

LIPPO FUND SERIES

LIPPO SELECT HK & MAINLAND PROPERTY ETF

SEMI-ANNUAL FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

LIPPO FUND SERIES

LIPPO SELECT HK & MAINLAND PROPERTY ETF

Contents	Pages
Administration and management	1
Report of the Manager	2
Statement of net assets (Unaudited)	3
Investment limitations and prohibitions under the SFC Code (Unaudited)	4
Investment portfolio (Unaudited)	5 - 6
Statement of movements in investment portfolio (Unaudited)	7 - 8

IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and is subject to change. For more information about the Lippo Fund Series, please refer to the prospectus of the Lippo Fund Series which is available at our website: <http://lippoetf.com/index.php/fund-info/>.

Investors should not rely on the information contained in this report for their investment decisions.

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

ADMINISTRATION AND MANAGEMENT

Manager

Lippo Investments Management Limited
40/F, Tower Two
Lippo Centre, 89 Queensway
Hong Kong
Website: <http://www.lippo-im.com>

Directors of the Manager

Bruce Cheung Heung Wing
David Ng Tai Chiu

Trustee

BOCI-Prudential Trustee Limited
12/F & 25/F, Citicorp Centre
18 Whitfield Road
Causeway Bay, Hong Kong

Custodian and Administrator

Bank of China (Hong Kong) Limited
14/F, Bank of China Tower
One Garden Road
Central, Hong Kong

Registrar

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Service Agent

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

Legal Adviser to the Manager

King & Wood Mallesons
13th Floor, Gloucester Tower
The Landmark, 15 Queen's Road
Central, Hong Kong

Participating Dealers

Goldman Sachs (Asia) Securities Limited
68th Floor, Cheung Kong Center
2 Queen's Road
Central, Hong Kong

Credit Suisse Securities (Hong Kong) Limited
88th Floor, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Auditor

PricewaterhouseCoopers
22nd Floor
Prince's Building
Central, Hong Kong

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

REPORT OF THE MANAGER

The dealing net asset value ("Dealing NAV") of "The Lippo Select Hong Kong and Mainland Property Fund ("ETF") as at the end of September 2019 was HKD 131.73 million and the Dealing NAV per unit was HKD74.2134. The ETF achieved a return of -14.5% (dealing NAV per unit) for the six month period to the end of September 2019.

The Fund Manager, Lippo Investments Management Limited has adopted the full replication strategy in managing the ETF. The objective of the full replication strategy is to match as closely as practically possible to the benchmark weightings of each constituent stock in the Lippo Select HK & Mainland Property Index.

As at the end of September 2019, the ETF had 56 constituent stocks with a total unadjusted market capitalization* of HKD 3126.6billion.

(*) market capitalization is calculated by multiplying a company's full issued shares by its last closing price.

**LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF**

**STATEMENT OF NET ASSETS
AS AT 30 SEPTEMBER 2019 (UNAUDITED)**

	As at 30 September 2019 (unaudited) HK\$	As at 31 March 2019 (audited) HK\$
CURRENT ASSETS		
Investments	129,740,955	149,031,268
Dividends receivable	767,740	205,085
Cash and cash equivalents	1,310,986	644,308
TOTAL ASSETS	131,819,681	149,880,661
CURRENT LIABILITIES		
Management fee payable	76,401	76,208
Other fee payable	14,500	-
TOTAL LIABILITIES	90,901	76,208
EQUITY		
Net assets attributable to unitholders	131,728,780	149,804,453
Number of units in issue	1,775,000	1,725,000
Net assets attributable to unitholders per unit	74.2134	86.8432

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

INVESTMENT LIMITATIONS AND PROHIBITIONS UNDER THE SFC CODE (UNAUDITED)

The SFC Code allows Lippo Select HK & Mainland Property 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 Lippo Select HK & Mainland Property 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).

As at 30 September 2019 and 31 March 2019, the Sub-Fund did not have any constituent securities that accounted for more than 10% of its net asset value.

During the period from 1 April 2019 to 30 September 2019, the Underlying Index decreased by 14.4% [31 March 2019 (audited): increased by 12.9%], while the unaudited net asset value per unit of the Sub-Fund decreased by 14.5% [31 March 2019 (audited): increased by 12.2%].

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 SEPTEMBER 2019

Listed investments	Holdings	Fair value HK\$	% of net assets
Equities			
AGILE GROUP HLDGS LTD	198,258	1,887,416	1.43%
CENTRAL CHINA REAL ESTATE LTD	103,928	346,080	0.26%
CHINA AOYUAN GROUP LTD	118,272	1,050,255	0.80%
CHINA EVERGRANDE GROUP	249,176	4,161,239	3.16%
CHINA JINMAO HLDGS GROUP LTD	804,603	3,612,668	2.74%
CHINA MERCHANTS LAND LTD	186,086	200,973	0.15%
CHINA OVERSEAS GRAND OCEANS GROUP LTD	216,116	769,373	0.58%
CHINA OVERSEAS LAND & INVESTMENT LTD	309,844	7,637,655	5.80%
CHINA RESOURCES LAND LTD	243,085	7,985,342	6.06%
CHINA SCE GROUP HLDGS LTD	260,898	941,842	0.71%
CHINA VANKE CO LTD-H	189,335	5,168,846	3.92%
CHINA VAST INDUSTRIAL URBAN DEVELOPMENT CO LTD	42,180	131,180	0.10%
CIFI HLDGS GROUP CO LTD	492,263	2,254,565	1.71%
CK ASSET HLDGS LTD	147,046	7,808,143	5.93%
COLOUR LIFE SERVICES GROUP CO LTD	42,235	165,139	0.13%
COUNTRY GARDEN HLDGS CO LTD	777,181	7,717,407	5.86%
DINGYI GROUP INVESTMENT LTD	370,472	98,175	0.07%
FANTASIA HLDGS GROUP CO LTD	181,668	219,818	0.17%
FUTURE LAND DEVELOPMENT HLDGS LTD	224,537	1,535,833	1.17%
GEMDALE PROPERTIES AND INVESTMENT CORP LTD	602,267	523,972	0.40%
GREENLAND HONG KONG HLDGS LTD	106,013	284,115	0.22%
GREENTOWN CHINA HLDGS LTD	82,326	522,770	0.40%
GUANGZHOU R&F PROPERTIES CO LTD-H	128,266	1,521,235	1.15%
HENDERSON LAND DEVELOPMENT CO LTD	183,102	6,683,223	5.07%
HOPSON DEVELOPMENT HLDGS LTD	84,386	661,586	0.50%
K WAH INTL HLDGS LTD	177,306	734,047	0.56%
KAISA GROUP HLDGS LTD	306,676	1,054,965	0.80%
KERRY PROPERTIES LTD	82,818	2,000,055	1.52%
KWG GROUP HLDGS LTD	180,559	1,240,440	0.94%
LOGAN PROPERTY HLDGS CO LTD	173,576	1,937,108	1.47%
LONGFOR GROUP HLDGS LTD	225,778	6,615,295	5.02%
NEW WORLD DEVELOPMENT CO LTD	775,425	7,893,827	5.99%
POLY PROPERTY GROUP CO LTD	254,194	693,950	0.53%
POWERLONG REAL ESTATE HLDGS LTD	176,570	976,432	0.74%
RED STAR MACALLINE GROUP CORP LTD-H	55,364	362,634	0.28%
REDCO PROPERTIES GROUP LTD	111,172	371,315	0.28%
ROAD KING INFRASTRUCTURE LTD	33,042	437,476	0.33%
RONSHINE CHINA HLDGS LTD	87,302	797,940	0.61%
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LTD	183,156	181,324	0.14%
SHENZHEN INVESTMENT LTD	372,696	1,077,091	0.82%
SHIMAO PROPERTY HLDGS LTD	146,168	3,347,247	2.54%
SHUI ON LAND LTD	458,462	715,201	0.54%
SINO-OCEAN GROUP HLDG LTD	432,741	1,151,091	0.87%
SKYFAME REALTY HLDGS LTD	300,492	327,536	0.25%
SOHO CHINA LTD	262,930	588,963	0.45%
SUN HUNG KAI PROPERTIES LTD	70,872	7,994,362	6.07%
SUNAC CHINA HLDGS LTD	246,449	7,763,144	5.89%
TIMES CHINA HLDGS LTD	97,966	1,195,185	0.91%
YUEXIU PROPERTY CO LTD	880,537	1,496,913	1.14%
YUZHOU PROPERTIES CO LTD	212,766	663,830	0.50%
		115,506,221	87.68%

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 SEPTEMBER 2019

Listed investments	Holdings	Fair value HK\$	% of net assets
REITS			
CHAMPION REAL ESTATE INVESTMENT TRUST	258,911	1,312,679	1.00%
FORTUNE REIT	182,739	1,639,169	1.24%
HUI XIAN REAL ESTATE INVESTMENT TRUST	515,362	1,817,923	1.38%
LINK REAL ESTATE INVESTMENT TRUST	88,077	7,614,257	5.79%
PROSPERITY REIT	160,847	466,456	0.35%
YUEXIU REAL ESTATE INVESTMENT TRUST	275,747	1,384,250	1.05%
		<u>14,234,734</u>	<u>10.81%</u>
Total listed investments		<u>129,740,955</u>	<u>98.49%</u>
Total investments, at cost		<u>108,330,402</u>	

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

Investments	Beginning holdings as at 1 April 2019	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2019
AGILE GROUP HLDGS LTD	172,660	25,598	—	-	198,258
BEIJING CAPITAL LAND LTD-H	96,124	13,100	—	109,224	-
CARNIVAL GROUP INTERNATIONAL HLDGS LTD	921,734	-	—	921,734	-
CENTRAL CHINA REAL ESTATE LTD	90,000	13,928	—	-	103,928
CHAMPION REAL ESTATE INVESTMENT TRUST	225,585	34,326	—	1,000	258,911
CHINA AOYUAN GROUP LTD	102,924	16,348	—	1,000	118,272
CHINA EVERGRANDE GROUP	217,144	32,032	—	-	249,176
CHINA JINMAO HLDGS GROUP LTD	637,961	166,642	—	-	804,603
CHINA MERCHANTS LAND LTD	162,828	23,258	—	-	186,086
CHINA OVERSEAS GRAND OCEANS GROUP LTD	189,000	28,116	—	1,000	216,116
CHINA OVERSEAS LAND & INVESTMENT LTD	285,210	24,634	—	-	309,844
CHINA RESOURCES LAND LTD	275,857	7,228	—	40,000	243,085
CHINA SCE GROUP HLDGS LTD	224,528	37,370	—	1,000	260,898
CHINA VANKE CO LTD-H	137,779	52,256	—	700	189,335
CHINA VAST INDUSTRIAL URBAN DEVELOPMENT CO LTD	36,000	6,180	—	-	42,180
CIFI HLDGS GROUP CO LTD	426,397	65,866	—	-	492,263
CK ASSET HLDGS LTD	130,000	17,046	—	-	147,046
COLOUR LIFE SERVICES GROUP CO LTD	37,049	5,186	—	-	42,235
COUNTRY GARDEN HLDGS CO LTD	738,443	38,738	—	-	777,181
DINGYI GROUP INVESTMENT LTD	-	370,472	—	-	370,472
FANTASIA HLDGS GROUP CO LTD	158,520	24,648	—	1,500	181,668
FORTUNE REIT	159,573	24,166	—	1,000	182,739
FUTURE LAND DEVELOPMENT HLDGS LTD	196,215	28,322	—	-	224,537
GEMDALE PROPERTIES AND INVESTMENT CORP LTD	525,249	79,018	—	2,000	602,267
GREENLAND HONG KONG HLDGS LTD	92,021	13,992	—	-	106,013
GREENTOWN CHINA HLDGS LTD	-	82,326	—	-	82,326
GROUND INTL DEVELOPMENT LTD	115,000	18,768	—	133,768	-
GUANGZHOU R&F PROPERTIES CO LTD-H	111,838	16,828	—	400	128,266
HENDERSON LAND DEVELOPMENT CO LTD	145,377	24,188	14,537	1,000	183,102
HOPSON DEVELOPMENT HLDGS LTD	-	84,386	—	-	84,386
HUI XIAN REAL ESTATE INVESTMENT TRUST	444,964	70,398	—	-	515,362
K WAH INTL HLDGS LTD	155,282	23,024	—	1,000	177,306
KAISA GROUP HLDGS LTD	-	307,676	—	1,000	306,676
KERRY PROPERTIES LTD	72,478	10,340	—	-	82,818

LIPPO FUND SERIES
LIPPO SELECT HK & MAINLAND PROPERTY ETF

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

Investments	Beginning holdings as at 1 April 2019	Additions	Corporate actions	Disposals	Closing holdings as at 30 September 2019
KWG GROUP HLDGS LTD	139,957	41,102	-	500	180,559
LINK REAL ESTATE INVESTMENT TRUST	92,641	3,936	-	8,500	88,077
LOGAN PROPERTY HLDGS CO LTD	150,668	22,908	-	-	173,576
LONGFOR GROUP HLDGS LTD	163,908	61,870	-	-	225,778
NEW WORLD DEVELOPMENT CO LTD	669,641	105,784	-	-	775,425
POLY PROPERTY GROUP CO LTD	-	255,194	-	1,000	254,194
POWERLONG REAL ESTATE HLDGS LTD	154,572	22,998	-	1,000	176,570
PROSPERITY REIT	139,321	21,526	-	-	160,847
RED STAR MACALLINE GROUP CORP LTD-H	48,400	7,164	-	200	55,364
REDCO PROPERTIES GROUP LTD	98,000	15,172	-	2,000	111,172
ROAD KING INFRASTRUCTURE LTD	29,106	3,936	-	-	33,042
RONSHINE CHINA HLDGS LTD	-	87,302	-	-	87,302
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LTD	160,000	23,156	-	-	183,156
SHENZHEN INVESTMENT LTD	324,142	50,554	-	2,000	372,696
SHIMAO PROPERTY HLDGS LTD	127,540	19,128	-	500	146,168
SHUI ON LAND LTD	400,000	59,962	-	1,500	458,462
SINO LAND CO LTD	335,852	-	-	335,852	-
SINO-OCEAN GROUP HLDG LTD	377,997	56,244	-	1,500	432,741
SKYFAME REALTY HLDGS LTD	-	300,492	-	-	300,492
SOHO CHINA LTD	229,500	33,930	-	500	262,930
SUN HUNG KAI PROPERTIES LTD	64,000	6,872	-	-	70,872
SUNAC CHINA HLDGS LTD	228,871	19,578	-	2,000	246,449
TIMES CHINA HLDGS LTD	61,000	36,966	-	-	97,966
WHARF HLDGS LTD	134,093	-	-	134,093	-
WHEELLOCK & CO LTD	90,750	-	-	90,750	-
YUEXIU PROPERTY CO LTD	752,169	128,368	-	-	880,537
YUEXIU REAL ESTATE INVESTMENT TRUST	222,945	53,802	-	1,000	275,747
YUZHOU PROPERTIES CO LTD	185,764	27,002	-	-	212,766