



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

CSOP SZSE CHINEXT ETF
(A sub-fund of CSOP ETF Series)

Semi-Annual Report
FOR THE PERIOD ENDED 30 JUNE 2016



CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)

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**CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)**

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The CSOP SZSE ChiNext ETF (the “CSOP ChiNext 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 13 May 2015 and commenced trading in RMB under the stock code 83147 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 15 May 2015; following the SEHK’s dual counter model, the CSOP ChiNext ETF started trading in HKD under the stock code 03147 on the SEHK on 15 May 2015 too. The CSOP ChiNext ETF is benchmarked against the ChiNext Index and adopts the full-replication strategy. The Manager and RQFII Holder of the CSOP ChiNext ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP ChiNext ETF is a physical ETF which invests directly in the ChiNext Index securities through the RQFII quotas of the Manager. Under current regulations in the PRC, foreign investors can invest in the domestic securities market through certain qualified foreign institutional investors that have obtained status as a QFII or a RQFII from the CSRC and have been granted quota(s) by SAFE to remit foreign freely convertible currencies (in the case of a QFII) and RMB (in the case of a RQFII) into the PRC for the purpose of investing in the PRC’s domestic securities markets. Meanwhile, from November 17, 2014, foreign investors can trade eligible stocks listed in Shanghai Stock Exchange through Shanghai-Hong Kong Stock Connect.

The ChiNext Index (the “Index”) is compiled and published by Shenzhen Securities Information Co., Ltd. It comprises the top 100 A-Share companies listed on the ChiNext board of the SZSE ranked by total market capitalization, free-float market capitalization and turnovers. The Index operates under clearly defined rules published by the index provider and is a tradable index.

Fund Performance

The CSOP ChiNext ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Index. As of 30 June 2016, the dealing Net Asset Value (“NAV”) per unit of the CSOP ChiNext ETF was RMB8.301 and there were 36,500,000 units outstanding. The total asset under management was approximately RMB303.0 million.

For the period from 1 January 2016 to 30 June 2016, the dealing NAV of CSOP ChiNext ETF RMB counter (stock code 83147) performed -18.39% while the index performed -17.92%. The difference in performance between the NAV of the CSOP ChiNext ETF and the Index is mainly attributed to fees and expenses. YTD Price return of the RMB counter (stock code 83147) was -18.80%.

Exchange Liquidity

Since inception, the CSOP ChiNext ETF has attracted great investor attention from investors across the globe. The trading value of the RMB counter (stock code: 83147) remained steadily at an average daily turnover of RMB212,427 in June 2016. The trading value of the HKD counter (stock code: 03147) remained steadily at an average daily turnover of HKD7.0 million in June 2016. The trading volume for the CSOP ChiNext ETF reflected strong interest in the CSOP ChiNext ETF.

Portfolio Rebalance

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

CSOP SZSE CHINEXT ETF
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CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	<i>Notes</i>	30 June 2016 (Unaudited) <i>RMB</i>	31 December 2015 (Audited) <i>RMB</i>
ASSETS			
NON-CURRENT ASSETS			
Deposit reserve		140,000	140,000
		-----	-----
CURRENT ASSETS			
Investments	<i>6(c),7(a)</i>	302,964,202	294,272,920
Interest receivable		582	74
Bank balances	<i>6(c)</i>	52,942	514,010
		-----	-----
		303,017,726	294,787,004
		-----	-----
Total assets		303,157,726	294,927,004
		-----	-----
LIABILITIES			
CURRENT LIABILITIES			
Management fee payable	<i>6(a)</i>	238,128	240,270
Other accounts payable		430,143	290,242
		-----	-----
Total liabilities		668,271	530,512
		-----	-----
EQUITY			
Net assets attributable to unitholders	<i>3</i>	302,489,455	294,396,492
		=====	=====

The notes on pages 6 to 18 form part of these financial statements.

CSOP SZSE CHINEXT ETF
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CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2016

		Period from 1 January 2016 to 30 June 2016 (Unaudited) RMB	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) RMB
	<i>Notes</i>		
INCOME			
Dividend income		940,491	156,772
Interest income		10,941	17,850
Net loss on investments	4	(55,276,136)	(83,849,356)
Other (loss)/income		(450,876)	1,594,436
Total net loss		<u>(54,775,580)</u>	<u>(82,080,298)</u>
EXPENSES			
Management fee	6(a)	(1,342,241)	(283,350)
Trustee fee	6(b)	(56,728)	(63,226)
Transaction costs on investments		(101,523)	(441,185)
Audit fee		(139,772)	(57,931)
Safe custody and bank charges		(203,800)	(80)
Legal and other professional fee		-	(111,417)
Other operating expenses		(257,841)	(186,972)
Total operating expenses		<u>(2,101,905)</u>	<u>(1,144,161)</u>
Operating loss		<u>(56,877,485)</u>	<u>(83,224,459)</u>
Taxation	5	(106,802)	(17,462)
Total comprehensive income		<u><u>(56,984,287)</u></u>	<u><u>(83,241,921)</u></u>

The notes on pages 6 to 18 form part of these financial statements.

CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)

CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
For the period ended 30 June 2016

	Period from 1 January 2016 to 30 June 2016 (Unaudited) <i>RMB</i>	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) <i>RMB</i>
Net assets attributable to unitholders at the beginning of the period	294,396,492	-
Proceeds on issue of units	176,190,100	483,221,000
Payments on redemption of units	(111,112,850)	(34,430,250)
Net increase from unit transactions	65,077,250	448,790,750
Total comprehensive income for the period	(56,984,287)	(83,241,921)
Net assets attributable to unitholders at the end of the period	302,489,455	365,548,829

The notes on pages 6 to 18 form part of these financial statements.

CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)

CONDENSED STATEMENT OF CASH FLOWS
For the period ended 30 June 2016

	Period from 1 January 2016 to 30 June 2016 (Unaudited) RMB	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) RMB
OPERATING ACTIVITIES		
Payments for purchase of investments	(197,353,423)	(464,141,414)
Proceeds from sale of investments	133,386,005	38,904,717
Dividend received	940,491	156,772
Interest received	10,433	14,089
Other income (paid)/received	(450,876)	1,594,436
Management fee paid	(1,344,383)	(43,523)
Transaction costs paid	(101,523)	(441,185)
Taxation paid	(106,802)	(17,462)
Other operating expenses paid	(518,240)	(296,179)
Deposit reserve paid	-	(56,000)
	<hr/>	<hr/>
Net cash used in operating activities	(65,538,318)	(424,325,749)
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
FINANCING ACTIVITIES		
Proceeds on issue of units	176,190,100	483,221,000
Amounts received from participating dealers in advance	-	8,498,487
Payments on redemption of units	(111,112,850)	(34,430,250)
	<hr/>	<hr/>
Net cash generated from financing activities	65,077,250	457,289,237
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Net (decrease)/increase in cash and cash equivalents	(461,068)	32,963,488
Cash and cash equivalents at the beginning of the period	514,010	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	52,942	32,963,488
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
Analysis of balances of cash and cash equivalents		
Bank balances	52,942	32,963,488
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The notes on pages 6 to 18 form part of these financial statements.

**CSOP SZSE CHINEXT ETF
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NOTES TO THE UNAUDITED CONDENSED 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 SZSE ChiNext ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP CES China A80 ETF, CSOP MSCI T50 ETF, CSOP China CSI 300 Smart ETF and CSOP MSCI China A International. The date of inception of the Sub-Fund was 13 May 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 ChiNext 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 Manager also invests not more than 5% of its net asset value in securities other than index securities in exceptional circumstances.

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

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

These condensed financial statements are prepared for the Sub-Fund only. The condensed financial statements for CSOP FTSE China A50 ETF, CSOP CES China A80 ETF, CSOP MSCI T50 ETF, CSOP China CSI 300 Smart ETF and CSOP MSCI China A International have been prepared separately.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

These condensed semi-annual financial statements for the six months ended 30 June 2016 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKAS”) 34 “Interim Financial Reporting”. The condensed semi-annual financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2015, as described in the annual financial statements.

Standard and amendments to existing standards effective 1 January 2016

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period beginning 1 January 2016 that would be expected to have a significant impact on the Sub-Fund.

New standards and amendments to standards effective after 1 January 2016 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.

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

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 condensed statement of financial position. Subscriptions and redemptions of units during the period are shown in the condensed 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.

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 are as follows:

	Period from 1 January 2016 to 30 June 2016 (Unaudited) Units	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) Units
Number of units in issue at the beginning of the period	29,000,000	-
Units issued	21,500,000	37,000,000
Units redeemed	(14,000,000)	(2,500,000)
Number of units in issue at the end of the period	<u>36,500,000</u>	<u>34,500,000</u>
	30 June 2016 (Unaudited) <i>RMB</i>	31 December 2015 (Audited) <i>RMB</i>
Net assets attributable to unitholders as reported in the statement of financial position	302,489,455	294,396,492
Adjustments for unamortised establishment costs	495,585	582,779
Net asset value in accordance with the Trust's Prospectus	<u>302,985,040</u>	<u>294,979,271</u>
Net assets attributable to unitholders per unit (per statement of financial position)	<u>8.2874</u>	<u>10.1516</u>
Net assets attributable to unitholders per unit (at dealing net asset value)	<u>8.3010</u>	<u>10.1717</u>

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

4. NET LOSS ON INVESTMENTS

	Period from 1 January 2016 to 30 June 2016 (Unaudited) <i>RMB</i>	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) <i>RMB</i>
Net fair value change in unrealised gain/loss in value of investments	(13,495,985)	(84,015,472)
Net realised (loss)/gain on sale of investments	(41,780,151)	166,116
	(55,276,136)	(83,849,356)
	(55,276,136)	(83,849,356)

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.

PRC tax

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

The taxation of the Sub-Fund represents:

	Period from 1 January 2016 to 30 June 2016 (Unaudited) <i>RMB</i>	Period from 13 May 2015 (date of inception) to 30 June 2015 (Unaudited) <i>RMB</i>
Withholding tax on dividend income	105,708	15,677
Withholding tax on interest income	1,094	1,785
	106,802	17,462
	106,802	17,462

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS

The following is a summary of significant related party 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 1 January 2016 to 30 June 2016 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.

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

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

(a) Management fee

Prior to 1 October 2015

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

From 1 October 2015

The Manager is entitled to receive a management fee 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

Prior to 1 October 2015

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

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

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

The Trustee, acting as the Registrar, is also entitled to a fee of RMB120 per participating dealer per transaction.

From 1 October 2015

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

(c) Financial assets

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

	As at 30 June 2016 (Unaudited) RMB	As at 31 December 2015 (Audited) RMB
Investments		
HSBC Bank (China) Company Limited	302,964,202	294,272,920
	<hr/>	<hr/>
Bank balances		
The Hongkong and Shanghai Banking Corporation Limited	52,942	514,010
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NOTES TO THE UNAUDITED CONDENSED 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 ChiNext 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 ChiNext 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 30 June 2016 and 31 December 2015, the Sub-Fund's investments were concentrated in the following industries:

	30 June 2016 (Unaudited)		31 December 2015 (Audited)	
	Fair value <i>RMB</i>	% of net asset value	Fair value <i>RMB</i>	% of net asset value
Listed equities in PRC – by industry				
Basic Materials	4,723,234	1.56	6,327,035	2.15
Consumer Goods	18,271,621	6.04	20,966,457	7.12
Consumer Services	46,956,382	15.52	51,408,495	17.46
Financials	15,968,238	5.28	14,976,360	5.09
Health Care	39,941,633	13.21	39,558,168	13.44
Industrials	81,049,294	26.80	69,980,689	23.77
Oil & Gas	2,843,381	0.94	4,379,535	1.49
Technology	90,751,318	30.00	82,311,601	27.96
Telecommunications	2,459,101	0.81	2,812,740	0.95
Utilities	-	-	1,551,840	0.53
	<u>302,964,202</u>	<u>100.16</u>	<u>294,272,920</u>	<u>99.96</u>

The Sub-Fund held 100 out of 100 (31 December 2015: 93 out of 100) constituent securities comprising the ChiNext Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the ChiNext Index.

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NOTES TO THE UNAUDITED CONDENSED 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 30 June 2016, if the ChiNext Index were to increase by 10% (31 December 2015: 10%) with all other variables held constant, this would increase the operating profit for the period by approximately RMB1,349,599 (31 December 2015: 29,641,444). Conversely, if the ChiNext Index were to decrease by 10% (31 December 2015: 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 30 June 2016, 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 is not exposed to currency risk arising from balances and transactions in foreign currencies as the majority of its assets and liabilities are denominated in RMB, the Sub-Fund's functional and presentation currency. As a result, the Manager considers sensitivity analysis of currency risk is not necessary to be presented.

(b) Credit and counterparty risk

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

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

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

As at 30 June 2016, the Sub-Fund placed bank balances of RMB45,207 (31 December 2015: RMB324,934) with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), which is the custodian of the Sub-Fund. The S&P credit rating of HSBC is A (31 December 2015: A).

As at 30 June 2016, the Sub-Fund placed bank balances of RMB7,735 (31 December 2015: RMB189,076) and investments of RMB302,964,202 (31 December 2015: RMB294,272,920) with HSBC Bank (China) Company Limited ("HSBC China"), which is the PRC custodian of the Sub-Fund. The Moody's credit rating of HSBC China is A1 (31 December 2015: A1).

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

The maximum exposure to credit risk as at 30 June 2016 is the carrying amount of the financial assets as shown on the condensed statement of financial position.

The Manager considers that none of assets are impaired nor past due as at 30 June 2016 and 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>RMB</i>	1 month to less than 3 months <i>RMB</i>	Over 3 months <i>RMB</i>	Total <i>RMB</i>
As at 30 June 2016				
Management fee payable	238,128	-	-	238,128
Other accounts payable	-	10,527	419,616	430,143
Contractual cash outflow	<u>238,128</u>	<u>10,527</u>	<u>419,616</u>	<u>668,271</u>
As at 31 December 2015				
Management fee payable	240,270	-	-	240,270
Other accounts payable	-	10,242	280,001	290,242
Contractual cash outflow	<u>240,270</u>	<u>10,242</u>	<u>280,001</u>	<u>530,512</u>

**CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

Units are redeemed on demand at the unitholder's option. As at 30 June 2016, there were two (31 December 2015: two) unitholders holding more than 10% of the Sub-Fund's units.

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

	Less than 1 month RMB	1 to 12 months RMB	No stated maturity RMB	Total RMB
As at 30 June 2016				
Total assets	291,934,786	8,692,632	2,530,308	303,157,726
As at 31 December 2015				
Total assets	265,540,197	12,015,787	17,371,020	294,927,004

(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.

**CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

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 30 June 2016:

	Level 1 <i>RMB</i>	Level 2 <i>RMB</i>	Level 3 <i>RMB</i>	Total <i>RMB</i>
As at 30 June 2016				
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	291,881,844	8,692,050	2,390,308	302,964,202
	<u>291,881,844</u>	<u>8,692,050</u>	<u>2,390,308</u>	<u>302,964,202</u>

As at 31 December 2015

Assets				
Financial assets at fair value through profit or loss				
- Equity securities	260,099,008	34,173,912	-	294,272,920
	<u>260,099,008</u>	<u>34,173,912</u>	<u>-</u>	<u>294,272,920</u>

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. Management has used best estimation and assessed all available information and considers that the last traded price is the best estimation of the fair value of level 2 investments as at 30 June 2016 and 31 December 2015. As at 30 June 2016 five listed equity investments amounted to RMB8,692,050 represented 2.87% of the net asset value of the Sub-Fund, was suspended for trading. The suspended equity investment of RMB8,692,050 has been transferred from level 1 to level 2 and classified as level 2 investment as of 30 June 2016. As at 31 December 2015, nine listed equity investment amounted to RMB34,173,912, represented 11.61% of the net asset value of the Sub-Fund, was suspended for trading due to voluntary business restructuring. The suspended equity investment of RMB34,173,912 has been transferred from level 1 to level 2 and classified as level 2 investment as at 31 December 2015.

**CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or do not trade. As at 30 June 2016, one (as at 31 December 2015: nil) listed equity investments amounted to RMB2,390,308 were suspended for trading due to voluntary corporation or business restructuring. One of the listed equity which was classified as level 1 investment as at 31 December 2015 amounted to RMB2,390,308 was suspended for trading and had resumed trading subsequent to the period end. The investment has been transferred from level 1 to level 3 investments. This equity investment have been classified as level 3 investments as at 30 June 2016.

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

The following table presents the movement in level 3 investments for the period ended 30 June 2016.

	Equity Securities RMB
Opening balance 31 December 2015	3,392,295
Purchases	1,004,996
Sales	(285,419)
Net losses on investments	(1,721,564)
	<hr/>
Closing balance 30 June 2016	2,390,308
	<hr/> <hr/>
Changes in unrealised gains/losses for the period included in the statement of comprehensive income for investments held at the end of the period	(1,661,692)

Description	RMB	Valuation technique	Unobservable input	Weighted average input	% of NAV
As at 30 June 2016					
Equity security	2,390,308	Last transacted price with discount factor	Discount factor	33.3%	0.79%

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. For the period from 1 January 2016 to 30 June 2016, the Sub-Fund did not hold any investments classified in level 3.

The assets and liabilities included in the condensed 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.

**CSOP SZSE CHINEXT ETF
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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT (Continued)

(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 DISTRIBUTION

There is no distribution for the period ended 30 June 2016 and 30 June 2015.

9. FINANCIAL INSTRUMENTS BY CATEGORY

As of 30 June 2016, 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 deposit reserve, interest receivable 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.

10. 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/year ended 30 June 2016 and 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 ChiNext Index as at 30 June 2016 and 31 December 2015.

During the period from 1 January 2016 to 30 June 2016, the ChiNext Index decreased by 17.92% (during the year ended 31 December 2015: decreased by 14.98%) while the net asset value per unit of the Sub-Fund decreased by 18.39% (during the year ended 31 December 2015: decreased by 15.40%).

**CSOP SZSE CHINEXT ETF
(A SUB-FUND OF CSOP ETF SERIES)**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

11. 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.

12. 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 ChiNext 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 condensed statement of financial position and condensed statement of comprehensive income.

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

The total of non-current assets of the Sub-Fund located in PRC in RMB140,000. The Sub-Fund has no other assets classified as non-current assets. As at 30 June 2016, 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.

CSOP SZSE CHINEXT ETF
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INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2016

	Holdings	Fair value RMB	% of net assets
Investments (100.16%)			
Listed equities (100.16%)			
China (100.16%)			
AIER EYE HOSPITAL GROUP CO A SHARE ORD CNY1	99,558	3,636,854	1.20
ANHUI SHENGYUN MACHINERY CO LTD A SHRS ORD CNY1	183,692	1,486,068	0.49
BEIJANG LANXUM TECHNOLOGY A SHS A ORD CNY1	128,824	2,702,728	0.89
BEIJING BAOFENG TECHNOLOGY CO LTD A SHRS ORD CNY1	22,000	1,595,000	0.53
BEIJING DINGHAN TECHNOLOGY CO LTD A SHS ORD CNY1	76,590	1,797,567	0.59
BEIJING EGOVA CO LTD A SHS ORD CNY1	74,510	1,911,181	0.63
BEIJING E-HUALU INFORMATION TECHNOLOGY CO LTD A SHR ORD CNY1	60,099	1,789,147	0.59
BEIJING ENLIGHT MEDIA CO LTD A SHR ORD CNY1	285,428	3,299,548	1.09
BEIJING HUALUBAINA FILM & TV CO LTD A SHR ORD CNY1	101,100	2,378,883	0.79
BEIJING JETSON TECHNOLOGY CO LTD A SHRS ORD CNY1	144,312	2,469,178	0.82
BEIJING KUNLUN TECH CO LTD ORD CNY1	91,000	2,572,570	0.85
BEIJING ORIENT NATIONAL COMMUNICATI SCIENCE & TECHNOLOGY CO LTD ORD CNY1	104,539	2,871,686	0.95
BEIJING ORIGINWATER TECHNOLOGY CO LTD A SHR ORD CNY1	452,057	6,726,608	2.22
BEIJING PHILISENSE TECHNOLOGY CO LTD A SHS ORD CNY1	183,515	2,459,101	0.81
BEIJING SINNET TECHNOLOGY- A SHRS ORD RMB1	74,400	2,819,760	0.93
BEIJING SJ ENVIRONMENTAL PROTECTION AND NEW MATERIAL CO LTD A SHS ORD CNY1	170,884	4,723,234	1.56
BEIJING THUNISOFT CORP LTD ORD CNY1	136,814	2,588,521	0.86
BEIJING TRS INFORMATION TECHNOLOGY CO LTD A SHR ORD CNY1	59,100	1,263,558	0.42
BEIJING TRUST & FAR TECHNOLOGY CO LTD ORD CNY1 A SHARES	79,200	1,460,448	0.48
BEIJING ULTRAPOWER SOFTWARE A ORD CNY1	312,633	3,326,415	1.10
BEIJING VRV SOFTWARE CORP LTD A SHRS ORD CNY1	82,403	1,538,464	0.51
BEIJING WATER BUSINESS DOCTOR CO LTD A SHR ORD CNY1	184,000	3,350,640	1.11
BEIJING WATERTEK INFORMATION TECHNOLOGY CO LTD A SHRS ORD NPV	147,787	3,171,509	1.05
BLUEFOCUS COMMUNICATION GROUP CO LTD A SHR ORD CNY1	411,023	3,991,033	1.32
CENTRE TESTING INTERNATIONAL CORP A SHR ORD CNY1	177,822	2,201,436	0.73
CHAOZHOU THREE CIRCLE GROUP CO LTD ORD CNY1	319,711	5,742,010	1.90
CHENGDU CORPRO TECHNOLOGY CO LTD A SHR ORD CNY1	111,262	3,107,548	1.03
CHONGQING ZHIFEI BIOLOGICAL PRODUCT CO LTD A SHRS ORD CNY1	120,406	1,862,681	0.62
EAST MONEY INFORMATION CO LTD A SHR ORD CNY1	630,630	13,999,986	4.63
EVERYDAY NETWORK COMPANY LIMITED A SHRS ORD NPV	36,676	1,191,970	0.39
FOCUSED PHOTONICS HANGZHOU-A SHRS ORD CNY1	91,700	2,420,880	0.80
GRANDHOPE BIOTECH CO LTD A SHRS ORD CNY1	55,662	2,442,449	0.81
GUANGDONG BY-HEALTH BIOTECHNOLOGY CO LTD A SHS ORD CNY1	175,600	2,377,624	0.79
GUANGDONG WENS FOODSTUFFS GROUP CO LTD A SHRS ORD CNY1	101,790	3,686,834	1.22
HAKIM UNIQUE INTERNET CO LTD A SHS ORD NPV CNY1	72,600	2,218,656	0.73
HAND ENTERPRISE SOLUTIONS CO LTD A SHR ORD CNY1	188,451	2,860,686	0.95
HANGZHOU CENTURY CO LTD A ORD CNY1	70,850	2,369,224	0.78
HANGZHOU SHUNWANG TECHNOLOGY CO LTD A SHS ORD CNY1	109,589	4,159,998	1.37

CSOP SZSE CHINEXT ETF
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INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 30 June 2016

	Holdings	Fair value RMB	% of net assets
Investments (100.16%) (Continued)			
Listed equities (100.16%) (Continued)			
China (100.16%) (Continued)			
HANGZHOU TIGERMED CONSULTING CO LTD A SHR ORD NPV	84,000	2,437,680	0.81
HAPPIGO HOME SHOPPING CO LTD ORD CNY1	24,800	603,880	0.20
HITHINK FLUSH INFORMATION NETWORK CO LTD A SHS ORD CNY1	59,037	4,808,564	1.59
HUAYI BROTHERS MEDIA CORPORATION A SHR ORD CNY1	476,289	6,448,953	2.13
HUBEI SANFENG INTELLIGENT CONV ORD CNY1 A	48,000	1,010,880	0.33
HUNAN CHINA SUN PHARMACEUTICAL MACHINERY CO LTD A SHRS ORD CNY1	79,700	2,520,911	0.83
HUNAN ER-KANG PHARMACEUTI -A SHRS ORD CNY1	194,240	2,781,517	0.92
HYBIO PHARMACEUTICAL CO LTD A SHS ORD CNY1	123,269	2,508,524	0.83
JIANGSU HOPERUN SOFTWARE CO LTD A SHS ORD NPV	46,500	1,666,560	0.55
JINLONG MACHINERY & ELECTRONICS CO LTD A SHS ORD CNY1	90,947	1,828,035	0.60
JULONG CO LTD ORD CNY1	75,500	1,827,855	0.60
KINGSINGAL TECHNOLOGY COMPANY LTD A SHR ORD CNY1	58,100	1,924,853	0.64
LENS TECHNOLOGY CO LTD A SHRS ORD CNY1	66,900	1,881,228	0.62
LEPU MEDICAL TECHNOLOGY A SHRS CNY1	308,964	5,635,503	1.86
LESHI INTERNET INFORMATION & TECHNOLOGY (BEIJING) CO LTD A SHR ORD CNY1	301,800	15,968,238	5.28
LONGMASTER INFO & TECH CO LTD A SHRS ORD CNY1	34,136	1,237,771	0.41
NANFANG VENTILATOR CO LTD A ORD CNY1	82,400	1,615,040	0.53
NATIONZ TECHNOLOGIES INC A ORD CNY1	176,200	3,488,760	1.15
NETPOSA TECHNOLOGIES LTD A SHRS ORD NPV	124,329	3,087,089	1.02
NSFOCUS INFORMATION TECHNOLOGY CO LTD ORD CNY1	33,600	1,421,616	0.47
OURPALM CO LTD ORD CNY1	430,220	4,513,008	1.49
QINGDAO TGOOD ELECTRIC A ORD CNY1	126,900	2,752,461	0.91
SHANGHAI GANGLIAN E-COMMERCE HOLDINGS CO LTD A SHRS ORD CNY1	27,001	1,360,850	0.45
SHANGHAI KAIBAO PHARMACEUTICAL CO LTD A SHS ORD CNY1	154,000	1,566,180	0.52
SHANGHAI NEW CULTURE MEDIA GROUP CO LTD A SHR ORD NPV	53,900	1,346,422	0.44
SHANGHAI TOFFLON SCIENCE AND TECHNOLOGY CO LTD A SHR ORD CNY1	75,966	1,434,238	0.47
SHANGHAI WANGSU SCIENCE & TECHNOLOGY CO LTD A SHARE ORD CNY1	143,459	9,640,445	3.19
SHENWU ENVIRONMENTAL TECH A SHS ORD CNY1	156,700	3,224,886	1.07
SHENZHEN EVENWIN PRECISION TECH CO LTD CL A ORD CNY1	131,105	2,700,763	0.89
SHENZHEN INFOGEM TECHNOLOGIES CO LTD A SHS ORD CNY1	75,415	2,254,908	0.75
SHENZHEN INOVANCE TECHNOLOGY CO LTD A SHR ORD CNY1	297,440	5,770,336	1.91
SHENZHEN SUNWAY COMMUNICATION CO LTD ORD CNY1	198,716	4,165,087	1.38
SHENZHEN TAT FOOK TECHNOLOGY CO LTD A SHS ORD CNY1	74,200	2,223,032	0.73
SHENZHEN TEMPUS GLOBAL TRAVEL HOLDINGS LIMITED A SHS ORD CNY1	96,240	1,847,808	0.61
SHENZHEN ZQGAME CO LTD ORD CNY1	53,100	1,169,793	0.39
SIASUN ROBOT & AUTOMATION CO LTD A SHR ORD CNY1	331,287	8,411,377	2.78
SINOSUN TECHNOLOGY CO LTD A SHS ORD NPV	78,300	1,863,540	0.62
SONGCHENG PERFORMANCE DEVELOPMENT CO LTD A SHRS ORD CNY1	153,661	3,827,696	1.27

CSOP SZSE CHINEXT ETF
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INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 30 June 2016

	Holdings	Fair value RMB	% of net assets
Investments (100.16%) (Continued)			
Listed equities (100.16%) (Continued)			
China (100.16%) (Continued)			
SUMAVISION TECHNOLOGIES CO LTD A ORD CNY1	381,894	3,272,832	1.08
SUNGROW POWER SUPPLY CO LTD CL A ORD CNY1	116,532	2,843,381	0.94
SUNWODA ELECTRONIC CO LTD A SHR ORD CNY1	96,200	2,469,454	0.82
TIANJIN CHASE SUN PHARMACEUTICAL CO LTD A SHRS ORD CNY1	131,588	2,288,315	0.76
TOREAD HOLDINGS GROUP CO LTD ORD NPV	94,961	1,619,085	0.53
WALVAX BIOTECHNOLOGY CO LTD SHS A ORD CNY1	321,278	2,390,308	0.79
WINNING HEALTH TECHNOLOGY GROUP CO LTD SHS A ORD CNY1	168,940	4,172,818	1.38
WONDERS INFORMATION CO LTD A SHRS ORD CNY1	208,100	5,408,519	1.79
WUHAN TIANYU INFORMATION INDUSTRY CO LTD A SHR ORD CNY1	71,499	1,057,470	0.35
WUHU TOKEN SCIENCE CO LTD A SHR ORD CNY1	250,800	3,729,396	1.23
XIAMEN MEIYA PICO INFORMATION COMPANY LIMITED ORD CNY1 A SHARES	56,059	1,493,412	0.49
XIANGXUE PHARMACEUTICAL CO LTD A SHR ORD CNY1	137,758	2,029,175	0.67
XINGHUI AUTO MODEL CO LTD A SHR ORD CNY1	171,900	2,435,823	0.81
XINJIANG MACHINERY RESEARCH INSTITUTE CO LTD A SHR ORD CNY1	177,437	3,202,738	1.06
XUZHOU KERONG ENVIRONMENTAL RESOURCES CLASS A SHRS ORD CNY1	159,446	1,202,223	0.40
YLZ INFORMATION TECHNOLOGY CO LTD A SHRS ORD CNY1	105,093	1,927,406	0.64
ZHANGJIANGANG FURUI SPECIAL EQUIPMENT CO LTD A SHR ORD CNY1	96,386	1,638,562	0.54
ZHEJIANG DA DIAGNOSTICS CO LTD SHRS A ORD CNY1	91,535	3,018,824	1.00
ZHEJIANG ENJOYOR ELECTRONICS CO LTD A SHR ORD CNY1	134,000	2,492,400	0.82
ZHEJIANG HUACE FILM & TV CO LTD A SHS ORD CNY1	206,271	3,211,639	1.06
ZHEJIANG KAISHAN COMPRESSOR CO LTD CL A ORD CNY1	108,400	1,790,768	0.59
ZHEJIANG NARADA POWER SOURCE CO LTD ORD CNY1	128,225	2,802,999	0.93
ZHUHAI HOKAI MEDICAL INSTRUMENT CO LTD A SHS ORD CNY1	146,310	2,801,837	0.93
ZHUHAI ORBITA CONTROL ENGINEERING CO LTD A ORD CNY1	127,650	2,316,848	0.77
Total investments		302,964,202	100.16
Other net liabilities		(474,747)	(0.16)
Net assets attributable to unitholders at 30 June 2016		302,489,455	100.00
Total investments, at cost		369,327,888	

CSOP SZSE CHINEXT ETF
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the period from 1 January 2016 to 30 June 2016

	Holdings				
	1 January 2016	Additions	Corporate actions	Disposals	30 June 2016
Investments					
Listed equities					
AIER EYE HOSPITAL GROUP CO A SHARE ORD CNY1	80,464	60,600	-	41,506	99,558
ANHUI SHENGYUN MACHINERY CO LTD A SHRS ORD CNY1	178,492	110,700	-	105,500	183,692
AVCON INFORMATION TECHNOLOGY A SHR ORD CNY1	89,600	-	-	89,600	-
BEIJANG LANXUM TECHNOLOGY A SHS A ORD CNY1	96,361	85,269	-	52,806	128,824
BEIJING BAOFENG TECHNOLOGY CO LTD A SHRS ORD CNY1	18,500	10,700	-	7,200	22,000
BEIJING CISRI A ORD CNY1	46,661	23,200	-	69,861	-
BEIJING DINGHAN TECHNOLOGY CO LTD A SHS ORD CNY1	62,190	45,100	-	30,700	76,590
BEIJING EGOVA CO LTD A SHS ORD CNY1	60,010	43,500	-	29,000	74,510
BEIJING E-HUALU INFORMATION TECHNOLOGY CO LTD A SHR ORD CNY1	49,700	34,699	-	24,300	60,099
BEIJING ENLIGHT MEDIA CO LTD A SHR ORD CNY1	121,237	57,633	154,964	48,406	285,428
BEIJING HUALUBAINA FILM & TV CO LTD A SHR ORD CNY1	75,000	67,200	-	41,100	101,100
BEIJING JETSON TECHNOLOGY CO LTD A SHRS ORD CNY1	114,400	88,512	-	58,600	144,312
BEIJING KUNLUN TECH CO LTD ORD CNY1	-	117,400	-	26,400	91,000
BEIJING ORIENT NATIONAL COMMUNICATI SCIENCE & TECHNOLOGY CO LTD ORD CNY1	85,643	59,296	-	40,400	104,539
BEIJING ORIGINWATER TECHNOLOGY CO LTD A SHR ORD CNY1	148,600	111,029	299,602	107,174	452,057
BEIJING PHILISENSE TECHNOLOGY CO LTD A SHS ORD CNY1	114,400	88,512	-	58,600	144,312
BEIJING PHILISENSE TECHNOLOGY CO LTD A SHS ORD CNY1	155,400	99,516	-	71,401	183,515
BEIJING SINNET TECHNOLOGY- A SHRS ORD RMB1	-	95,800	-	21,400	74,400
BEIJING SJ ENVIRONMENTAL PROTECTION AND NEW MATERIAL CO LTD A SHS ORD CNY1	97,490	72,914	67,180	66,700	170,884
BEIJING THUNISOFT CORP LTD ORD CNY1	57,713	60,090	75,011	56,000	136,814
BEIJING TRS INFORMATION TECHNOLOGY CO LTD A SHR ORD CNY1	48,200	34,500	-	23,600	59,100
BEIJING TRUST & FAR TECHNOLOGY CO LTD ORD CNY1 A SHARES	-	111,500	-	32,300	79,200

RESTRICTED

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)

For the period from 1 January 2016 to 30 June 2016

	Holdings				30 June 2016
	1 January 2016	Additions	Corporate actions	Disposals	
Investments (continued)					
Listed equities (continued)					
BEIJING ULTRAPOWERSOFTWAR A ORD CNY1	266,633	188,000	-	142,000	312,633
BEIJING VRV SOFTWARE CORP LTD A SHRS ORD CNY1	35,244	25,300	42,159	20,300	82,403
BEIJING WATER BUSINESS DOCTOR CO LTD A SHR ORD CNY1	129,700	128,000	-	73,700	184,000
BEIJING WATERTEK INFORMATION TECHNOLOGY CO LTD A SHRS ORD NPV	56,427	64,933	72,427	46,000	147,787
BLUEFOCUS COMMUNICATION GROUP CO LTD A SHR ORD CNY1	337,516	239,040	-	165,533	411,023
CENTRE TESTING INTERNATIONAL CORP A SHR ORD CNY1	72,900	51,711	96,811	43,600	177,822
CHAOZHOU THREE CIRCLE GROUP CO LTD ORD CNY1	25,764	211,962	191,226	109,241	319,711
CHENGDU CORPRO TECHNOLOGY CO LTD A SHR ORD CNY1	63,274	94,775	-	46,787	111,262
CHONGQING ZHIFEI BIOLOGICAL PRODUCT CO LTD A SHRS ORD CNY1	47,066	36,637	67,303	30,600	120,406
EAST MONEY INFORMATION CO LTD A SHR ORD CNY1	294,300	211,499	335,231	210,400	630,630
EVE ENERGY CO LTD A SHARE ORD CNY1	67,400	-	-	67,400	-
EVERYDAY NETWORK COMPANY LIMITED A SHRS ORD NPV	33,000	21,476	-	17,800	36,676
FEITIAN TECHNOLOGIES CO LT-A SHRS ORD CNY1	16,360	-	-	16,360	-
FOCUSED PHOTONICS HANGZHOU-A SHRS ORD CNY1	77,300	55,900	-	41,500	91,700
GRANDHOPE BIOTECH CO LTD A SHRS ORD CNY1	47,462	26,500	-	18,300	55,662
GUANGDONG BY-HEALTH BIOTECHNOLOGY CO LTD A SHS ORD CNY1	73,600	68,600	97,200	63,800	175,600
GUANGDONG WENS FOODSTUFFS GROUP CO LTD A SHRS ORD CNY1	71,800	51,600	18,120	39,730	101,790
GUANGZHOU HI-TARGET NAVI TECH CO LTD ORD CNY1	62,200	-	-	62,200	-
HAKIM UNIQUE INTERNET CO LTD A SHS ORD NPV CNY1	-	83,400	-	10,800	72,600
HAND ENTERPRISE SOLUTIONS CO LTD A SHR ORD CNY1	158,287	111,764	-	81,600	188,451
HANGZHOU CENTURY CO LTD A ORD CNY1	-	92,050	-	21,200	70,850

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For the period from 1 January 2016 to 30 June 2016

	Holdings				30 June 2016
	1 January 2016	Additions	Corporate actions	Disposals	
Investments (continued)					
Listed equities (continued)					
HANGZHOU SHUNWANG TECHNOLOGY CO LTD A SHS ORD CNY1	40,600	28,841	74,112	33,964	109,589
HANGZHOU TIGERMED CONSULTING CO LTD A SHR ORD NPV	67,700	47,700	-	31,400	84,000
HAPPIGO HOME SHOPPING CO LTD ORD CNY1	19,600	13,400	-	8,200	24,800
HEBEI SAILHERO ENVIRONMENT-A ORD CNY1	70,903	39,900	-	110,803	-
HITHINK FLUSH INFORMATION NETWORK CO LTD A SHS ORD CNY1	49,573	34,331	-	24,867	59,037
HUAYI BROTHERS MEDIA CORPORATION A SHR ORD CNY1	219,360	141,841	298,071	182,983	476,289
HUBEI DINGLONG CHEMICAL CO LTD A SHRS ORD CNY1	72,700	-	-	72,700	-
HUBEI SANFENG INTELLIGENT CONV ORD CNY1 A	-	69,300	-	21,300	48,000
HUNAN CHINA SUN PHARMACEUTICAL MACHINERY CO LTD A SHRS ORD CNY1	66,100	47,300	-	33,700	79,700
HUNAN ER-KANG PHARMACEUTI -A SHRS ORD CNY1	94,440	59,129	117,420	76,749	194,240
HUNAN TANGEL PUBLISHING CO LTD ORD CNY1	41,160	-	-	41,160	-
HYBIO PHARMACEUTICAL CO LTD A SHS ORD CNY1	88,769	84,300	-	49,800	123,269
JIANGSU HOPERUN SOFTWARE CO LTD A SHS ORD NPV	-	64,200	-	17,700	46,500
JINLONG MACHINERY & ELECTRONICS CO LTD A SHS ORD CNY1	67,600	61,047	-	37,700	90,947
JULONG CO LTD ORD CNY1	62,500	46,200	-	33,200	75,500
KINGSINGAL TECHNOLOGY COMPANY LTD A SHR ORD CNY1	-	81,500	-	23,400	58,100
LANDOCEAN ENERGY SERVICES CO LTD A SHRS ORD CNY1	126,300	60,900	-	187,200	-
LENS TECHNOLOGY CO LTD A SHRS ORD CNY1	18,900	12,000	47,800	11,800	66,900
LEPU MEDICAL TECHNOLOGY A SHRS CNY1	118,100	100,782	161,182	71,100	308,964
LESHI INTERNET INFORMATION & TECHNOLOGY (BEIJING) CO LTD A SHR ORD CNY1	254,700	68,900	-	21,800	301,800
LONGMASTER INFO & TECH CO LTD A SHRS ORD CNY1	30,836	21,500	-	18,200	34,136

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For the period from 1 January 2016 to 30 June 2016

	Holdings				
	1 January 2016	Additions	Corporate actions	Disposals	30 June 2016
Investments (continued)					
Listed equities (continued)					
NANFANG VENTILATOR CO LTD A ORD CNY1	57,800	58,000	-	33,400	82,400
NATIONZ TECHNOLOGIES INC A ORD CNY1	72,100	68,600	97,400	61,900	176,200
NETPOSA TECHNOLOGIES LTD A SHRS ORD NPV	43,100	63,129	66,300	48,200	124,329
NSFOCUS INFORMATION TECHNOLOGY CO LTD ORD CNY1	27,500	21,900	-	15,800	33,600
OURPALM CO LTD ORD CNY1	314,100	292,120	-	176,000	430,220
PORTON FINE CHEMICALS LTD A SHS ORD CNY1	40,250	-	-	40,250	-
QINGDAO EASTSOFT COMMUNICATION TECHNOLOGY CO LTD A SHS ORD CNY1	54,528	26,084	-	80,612	-
QINGDAO TGOOD ELECTRIC A ORD CNY1	114,200	74,100	-	61,400	126,900
SHANGHAI GANGLIAN E-COMMERCE HOLDINGS CO LTD A SHRS ORD CNY1	28,201	1,000	-	2,200	27,001
SHANGHAI KAIBAO PHARMACEUTICAL CO LTD A SHS ORD CNY1	129,200	91,500	-	66,700	154,000
SHANGHAI NEW CULTURE MEDIA GROUP CO LTD A SHR ORD NPV	-	69,500	-	15,600	53,900
SHANGHAI TOFFLON SCIENCE AND TECHNOLOGY CO LTD A SHR ORD CNY1	64,766	46,200	-	35,000	75,966
SHANGHAI WANGSU SCIENCE & TECHNOLOGY CO LTD A SHARE ORD CNY1	121,379	85,926	-	63,846	143,459
SHENWU ENVIRONMENTAL TECH A SHS ORD CNY1	67,300	38,700	101,550	50,850	156,700
SHENZHEN EVENWIN PRECISION TECH CO LTD CL A ORD CNY1	69,100	47,441	53,424	38,860	131,105
SHENZHEN INFOGEM TECHNOLOGIES CO LTD A SHS ORD CNY1	48,700	34,050	19,365	26,700	75,415
SHENZHEN INOVANCE TECHNOLOGY CO LTD A SHR ORD CNY1	96,446	113,534	161,960	74,500	297,440
SHENZHEN SUNWAY COMMUNICATION CO LTD ORD CNY1	93,000	80,928	81,028	56,240	198,716
SHENZHEN TAT FOOK TECHNOLOGY CO LTD A SHS ORD CNY1	73,900	43,200	-	42,900	74,200
SHENZHEN TEMPUS GLOBAL TRAVEL HOLDINGS LIMITED A SHS ORD CNY1	73,240	60,800	-	37,800	96,240

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For the period from 1 January 2016 to 30 June 2016

	Holdings				
	1 January 2016	Additions	Corporate actions	Disposals	30 June 2016
Investments (continued)					
Listed equities (continued)					
SHENZHEN ZQGAME CO LTD ORD CNY1	42,000	29,500	-	18,400	53,100
SIASUN ROBOT & AUTOMATION CO LTD A SHR ORD CNY1	127,588	124,553	196,285	117,139	331,287
SINOSUN TECHNOLOGY CO LTD A SHS ORD NPV	-	101,600	-	23,300	78,300
SONGCHENG PERFORMANCE DEVELOPMENT CO LTD A SHRS ORD CNY1	130,332	91,129	-	67,800	153,661
SUMAVISION TECHNOLOGIES CO LTD A ORD CNY1	315,594	227,100	-	160,800	381,894
SUNGROW POWER SUPPLY CO LTD CL A ORD CNY1	97,832	68,900	-	50,200	116,532
SUNWODA ELECTRONIC CO LTD A SHR ORD CNY1	108,800	56,100	-	68,700	96,200
TIANJIN CHASE SUN PHARMACEUTICAL CO LTD A SHRS ORD CNY1	106,250	78,238	-	52,900	131,588
TOP RESOURCE CONSERVATION AND ENVIRONMENT CORP ORD CNY1	63,600	-	-	63,600	-
TOREAD HOLDINGS GROUP CO LTD ORD NPV	74,661	58,200	-	37,900	94,961
WALVAX BIOTECHNOLOGY CO LTD SHS A ORD CNY1	257,382	90,296	-	26,400	321,278
WINNING HEALTH TECHNOLOGY GROUP CO LTD SHS A ORD CNY1	95,900	77,400	61,840	66,200	168,940
WONDERS INFORMATION CO LTD A SHRS ORD CNY1	175,600	124,700	-	92,200	208,100
WUHAN TIANYU INFORMATION INDUSTRY CO LTD A SHR ORD CNY1	60,400	42,999	-	31,900	71,499
WUHU TOKEN SCIENCE CO LTD A SHR ORD CNY1	212,500	135,500	-	97,200	250,800
XIAMEN MEIYA PICO INFORMATION COMPANY LIMITED ORD CNY1 A SHARES	-	73,059	-	17,000	56,059
XIANGXUE PHARMACEUTICAL CO LTD A SHR ORD CNY1	116,440	81,700	-	60,382	137,758
XINGHUI AUTO MODEL CO LTD A SHR ORD CNY1	142,700	41,200	-	12,000	171,900

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the period from 1 January 2016 to 30 June 2016

	Holdings				
	1 January 2016	Additions	Corporate actions	Disposals	30 June 2016
Investments (continued)					
Listed equities (continued)					
XINJIANG MACHINERY RESEARCH INSTITUTE CO LTD A SHR ORD CNY1	-	250,647	-	73,210	177,437
XUZHOU KERONG ENVIRONMENTAL RESOURCES CLASS A SHRS ORD CNY1	135,100	86,546	-	62,200	159,446
YLZ INFORMATION TECHNOLOGY CO LTD A SHRS ORD CNY1	56,700	83,393	-	35,000	105,093
ZHANGJIANGANG FURUI SPECIAL EQUIPMENT CO LTD A SHR ORD CNY1	48,716	42,200	39,670	34,200	96,386
ZHEJIANG DA DIAGNOSTICS CO LTD SHRS A ORD CNY1	42,800	29,286	49,349	29,900	91,535
ZHEJIANG ENJOYOR ELECTRONICS CO LTD A SHR ORD CNY1	111,000	80,900	-	57,900	134,000
ZHEJIANG HUACE FILM & TV CO LTD A SHS ORD CNY1	107,550	77,357	83,914	62,550	206,271
ZHEJIANG KAISHAN COMPRESSOR CO LTD CL A ORD CNY1	89,900	57,200	-	38,700	108,400
ZHEJIANG NARADA POWER SOURCE CO LTD ORD CNY1	108,000	77,319	-	57,094	128,225
ZHEJIANG SUNFLOWER LIGHT ENERGY SCIENCE & TECHNOLOGY CO LTD A SHR ORD CNY1	257,900	121,800	-	379,700	-
ZHUHAI HOKAI MEDICAL INSTRUMENT CO LTD A SHS ORD CNY1	114,910	90,100	-	58,700	146,310
ZHUHAI ORBITA CONTROL ENGINEERING CO LTD A ORD CNY1	43,200	20,300	84,750	20,600	127,650

**CSOP SZSE CHINEXT ETF
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PERFORMANCE RECORD (Unaudited)

Net asset value

	Net asset value of the Sub-Fund <i>RMB</i>	Net asset value per unit <i>RMB</i>
At the end of financial period dated		
30 June 2016	302,489,455	8.2874
31 December 2015	294,396,492	10.1516

Highest and lowest net asset value per unit

	Highest net asset value per unit <i>RMB</i>	Lowest net asset value per unit <i>RMB</i>
Financial period ended		
30 June 2016	9.3382	7.0438
31 December 2015 (Since 13 May 2015 (date of inception))	15.0190	6.7295

**CSOP SZSE CHINEXT ETF
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