

Annual Report

HAITONG ETF SERIES – HAITONG CSI300 INDEX ETF

(A sub-fund of the Haitong ETF series as an
umbrella unit trust under Hong Kong law)

31 December 2019

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

CONTENTS

	Pages
MANAGEMENT AND ADMINISTRATION	1 – 2
REPORT OF THE MANAGER TO THE UNITHOLDERS	3
REPORT OF THE TRUSTEE TO THE UNITHOLDERS	4
STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE	5
INDEPENDENT AUDITOR'S REPORT	6 – 10
AUDITED FINANCIAL STATEMENTS	
Statement of profit or loss and other comprehensive income	11
Statement of financial position	12
Statement of changes in net assets attributable to unitholders	13
Statement of cash flows	14
Statement of distribution	15
Notes to the financial statements	16 – 41
INVESTMENT PORTFOLIO (unaudited)	42 – 49
STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited)	50 – 61
PERFORMANCE TABLE (unaudited)	62

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

MANAGEMENT AND ADMINISTRATION

Directors of the Manager

Poon Mo Yiu
Sun Tong
Yang Jianxin
Chen Xuan (resigned on 18 December 2019)
Lo Wai Ho (resigned on 18 December 2019)
Luk Wai Yin (appointed on 18 December 2019)

Trustee and Registrar

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Service Agent

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

Legal Advisers to the Manager

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

RQFII Holder

Haitong International Holdings Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

Manager

Haitong International Asset Management (HK)
Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

Auditor

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

Custodian

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

PRC Custodian

HSBC Bank (China) Company Limited
33/F, HSBC Building Shanghai IFC
8 Century Avenue, Pudong
Shanghai 200120, China

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

MANAGEMENT AND ADMINISTRATION (continued)

Participating Dealers

ABN AMRO Clearing Hong Kong Limited
Level 70, International Commerce Centre
1 Austin Road West, Kowloon,
Hong Kong

China Merchants Securities (HK) Co., Limited
48/F, One Exchange Square, Central,
Hong Kong

Credit Suisse Securities (Hong Kong) Limited
6/F, Alexandra House,
18 Chater Road, Central,
Hong Kong

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

Haitong International Securities Company Limited
22/F Li Po Chun Chambers,
189 Des Voeux Road Central,
Hong Kong

KGI Securities (Hong Kong) Limited
41/F, Central Plaza
18 Harbour Road, Wanchai
Hong Kong

Merrill Lynch Far East Limited
15/F, Citibank Tower
3 Garden Road, Central
Hong Kong

Nomura International (Hong Kong) Limited
30/F, Two International Finance Centre
8 Finance Street, Central
Hong Kong

UBS Securities Hong Kong Limited
42/F, One Exchange Square
8 Connaught Road, Central
Hong Kong

SG Securities (HK) Limited
38/F, Three Pacific Place
1 Queen's Road East
Hong Kong

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

REPORT OF THE MANAGER TO THE UNITHOLDERS

Market Review

China's A-shares market had a good harvest in year 2019. The robust market attracted remarkable overseas capital, which further contributed to the market mount up. There was a fast rally in 1Q2019 due to market confidence recovery. Adjustment was then seen over April to July due to slow development of China-US communication and market events such as Baoshang Bank's late repayment of bond. Thanks to China's stable policy, 5G sector's prompt growth and the re-warmed China-US relationship, the market picked up in the later part of the year. Over the period, the Shanghai Composite Index increased by 22.30% and the Shenzhen Component Index by 44.08%, growths led by food & beverage, electronics, and appliance sectors.

On the macro front, China's gross domestic product (GDP) had a 6.1% yoy growth in 2019. Due to trade dispute, USD/CNH has significantly climbed up and once reached 7.19 in September. The figure later on came down to 6.96 in 2019 year end.

Portfolio Review

In 2019, the Fund's NAV per unit gain 34.80% (exclude dividends paid), and if including fund's dividends paid, the Fund gained 35.86%. The underlying index CSI 300 increased 36.07% during the same period. The annual tracking error of the fund for Year 2019 was 1.13%, including the impacts of fund's dividends and CGT adjustments.

Market Outlook

Coronavirus Disease (COVID-19) has become a pandemic and thus has disrupted global and China economy on both production and consumption sides. It is expected that economic development will be strongly correlated to anti-epidemic results and economic order restore.

Looking forward, we are cautiously positive on A-shares market, mainly based on China's control of COVID-19 outbreak and China people's life gradually back to normal. Business has progressively resumed as the lock down ends, with offices and factories reopened.

We are optimistic to see the China authorities on the right track – stable growth and reasonable liquidity. Fiscal and monetary policies are applied with clear direction and step-by-step basis. The new infrastructure investment plan, which lays the groundwork of China's move towards a digital economy and smart society, is launched and promoted to support the economic growth. Local provincial and municipal governments have released consumption coupon to maintain a healthy level of local consumption. Bank reserve rates are reduced on general basis and further on selective basis to support overall market liquidity and certain sectors, respectively. The consumption and investment contents have also been better structured, with less reliance on property development. We believe market would shift its focus to fundamentals and potential of growth once the near term impacts and uncertainties are gradually digested.

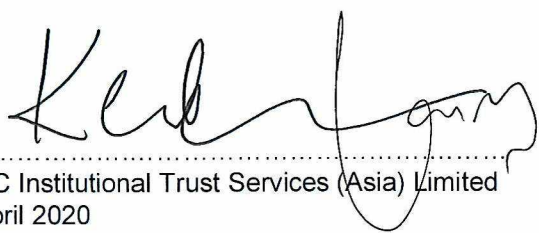


Haitong International Asset Management (HK) Limited
20 April 2020

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, Haitong International Asset Management (HK) Limited, the Manager of Haitong CSI300 Index ETF, a Sub-Fund of Haitong ETF Series has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 13 December 2013 and its supplemental deeds dated 24 January 2018 and 31 December 2019 for the year ended 31 December 2019.



HSBC Institutional Trust Services (Asia) Limited
20 April 2020

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's Responsibilities

The Manager of the Haitong CSI300 Index ETF, a Sub-Fund of Haitong ETF Series, is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code") and the Trust Deed dated 13 December 2013 and its supplemental deeds dated 24 January 2018 and 31 December 2019 (the "Trust Deed"), to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to assume this.

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

Haitong ETF Series (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at 31 December 2019, the Trust has established one Sub-Fund, namely the Haitong CSI300 Index ETF.

Trustee's Responsibilities

The Trustee of the Sub-Fund is required to:

- ensure that the Sub-Fund in all material respects is managed in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Fund and rights attaching thereto; and
- report to the unitholders for each annual accounting period should the Manager not managing the Sub-Fund in accordance to the Trust Deed.

Independent auditor's report

To the unitholders of Haitong CSI300 Index ETF
(a sub-fund of Haitong ETF Series)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Haitong CSI300 Index ETF (a sub-fund of Haitong ETF Series (the "Trust") and referred to as the "Sub-Fund") set out on pages 11 to 41, which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders, the statement of cash flows and the statement of distribution for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Sub-Fund in accordance with the *Code of Ethics for Professional Accountants* (the "Code") issued by the Hong Kong Institute of Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent auditor's report (continued)

To the unitholders of Haitong CSI300 Index ETF
(a sub-fund of Haitong ETF Series)

Report on the audit of the financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Existence and valuation of financial assets at fair value through profit or loss	
<p>As at 31 December 2019, the financial assets at fair value through profit or loss amounted to RMB431,240,781 which represented 98.89% of the net asset value of the Sub-Fund. These financial assets were listed shares on the Shanghai Stock Exchange or the Shenzhen Stock Exchange, comprising of approximate 300 constituent listed shares of CSI 300 Index. They were kept by one custodian and measured at fair value. We focused on this area because the financial assets at fair value through profit or loss represented the principal element of the financial statements and significant assumptions and judgement were involved in measuring the fair value of the suspended shares.</p>	<p>We obtained independent confirmation from the custodian of the investment portfolio held at 31 December 2019 and agreed the quantities held to the Sub-Fund's accounting records. We evaluated the design and tested the operating effectiveness of financial instrument valuation controls. In addition, we tested the valuation of the financial assets at fair value through profit or loss that are quoted in active markets by independently agreeing the valuation of financial assets to third party vendor sources such as Reuters or Bloomberg at 31 December 2019.</p> <p>For suspended shares whose quoted price cannot be obtained, we evaluated the valuation techniques and inputs applied through comparison with the valuation techniques that are commonly used in the market and the validation of observable inputs to external market data. In addition, we evaluated the assumptions made by the Manager.</p> <p>We reviewed the financial statement disclosures in respect of fair value hierarchy, as set out in the note 9 to the financial statements, against the requirements of IFRS.</p>

Other information included in the Annual Report

The Trustee and the Manager are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Independent auditor's report (continued)

To the unitholders of Haitong CSI300 Index ETF
(a sub-fund of Haitong ETF Series)

Report on the audit of the financial statements (continued)

Other information included in the Annual Report (continued)

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustee and the Manager for the financial statements

The Trustee and the Manager are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Trustee and the Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee and the Manager of the Sub-Fund are responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee and the Manager either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Trustee and the Manager are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed dated 13 December 2013, its supplemental deeds dated 24 January 2018 and 31 December 2019 (the "Trust Deed") and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds (the "SFC Code") issued by the Hong Kong Securities and Futures Commission.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

Independent auditor's report (continued)

To the unitholders of Haitong CSI300 Index ETF
(a sub-fund of Haitong ETF Series)

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee and the Manager.
- Conclude on the appropriateness of the Trustee's and the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustee and the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee and the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent auditor's report (continued)

To the unitholders of Haitong CSI300 Index ETF
(a sub-fund of Haitong ETF Series)

Report on the audit of the financial statements (continued)

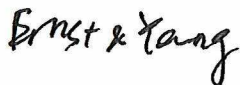
Auditor's responsibilities for the audit of the financial statements (continued)

From the matters communicated with the Trustee and the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on matters under the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Wong Man Kin.



Certified Public Accountants
Hong Kong
20 April 2020

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2019

	Notes	2019 RMB	2018 RMB
INCOME			
Dividend income		4,883,781	6,587,820
Interest income		23,640	39,753
Other income		-	1,280,024
		<u>4,907,421</u>	<u>7,907,597</u>
EXPENSES			
Management fee	5(a)	(1,489,768)	(1,901,556)
Trustee fee	5(a)	(514,375)	(523,855)
Brokerage and other transaction fees		(115,455)	(135,085)
Legal and professional fee			
- Current		(144,011)	(130,372)
- Reversal		243,360	-
Auditor's remuneration		(177,066)	(176,132)
Registrar fee	5(a)	(720)	(720)
Other expenses		(770,176)	(668,590)
		<u>(2,968,211)</u>	<u>(3,536,310)</u>
PROFIT BEFORE INVESTMENT GAIN/(LOSS) AND EXCHANGE DIFFERENCES		1,939,210	4,371,287
INVESTMENT GAIN/(LOSS) AND EXCHANGE DIFFERENCES			
Net realised (losses)/gains on financial assets at fair value through profit or loss		(3,783,317)	7,043,662
Net change in unrealised gains or losses on financial assets at fair value through profit or loss		74,318,152	(91,493,095)
Foreign exchange differences, net		169	(258)
		<u>70,535,004</u>	<u>(84,449,691)</u>
PROFIT/(LOSS) BEFORE TAX		72,474,214	(80,078,404)
Withholding tax expense	7	(492,509)	(666,163)
PROFIT/(LOSS) AFTER TAX AND TOTAL COMPREHENSIVE INCOME		<u>71,981,705</u>	<u>(80,744,567)</u>

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

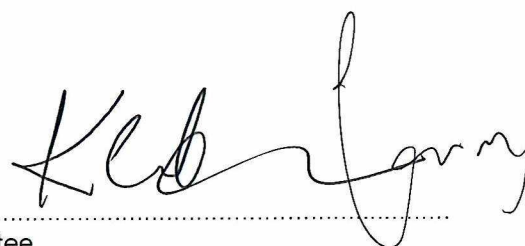
STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	2019 RMB	2018 RMB
ASSETS			
Financial assets at fair value through profit or loss	9	431,240,781	183,886,809
Deposit reserve - China Exchange Clearing		380,800	380,800
Prepayments and other receivables		27,000	12,275
Cash and bank balances	10	4,983,020	3,036,257
TOTAL ASSETS		436,631,601	187,316,141
LIABILITIES			
Management fee payable	5(a)	221,983	89,316
Trustee fee payable	5(a)	55,303	23,812
Other payables and accruals		283,496	856,699
TOTAL LIABILITIES		560,782	969,827
EQUITY			
Net assets attributable to unitholders	11	436,070,819	186,346,314
TOTAL LIABILITIES AND EQUITY		436,631,601	187,316,141
 Number of units in issue	 11	 29,500,000	 17,000,000
 Net asset value per unit	 11	 14.7821	 10.9615



Manager



Trustee

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2019

	Note	RMB
Net assets attributable to unitholders at 1 January 2018		579,810,781
Subscription of units		131,279,100
Redemption of units		(441,469,000)
Loss after tax and total comprehensive income		(80,744,567)
Distributions to unitholders	8	(2,530,000)
Net assets attributable to unitholders at 31 December 2018 and 1 January 2019		186,346,314
Subscription of units		200,351,300
Redemption of units		(20,848,500)
Profit after tax and total comprehensive income		71,981,705
Distributions to unitholders	8	(1,760,000)
Net assets attributable to unitholders at 31 December 2019		<u>436,070,819</u>

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

	Note	2019 RMB	2018 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		72,474,214	(80,078,404)
Adjustments for:			
Dividend income		(4,883,781)	(6,587,820)
Interest income		(23,640)	(39,753)
(Increase)/decrease in financial assets at fair value through profit or loss		(247,353,972)	383,423,930
(Increase)/decrease in prepayments and other receivables		(14,354)	1,033
Decrease in amounts due to a participating dealer		-	(18,246,711)
Decrease in amounts due to a broker		-	(2,382,111)
Increase/(decrease) in management fee payable		132,667	(89,572)
Increase/(decrease) in trustee fee payable		31,491	(21,102)
Decrease in other payables and accruals		(573,203)	(7,556)
Cash flows (used in)/from operations		(180,210,578)	275,971,934
Dividend received		4,883,781	6,587,820
Interest received		23,269	42,344
Tax paid		(492,509)	(666,163)
Net cash flows (used in)/from operating activities		(175,796,037)	281,935,935
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		200,351,300	131,279,100
Payments on redemption of units		(20,848,500)	(441,469,000)
Distributions paid to unitholders		(1,760,000)	(2,530,000)
Net cash flows from/(used in) financing activities		177,742,800	(312,719,900)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		1,946,763	(30,783,965)
Cash and cash equivalents at the beginning of the year		3,036,257	33,820,222
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		4,983,020	3,036,257
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash at banks	10	4,983,020	3,036,257

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF DISTRIBUTION

For the year ended 31 December 2019

	Note	2019 RMB	2018 RMB
Undistributed income at the beginning of year		-	-
Profit/(loss) after tax and total comprehensive income		71,981,705	(80,744,567)
Net change in unrealised gains or losses on financial assets at fair value through profit or loss		(74,318,152)	91,493,095
Undistributed (loss)/income before distribution		(2,336,447)	10,748,528
Distributions distributed on 5 August 2019, RMB0.11 per unit (2018: 5 September 2018, RMB0.11 per unit)	8	(1,760,000)	(2,530,000)
Transfer from/(to) capital		4,096,447	(8,218,528)
Undistributed income at the year end		-	-

The amount available for distribution is the total net amount receivable by the Sub-Fund in respect of the relevant period ("Total Income") minus any expenses chargeable against income, subject to adjustments made in accordance with the Trust Deed. Total Income would include amount receivable by way of interests (e.g. generated from bank deposits and debt securities), or other receipts as determined by the Manager to be in the nature of income. Capital gains or losses, whether realised or unrealised, do not form part of Total Income and therefore would not impact on the amount available for distribution.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

1. THE TRUST

Haitong ETF Series (the “Trust”) is an umbrella unit trust governed by its trust deed dated 13 December 2013 and its supplemental deeds dated 24 January 2018 and 31 December 2019 (the “Trust Deed”) between Haitong International Asset Management (HK) Limited (the “Manager”) and HSBC Institutional Trust Services Asia Limited (the “Trustee”). The Trust Deed is governed by Hong Kong law. The Trust is authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to section 104(1) of the Securities and Futures Ordinance of Hong Kong.

These financial statements relate to the first Sub-Fund of the Trust, Haitong CSI300 Index ETF (the “Sub-Fund”). The date of inception of the Sub-Fund is 5 March 2014. The Sub-Fund is listed on the Hong Kong Stock Exchange (the “HKEx”). The stock codes for RMB counter is 82811 and HK counter is 02811.

The investment objective of the Sub-Fund is to provide investment results, before the deduction of fees and expenses that closely correspond to the performance of an underlying Index namely the CSI 300 Index (the “Index”). In order to achieve the investment objective of the Sub-Fund, the Manager adopts a full replication strategy by directly investing all, or substantially all of the assets of the Sub-Fund in Index Securities constituting the Index in substantially the same weighting as the Index Securities have in the Index. The Sub-Fund will not invest in securities that are not Index Securities.

Under current regulations in the People's Republic of China (the “PRC”), generally foreign investors can invest only 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 (the “CSRC”) and have been granted quota(s) by the State Administration of Foreign Exchange (the “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.

The Sub-Fund obtains exposure to securities issued within the PRC through the RQFII quotas of Haitong International Holdings Limited, the holding company of the Manager (the “RQFII Holder”). As at 31 December 2019, the RQFII quota of Haitong International Holdings Limited approved by the SAFE was RMB10.7 billion (2018: RMB10.7 billion).

2.1 BASIS OF PREPARATION

The financial statements of the Sub-Fund have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E to the SFC Code.

The financial statements have been prepared on the historical cost basis, except for financial assets classified at fair value through profit or loss that have been measured at fair value. The financial statements are presented in RMB and all values are rounded to the nearest RMB except where otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Sub-Fund applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2019.

The nature and the impact of each new standard and amendment is described below:

IFRIC Interpretation 23 *Uncertainty over Income Tax Treatments*

On 7 June 2017, the IFRS Interpretations Committee issued IFRIC 23 *Uncertainty Over Income Tax Treatments* ("IFRIC 23"), which clarifies how the recognition and measurement requirements of IAS 12 *Income taxes* are applied where there is uncertainty over income tax treatments. IFRIC 23 is effective for annual periods beginning on or after 1 January 2019.

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profits (tax losses), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The interpretation is to be applied retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Sub-Fund adopted the interpretation from 1 January 2019. The interpretation does not have any significant impact on the Sub-Fund's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Sub-Fund has not early applied any of the new and revised IFRSs that have been issued but are not yet effective for the accounting year ended 31 December 2019 in these financial statements. Among the new and revised IFRSs, the following is expected to be relevant to the Sub-Fund's financial statements upon becoming effective:

Amendments to IAS 1 and IAS 8

*Definition of Material*¹

¹ Effective for annual periods beginning on or after 1 January 2020

The amendments to IAS 1 and IAS 8 were issued in January 2019 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments are effective for annual reporting periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the Sub-Fund's financial statements upon adoption.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(i) Classification

In accordance with IFRS 9, the Sub-Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below. In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets

The Sub-Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset,

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Sub-Fund includes in this category short-term non-financing receivables including accrued income and other receivables.

Financial assets measured at fair value through profit or loss (FVPL)

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Sub-Fund includes in this category:

- Equity instruments.
- Instruments held for trading; this category includes equity instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Classification (continued)

Financial liabilities

Financial liabilities measured at fair value through profit or loss (FVPL)

A financial liability is measured at FVPL if it meets the definition of held for trading.

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Sub-Fund includes in this category other short-term payables.

(ii) Recognition

The Sub-Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commits to purchase or sell the asset.

(iii) Initial measurement

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Loans and receivables and financial liabilities (other than those classified as financial assets at fair value through profit or loss) are measured initially at their fair value and net of directly attributable transaction costs.

(iv) Subsequent measurement

After initial measurement, the Sub-Fund measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in "net change in unrealised gains or losses on financial assets at fair value through profit or loss". Interest and dividend earned on these instruments are recorded separately in interest income and dividend income.

Loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(v) *Derecognition*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired; or the Sub-Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement and either the Sub-Fund has transferred substantially all the risks and rewards of the asset, or the Sub-Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its rights to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Fund's continuing involvement in the asset. In that case, the Sub-Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Fund has retained.

The Sub-Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Fair value measurement

The Sub-Fund measures its investments in financial instruments, such as equity instruments, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Sub-Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price, without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

For all other financial instruments not traded in an active market, the fair value is determined by using the last traded price or valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (e.g. Price to Earnings Ratio) and income approach.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of financial assets

The Sub-Fund holds only receivables with no financing component, which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECLs") under IFRS 9 to all its trade receivables. Therefore the Sub-Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Sub-Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Redeemable units

Redeemable units are classified as an equity instrument when:

- (a) the redeemable units entitle the holder to a *pro-rata* share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation;
- (b) the redeemable units are in the class of instruments that is subordinate to all other classes of instruments;
- (c) all redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (d) the redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro-rate share of the Sub-Fund's net assets; or
- (e) the total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.

In addition to the redeemable units having all the above features, the Sub-Fund must have no other financial instrument or contract that has:

- (a) the total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund; and
- (b) the effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.

Upon issuance of redeemable units, the consideration received is included in equity. Transaction costs incurred by the Sub-Fund in issuing or its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments that are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in the statement of profit or loss and other comprehensive income on the purchase, sale, issuance or cancellation of the Sub-Fund's own equity instruments.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividend income

Dividend income is recognised when the Sub-Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss.

Interest income and expenses

Interest income and expenses are recognised in the statement of profit or loss and other comprehensive income as they accrue using the effective interest method.

Net gains or losses on financial assets at fair value through profit or loss

Net gains or losses on financial assets and liabilities at FVPL are changes in the fair value of financial assets and liabilities held for trading and exclude dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior year's unrealised gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on disposals of financial instruments classified as at FVPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Foreign currency

These financial statements are presented in RMB, which is the Sub-Fund's functional and presentation currency. Foreign currency transactions recorded by the Sub-Fund are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the reporting date. Differences arising on settlement or transaction of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss as part of the "net gains or losses on financial assets and liabilities at fair value through profit or loss".

Functional currency

The Sub-Fund's functional currency is RMB, which is the currency of the primary economic environment in which it operates. The Sub-Fund's performance is evaluated and its liquidity is managed in RMB. Moreover, the net asset value per unit at the time of issue or redemption is determined and units quoted on the HKEx are denominated in RMB. Therefore, the RMB is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Sub-Fund's presentation currency is also RMB.

Distributions to unitholders

Distributions are at the discretion of the Manager. A distribution to the Sub-Fund's unitholders is accounted for as a deduction from net assets attributable to unitholders. A proposed distribution is recognised as a liability in the year in which it is approved by the Manager.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxes

The Sub-Fund is exempt from all forms of taxation in Hong Kong, including income, capital gains and withholding taxes. However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Sub-Fund presents the withholding tax separately from the gross investment income in profit or loss. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

Related parties

A party is considered to be related to the Sub-Fund if:

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Sub-Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and the disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Fair value

For fair value of financial assets at fair value through profit or loss, please refer to note 9.

Going concern

The Sub-Fund's management has made an assessment of the Sub-Fund's ability to continue as a going concern and is satisfied that the Sub-Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Sub-Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS

The following is a summary of significant related party transactions entered into during the year between the Sub-Fund, the Trustee, the Manager and their Connected Persons. Connected Persons of the Manager are those as defined in the SFC Code. All transactions entered into during the year 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 transactions with the Connected Persons except for those disclosed below.

(a) Fees

Management fee

The Manager is entitled to receive management fee of up to 2% per annum of the net asset value of the Sub-Fund. The management fee is currently at a rate of 0.6% per annum with respect to the net asset value of the Sub-Fund calculated and accrued on each valuation day and is paid monthly in arrears.

Trustee fee

The Trustee is entitled to receive a trustee fee of up to 1% per annum of the net asset value of the Sub-Fund, 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 shall also be entitled to be reimbursed out of the assets of the Sub-Fund all out-of-pocket expenses incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS
(continued)

(a) Fees (continued)

Registrar fee

The Trustee, acting as the Registrar, is also entitled to receive a registrar fee of RMB120 per participating dealer per transaction for updating the register record of the Sub-Fund and an administrative transaction fee of RMB18,000 (2018: RMB18,000) per participating dealer per transaction for handling any cash creation and redemption of units of the Sub-Fund.

(b) Bank deposits and investments held by the Trustee's affiliates

The investments and bank balances deposited with the affiliates of the Trustee are summarised below.

As at 31 December 2019

	Note	RMB
<u>Investments</u>		
HSBC Bank (China) Company Limited ("HSBC China")		<u>431,240,781</u>
<u>Bank balances</u>		
The Hongkong and Shanghai Banking Corporation Limited ("HSBC")	10	136,958
HSBC Bank (China) Company Limited ("HSBC China")	10	4,846,062
		<u>4,983,020</u>

As at 31 December 2018

	Note	RMB
<u>Investments</u>		
HSBC Bank (China) Company Limited ("HSBC China")		<u>183,886,809</u>
<u>Bank balances</u>		
The Hongkong and Shanghai Banking Corporation Limited ("HSBC")	10	25,873
HSBC Bank (China) Company Limited ("HSBC China")	10	3,010,384
		<u>3,036,257</u>

At 31 December 2019, the interest income on bank balances was RMB23,640 (2018: RMB39,753).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS
(continued)

(c) Holdings in the Sub-Fund

The Manager and the Trustee entered into Participating Agreements with participating dealers to effect applications for creation and redemption of the Sub-Fund. The creation and redemption transactions and holdings in the Sub-Fund by the Connected Persons of the Manager as at 31 December 2019 and 31 December 2018 were as follows:

Haitong International Securities Company Limited is a fellow subsidiary of the Manager.

	Units outstanding at 1 January 2019	Units subscribed/ transferred in	Units redeemed/ transferred out	Total units 31 December 2019
Haitong International Securities Company Limited	-	14,000,000	(14,000,000)	-
	Units outstanding at 1 January 2018	Units subscribed/ transferred in	Units redeemed/ transferred out	Total units 31 December 2018
Haitong International Securities Company Limited	-	37,000,000	(37,000,000)	-

As at 31 December 2019 and 2018, there was no payable to Haitong International Securities Company Limited due to the creation of units made but not yet settled.

(d) Investment transactions with Connected Persons of the Manager

The following table shows an analysis of the Sub-Fund's transactions executed with Haitong Securities Company Limited, the ultimate holding company, during the years ended 31 December 2019 and 2018.

	Aggregate value of transactions executed RMB	Total commission paid RMB	% of total transactions of the Sub-Fund	Average rate of commission of the Sub-Fund
<u>2019</u>				
Haitong Securities Company Limited	2,237,388	1,182	0.80%	0.05%
<u>2018</u>				
Haitong Securities Company Limited	5,023,762	4,019	0.82%	0.08%

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

6. SOFT COMMISSION ARRANGEMENTS

The Manager and its Connected Persons may enter into soft commission arrangements with brokers under which certain goods and services used to support investment decision making will be received. The Manager and its Connected Persons will not make direct payment for these services but will transact an agreed amount of business with the brokers on behalf of the Sub-Fund and commission will be paid on these transactions.

The goods and services must be of demonstrable benefit to the Sub-Fund and may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis and data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment related publications.

The Manager had not participated in any soft dollar arrangements in respect of any transactions for the accounts of the Sub-Fund for the year ended 31 December 2019 (2018: Nil).

7. INCOME TAX

Hong Kong Profits Tax

No provision for Hong Kong profits tax has been made for the Sub-Fund. The Sub-Fund is authorised by the SFC as a collective investment scheme pursuant to Section 104 of the SFC to offer to the retail public in Hong Kong. It is exempted from Hong Kong Profits Tax under Section 26A (1A) of the Hong Kong Inland Revenue Ordinance.

PRC Tax

Under PRC laws and regulations, foreign investors (such as the Sub-Fund) may be subject to a 10% withholding tax on income (such as dividend and interest) imposed on securities issued by PRC tax resident enterprises. The withholding tax on interest income for the year ended 31 December 2019 was RMB2,287 (2018: RMB5,363).

Distribution Tax

A 10% PRC withholding tax has been levied on dividend and interest payments from PRC companies to foreign investors. As such, the RQFII holder will pass on this tax liability to the Sub-Fund in the form of distribution tax and therefore the Sub-Fund is subject to a distribution tax of 10%. There is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future. The distribution tax for the year ended 31 December 2019 was RMB490,222 (2018: RMB660,800).

Capital Gains Tax

In view of the "Notice on the issues of temporary exemption from the imposition of corporate income tax arising from gains from the transfer of equity investment assets such as PRC domestic stocks by Qualified Foreign Institutional Investor ("QFII") and RQFII" ("關於 QFII 和 RQFII 取得中國境內的股票等權益性投資資產轉讓所得暫免徵收企業所得稅問題的通告") Caishui [2014] No.79 (the "Notice") issued by the Ministry of Finance of the PRC (the "MoF"), the State Taxation Administration of the PRC ("STA") and the China Securities Regulatory Commission (the "CSRC"), which is effective from 17 November 2014, no withholding tax is made by the Sub-Fund on capital gains derived from disposal of all A-Shares.

There was no capital gains tax charged for the year ended 31 December 2019 and 2018.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

8. DISTRIBUTIONS

The distributions made by the Sub-Fund for the years are as follows:

	2019 RMB	2018 RMB
Distribution of RMB0.11 per unit made on 5 August 2019	1,760,000	-
Distribution of RMB0.11 per unit made on 5 September 2018	-	2,530,000

The Manager may at its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Fund.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The fair value of financial assets traded in active markets is based on quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Sub-Fund is the current traded price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The following table shows an analysis of the Sub-Fund's financial assets measured at fair value at 31 December 2019 and 31 December 2018:

At 31 December 2019

	Quoted prices in active markets Level 1 RMB	Significant observable inputs Level 2 RMB	Significant unobservable inputs Level 3 RMB	Total RMB
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	430,443,291	797,490	-	431,240,781

At 31 December 2018

	Quoted prices in active markets Level 1 RMB	Significant observable inputs Level 2 RMB	Significant unobservable inputs Level 3 RMB	Total RMB
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	180,459,171	2,814,216	613,422	183,886,809

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Level 3 reconciliation

The following table shows a reconciliation of all movements in financial assets designated as at fair value through profit or loss categorised within Level 3 for the years ended 31 December 2019 and 2018.

	2019 RMB	2018 RMB
1 January	613,422	3,346,467
Net change in unrealised gains or losses	-	85,264
Transfer out of Level 3	(613,422)	(2,818,309)
	<hr/>	<hr/>
31 December	-	613,422
	<hr/>	<hr/>
Total losses for the year included in profit or loss for assets held at the end of the year	-	(310,359)
	<hr/>	<hr/>

When fair values of listed equity securities at the reporting date are based on quoted market prices or binding dealer price quotations, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy.

During the years ended 31 December 2019 and 2018, there have been transfers of investments between Level 1 and Level 2 due to suspension of trading.

Transfers between Level 1 and Level 2

As at 31 December 2019, the Sub-Fund reclassified one listed equity security amounted to RMB797,490 from Level 1 to Level 2 financial instruments due to the suspension of the trading. This listed equity security was temporarily suspended from trading as at 31 December 2019, and resumed trading from suspension before the date of authorisation of the financial statements for the year ended 31 December 2019.

As at 31 December 2019, the Sub-Fund reclassified one listed equity security amounted to RMB6,230,277 from Level 2 to Level 1 financial instruments due to the resumption of the trading. This listed equity security was temporarily suspended from trading as at 31 December 2018, and resumed trading from suspension before the date of authorization of the financial statements for the year ended 31 December 2018, and was classified as Level 1 financial instruments as at 31 December 2019.

As at 31 December 2018, the Sub-Fund reclassified one listed equity security, amounted to RMB2,450,427, from Level 1 to Level 2 financial instruments due to suspension of trading. This listed equity security was temporarily suspended from trading as at 31 December 2018 and resumed trading from suspension before the date of authorisation of the financial statements for the year ended 31 December 2018.

The transfer between Level 1 and Level 2 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Transfers between Level 1 and Level 3

As at 31 December 2018, the Sub-Fund did not reclassify any listed equity security, from Level 1 to Level 3 financial instruments due to suspension of trading. A listed equity security, amounted to RMB613,422, was suspended from trading as at 31 December 2017 and 31 December 2018, and was still suspended from trading during the period between the end of the reporting period (i.e. 31 December 2018) and the date of authorisation of the Sub-Fund's financial statements for the year ended 31 December 2018. During the year ended 31 December 2019, the equity security has resumed trading and was disposed.

The transfer between Level 1 and Level 3 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

Transfers between Level 2 and Level 3

As at 31 December 2019, there was no transfer between Level 2 and Level 3.

As at 31 December 2018, the Sub-Fund reclassified one listed equity security amounted to RMB363,789 from Level 3 to Level 2 financial instruments due to suspension of trading. The listed equity security was suspended from trading as at 31 December 2017 and 31 December 2018, and was resumed trading from suspension before the date of authorisation of the Sub-Fund's financial statements for the year ended 31 December 2018.

The transfer between Level 2 and Level 3 of the fair value hierarchy is deemed to have occurred at the end of the reporting period.

Valuation techniques

Listed equity securities traded in active markets with quoted market prices

When fair values of listed equity securities at the reporting date are based on quoted market prices or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Sub-Fund values these investments at last traded prices.

Listed equity securities temporarily suspended on year end date

In the absence of a quoted price in an active market, the Manager applied the market approach in which they have used the last traded price before their suspension as there has been no expected material gap-down. Adjustments are made to the valuations when necessary to recognise the differences of timing between the date of suspension and resumption which is within a reasonable time and the price fluctuation when the investments resume trading subsequent to the year end date. To the extent that the significant inputs are observable, the Sub-Fund categorises these investments as Level 2.

Listed equity securities suspended on year end date which have not resumed trading prior to the date of authorisation of the financial statements

The fair value of suspended investments which have not resumed trading in a short period of time subsequent to the year end date, for which there is an absence of quoted prices, the fair value was estimated by the Manager using the Index Return Method and then adjusting the last traded price by applying the index return of that suspended investments since the suspension date. The model incorporates unobservable inputs which include the relevant industry index. The Sub-Fund classifies the fair value of these investments as Level 3.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Valuation process for Level 3 valuations

The valuation of the suspended investments is performed on a quarterly basis by the Management Team and reviewed by the senior management of the Manager. The latest valuation is compared with the valuations in the preceding quarters. If fair value changes are more than certain thresholds set, the changes are further considered by the senior management of the Manager. The Manager considers the appropriateness of the valuation methods and inputs, and may request that alternative valuation methods are applied to support the valuation arising from the chosen method. There were no changes in valuation techniques during the year.

As at 31 December 2019, there were no investments (2018: RMB613,422) classified as Level 3.

Quantitative information of significant unobservable inputs - Level 3

Description	RMB	Valuation technique	Unobservable Input
-------------	-----	---------------------	--------------------

As at 31 December 2018

Equity securities	613,422	Index Return Method/ Last traded price	Return on relevant industry index
-------------------	---------	---	--------------------------------------

The following table demonstrates the sensitivity of the fair value of investments as at the end of the reporting period to a reasonably possible change in the forecast earnings per share, with all other variables held constant.

As at 31 December 2018

		Change in return of the index used	Effect on the fair value of investment RMB	Effect on the net assets attributable to unitholders RMB
Equity securities	CSI 300 Index	5%	30,700	30,700
	CSI 300 Index	-5%	(30,700)	(30,700)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

10. CASH AND BANK BALANCES

The cash at banks is with HSBC and HSBC China, affiliate companies of the Trustee, the custodian and the PRC custodian of the Sub-Fund. The bank accounts with HSBC Hong Kong and HSBC China are interest bearing accounts. The carrying amount of the cash at banks approximates to its fair value.

11. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT

	2019 Units	2018 Units
Number of units in issue at the beginning of the year	17,000,000	39,500,000
Units issued	14,000,000	8,500,000
Units redeemed	(1,500,000)	(31,000,000)
Number of units in issue at the end of the year	<u>29,500,000</u>	<u>17,000,000</u>

The creation and redemption of units of the Sub-Fund can only be facilitated by or through participating dealers. Investors other than the participating dealers make a request to create or redeem units through a participating dealer, and if the investor is a retail investor, such request must be made through a stockbroker which has opened an account with a participating dealer.

The Trustee shall receive subscription proceeds from the participating dealers for the creation of units and pay redemption proceeds for the redemption of units to the relevant participating dealer in such form and manner as prescribed by the Trust Deed.

Units are denominated in base currency and no fractions of a unit shall be created or issued by the Trustee. Units of the Sub-Fund are offered and issued at their dealing net asset value only in aggregations of a specified number of application units (the "Application Unit"). Units are redeemable only in an Application Unit or multiple thereof at the dealing net asset value. Currently, creation and redemption of units will be effected in cash.

A reconciliation of the net assets attributable to unitholders as reported in the statement of financial position to the net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions is provided below:

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

11 NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT
(continued)

	2019 RMB	2018 RMB
Net assets attributable to unitholders (Note)	436,070,819	186,411,517
Recognition of preliminary expenses (Note)	-	(65,203)
Net assets attributable to unitholders (per financial statements)	<u>436,070,819</u>	<u>186,346,314</u>

Note:

The net assets attributable to unitholders are calculated in accordance with the prospectus where preliminary expenses are capitalised and to be amortised over the first five years of the operation of the Sub-Fund, while the net assets attributable to unitholders as reported in the audited financial statements, the preliminary expenses are expensed as incurred, as required under IFRSs.

	Net assets per unit RMB	Net assets per unit (per financial statements) RMB
Net assets attributable to unitholders per unit at 31 December 2019	<u>14.7821</u>	<u>14.7821</u>
Net assets attributable to unitholders per unit at 31 December 2018	<u>10.9654</u>	<u>10.9615</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

12. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

The SFC Code allows 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:

- (a) the investment is limited to any constituent securities, each of which accounts for more than 10% of the weighting of the Index; and
- (b) the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the Index, except where weightings are exceeded as a result of changes in the composition of the 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 year.

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 Index as at 31 December 2019 and 31 December 2018.

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

Risk management

The Sub-Fund's objective in managing risk is the creation and protection of unitholders value. Risk is inherent in the Sub-Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Sub-Fund's continuing profitability. The Sub-Fund is exposed to market risk (which includes price risk, interest rate risk and currency risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Sub-Fund's Manager is responsible for identifying and controlling risks. The board of directors of the Manager supervises the Manager and is ultimately responsible for the overall risk management approach within the Sub-Fund.

The Sub-Fund itself is subject to various risks. The main risks associated with the investments, assets and liabilities of the Sub-Fund are set out below:

- (a) Market risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices either caused by factors specific to the individual instrument or factors affecting all instruments in the market.

- (i) Equity price risk

The Sub-Fund has invested substantially all of its assets in A-Shares of those PRC companies comprising the Index in substantially the same weightings as constituted in the Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the Index.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(a) Market risk (continued)

(i) Equity price risk (continued)

When there are changes in the constituent A-Shares comprising the Index and/or their respective weightings within the Index, the Manager will rebalance the composition of the relevant investment holdings or the underlying dynamic basket of A-Shares of the selected constituent companies of the Index.

As at 31 December 2019 and 2018, the Sub-Fund's investments were concentrated in the following industries.

	31 December 2019		31 December 2018	
	Fair value	% of net	Fair value	% of net
	RMB	asset	RMB	asset
		value		value
		%		%
A-Shares holdings				
By sectors				
Consumer Discretionary	44,445,879	10.19	18,924,910	10.16
Consumer Staples	52,035,917	11.93	15,760,658	8.46
Energy	8,915,259	2.04	4,913,869	2.64
Financials	163,755,855	37.55	71,605,183	38.43
Health Care	31,165,778	7.15	12,223,538	6.56
Industrials	48,644,970	11.16	24,977,247	13.40
Information Technology	35,578,241	8.16	12,570,114	6.74
Materials	27,869,159	6.39	13,033,557	6.99
Telecommunication Services	8,530,666	1.96	4,268,651	2.29
Utilities	10,299,057	2.36	5,609,082	3.01
	<u>431,240,781</u>	<u>98.89</u>	<u>183,886,809</u>	<u>98.68</u>

Sensitivity analysis in the event of a possible change in the Index as estimated by the Manager

As at 31 December 2019, if the Index were to increase by 10% (2018: 10%) with all other variables held constant, this would increase the profit before tax of the Sub-Fund for the year by approximately RMB43,124,000 (2018: RMB18,389,000). Conversely, if the Index were to decrease by 10%, this would decrease the operating profit for the year by an approximately equal amount.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

The Manager considers that the Sub-Fund is not subject to significant amount of risk due to fluctuations in the prevailing level of market interest rate. As the financial instruments of the Sub-Fund are predominately listed equities, which are non-interest bearing, the Manager considers that the exposure to the changes in the fair value in the event of a change in market interest rates is not significant. Therefore, no sensitivity analysis is presented.

The Sub-Fund also has an interest bearing bank deposit with HSBC China. As the bank deposit is on demand, the Manager considers that the movement in interest rates will have an insignificant cash flow impact on daily net assets attributable to unitholders. Therefore, no sensitivity analysis of interest on the bank deposit is presented.

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

100% of the Sub-Fund's sales and purchases are denominated in the Sub-Fund's functional currency. Assets and liabilities held by the Sub-Fund are mainly denominated in RMB, the functional currency of the Sub-Fund. Therefore, the Manager considers that the Sub-Fund is not exposed to significant currency risk and no sensitivity analysis is presented.

(b) Credit and counterparty risk

Credit risk is the risk of loss to the Sub-Fund that may arise on outstanding financial instruments should a counterparty default on its obligations. The Sub-Fund minimises exposure to credit risk by only dealing with creditworthy counterparties.

All transactions by the Sub-Fund in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

Credit risk disclosures are segmented into two sections based on whether the underlying financial instrument is subject to IFRS 9's impairment disclosure or not.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(b) Credit and counterparty risk (continued)

Financial assets subject to IFRS 9's impairment requirements

The Sub-Fund's financial assets subject to the expected credit loss model within IFRS 9 are deposit reserve – China Exchange Clearing, cash and bank balances and other receivables. At 31 December 2019, the total of other receivables was RMB712 (2018: RMB341). There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the year.

All receivables are expected to be received in three months or less. An amount is considered to be in default if it has not been received 30 days after it is due.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodian. The tables below summarise the Sub-Fund's assets placed with banks and the PRC custodian and their related credit ratings from Moody's:

	RMB	Credit rating	Source of credit rating
As at 31 December 2019			
<u>Banks</u>			
HSBC	136,958	Aa3	Moody's
HSBC China	4,846,062	A1	Moody's
<u>PRC Custodian</u>			
HSBC China	431,240,781	A1	Moody's
	RMB	Credit rating	Source of credit rating
As at 31 December 2018			
<u>Banks</u>			
HSBC	25,873	Aa3	Moody's
HSBC China	3,010,384	A1	Moody's
<u>PRC Custodian</u>			
HSBC China	183,886,809	A1	Moody's

The Sub-Fund's maximum exposure to credit risk as at 31 December 2019 and 2018 is the carrying amount of the financial assets as shown on the statement of financial position.

The Manager considers that none of these assets were impaired nor past due at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(c) Liquidity risk

Liquidity risk is defined as the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Sub-Fund could be required to pay its liabilities or redeem its units earlier than expected. The Sub-Fund is exposed to daily cash redemptions of its redeemable units. Units are redeemable at the holder's option based on the Sub-Fund's net asset value per unit at the time of redemption, calculated in accordance with the Sub-Fund's Trust Deed. It is the Sub-Fund's policy that the Manager monitors the Sub-Fund's liquidity position on a daily basis.

The table below summarises the maturity profile of Sub-Fund's financial assets and liabilities at the end of the reporting period based on contractual undiscounted cash flows in order to provide a complete view of the Sub-Fund's contractual commitments and liquidity.

Financial assets

The analysis of equity securities at fair value through profit or loss into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Sub-Fund can be required to pay.

	Less than 1 month RMB	1 to 12 months RMB	Total RMB
As at 31 December 2019			
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	431,240,781	-	431,240,781
Financial assets included in prepayments and other receivables	-	712	712
Deposit reserve – China Exchange Clearing	-	380,800	380,800
Cash and bank balances	4,983,020	-	4,983,020
Total	<u>436,223,801</u>	<u>381,512</u>	<u>436,605,313</u>
<u>Financial liabilities</u>			
Management fee payable	221,983	-	221,983
Trustee fee payable	55,303	-	55,303
Other payables and accruals	139,600	143,896	283,496
Total	<u>416,886</u>	<u>143,896</u>	<u>560,782</u>

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

13. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

(c) Liquidity risk (continued)

As at 31 December 2018	Less than 1 month RMB	1 to 12 months RMB	Total RMB
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	183,273,387	613,422	183,886,809
Financial assets included in prepayments and other receivables	-	341	341
Deposit reserve – China Exchange Clearing	-	380,800	380,800
Cash and bank balances	3,036,257	-	3,036,257
Total	<u>186,309,644</u>	<u>994,563</u>	<u>187,304,207</u>
<u>Financial liabilities</u>			
Management fee payable	89,316	-	89,316
Trustee fee payable	23,812	-	23,812
Other payables and accruals	783,614	73,085	856,699
Total	<u>896,742</u>	<u>73,085</u>	<u>969,827</u>

Capital management

The Sub-Fund's capital is represented by its net assets attributable to unitholders. The Sub-Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

The Manager manages the capital of the Sub-Fund in accordance with the Sub-Fund's investment objectives and policies as stated in the prospectus.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2019

14. 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 its respective 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 statement of financial position and statement of profit or loss and other comprehensive income.

The Sub-Fund is domiciled in Hong Kong. All of the Sub-Fund's income is generated from investments in securities which constitute its tracked Index. The Sub-Fund's investments are mainly domiciled in the PRC.

The Sub-Fund has no assets classified as non-current assets. The Sub-Fund has portfolios that closely correspond to the security weight and industry weight of its tracked Index.

15. SUBSEQUENT EVENT

The outbreak of the Coronavirus Disease ("COVID-19 outbreak") in early 2020 has had a significant impact on global financial markets. The Manager will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Sub-Fund. The Index and published NAV per unit of the Sub-Fund have dropped by 5.93% and 6.25% from 1 January 2020 to 20 April 2020 respectively. This is considered to be a non-adjusting event after the reporting period. The Manager will continue to remain alert to the situation and monitor the subscriptions and redemptions of the Sub-Fund. During the period between the end of the reporting period and the date of authorisation of these financial statements, there was a net redemption of 7,000,000 units of the Sub-Fund.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issued by the Trustee and the Manager on 20 April 2020.

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities			
<u>China</u>			
360 Security Technology Inc	12,700	298,577	0.07
AECC Aviation Power Co Ltd	28,159	610,487	0.14
Agricultural Bank of China Ltd	1,198,500	4,422,465	1.01
Aier Eye Hospital Group Co Ltd	38,749	1,532,910	0.35
Air China Ltd	93,500	906,015	0.21
Aisino Co Ltd	34,934	809,421	0.19
Aluminum Corporation of China Ltd	204,600	724,284	0.17
Angang Steel Co Ltd	75,020	251,317	0.06
Anhui Conch Cement Co Ltd	62,604	3,430,699	0.79
Anhui Gujing Distillery Co Ltd	3,600	489,312	0.11
Anxin Trust Co Ltd	68,480	304,051	0.07
Avary Holding Shenzhen Co Ltd	8,000	359,200	0.08
AVIC Aircraft Co Ltd	43,300	709,254	0.16
AVIC Helicopter Co Ltd	9,200	438,932	0.10
AVIC Investment Holdings Co Ltd	168,500	817,225	0.19
AVIC Jonhon Optron Technology Co Ltd	16,790	655,817	0.15
BAIC BluePark New Energy Technology Co Ltd	43,700	255,208	0.06
Baiyin Nonferrous Group Co Ltd	46,300	170,384	0.04
Bank of Beijing Co Ltd	463,006	2,629,874	0.60
Bank of Changsha Co Ltd	32,100	291,147	0.07
Bank of Chengdu Co Ltd	56,500	512,455	0.12
Bank of China Ltd	659,400	2,433,186	0.56
Bank of Communications Co Ltd	859,600	4,839,548	1.11
Bank of Guiyang Co Ltd	80,560	770,154	0.18
Bank of Hangzhou Co Ltd	64,200	588,072	0.13
Bank of Jiangsu Co Ltd	288,900	2,091,636	0.48
Bank of Nanjing Co Ltd	185,766	1,629,168	0.37
Bank of Ningbo Co Ltd	88,075	2,479,311	0.57
Bank of Shanghai Co Ltd	222,236	2,109,020	0.48
Bank of Xi'an Co Ltd	15,300	118,881	0.03
Baoshan Iron & Steel Co Ltd	278,748	1,600,014	0.37
BBMG Corporation Ltd	104,400	389,412	0.09
Beijing New Building Materials Public Ltd	26,400	671,880	0.15
Beijing Oriental Yuhong Waterproof Technology Co Ltd	27,900	734,049	0.17
Beijing Origin Water Technology Co Ltd	59,356	451,106	0.10
Beijing Shiji Information Technology Co Ltd	10,000	390,000	0.09
Beijing Tongrentang Co Ltd	17,119	482,413	0.11
BOE Technology Group Co Ltd	741,580	3,366,773	0.77
Bohai Leasing Co Ltd	58,000	220,400	0.05
BYD Co Ltd	28,406	1,354,114	0.31
Caitong Securities Co Ltd	78,600	891,324	0.20
Changchun High & New Technology Industries (Group) Inc	4,400	1,966,800	0.45

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Changjiang Securities Co Ltd	121,048	864,283	0.20
Chaozhou Three Circle Group Co Ltd	32,700	728,556	0.17
Chengdu Kanghong Pharmaceutical Group Co Ltd	8,220	303,893	0.07
China Avionics Systems Co Ltd	16,544	235,587	0.05
China CITIC Bank Corporation Ltd	95,838	591,320	0.14
China Coal Energy Co Ltd	57,300	287,646	0.07
China Communications Construction Co Ltd	73,500	673,260	0.15
China Construction Bank Corporation	210,100	1,519,023	0.35
China Dongfanghong Spacesat Co Ltd	18,501	395,366	0.09
China Eastern Airlines Corporation Ltd	140,200	814,562	0.19
China Everbright Bank Co Ltd	498,200	2,197,062	0.50
China Film Co Ltd	23,329	355,067	0.08
China Fortune Land Development Co Ltd	37,666	1,081,014	0.25
China Galaxy Securities Co Ltd	40,300	467,883	0.11
China Grand Automotive Services Group Co Ltd (Formerly known as "China Grand Automotive Services Co Ltd")	102,140	332,976	0.08
China Great Wall Securities Co Ltd	10,700	148,302	0.03
China International Travel Service Corporation Ltd	30,544	2,716,889	0.62
China Jushi Co Ltd	65,760	716,784	0.16
China Life Insurance Co Ltd	52,153	1,818,575	0.42
China Merchants Bank Co Ltd	322,712	12,127,517	2.78
China Merchants Securities Co Ltd	89,500	1,636,955	0.38
China Merchants Shekou Industrial Zone Co Ltd	99,012	1,967,368	0.45
China Minsheng Banking Co Ltd	776,646	4,900,636	1.12
China Molybdenum Co Ltd	221,033	963,704	0.22
China National Chemical Engineering Co Ltd	77,200	497,168	0.11
China National Nuclear Power Co Ltd	194,800	974,000	0.22
China Northern Rare Earth (Group) High-Tech Co Ltd	68,150	738,746	0.17
China Oilfield Services Ltd	18,500	355,200	0.08
China Pacific Insurance Group Co Ltd	98,295	3,719,483	0.85
China Petroleum & Chemical Corporation	418,500	2,138,535	0.49
China Railway Group Ltd	254,830	1,513,690	0.35
China Railways Construction Corporation	144,000	1,460,160	0.33
China Satellite Communications Co Ltd	12,500	141,500	0.03
China Shenhua Energy Co Ltd	103,213	1,883,637	0.43
China Shipbuilding Industry Co Ltd	286,352	1,500,485	0.34
China Shipbuilding Industry Group Power Co Ltd	21,200	424,000	0.10
China Southern Airlines Co Ltd	134,500	965,710	0.22
China State Construction Engineering Corporation Ltd	656,640	3,690,317	0.85
China United Network Communications Ltd	291,223	1,715,303	0.39
China Vanke Co Ltd	182,516	5,873,365	1.35
China Yangtze Power Co Ltd	275,300	5,060,014	1.16
Chinalin Securities Co Ltd	8,400	125,496	0.03

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Chongqing Changan Automobile Co Ltd	61,000	611,830	0.14
Chongqing Zhifei Biological Products Co Ltd	15,000	744,900	0.17
CITIC Securities Co Ltd	246,256	6,230,277	1.43
CNOOC Energy Technology & Services Ltd	63,600	186,348	0.04
COSCO SHIPPING Holdings Co Ltd	121,100	638,197	0.15
CRRC Corporation Ltd	304,470	2,173,916	0.50
CSC Financial Co Ltd	14,000	425,600	0.10
Daqin Railway Co Ltd	186,048	1,527,454	0.35
Dawning Information Industry Co Ltd	19,700	681,226	0.16
Dongxing Securities Co Ltd	43,100	566,334	0.13
Dongxu Optoelectronic Technology Co Ltd	137,124	460,737	0.11
East Money Information Co Ltd	168,112	2,651,126	0.61
Everbright Securities Co Ltd	61,100	800,410	0.18
Fangda Carbon New Material Co Ltd	51,110	621,498	0.14
Fiberhome Telecommunication Technologies Co Ltd	22,000	603,900	0.14
Focus Media Information Technology Co Ltd	321,396	2,011,939	0.46
Foshan Haitian Flavouring & Food Co Ltd	25,300	2,720,003	0.62
Founder Securities Co Ltd	128,800	1,116,696	0.26
Foxconn Industrial Internet Co Ltd	55,900	1,021,293	0.23
Fuyao Glass Industry Group Co Ltd	43,908	1,053,353	0.24
GD Power Development Co Ltd	368,900	863,226	0.20
Gemdale Corporation	70,600	1,023,700	0.23
Gezhouba Group Co Ltd	86,400	577,152	0.13
GF Securities Co Ltd	92,613	1,404,939	0.32
Giant Network Group Co Ltd	19,020	343,501	0.08
Gigadevice Semiconductor Beijing Inc	6,000	1,229,340	0.28
Glodon Co Ltd	21,200	720,376	0.17
GoerTek Inc	71,100	1,416,312	0.32
Great Wall Motor Co Ltd	37,700	333,645	0.08
Gree Electric Appliances Inc of Zhuhai	150,514	9,870,708	2.26
Greenland Holdings Corporation Ltd	114,230	793,899	0.18
Guangdong Haid Group Co Ltd	24,700	889,200	0.20
Guangzhou Automobile Group Co Ltd	29,040	339,478	0.08
Guangzhou Baiyun International Airport Co Ltd	32,400	565,380	0.13
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	17,577	625,917	0.14
Guangzhou Shiyuan Electronic Technology Co Ltd	2,300	197,110	0.05
Guosen Securities Co Ltd	77,000	966,350	0.22
Guotai Junan Securities Co Ltd	141,100	2,608,939	0.60
Guoyuan Securities Co Ltd	63,201	585,873	0.13
Hainan Airlines Holding Co Ltd	360,000	622,800	0.14
Haitong Securities Co Ltd	253,147	3,913,653	0.90
Han's Laser Technology Industry Group Co Ltd	26,741	1,069,640	0.25

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Hangzhou Hikvision Digital Technology Co Ltd	116,914	3,827,764	0.88
Hangzhou Robam Appliances Co Ltd	14,800	500,388	0.11
Hangzhou Tigermed Consulting Co Ltd	16,400	1,035,660	0.24
Hebei Yangyuan Zhihui Beverage Co Ltd	13,200	383,196	0.09
Heilan Home Co Ltd	41,500	318,720	0.07
Henan Shuanghui Investment & Development Co Ltd	31,158	904,517	0.21
Hengli Petrochemical Co Ltd	66,020	1,061,602	0.24
Hengtong Optic-Electric Co Ltd	41,718	678,335	0.16
Hengyi Petrochemical Co Ltd	35,600	495,552	0.11
Hesteel Company Ltd	132,900	342,882	0.08
Hithink Flush Information Network Co Ltd	6,700	731,037	0.17
Hongta Securities Co Ltd	12,500	209,625	0.05
Hoshine Silicon Industry Co Ltd	4,420	130,257	0.03
Hua Xia Bank Co Ltd	192,576	1,477,058	0.34
Huadian Power International Corp Ltd	101,900	373,973	0.09
Huadong Medicine Co Ltd	27,349	666,769	0.15
Hualan Biological Engineering Inc	26,340	925,851	0.21
Huaneng Lancang River Hydropower Co Ltd	56,300	237,586	0.05
Huaneng Power International Inc	137,600	767,808	0.18
Huatai Securities Co Ltd	138,081	2,804,425	0.64
HUAYU Automotive Systems Co Ltd	49,338	1,282,295	0.29
Hubei Biocause Pharmaceutical Co Ltd	61,800	435,072	0.10
Hubei Hongcheng General Machinery Co Ltd	10,200	246,636	0.06
Hundsun Electronic Co Ltd	20,065	1,559,652	0.36
iFLYTEK Co Ltd	48,164	1,660,695	0.38
Industrial and Commercial Bank of China Ltd	674,800	3,967,824	0.91
Industrial Bank Co Ltd	454,912	9,007,258	2.07
Industrial Securities Co Ltd	146,660	1,038,353	0.24
Inner Mongolia Junzheng Energy & Chemical Industry Co Ltd	105,616	330,578	0.08
Inner Mongolia Yili Industrial Group Co Ltd	190,740	5,901,496	1.35
Inner Mongolian BaoTou Steel Union Co Ltd	713,020	941,186	0.22
Jiangsu Hengrui Medicine Co Ltd	96,827	8,474,299	1.94
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	18,837	2,081,489	0.48
Jiangsu Zhongnan Construction Group Co Ltd	58,000	611,900	0.14
Jiangsu Zhongtian Technologies Co Ltd	76,700	636,610	0.15
Jiangxi Copper Co Ltd	32,490	550,056	0.13
Jiangxi Ganfeng Lithium Co Ltd	23,950	834,179	0.19
Jinke Properties Group Co Ltd	66,800	513,024	0.12
Jointown Pharmaceutical Group Co Ltd	17,600	249,040	0.06
Kweichow Moutai Co Ltd	15,677	18,545,891	4.25
Lens Technology Co Ltd	24,549	339,267	0.08
Lepu Medical Technology	33,400	1,104,872	0.25

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Lomon Billions Group Co Ltd	31,800	489,402	0.11
LONGi Green Energy Technology Co Ltd	82,621	2,051,479	0.47
Luxshare Precision Industry Co Ltd	100,416	3,665,184	0.84
Luzhou Laojiao Co Ltd	22,933	1,987,832	0.46
Mango Excellent Media Co Ltd	16,720	584,531	0.13
Meinian Onehealth Healthcare Holdings Co Ltd	85,860	1,278,455	0.29
Metallurgical Corporation of China Ltd	223,400	625,520	0.14
Midea Group Co Ltd	151,990	8,853,418	2.03
Minmetals Capital Co Ltd	15,440	127,534	0.03
Muyuan Foodstuff Co Ltd	27,080	2,404,433	0.55
NARI Technology Development Co Ltd	72,262	1,530,509	0.35
New China Life Insurance Co Ltd	26,132	1,284,388	0.29
New Hope Liuhe Co Ltd	65,900	1,314,705	0.30
Ningbo Zhoushan Port Co Ltd	123,600	469,680	0.11
Ningxia Baofeng Energy Group Co Ltd	25,200	239,652	0.05
Offshore Oil Engineering Co Ltd	69,200	510,696	0.12
OFILM Group Co Ltd (Formerly known as "O-Film Tech Co Ltd")	59,372	926,203	0.21
OPPEIN Home Group Inc	3,900	456,300	0.10
Orient Securities Co Ltd	112,000	1,205,120	0.28
Pangang Group Vanadium Titanium & Resources Co Ltd	134,400	392,448	0.09
People's Insurance Co Group of China Ltd/The	33,300	252,747	0.06
Perfect World Co Ltd	16,200	715,068	0.16
PetroChina Co Ltd	303,934	1,771,935	0.41
Ping An Bank Co Ltd	303,576	4,993,825	1.15
Ping An Insurance (Group) Co of China Ltd	338,892	28,961,710	6.64
Poly Developments and Holdings Group Co Ltd	224,000	3,624,320	0.83
Power Construction Corporation of China	239,300	1,038,562	0.24
Qingdao Haier Co Ltd	115,346	2,249,247	0.52
Qingdao Port International Co Ltd	15,200	104,424	0.02
Qingdao Rural Commercial Bank Corp	19,100	123,577	0.03
Red Star Macalline Group Corp Ltd	12,600	142,758	0.03
Risesun Real Estate Development Co Ltd	54,434	535,086	0.12
Rongsheng Petro Chemical Co Ltd	59,000	731,010	0.17
S F Holding Co Ltd	27,600	1,026,444	0.24
SAIC Motor Corporation Ltd	109,685	2,615,987	0.60
Sanan Optoelectronics Co Ltd	76,548	1,405,421	0.32
Sany Heavy Industry Co Ltd	184,432	3,144,566	0.72
SDIC Capital Co Ltd	52,900	800,906	0.18
SDIC Power Holdings Co Ltd	106,120	974,182	0.22
Seazen Holdings Co Ltd (Formerly known as "Future Land Holdings Co Ltd")	28,200	1,091,904	0.25
Shaanxi Coal Industry Co Ltd	125,100	1,124,649	0.26

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Shandong Dong-E E-Jiao Co Ltd	14,296	505,650	0.12
Shandong Gold Mining Co Ltd	32,535	1,061,292	0.24
Shandong Nanshan Aluminum Co Ltd	224,300	502,432	0.12
Shanghai BlueStar New Chemical Materials Co Ltd	9,200	101,752	0.02
Shanghai Construction Co Ltd	139,336	493,249	0.11
Shanghai Electric Group Co Ltd	114,300	569,214	0.13
Shanghai Fosun Pharmaceutical (Group) Co Ltd	31,472	837,155	0.19
Shanghai International Airport Co Ltd	30,128	2,372,580	0.54
Shanghai International Port Group Co Ltd	145,020	836,765	0.19
Shanghai Lingang Holdings Corp Ltd	12,500	306,875	0.07
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd	27,500	371,525	0.09
Shanghai M&G Stationery Inc	11,500	560,510	0.13
Shanghai Oriental Pearl Group Co Ltd (Formerly known as "Shanghai Oriental Pearl Media Co Ltd")	64,424	603,009	0.14
Shanghai Pharmaceutical Co Ltd	36,064	662,496	0.15
Shanghai Pudong Development Bank Co Ltd	367,337	4,543,959	1.04
Shanghai RAAS Blood Products Co Ltd	62,258	461,954	0.11
Shanghai Wangsu Science & Technology Co Ltd	60,874	580,129	0.13
Shanghai Yuyuan Tourist Mart Group Co Ltd	48,600	381,024	0.09
Shanxi Meijin Energy Co Ltd	38,500	363,055	0.08
Shanxi Xinghuacun Fen Wine Factory Co Ltd	8,200	735,540	0.17
Shengyi Technology Co Ltd	35,600	744,752	0.17
Shennan Circuits Co Ltd	3,200	454,720	0.10
Shenwan Hongyuan Group Co Ltd	281,968	1,443,676	0.33
Shenzhen Huiding Technology Co Ltd	4,300	887,090	0.20
Shenzhen Inovance Technology Co Ltd	32,498	995,739	0.23
Shenzhen Overseas Chinese Town Co Ltd	128,298	999,441	0.23
Shenzhen Salubris Pharmaceuticals Co Ltd	13,092	261,055	0.06
Shenzhen Sunway Communication Co Ltd	24,200	1,098,196	0.25
Siasun Robot & Automation Co Ltd	34,120	477,680	0.11
Sichuan Chuantou Energy Co Ltd	55,100	542,735	0.12
Sichuan Kelun Pharmaceutical Co Ltd	27,000	634,230	0.15
Sinolink Securities Co Ltd	75,686	703,880	0.16
Songcheng Performance Development Co Ltd	27,300	843,843	0.19
Soochow Security Co Ltd	75,066	749,909	0.17
Southwest Securities Co Ltd	88,290	458,225	0.11
Spring Airlines Co Ltd	11,500	504,735	0.12
STO Express Co Ltd	9,600	187,200	0.04
Suning.com Co Ltd	116,500	1,177,815	0.27
Sunshine City Group Co Ltd	50,680	430,780	0.10
Suzhou Gold Mantis Constructions	50,287	443,531	0.10
Tasly Pharmaceutical Group Co Ltd	28,414	438,144	0.10
TBEA Co Ltd	116,237	772,976	0.18
TCL Corporation	423,200	1,891,704	0.43

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Tianfeng Securities Co Ltd	16,200	119,232	0.03
Tianqi Lithium Industries Inc	27,820	839,608	0.19
Tonghua Dongbao Pharmaceutical Co Ltd	44,516	563,127	0.13
Tongling Nonferrous Metals Group Co Ltd	197,600	460,408	0.11
Tongwei Co Ltd	60,700	796,991	0.18
Transfar Zhilian Co Ltd	40,800	284,784	0.07
Tsinghua Tongfang Co Ltd	74,200	650,734	0.15
Tsinghua Unisplendour Co Ltd	25,520	806,432	0.18
Walvax Biotechnology Co Ltd	38,500	1,248,940	0.29
Wanda Film Holding Co Ltd	26,000	471,900	0.11
WanHua Chemical Group Co Ltd	49,147	2,760,587	0.63
Weichai Power Co Ltd	149,948	2,381,174	0.55
Wens Foodstuffs Group Co Ltd	116,300	3,907,680	0.90
Western Securities Co Ltd	54,752	536,570	0.12
Will Semiconductor Ltd	5,400	774,360	0.18
Wuhu Sanqi Interactive Entertainment Network Technology Group Co Ltd (Formerly known as "Wuhu Shunrong Sanqi Interactive Entertainment Network Technology Co Ltd")	33,000	888,690	0.20
Wuliangye Yibin Co Ltd	60,679	8,070,914	1.85
Wuxi Apptec Co Ltd	22,920	2,111,390	0.48
XCMG Construction Machinery Co Ltd	147,000	804,090	0.18
Xiamen C&D Inc	44,358	398,778	0.09
Xinhu Zhongbao Co Ltd	134,500	508,410	0.12
Xinjiang Goldwind Science & Technology Co Ltd	86,360	1,032,002	0.24
Yanan Bicon Pharmaceutical	19,154	299,377	0.07
Yanzhou Coal Mining Co Ltd	27,799	293,557	0.07
Yaxia AutomobileCorp	21,200	379,056	0.09
Yonghui Superstores Co Ltd	119,724	902,719	0.21
Yonyou Network Technology Co Ltd	39,121	1,111,036	0.25
Youngor Group Co Ltd	109,770	765,097	0.18
YTO Express Group Co Ltd	17,800	225,170	0.05
Yunda Holdings Co Ltd (Formerly known as "Ningbo Xinhai Electric Co Ltd")	20,850	694,305	0.16
Yunnan Baiyao Group Co Ltd	15,943	1,425,783	0.33
Zhangzhou Pientzhuang Pharmaceutical Co Ltd	9,456	1,038,931	0.24
Zhejiang Century Huatong Group Co Ltd	74,536	851,947	0.20
Zhejiang CHINT Electrics Co Ltd	33,700	903,160	0.21
Zhejiang Dahua Technology Co Ltd	56,510	1,123,419	0.26
Zhejiang Huayou Cobalt Co Ltd	20,246	797,490	0.18
Zhejiang Longsheng Group Co Ltd	81,466	1,178,813	0.27
Zhejiang NHU Co Ltd	40,300	937,378	0.22
Zhejiang Sanhua Intelligent Controls Co Ltd	43,250	749,523	0.17

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

INVESTMENT PORTFOLIO (unaudited) (continued)

As at 31 December 2019

	Holdings	Fair value RMB	% of Net Assets
Listed equities (continued)			
China (continued)			
Zhejiang Supor Cookware Co Ltd	5,100	391,578	0.09
Zhejiang Zheneng Electric	127,660	505,534	0.12
Zhengzhou Yutong Bus Co Ltd	41,601	592,814	0.14
Zheshang Securities Co Ltd	41,700	464,121	0.11
Zhonghang Heibao Co Ltd	13,100	413,960	0.09
Zhongjin Gold Co Ltd	54,011	458,013	0.11
Zijin Mining Group Co Ltd	430,100	1,974,159	0.45
Zoomlion Heavy Industry Science & Technology Co Ltd	162,169	1,083,289	0.25
ZTE Corporation	74,471	2,635,529	0.60
Total investments, at fair value		<u>431,240,781</u>	<u>98.89</u>
Total investments, at cost		<u>397,609,888</u>	

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities					
China					
360 Security Technology Inc	7,900	5,800	(1,000)	-	12,700
Adama Ltd	4,900	11,700	(16,600)	-	-
AECC Aviation Power Co Ltd	17,459	14,000	(3,300)	-	28,159
Agricultural Bank of China Ltd	745,000	590,800	(137,300)	-	1,198,500
Aier Eye Hospital Group Co Ltd	18,499	19,600	(4,600)	5,250	38,749
Air China Ltd	58,100	44,800	(9,400)	-	93,500
Aisino Co Ltd	21,734	16,800	(3,600)	-	34,934
Aluminum Corporation of China Ltd	127,900	100,800	(24,100)	-	204,600
Angang Steel Co Ltd	35,900	36,400	(7,000)	9,720	75,020
Anhui Conch Cement Co Ltd	38,904	30,800	(7,100)	-	62,604
Anhui Gujing Distillery Co Ltd	-	4,800	(1,200)	-	3,600
Anxin Trust Co Ltd	42,580	33,600	(7,700)	-	68,480
Avary Holding Shenzhen Co Ltd	-	8,100	(100)	-	8,000
AVIC Aircraft Co Ltd	26,900	22,400	(6,000)	-	43,300
AVIC Helicopter Co Ltd	5,700	5,600	(2,100)	-	9,200
AVIC Investment Holdings Co Ltd	87,300	96,400	(15,200)	-	168,500
AVIC Jonhon Optron Technology Co Ltd	7,700	8,400	(1,500)	2,190	16,790
BAIC BluePark New Energy Technology Co Ltd	-	43,900	(200)	-	43,700
Baiyin Nonferrous Group Co Ltd	16,300	31,600	(1,600)	-	46,300
Bank of Beijing Co Ltd	287,806	226,800	(51,600)	-	463,006
Bank of Changsha Co Ltd	-	32,300	(200)	-	32,100
Bank of Chengdu Co Ltd	7,700	52,400	(3,600)	-	56,500
Bank of China Ltd	409,900	324,800	(75,300)	-	659,400
Bank of Communications Co Ltd	534,300	422,800	(97,500)	-	859,600
Bank of Guiyang Co Ltd	26,800	42,900	(2,700)	13,560	80,560
Bank of Hangzhou Co Ltd	39,900	30,800	(6,500)	-	64,200
Bank of Jiangsu Co Ltd	134,700	171,200	(17,000)	-	288,900
Bank of Jiangsu Co Ltd Nil Paid Rights 14/03/2019	-	-	(226,000)	226,000	-
Bank of Nanjing Co Ltd	115,466	92,400	(22,100)	-	185,766
Bank of Ningbo Co Ltd	50,653	43,922	(6,500)	-	88,075
Bank of Shanghai Co Ltd	106,274	109,200	(22,000)	28,762	222,236
Bank of Xi'an Co Ltd	-	15,300	-	-	15,300
Baoshan Iron & Steel Co Ltd	173,248	137,200	(31,700)	-	278,748
BBMG Corporation Ltd	64,900	50,400	(10,900)	-	104,400
Beijing Enlight Media Co Ltd	17,160	14,000	(31,160)	-	-
Beijing New Building Materials Public Ltd	16,400	14,000	(4,000)	-	26,400
Beijing Orient Landscape and Environment Co Ltd	26,100	29,000	(55,100)	-	-
Beijing Oriental Yuhong Waterproof Technology Co Ltd	17,500	14,000	(3,600)	-	27,900

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Beijing Origin Water Technology Co Ltd	36,756	28,000	(5,400)	-	59,356
Beijing Sanju Environmental Protection & New Materials Co Ltd	22,835	16,800	(39,635)	-	-
Beijing Shiji Information Technology Co Ltd	6,200	5,600	(1,800)	-	10,000
Beijing Shougang Co Ltd	30,900	-	(30,900)	-	-
Beijing Tongrentang Co Ltd	10,719	8,400	(2,000)	-	17,119
Beijing Xinwei Telecom Technology Group Co Ltd	42,044	-	(42,044)	-	-
BOE Technology Group Co Ltd	460,980	364,000	(83,400)	-	741,580
Bohai Leasing Co Ltd	36,100	28,000	(6,100)	-	58,000
BYD Co Ltd	17,606	14,000	(3,200)	-	28,406
Caitong Securities Co Ltd	7,700	76,000	(5,100)	-	78,600
Changchun High & New Technology Industries (Group) Inc	2,600	2,800	(1,000)	-	4,400
Changjiang Securities Co Ltd	75,248	58,800	(13,000)	-	121,048
Chaozhou Three Circle Group Co Ltd	20,300	16,800	(4,400)	-	32,700
Chengdu Kanghong Pharmaceutical Group Co Ltd	2,600	5,200	(300)	720	8,220
China Avionics Systems Co Ltd	10,244	8,400	(2,100)	-	16,544
China CITIC Bank Corporation Ltd	59,638	47,600	(11,400)	-	95,838
China CITIC Bank Corporation Ltd Nil Paid Rights 04/03/2019	-	-	(70,000)	70,000	-
China Coal Energy Co Ltd	35,600	28,000	(6,300)	-	57,300
China Communications Construction Co Ltd	45,700	36,400	(8,600)	-	73,500
China Construction Bank Corporation	130,600	103,600	(24,100)	-	210,100
China Dongfanghong Spacesat Co Ltd	11,501	8,400	(1,400)	-	18,501
China Eastern Airlines Corporation Ltd	76,300	73,900	(10,000)	-	140,200
China Everbright Bank Co Ltd	309,700	246,400	(57,900)	-	498,200
China Film Co Ltd	14,529	11,200	(2,400)	-	23,329
China Fortune Land Development Co Ltd	35,066	28,000	(25,400)	-	37,666
China Galaxy Securities Co Ltd	25,100	19,600	(4,400)	-	40,300
China Grand Automotive Services Group Co Ltd (Formerly known as "China Grand Automotive Services Co Ltd")	47,940	62,700	(8,500)	-	102,140

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
China Great Wall Securities Co Ltd	-	11,600	(900)	-	10,700
China International Travel Service Corporation Ltd	18,944	14,000	(2,400)	-	30,544
China Jushi Co Ltd	40,860	33,600	(8,700)	-	65,760
China Life Insurance Co Ltd	32,353	25,200	(5,400)	-	52,153
China Merchants Bank Co Ltd	200,612	159,600	(37,500)	-	322,712
China Merchants Expressway Network & Technology Holdings Co Ltd	10,800	-	(10,800)	-	-
China Merchants Expressway Network & Technology Holdings Co Ltd Nil Paid Rights 22/03/2019	-	-	(8,500)	8,500	-
China Merchants Securities Co Ltd	55,600	44,800	(10,900)	-	89,500
China Merchants Shekou Industrial Zone Co Ltd	46,112	58,700	(5,800)	-	99,012
China Minsheng Banking Co Ltd	482,746	383,600	(89,700)	-	776,646
China Molybdenum Co Ltd	137,433	109,200	(25,600)	-	221,033
China National Chemical Engineering Co Ltd	38,400	43,700	(4,900)	-	77,200
China National Nuclear Power Co Ltd	90,800	115,500	(11,500)	-	194,800
China National Nuclear Power Co Ltd Nil Paid Rights 15/04/2019	-	-	(43,000)	43,000	-
China Northern Rare Earth (Group) High-Tech Co Ltd	42,350	33,600	(7,800)	-	68,150
China Nuclear Engineering Group Co Ltd	15,300	-	(15,300)	-	-
China Nuclear Engineering Group Co Ltd Nil Paid Rights 08/04/2019	-	-	(17,000)	17,000	-
China Oilfield Services Ltd	11,500	8,400	(1,400)	-	18,500
China Pacific Insurance Group Co Ltd	61,095	47,600	(10,400)	-	98,295
China Petroleum & Chemical Corporation	241,600	214,600	(37,700)	-	418,500
China Railway Group Ltd	144,930	128,600	(18,700)	-	254,830
China Railways Construction Corporation	89,500	70,000	(15,500)	-	144,000
China Reform Health Management and Services Group Co Ltd	14,000	-	(14,000)	-	-
China Satellite Communications Co Ltd	-	12,500	-	-	12,500
China Shenhua Energy Co Ltd	38,513	71,900	(7,200)	-	103,213
China Shipbuilding Industry Co Ltd	177,952	140,000	(31,600)	-	286,352

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
China Shipbuilding Industry Group Power Co Ltd	17,500	11,200	(7,500)	-	21,200
China Southern Airlines Co Ltd	66,900	76,100	(8,500)	-	134,500
China State Construction Engineering Corporation Ltd	408,240	324,800	(76,400)	-	656,640
China United Network Communications Ltd	181,023	142,800	(32,600)	-	291,223
China Vanke Co Ltd	94,516	99,900	(11,900)	-	182,516
China Yangtze Power Co Ltd	128,400	163,200	(16,300)	-	275,300
Chinalin Securities Co Ltd	-	8,500	(100)	-	8,400
Chongqing Changan Automobile Co Ltd	37,900	30,800	(7,700)	-	61,000
Chongqing Zhifei Biological Products Co Ltd	9,300	8,400	(2,700)	-	15,000
CITIC Guoan Information Industry Co Ltd	53,400	-	(53,400)	-	-
CITIC Securities Co Ltd	153,056	120,400	(27,200)	-	246,256
CNOOC Energy Technology & Services Ltd	-	63,600	-	-	63,600
COSCO SHIPPING Holdings Co Ltd	74,200	58,800	(11,900)	-	121,100
CRRC Corporation Ltd	189,270	151,200	(36,000)	-	304,470
CSC Financial Co Ltd	8,700	6,400	(1,100)	-	14,000
Daqin Railway Co Ltd	115,648	92,400	(22,000)	-	186,048
Datang International Power Generation Co Ltd	48,200	-	(48,200)	-	-
Dawning Information Industry Co Ltd	-	20,000	(300)	-	19,700
DHC Software Co Ltd	36,404	28,000	(64,404)	-	-
Dongxing Securities Co Ltd	26,800	22,400	(6,100)	-	43,100
Dongxu Optoelectronic Technology Co Ltd	74,624	73,900	(11,400)	-	137,124
East Money Information Co Ltd	70,310	99,000	(14,400)	13,202	168,112
Everbright Securities Co Ltd	38,000	30,800	(7,700)	-	61,100
Fangda Carbon New Material Co Ltd	20,900	25,200	(4,300)	9,310	51,110
Fiberhome Telecommunication Technologies Co Ltd	13,600	11,200	(2,800)	-	22,000
Fiberhome Telecommunication Technologies Co Ltd Nil Paid Rights 02/12/2019	-	-	(61,000)	61,000	-
Finance Street Holding Co Ltd	23,300	19,600	(42,900)	-	-
First Capital Securities Company Ltd	40,900	-	(40,900)	-	-
Focus Media Information Technology Co Ltd	142,696	205,500	(26,800)	-	321,396
Foshan Haitian Flavouring & Food Co Ltd	15,800	11,500	(2,000)	-	25,300

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Founder Securities Co Ltd	80,000	64,400	(15,600)	-	128,800
Foxconn Industrial Internet Co Ltd	23,000	35,700	(2,800)	-	55,900
Fuyao Glass Industry Group Co Ltd	27,308	22,400	(5,800)	-	43,908
GD Power Development Co Ltd	229,300	182,000	(42,400)	-	368,900
Gemdale Corporation	43,900	33,600	(6,900)	-	70,600
Gezhouba Group Co Ltd	53,700	42,000	(9,300)	-	86,400
GF Securities Co Ltd	57,513	44,800	(9,700)	-	92,613
Giant Network Group Co Ltd	11,820	8,700	(1,500)	-	19,020
Gigadevice Semiconductor Beijing Inc	2,800	3,500	(300)	-	6,000
Glodon Co Ltd	-	23,100	(1,900)	-	21,200
GoerTek Inc	37,900	38,100	(4,900)	-	71,100
Great Wall Motor Co Ltd	23,400	19,600	(5,300)	-	37,700
Gree Electric Appliances Inc of Zhuhai	93,614	72,800	(15,900)	-	150,514
Greenland Holdings Corporation Ltd	71,030	56,000	(12,800)	-	114,230
Guangdong Haid Group Co Ltd	15,400	11,200	(1,900)	-	24,700
Guangshen Railway Co Ltd	65,999	-	(65,999)	-	-
Guangzhou Automobile Group Co Ltd	18,040	14,000	(3,000)	-	29,040
Guangzhou Baiyun International Airport Co Ltd	20,100	16,800	(4,500)	-	32,400
Guangzhou Baiyunshan Pharmaceutical Holdings Co Ltd	10,977	8,400	(1,800)	-	17,577
Guangzhou Port Co Ltd	36,100	28,000	(64,100)	-	-
Guangzhou Shiyuan Electronic Technology Co Ltd	-	2,300	-	-	2,300
Guosen Securities Co Ltd	47,800	39,200	(10,000)	-	77,000
Guotai Junan Securities Co Ltd	87,700	70,000	(16,600)	-	141,100
Guoyuan Securities Co Ltd	39,301	30,800	(6,900)	-	63,201
Hainan Airlines Holding Co Ltd	223,800	176,400	(40,200)	-	360,000
Haitong Securities Co Ltd	157,347	126,000	(30,200)	-	253,147
Han's Laser Technology Industry Group Co Ltd	16,641	14,000	(3,900)	-	26,741
Hangzhou Hikvision Digital Technology Co Ltd	71,814	58,800	(13,700)	-	116,914
Hangzhou Robam Appliances Co Ltd	9,200	8,400	(2,800)	-	14,800
Hangzhou Tigermed Consulting Co Ltd	-	16,400	-	-	16,400
Hebei Yangyuan Zhihui Beverage Co Ltd	1,200	11,720	(200)	480	13,200
Heilan Home Co Ltd	35,000	28,000	(21,500)	-	41,500

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Henan Shuanghui Investment & Development Co Ltd	19,258	14,300	(2,400)	-	31,158
Hengli Petrochemical Co Ltd	14,700	48,000	(2,000)	5,320	66,020
Hengtong Optic-Electric Co Ltd	25,918	19,600	(3,800)	-	41,718
Hengtong Optic-Electric Co Ltd Nil Paid Rights 19/03/2019	-	-	(23,000)	23,000	-
Hengyi Petrochemical Co Ltd	22,400	16,800	(3,600)	-	35,600
Hesteel Company Ltd	82,600	64,400	(14,100)	-	132,900
Hithink Flush Information Network Co Ltd	4,200	3,000	(500)	-	6,700
Hongta Securities Co Ltd	-	12,500	-	-	12,500
Hoshine Silicon Industry Co Ltd	1,400	3,200	(900)	720	4,420
Hua Xia Bank Co Ltd	124,676	95,200	(27,300)	-	192,576
Huaan Securities Co Ltd	35,200	-	(35,200)	-	-
Huadian Power International Corp Ltd	63,400	50,400	(11,900)	-	101,900
Huadong Medicine Co Ltd	14,191	14,000	(3,400)	2,558	27,349
Hualan Biological Engineering Inc	10,860	18,500	(10,400)	7,380	26,340
Huaneng Lancang River Hydropower Co Ltd	35,000	28,000	(6,700)	-	56,300
Huaneng Power International Inc	85,600	67,200	(15,200)	-	137,600
Huatai Securities Co Ltd	63,481	82,800	(8,200)	-	138,081
HUAYU Automotive Systems Co Ltd	30,638	25,200	(6,500)	-	49,338
Hubei Biocause Pharmaceutical Co Ltd	28,800	38,500	(5,500)	-	61,800
Hubei Hongcheng General Machinery Co Ltd	6,300	5,600	(1,700)	-	10,200
Hundsun Electronic Co Ltd	9,650	11,200	(3,500)	2,715	20,065
iFLYTEK Co Ltd	28,464	23,300	(3,600)	-	48,164
Industrial and Commercial Bank of China Ltd	419,500	333,200	(77,900)	-	674,800
Industrial Bank Co Ltd	242,412	251,000	(38,500)	-	454,912
Industrial Securities Co Ltd	91,160	72,800	(17,300)	-	146,660
Inner Mongolia Junzheng Energy & Chemical Industry Co Ltd	65,616	53,200	(13,200)	-	105,616
Inner Mongolia Yili Industrial Group Co Ltd	118,240	95,200	(22,700)	-	190,740
Inner Mongolian BaoTou Steel Union Co Ltd	354,620	403,300	(44,900)	-	713,020
Jiangsu Hengrui Medicine Co Ltd	42,989	53,400	(7,900)	8,338	96,827
Jiangsu Yanghe Brewery Joint-Stock Co Ltd	11,737	8,600	(1,500)	-	18,837
Jiangsu Zhongnan Construction Group Co Ltd	36,100	28,000	(6,100)	-	58,000

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Jiangsu Zhongtian Technologies Co Ltd	47,700	37,400	(8,400)	-	76,700
Jiangsu Zhongtian Technologies Co Ltd Nil Paid Rights 28/02/2019	-	-	(62,000)	62,000	-
Jiangxi Copper Co Ltd	20,190	16,800	(4,500)	-	32,490
Jiangxi Ganfeng Lithium Co Ltd	15,150	11,200	(2,400)	-	23,950
Jinke Properties Group Co Ltd	-	71,100	(4,300)	-	66,800
Jointown Pharmaceutical Group Co Ltd	11,000	8,400	(1,800)	-	17,600
Kangde Xin Composite Material Group Co Ltd	41,307	-	(41,307)	-	-
Kangmei Pharmaceutical Co Ltd	58,046	-	(58,046)	-	-
Kweichow Moutai Co Ltd	9,777	8,400	(2,500)	-	15,677
Lens Technology Co Ltd	15,349	11,200	(2,000)	-	24,549
Lepu Medical Technology	20,800	16,800	(4,200)	-	33,400
Leyard Optoelectronic Co Ltd	29,700	31,300	(61,000)	-	-
Leyard Optoelectronic Co Ltd Nil Paid Rights 14/11/2019	-	-	(18,500)	18,500	-
Liaoning Cheng Da Co Ltd	23,757	-	(23,757)	-	-
Lomon Billions Group Co Ltd	11,900	21,400	(1,500)	-	31,800
LONGi Green Energy Technology Co Ltd	38,021	47,100	(2,500)	-	82,621
LONGi Green Energy Technology Co Ltd Nil Paid Rights 15/04/2019	-	-	(11,076)	11,076	-
Luxshare Precision Industry Co Ltd	48,020	50,400	(11,000)	12,996	100,416
Luzhou Laojiao Co Ltd	14,233	11,200	(2,500)	-	22,933
Mango Excellent Media Co Ltd	-	14,300	(100)	2,520	16,720
Material Industry Zhongda Group Co Ltd	33,470	25,200	(58,670)	-	-
Meinian Onehealth Healthcare Holdings Co Ltd	36,400	47,700	(4,800)	6,560	85,860
Metallurgical Corporation of China Ltd	138,900	109,200	(24,700)	-	223,400
Midea Group Co Ltd	90,190	75,600	(13,800)	-	151,990
Minmetals Capital Co Ltd	10,200	8,400	(5,000)	1,840	15,440
Muyuan Foodstuff Co Ltd	12,180	17,200	(2,300)	-	27,080
NARI Technology Development Co Ltd	35,662	40,800	(4,200)	-	72,262
New China Life Insurance Co Ltd	16,232	14,000	(4,100)	-	26,132
New Hope Liuhe Co Ltd	41,000	33,600	(8,700)	-	65,900
Ningbo Zhoushan Port Co Ltd	76,900	61,600	(14,900)	-	123,600
Ningxia Baofeng Energy Group Co Ltd	-	25,200	-	-	25,200

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Offshore Oil Engineering Co Ltd	43,000	33,600	(7,400)	-	69,200
OFILM Group Co Ltd (Formerly known as "O-Film Tech Co Ltd")	36,972	28,000	(5,600)	-	59,372
OPPEIN Home Group Inc	2,500	2,800	(1,400)	-	3,900
OPPEIN Home Group Inc Nil Paid Rights 16/08/2019	-	-	(8,000)	8,000	-
Orient Securities Co Ltd	69,600	56,000	(13,600)	-	112,000
Pangang Group Vanadium Titanium & Resources Co Ltd	-	142,500	(8,100)	-	134,400
People's Insurance Co Group of China Ltd/The	-	35,500	(2,200)	-	33,300
Perfect World Co Ltd	7,700	10,300	(1,800)	-	16,200
PetroChina Co Ltd	157,434	166,400	(19,900)	-	303,934
Ping An Bank Co Ltd	166,976	158,200	(21,600)	-	303,576
Ping An Bank Co Ltd Nil Paid Rights 21/01/2019	-	-	(252,800)	252,800	-
Ping An Insurance (Group) Co of China Ltd	210,692	168,000	(39,800)	-	338,892
Poly Developments and Holdings Group Co Ltd	138,800	109,200	(24,000)	-	224,000
Power Construction Corporation of China	119,000	139,800	(19,500)	-	239,300
Qingdao Haier Co Ltd	71,146	56,000	(11,800)	-	115,346
Qingdao Port International Co Ltd	-	16,900	(1,700)	-	15,200
Qingdao Rural Commercial Bank Corp	-	19,100	-	-	19,100
Qinghai Salt Lake Potash Co Ltd	27,100	-	(27,100)	-	-
Red Star Macalline Group Corp Ltd	6,200	7,000	(600)	-	12,600
Risesun Real Estate Development Co Ltd	33,834	28,000	(7,400)	-	54,434
Rongsheng Petro Chemical Co Ltd	24,500	37,600	(3,100)	-	59,000
S F Holding Co Ltd	9,500	19,000	(900)	-	27,600
S F Holding Co Ltd Nil Paid Rights 18/11/2019	-	-	(24,800)	24,800	-
SAIC Motor Corporation Ltd	68,185	53,200	(11,700)	-	109,685
Sanan Optoelectronics Co Ltd	47,548	36,400	(7,400)	-	76,548
Sany Heavy Industry Co Ltd	106,132	92,800	(14,500)	-	184,432
SDIC Capital Co Ltd	16,400	39,500	(3,000)	-	52,900
SDIC Power Holdings Co Ltd	79,220	53,200	(26,300)	-	106,120
Seazen Holdings Co Ltd (Formerly known as "Future Land Holdings Co Ltd")	17,600	14,000	(3,400)	-	28,200
Shaanxi Coal Industry Co Ltd	77,800	61,600	(14,300)	-	125,100

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Shandong Buchang Pharmaceuticals Co Ltd	8,660	8,400	(19,388)	2,328	-
Shandong Dong-E E-Jiao Co Ltd	8,896	8,400	(3,000)	-	14,296
Shandong Gold Mining Co Ltd	14,425	16,800	(3,900)	5,210	32,535
Shandong Nanshan Aluminum Co Ltd	139,400	109,200	(24,300)	-	224,300
Shanghai BlueStar New Chemical Materials Co Ltd	-	10,800	(1,600)	-	9,200
Shanghai Construction Co Ltd	86,636	69,000	(16,300)	-	139,336
Shanghai Electric Group Co Ltd	68,600	54,400	(8,700)	-	114,300
Shanghai Fosun Pharmaceutical (Group) Co Ltd	19,572	16,800	(4,900)	-	31,472
Shanghai International Airport Co Ltd	18,728	14,000	(2,600)	-	30,128
Shanghai International Port Group Co Ltd	63,120	89,900	(8,000)	-	145,020
Shanghai Lingang Holdings Corp Ltd	-	12,500	-	-	12,500
Shanghai Lujiazui Finance & Trade Zone Development Co Ltd	-	29,400	(1,900)	-	27,500
Shanghai M&G Stationery Inc	-	11,500	-	-	11,500
Shanghai Oriental Pearl Group Co Ltd (Formerly known as "Shanghai Oriental Pearl Media Co Ltd")	40,024	30,800	(6,400)	-	64,424
Shanghai Pharmaceutical Co Ltd	22,464	16,800	(3,200)	-	36,064
Shanghai Pudong Development Bank Co Ltd	228,337	182,000	(43,000)	-	367,337
Shanghai Pudong Development Bank Co Ltd Nil Paid Rights 28/10/2019	-	-	(340,000)	340,000	-
Shanghai RAAS Blood Products Co Ltd	46,858	36,900	(21,500)	-	62,258
Shanghai Wangsu Science & Technology Co Ltd	28,374	38,200	(5,700)	-	60,874
Shanghai Yuyuan Tourist Mart Group Co Ltd	-	48,600	-	-	48,600
Shanxi Meijin Energy Co Ltd	-	38,500	-	-	38,500
Shanxi Xinghuacun Fen Wine Factory Co Ltd	5,100	3,700	(600)	-	8,200
Shanxi Xishan Coal & Electricity Power Co Ltd	30,600	-	(30,600)	-	-
Shengyi Technology Co Ltd	-	35,600	-	-	35,600
Shennan Circuits Co Ltd	-	3,200	-	-	3,200
Shennan Circuits Co Ltd Nil Paid Rights 24/12/2019	-	-	(14,300)	14,300	-

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Shenwan Hongyuan Group Co Ltd	131,468	174,400	(23,900)	-	281,968
Shenzhen Huiding Technology Co Ltd	1,800	2,800	(300)	-	4,300
Shenzhen Inovance Technology Co Ltd	19,398	15,500	(2,400)	-	32,498
Shenzhen Overseas Chinese Town Co Ltd	79,798	64,400	(15,900)	-	128,298
Shenzhen Salubris Pharmaceuticals Co Ltd	8,092	6,000	(1,000)	-	13,092
Shenzhen Sunway Communication Co Ltd	15,200	11,200	(2,200)	-	24,200
Siasun Robot & Automation Co Ltd	21,220	16,800	(3,900)	-	34,120
Sichuan Chuantou Energy Co Ltd	34,200	28,000	(7,100)	-	55,100
Sichuan Chuantou Energy Co Ltd Nil Paid Rights 13/11/2019	-	-	(44,000)	44,000	-
Sichuan Kelun Pharmaceutic Co Ltd	16,800	14,000	(3,800)	-	27,000
Sinolink Securities Co Ltd	47,086	36,400	(7,800)	-	75,686
Sinopec Shanghai Petrochemical Co Ltd	42,800	33,600	(76,400)	-	-
Songcheng Performance Development Co Ltd	14,100	15,000	(1,800)	-	27,300
Soochow Security Co Ltd	46,666	36,400	(8,000)	-	75,066
Southwest Securities Co Ltd	54,890	44,800	(11,400)	-	88,290
Spring Airlines Co Ltd	5,300	7,100	(900)	-	11,500
STO Express Co Ltd	6,000	5,600	(2,000)	-	9,600
Suning.com Co Ltd	72,400	56,000	(11,900)	-	116,500
Sunshine City Group Co Ltd	31,480	25,200	(6,000)	-	50,680
Suofeiya Home Collection Co Ltd	12,600	-	(12,600)	-	-
Suzhou Gold Mantis Constructions	30,887	25,200	(5,800)	-	50,287
Tasly Pharmaceutical Group Co Ltd	17,614	14,000	(3,200)	-	28,414
TBEA Co Ltd	72,237	56,000	(12,000)	-	116,237
TCL Corporation	210,800	239,100	(26,700)	-	423,200
Tianfeng Securities Co Ltd	-	17,500	(1,300)	-	16,200
Tianqi Lithium Industries Inc	13,300	17,620	(3,100)	-	27,820
Tianqi Lithium Industries Inc Nil Paid Rights 24/12/2019	-	-	(6,420)	6,420	-
Tonghua Dongbao Pharmaceutical Co Ltd	27,716	23,800	(7,000)	-	44,516
Tongling Nonferrous Metals Group Co Ltd	122,800	98,000	(23,200)	-	197,600
Tongwei Co Ltd	37,800	30,800	(7,900)	-	60,700

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Tongwei Co Ltd Nil Paid Rights 18/03/2019	-	-	(47,000)	47,000	-
Transfar Zhilian Co Ltd	-	42,500	(1,700)	-	40,800
Tsinghua Tongfang Co Ltd	40,300	40,100	(6,200)	-	74,200
Tsinghua Unisplendour Co Ltd	4,000	20,700	(700)	1,520	25,520
TUS Environmental Science and Technology Development Co Ltd (Formerly known as "Tus-Sound Environmental Resources Co Ltd")	13,887	-	(13,887)	-	-
Walvax Biotechnology Co Ltd	23,900	19,600	(5,000)	-	38,500
Wanda Film Holding Co Ltd	-	28,600	(2,600)	-	26,000
WanHua Chemical Group Co Ltd	31,947	25,200	(8,000)	-	49,147
Weichai Power Co Ltd	94,148	72,800	(17,000)	-	149,948
Wens Foodstuffs Group Co Ltd	-	121,200	(4,900)	-	116,300
Western Securities Co Ltd	34,052	28,000	(7,300)	-	54,752
Will Semiconductor Ltd	-	5,400	-	-	5,400
Wintime Energy Co Ltd	120,840	-	(120,840)	-	-
Wuhu Sanqi Interactive Entertainment Network Technology Group Co Ltd (Formerly known as "Wuhu Shunrong Sanqi Interactive Entertainment Network Technology Co Ltd")	12,400	23,800	(3,200)	-	33,000
Wuliangye Yibin Co Ltd	37,779	30,800	(7,900)	-	60,679
Wuxi Apptec Co Ltd	2,000	20,500	(300)	720	22,920
XCMG Construction Machinery Co Ltd	91,400	72,800	(17,200)	-	147,000
Xiamen C&D Inc	33,058	22,400	(11,100)	-	44,358
Xiamen Intretech Inc	1,800	3,600	(5,400)	-	-
Xiamen Tungsten Co Ltd	16,500	-	(16,500)	-	-
Xinhu Zhongbao Co Ltd	83,600	67,200	(16,300)	-	134,500
Xinjiang Dushanzi Tianli High & New Tech Co Ltd	32,600	25,200	(57,800)	-	-
Xinjiang Goldwind Science & Technology Co Ltd	45,260	48,100	(7,000)	-	86,360
Xinjiang Goldwind Science & Technology Co Ltd Nil Paid Rights 27/03/2019	-	-	(8,352)	8,352	-
Yanan Bicon Pharmaceutical	5,954	13,900	(700)	-	19,154

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)

31 December 2019

	At 1 January 2019	Additions	Disposals	Corporate actions	At 31 December 2019
Listed equities (continued)					
China (continued)					
Yanzhou Coal Mining Co Ltd	17,299	14,000	(3,500)	-	27,799
Yaxia AutomobileCorp	-	21,200	-	-	21,200
Yonghui Superstores Co Ltd	74,424	58,800	(13,500)	-	119,724
Yonyou Network Technology Co Ltd	18,601	19,600	(4,300)	5,220	39,121
Youngor Group Co Ltd	48,707	53,200	(10,500)	18,363	109,770
YTO Express Group Co Ltd	7,200	11,600	(1,000)	-	17,800
Yunda Holdings Co Ltd (Formerly known as "Ningbo Xinhai Electric Co Ltd")	2,700	17,800	(400)	750	20,850
Yunnan Baiyao Group Co Ltd	10,143	8,400	(2,600)	-	15,943
Zangge Holding Co Ltd	11,600	8,400	(20,000)	-	-
Zhangzhou Pientzehuang Pharmaceutical Co Ltd	5,856	5,600	(2,000)	-	9,456
Zhejiang Century Huatong Group Co Ltd	9,060	62,000	(1,600)	5,076	74,536
Zhejiang China Commodities City Group Co Ltd	52,900	42,000	(94,900)	-	-
Zhejiang CHINT Electrics Co Ltd	16,700	19,100	(2,100)	-	33,700
Zhejiang Dahua Technology Co Ltd	35,010	28,000	(6,500)	-	56,510
Zhejiang Huayou Cobalt Co Ltd	9,720	11,200	(3,500)	2,826	20,246
Zhejiang Longsheng Auto Parts	8,400	5,600	(14,000)	-	-
Zhejiang Longsheng Group Co Ltd	50,666	39,200	(8,400)	-	81,466
Zhejiang NHU Co Ltd	16,700	26,500	(2,900)	-	40,300
Zhejiang Sanhua Intelligent Controls Co Ltd	20,700	22,400	(5,700)	5,850	43,250
Zhejiang Supor Cookware Co Ltd	3,200	2,800	(900)	-	5,100
Zhejiang Wanfeng Auto Wheel Co Ltd	25,500	-	(25,500)	-	-
Zhejiang Zheneng Electric	79,360	61,600	(13,300)	-	127,660
Zhengzhou Yutong Bus Co Ltd	25,801	19,600	(3,800)	-	41,601
Zheshang Securities Co Ltd	25,900	19,600	(3,800)	-	41,700
Zheshang Securities Co Ltd Nil Paid Rights 12/03/2019	-	-	(27,000)	27,000	-
Zhonghang Heibao Co Ltd	8,200	5,900	(1,000)	-	13,100
Zhongjin Gold Co Ltd	33,511	25,200	(4,700)	-	54,011
Zhongtian Financial Group Co Ltd	74,700	-	(74,700)	-	-
Zijin Mining Group Co Ltd	235,400	224,500	(29,800)	-	430,100
Zijin Mining Group Co Ltd Nil Paid Rights 15/11/2019	-	-	(53,082)	53,082	-
Zoomlion Heavy Industry Science & Technology Co Ltd	87,369	86,300	(11,500)	-	162,169
ZTE Corporation	46,271	36,400	(8,200)	-	74,471

HAITONG CSI300 INDEX ETF
(A SUB-FUND OF HAITONG ETF SERIES)

PERFORMANCE TABLE (unaudited)

31 December 2019

1. Net Asset Value

	Net asset value per unit RMB	Total net asset value RMB
31 December 2019	14.7821	436,070,819
31 December 2018	10.9615	186,346,314
31 December 2017	14.6788	579,810,781

2. Highest issue and lowest redemption prices per unit

	Highest issue unit price RMB	Lowest redemption unit price RMB
Year ended 31 December 2019	14.7821	10.7924
Year ended 31 December 2018	15.9729	10.8942
Year ended 31 December 2017	15.4204	12.2070
Year ended 31 December 2016	13.1305	10.5903
Year ended 31 December 2015	19.7223	11.1933
Period from 5 March 2014 (date of inception) to 31 December 2014	12.9350	7.6607

3. Comparison of the scheme performance and the actual Index performance

The table below illustrates the comparison between the Sub-Fund's performance (Market-to-Market) and that of the Index during the following years/period:

	CSI 300 Index	RMB Counter of the Sub-Fund	HKD Counter of the Sub-Fund
During the year/period ended			
31 December 2019	36.07%	34.80%	32.30%
31 December 2018	-25.31%	-25.35%	-29.17%
31 December 2017	21.78%	20.55%	30.04%
31 December 2016	-11.28%	-11.84%	-16.64%
31 December 2015	5.58%	6.87%	0.73%
31 December 2014 ¹	62.97%	62.46%	59.32%

¹Year of inception