

BMO ETF

BMO HONG KONG BANKS ETF

SEMI-ANNUAL FINANCIAL STATEMENTS (UNAUDITED)

**FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF
OPERATIONS) TO 30 JUNE 2015**

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ADMINISTRATION AND MANAGEMENT

Manager

BMO Global Asset Management (Asia) Limited
36/F & Suite 3808, One Exchange Square
Central
Hong Kong

Listing agent

Macquarie Capital Securities Limited
Level 18, Suites 2001-2 & 2015-16,
Level 22-23, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Directors of the Manager

Anthony Cousins (resigned on November 11, 2014)
Christopher Darling
Edgar Legzdins
Barry McInerney
Susanna Ng
Amit Prakash
Rajiv Silgado
Richard Wilson (appointed on November 11, 2014)
Albert Yu

Legal counsel to the Manager

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

Trustee

Cititrust Limited
50/F, Citibank Tower, Citibank Plaza
3 Garden Road
Central
Hong Kong

Auditor

KPMG
8/F, Prince's Building
10 Chater Road
Central
Hong Kong

Custodian and Administrator

Citibank N.A.
50/F, Citibank Tower, Citibank Plaza
3 Garden Road
Central
Hong Kong

Participating dealers*

Macquarie Bank Limited
Level 18, One IFC,
1 Harbour View Street,
Central,
Hong Kong

Registrar

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

SG Securities (HK) Limited
Level 37, Three Pacific Place,
1 Queen's Road East
Hong Kong

Service agent

HK Conversion Agency Services Limited
2/F, Infinitus Plaza
199 Des Voeux Road Central
Hong Kong

*Please refer to the Manager's website, <http://www.bmo.hk/etfs/en/bmo-etfs/details?fundId=3143>, for the latest list of participating dealers.

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STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED) AS AT 30 JUNE 2015

	As at 30 June 2015 ¹ HK\$
Current assets	
Investments	140,468,121
Dividends receivable	3,457,225
Cash at banks	<u>60,981</u>
Total assets	<u>143,986,327</u>
Current liabilities	
Accruals and other payables	<u>111,048</u>
Total liabilities (excluding net assets attributable to unitholders)	<u>111,048</u>
Net assets attributable to unitholders	<u>143,875,279</u>
Number of units in issue	15,000,000
Net assets attributable to unitholders per unit	9.5917

¹The date of commencement of operations for this Sub-Fund was 7 November 2014. Comparative figures are unavailable.

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STATEMENT OF DISTRIBUTION (UNAUDITED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	HK\$
Undistributed income at 7 November 2014¹ (date of commencement of operations)	-
Profit for the period available for distribution	4,344,796
Distributions to unitholders	(1,350,000)
Undistributed income at 30 June 2015¹	<u>2,994,796</u>
 <i>Distribution history:</i>	
Interim distribution of HK\$0.09 per unit on 15,000,000 units declared on 19 June 2015	<u>1,350,000</u>

¹The date of commencement of operations for this Sub-Fund was 7 November 2014. Comparative figures are unavailable.

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INVESTMENT LIMITATIONS AND PROHIBITIONS UNDER THE SFC CODE (UNAUDITED)

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

Constituent securities that account for more than 10% of its net asset value of the Sub-Fund as at period end were as follows:

<u>As at 30 June 2015 (unaudited)</u>	Respective weighting in the tracked index	Respective weighting in the Sub- Fund’s net asset value
Bank of China Ltd	11.30%	11.04%
China Construction Bank Corp	15.22%	14.86%
HSBC Holdings PLC	19.79%	19.32%
Industrial & Commercial Bank of China Ltd	13.22%	12.91%

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INVESTMENT PORTFOLIO (UNAUDITED) AS AT 30 JUNE 2015

Investments	Holdings	Fair value HK\$	% of net assets
Listed Equities			
China			
Agricultural Bank of China Ltd	1,632,508	6,807,558	4.73
Bank of China Ltd	3,151,112	15,881,606	11.04
Bank of Communications Co Ltd	508,125	4,105,650	2.85
BOC Hong Kong Holdings Ltd	227,035	7,333,231	5.10
China CITIC Bank Corp Ltd	478,935	2,959,818	2.06
China Construction Bank Corp	3,020,192	21,382,959	14.86
China Everbright Bank Co Ltd	210,885	980,615	0.68
China Merchants Bank Co Ltd	289,330	6,538,858	4.55
China Minsheng Banking Corp Ltd	384,905	3,910,635	2.72
Chongqing Rural Commercial Bank Co Ltd	160,820	998,692	0.69
Industrial & Commercial Bank of China Ltd	3,016,427	18,581,190	12.91
		<u>89,480,812</u>	<u>62.19</u>
Hong Kong			
Bank of East Asia Ltd	72,669	2,463,479	1.71
Hang Seng Bank Ltd	48,290	7,315,935	5.08
		<u>9,779,414</u>	<u>6.79</u>
United Kingdom			
HSBC Holdings PLC	396,140	27,789,221	19.32
Standard Chartered PLC	106,582	13,418,674	9.33
		<u>41,207,895</u>	<u>28.65</u>
Total investments		<u>140,468,121</u>	<u>97.63</u>
Total investments, at cost		<u>121,837,665</u>	

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	Holdings as at 7 November 2014 (date of commencement of operations)	Additions	Corporate action	Disposal	Holdings as at 30 June 2015
Investments					
Agricultural Bank of China Ltd	–	1,724,508	–	92,000	1,632,508
Bank of China Ltd	–	3,396,112	–	245,000	3,151,112
Bank of Communications Co Ltd	–	560,125	–	52,000	508,125
Bank of East Asia Ltd	–	97,669	–	25,000	72,669
BOC Hong Kong Holdings Ltd	–	252,035	–	25,000	227,035
China CITIC Bank Corp Ltd	–	527,935	–	49,000	478,935
China Construction Bank Corp	–	3,254,192	–	234,000	3,020,192
China Everbright Bank Co Ltd	–	238,885	–	28,000	210,885
China Merchants Bank Co Ltd	–	319,330	–	30,000	289,330
China Minsheng Banking Corp Ltd	–	424,405	–	39,500	384,905
Chongqing Rural Commercial Bank Co Ltd	–	174,820	–	14,000	160,820
Hang Seng Bank Ltd	–	53,590	–	5,300	48,290
HSBC Holdings PLC	–	401,340	–	5,200	396,140
Industrial & Commercial Bank of China Ltd	–	3,249,427	–	233,000	3,016,427
Standard Chartered PLC	–	115,032	–	8,450	106,582

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PERFORMANCE RECORD (UNAUDITED)

1. NET ASSET VALUE

	<u>As at 30 June 2015</u>	
	<u>Dealing net asset value</u>	<u>Dealing net asset value per unit</u>
	<u>HK\$</u>	<u>HK\$</u>
BMO HONG KONG BANKS ETF	143,875,279	9.5917

2. HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT

	<u>For the period from 7 November 2014 (date of commencement of operations) to 30 June 2015</u>	
	<u>Highest issue price per unit</u>	<u>Lowest redemption price per unit</u>
	<u>HK\$</u>	<u>HK\$</u>
BMO HONG KONG BANKS ETF	10.1840	7.9113

3. PERFORMANCE OF THE SUB-FUND

	<u>For the period from 7 November 2014 (date of commencement of operations) to 30 June 2015</u>	
	<u>Sub-Fund performance</u>	<u>Underlying Index performance</u>
	<u>%</u>	<u>%</u>
BMO HONG KONG BANKS ETF	21.02	21.66