPARTMENT STORE	363,000	23,000	-	(386,000)	-
FENG TAY ENTERPRISE CO LTD	-	45,000	-	(3,000)	42,000
FLEXIGROUP LTD	-	112,131	-	(8,200)	109,311
FLYTECH TECHNOLOGY CO LTD	61,000	-	-	(61,000)	-
FOXCONN TECHNOLOGY CO LTD	70,000	-	-	(70,000)	-
GOODMAN GROUP	46,058	-	-	(6,102)	39,956
GUOTAI JUNAN INTERNATIONAL HOLDINGS LTD	504,000	177,000	-	(113,000)	568,000
HAITONG SECURITIES	114,000	16,000	-	(130,000)	-
HARVEY NORMAN HOLDINGS LTD	70,672	-	-	(10,244)	60,428
HENGAN INTERNATIONAL GROUP CO LTD	-	22,500	-	(500)	22,000
HITE JINRO CO LTD	-	9,129	-	(432)	8,697
HON HAI PRECISION INDUSTRY	-	82,000	-	(82,000)	-
INDOFOOD SUKSES MAKMUR TBK P	434,300	17,900	-	(452,200)	-
JIANGSU EXPRESSWAY CO LTD	156,000	6,000	-	(6,000)	156,000
KING SLIDE WORKS CO LTD	-	18,000	-	(1,000)	17,000
LEE & MAN PAPER MANUFACTURING LTD	-	310,000	-	(14,000)	296,000
LINK REIT	33,500	3,000	-	(2,500)	34,000
LPN DEVELOPMENT PCL	-	539,000	-	(16,800)	522,200
M1 LTD NPV	95,100	5,800	-	(100,900)	-
MACQUARIE GROUP LTD	3,311	926	-	(134)	4,103
MAGELLAN FINANCIAL GROUP LTD	12,893	1,353	-	(2,625)	11,621
MAJOR CINEPLEX GROUP PCL	222,200	-	-	(222,200)	-
MAKALOT INDUSTRIAL CO LTD	-	39,000	-	(1,000)	38,000
MAN WAH HOLDINGS LTD	172,000	4,400	-	(14,000)	162,400
MAPLETREE INDUSTRIAL TRUST	-	179,700	-	(7,600)	172,100
MERIDA INDUSTRY CO LTD	34,000	-	-	(34,000)	-
MICRO-STAR INTERNATIONAL CO LTD	197,000	-	-	(66,000)	131,000
NATIONAL AUSTRALIA BANK LTD	-	10,378	-	(329)	10,049
NEW WORLD DEVELOPMENT	-	211,000	-	(211,000)	-
NUPLEX INDUSTRIES LTD	-	59,608	-	(2,158)	57,450
PLATINUM ASSET MANAGEMENT	39,097	757	-	(39,854)	-
PREMIER INVESTMENTS LTD	21,215	-	-	(4,544)	16,671
PRESIDENT CHAIN STORE CORP	-	29,000	-	(1,000)	28,000
PRIMARY HEALTH CARE LIMITED	70,794	-	-	(70,794)	-
QINQIN FOODSTUFFS GROUP CAYMAN CO LTD	-	-	4,400	-	4,400
SAI GLOBAL LTD	-	77,197	-	(2,501)	74,696
SATS LTD	74,100	2,800	-	(7,600)	69,300

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED) (CONTINUED)**

for the period ended 30th June 2016

Investments - listed equities (continued)	Holdings as at 1st January 2016	Additions	Corporate action	Disposals	Holdings as at 30th June 2016
SERCOMM CORP	82,000	11,000	-	(5,000)	88,000
SHENZHOU INTERNATIONAL GROUP HOLDINGS LTD	42,000	4,000	-	(6,000)	40,000
SINGAPORE EXCHANGE LTD	36,300	2,300	-	(3,100)	35,500
SINGAPORE TELECOMMUNICATIONS LTD	-	77,000	-	(3,700)	73,300
SKYCITY ENTERTAINMENT GROUP LTD	73,489	-	6,037	(20,414)	59,112
SKYWORTH DIGITAL HOLDINGS LTD	240,000	104,000	-	(40,000)	304,000
STOCKLAND	70,066	-	-	(7,530)	62,536
SUN TV NETWORK LTD	-	38,106	-	-	38,106
SUNCORP GROUP LTD	20,959	2,031	-	(1,287)	21,703
SWIRE PROPERTIES LTD	-	79,200	-	(2,600)	76,600
TABCORP HOLDINGS LTD	56,068	5,785	-	(1,963)	59,890
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	47,000	-	-	(5,000)	42,000
TELEKOMUNIKASI INDONESIA PERSERO TBK PT	999,500	-	-	(219,700)	779,800
TEXWINCA HOLDINGS LTD	214,000	28,000	-	(32,000)	210,000
THAI BEVERAGE PCL	402,700	-	-	(402,700)	-
THAICOM PCL	-	267,600	-	(8,400)	259,200
THANACHART CAPITAL PCL	-	211,100	-	(6,600)	204,500
TREASURY WINE ESTATES LTD NPV	42,132	-	-	(42,132)	-
UNI-PRESIDENT ENTERPRISES CORP	-	118,000	-	(5,000)	113,000
UNITED OVERSEAS BANK LTD	13,700	1,200	-	(600)	14,300
UNITED TRACTORS TBK PT	142,400	31,100	-	(5,500)	168,000
VENTURE CORP LTD	33,000	1,900	-	(1,100)	33,800
WASHINGTON H SOUL PATTINSON & CO LTD	-	17,089	-	(592)	16,497
WESFARMERS LTD	6,747	10	-	(296)	6,461
WESTPORTS HOLDINGS BHD	-	197,600	-	(5,900)	191,700
WHARF HOLDINGS LTD	32,000	5,000	-	(37,000)	-
WHELOCK & CO LTD	43,000	4,000	-	(47,000)	-
YEONG GUAN ENERGY GROUP CO LTD	29,000	1,000	-	(30,000)	-
YUE YUEN INDUSTRIAL HOLDINGS LTD	-	61,000	-	(2,500)	58,500
YUEXIU REAL ESTATE INVESTMENT TRUST	379,000	-	-	(379,000)	-
ZHEJIANG EXPRESSWAY CO LTD	162,000	24,000	-	(186,000)	-
ZHEN DING TECHNOLOGY HOLDING	68,000	26,000	-	(94,000)	-

**PERFORMANCE RECORD (UNAUDITED)**

**Highest and lowest net asset value per unit**

	<b>Lowest HKD</b>	<b>Highest HKD</b>
Period ended 30th June 2016	<u>6.9481</u>	<u>8.1544</u>

**Net asset value attributable to unitholders**

	<b>HKD</b>
As at 30th June 2016	<u>96,794,101</u>

**Net asset value per unit**

	<b>HKD</b>
As at 30th June 2016	<u>7.7435</u>

During the period, the CLSA GARY Net Total Return Index increased by 0.63%, while the net asset value per unit of XIE Shares CLSA GARY ETF decreased by 0.61%<sup>(a)</sup>.

There were no constituent securities of that CLSA GARY Net Total Return Index that accounted for more than 10% of the weighting of CLSA GARY Net Total Return Index as at 30th June 2016.

<sup>(a)</sup> This is the return of XIE Shares CLSA GARY ETF (net of fees and expenses) from 1st January 2016 to 30th June 2016.