



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

**CSOP US DOLLAR MONEY MARKET ETF**  
**Stock Codes: 9096 (USD counter) and 3096 (HKD counter)**  
**(A sub-fund of CSOP ETF Series)**

Reports and Financial Statements  
FOR THE PERIOD FROM 23 JANUARY 2019 (DATE OF INCEPTION)  
TO 31 DECEMBER 2019



**CSOP US DOLLAR MONEY MARKET ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**CONTENTS**

	<b>Page</b>
Report of the Manager to the Unitholders	1
Report of the Trustee to the Unitholders	2
Statement of Responsibilities of the Manager and the Trustee	3
Independent Auditor's Report	4 – 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Net Assets Attributable to Unitholders	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 – 24
Investment Portfolio (Unaudited)	25
Statement of Movements in Investment Portfolio (Unaudited)	26
Performance Record (Unaudited)	27
Management and Administration	28

# **CSOP US DOLLAR MONEY MARKET ETF**

## **(A SUB-FUND OF CSOP ETF SERIES)**

### **REPORT OF THE MANAGER TO THE UNITHOLDERS**

#### **Introduction**

The CSOP US Dollar Money Market ETF (the “CSOP USD MMF ETF”), a sub-fund of the CSOP ETF Series, is a unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 23 January 2019, with trade commenced in USD under the stock code 9096 and in HKD under the stock code 3096 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 25 January 2019. Its unlisted class A was launched on 8 March 2019 and first investment was made on 31 July 2019. The Sub-Fund is benchmarked against the FTSE 3-Month US Dollar Eurodeposit Index (the “Benchmark”). The Manager is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP USD MMF ETF invests all, or substantially all, of the assets of the Sub-Fund in US Dollar-denominated and settled short-term deposits and money market instruments issued by Eligible Financial Institutions (including their group companies), and debt securities issued by governments, quasi-governments, international organisations and financial institutions.

#### **The Sub-Fund Performance**

The CSOP USD MMF ETF seeks to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the FTSE 3-Month US Dollar Eurodeposit Index (the “Benchmark”). As of 31 December 2019, the dealing Net Asset Value (“NAV”) per unit of the CSOP USD MMF ETF was USD 101.9495 and there were 919,000 units outstanding. The dealing NAV of its unlisted class A was USD 1.0195 and there were 28,293,765.3655 units outstanding. The total asset under management was approximately USD 122.54 million.

For the period from 25 January 2019 (first trading date) to 31 December 2019, the dealing NAV of CSOP USD MMF ETF performed 1.93% while the benchmark performed 2.22%. YTD Price return of the HKD counter (stock code 3096) was 1.15%. For the period from 1 August 2019 to 31 December 2019, the dealing NAV of its unlisted class performed 0.79% while the benchmark performed 0.87%.

#### **Exchange Liquidity**

The trading value of the USD counter (stock code: 9096) has an average daily turnover of USD 0.31 million in December 2019. There is no trading value of the HKD counter (stock code: 3096) in December 2019.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

We hereby confirm that, in our opinion, the Manager of the CSOP US Dollar Money Market ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series, has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 25 July 2012, as amended, for the period from 23 January 2019 (date of inception) to 31 December 2019.

HSBC Institutional Trust Services (Asia) Limited  
27 April 2020

## **CSOP US DOLLAR MONEY MARKET ETF (A SUB-FUND OF CSOP ETF SERIES)**

### **STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE**

#### **MANAGER’S RESPONSIBILITIES**

The Manager of the CSOP US Dollar Money Market ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series, is required by the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong and the Trust Deed dated 25 July 2012, as amended, (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 the period and of the transactions for the period from 23 January 2019 (date of inception) to 31 December 2019. 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 presume 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.

CSOP ETF Series (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31 December 2019, the Trust has established six sub-funds, namely, CSOP US Dollar Money Market ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF and CSOP Hong Kong Dollar Money Market ETF. Two sub-funds of the Trust, CSOP CES China A80 ETF and CSOP China CSI 300 Smart ETF, were terminated on 31 May 2019 and 27 December 2019 respectively. CSOP CSI 500 ETF was launched on 18 March 2020.

#### **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 CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

**Report on the Audit of the Financial Statements**

**Opinion**

*What we have audited*

The financial statements of CSOP US Dollar Money Market ETF (the "Sub-Fund"), a sub-fund of CSOP ETF Series, set out on pages 8 to 24, which comprise:

- the statement of financial position as at 31 December 2019;
- the statement of comprehensive income for the period from 23 January 2019 (date of inception) to 31 December 2019;
- the statement of changes in net assets attributable to unitholders for the period from 23 January 2019 (date of inception) to 31 December 2019;
- the statement of cash flows for the period from 23 January 2019 (date of inception) to 31 December 2019; and
- the notes to the financial statements, which include a summary of significant accounting policies.

*Our opinion*

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 transactions and its cash flows for the period from 23 January 2019 (date of inception) to 31 December 2019 in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

**Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We are independent of the Sub-Fund in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF CSOP US DOLLAR MONEY MARKET ETF (CONTINUED)  
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

**Key Audit Matters (Continued)**

Key audit matter identified in our audit is summarised as follows:

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><u>Existence of short-term deposits</u></p> <p>As at 31 December 2019, the Sub-Fund had short-term deposits with a number of banks for an aggregate value of US\$122,700,000, which are presented as “Cash and cash equivalents” and are measured at amortised cost.</p> <p>We focused on the short-term deposits because they represented the principal element of the Sub-Fund’s net asset value.</p> <p>Refer to Note 6 to the financial statements.</p>	<p>We tested the existence of the Sub-Fund’s short-term deposits by obtaining direct confirmations from the corresponding banks and checking the confirmations to the Sub-Fund’s records.</p> <p>Based on the procedures we performed, we found the Sub-Fund’s holdings of short-term deposits to be in agreement with the confirmations received.</p>

**Other Information**

The trustee and the manager (the “Management”) of the Sub-Fund are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor’s report thereon.

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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF CSOP US DOLLAR MONEY MARKET ETF (CONTINUED)  
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

**Responsibilities of Management for the Financial Statements**

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines 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 Management of the Sub-Fund is 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 Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 25 July 2012, as amended, ("Trust Deed") and the Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

**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. We report our opinion solely to you, as a body, 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 HKSAAs 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 disclosure provisions of the Trust Deed and the Appendix E of the SFC Code.

As part of an audit in accordance with HKSAAs, we exercise professional judgment 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 Management.



**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF CSOP US DOLLAR MONEY MARKET ETF (CONTINUED)  
(A SUB-FUND OF CSOP ETF SERIES, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG KONG)**

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

- Conclude on the appropriateness of the Management'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 Management 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 Management 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.

From the matters communicated with the Management, 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 Disclosure Provisions of the Trust Deed and the 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 Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Josephine W.T. Kwan.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 27 April 2020

**CSOP US DOLLAR MONEY MARKET ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2019*

	<i>Notes</i>	2019 <i>USD</i>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Bank interest receivable		246,736
Cash and cash equivalents	5(c)	122,817,768
<b>Total assets</b>		<hr/> 123,064,504 <hr/>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Amounts due to participating dealers		4,792,110
Management fee payable		34,306
Other accounts payable		25,533
<b>Liabilities (excluding net assets attributable to unitholders)</b>		<hr/> 4,851,949 <hr/>
<b>Net assets attributable to unitholders</b>	3	<hr/> <hr/> 118,212,555 <hr/>

The financial statements on pages 8 to 24 were approved by the Trustee and the Manager on 27 April 2020 and were signed on their behalf.

For and on behalf of

For and on behalf of

CSOP Asset Management Limited  
as the Manager

HSBC Institutional Trust Services (Asia) Limited  
as the Trustee

*The accompanying notes form an integral part of these financial statements.*

**CSOP US DOLLAR MONEY MARKET ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**STATEMENT OF COMPREHENSIVE INCOME**

*For the period from 23 January 2019 (date of inception) to 31 December 2019*

		Period from 23 January 2019 (date of inception) to 31 December 2019 USD
	<i>Notes</i>	
<b>INCOME</b>		
Interest income from bank deposits	5(c)	2,189,970
<b>Total net income</b>		2,189,970
		-----
<b>EXPENSES</b>		
Management fee	5(a), (b)	(305,986)
Audit fee		(3,001)
Safe custody and bank charges		(62)
Legal and other professional fee		(7,009)
Establishment costs		(63,629)
Other operating expenses		(50,720)
<b>Total operating expenses</b>		(430,407)
		=====
Operating profit		1,759,563
<b>FINANCE COSTS</b>		
Interest expense		(682)
<b>Increase in net assets attributable to unitholders</b>		1,758,881
		=====

*The accompanying notes form an integral part of these financial statements.*

**CSOP US DOLLAR MONEY MARKET ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

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

*For the period from 23 January 2019 (date of inception) to 31 December 2019*

	Period from 23 January 2019 (date of inception) to 31 December 2019 USD
Net assets attributable to unitholders at the beginning of the period	- -----
Proceeds on issue of units	322,294,504
Payments on redemption of units	(205,840,830) -----
Net increase from unit transactions	116,453,674 -----
Increase in net assets attributable to unitholders	1,758,881 ----- -----
<b>Net assets attributable to unitholders at the end of the period</b>	<b>118,212,555</b> =====

*The accompanying notes form an integral part of these financial statements.*

**CSOP US DOLLAR MONEY MARKET ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**STATEMENT OF CASH FLOWS**

*For the period from 23 January 2019 (date of inception) to 31 December 2019*

Period from  
23 January 2019  
(date of inception)  
to 31 December 2019  
*USD*

**OPERATING ACTIVITIES**

Interest income from bank deposits received	1,943,234
Management fee paid	(271,680)
Other operating expenses paid	(98,888)

<b>Net cash generated from operating activities</b>	1,572,666
---	-----------

**FINANCING ACTIVITIES**

Interest expense paid	(682)
Proceeds on issue of units	322,294,504
Payments on redemption of units	(201,048,720)

<b>Net cash generated from financing activities</b>	121,245,102
---	-------------

Net increase in cash and cash equivalents	122,817,768
---	-------------

Cash and cash equivalents at the beginning of the period	-
--	---

Cash and cash equivalents at the end of the period	122,817,768
--	-------------

**Analysis of balances of cash and cash equivalents**

Bank balances	117,768
Short-term deposits	122,700,000
	122,817,768

*The accompanying notes form an integral part of these financial statements.*

# **CSOP US DOLLAR MONEY MARKET ETF (A SUB-FUND OF CSOP ETF SERIES)**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION**

CSOP ETF Series (the “Trust”) is an umbrella unit trust governed by its trust deed dated 25 July 2012, as amended, (the “Trust Deed”) and authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance. The terms of the Trust Deed are governed by the laws of Hong Kong. As at 31 December 2019, the Trust has six sub-funds which are CSOP US Dollar Money Market ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF and CSOP Hong Kong Dollar Money Market ETF. Two sub-funds of the Trust, CSOP CES China A80 ETF and CSOP China CSI 300 Smart ETF, were terminated on 31 May 2019 and 27 December 2019 respectively. CSOP CSI 500 ETF was launched on 18 March 2020. The date of inception of the Sub-Fund was 23 January 2019. The Sub-Fund is listed on The Stock Exchange of Hong Kong Limited.

The manager and the trustee of the Sub-Fund are CSOP Asset Management Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”) respectively.

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the benchmark, namely, the FTSE 3-Month US Dollar Eurodeposit Index. In order to achieve the investment objective of the Sub-Fund, the Manager will invest all or substantially all, of the assets of the Sub-Fund in US Dollar-denominated and settled short-term deposits and money market instruments issued by eligible financial institutions (including their group companies). The Manager will adopt a passive tracking strategy. A passive tracking strategy involves constructing the portfolio of the Sub-Fund from time to time based on credit rating, liquidity and target maturity.

These financial statements are prepared for the Sub-Fund only. The financial statements for CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF and CSOP Hong Kong Dollar Money Market ETF have been prepared separately.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **(a) Basis of preparation**

The financial statements of the Sub-Fund have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies.

New standards and amendments to standards effective after 23 January 2019 (date of inception) that are relevant to the Sub-Fund but are not yet effective and have not been early adopted by the Sub-Fund

A number of new standards, amendment to standards and interpretations are effective for annual periods beginning after 23 January 2019 (date of inception), and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Amounts due from participating dealers**

Amounts due from participating dealers represent the subscription receivable from the participating dealers at the end of the reporting period. The amounts are non-interest bearing and repayable on demand.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Sub-Fund shall measure the loss allowance on amounts due from participating dealers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Sub-Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the participating dealers, probability that the participating dealers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by Management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

**(c) Amounts due to participating dealers**

Amounts due to participating dealers represent the redemption payable to the participating dealers at the end of the reporting period. The amounts are non-interest bearing and repayable on demand.

These amounts are recognised initially at fair value and subsequently measured at amortised cost.

**(d) Interest income**

Interest income is recognised on a time-proportionate basis using the effective interest method.

**(e) Distributions to unitholders**

Distributions to unitholders are recognised in the statement of comprehensive income when they are approved by the Manager. Distributions to unitholders are recognised as distributions in the statement of comprehensive income.

**(f) Transactions costs**

Transactions costs are costs incurred to acquire/dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transactions costs, when incurred, are immediately recognised in the statement of comprehensive income as an expense.

**(g) Expenses**

Expenses are accounted for on an accrual basis.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cash at bank, demand deposits, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

**(i) Foreign currencies translation**

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the “functional currency”). The Sub-Fund invests in US Dollar-denominated and settled short-term deposits and money market instruments and the performance of the Sub-Fund is measured and reported to the unitholders in United States Dollar (“USD”). The Manager considers USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Sub-Fund’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents, if any, are presented in the statement of comprehensive income within “net exchange gains/(losses)”.

**(j) Redeemable units**

The Sub-Fund issues redeemable units, which are redeemable at the holder’s option. These units represent puttable financial instruments of the Sub-Fund.

The Sub-Fund currently offers both listed classes of units and unlisted classes of units. There are currently two unlisted classes of units namely, Class A and Class P. As at 31 December 2019, the Sub-Fund has issued listed class of units and one unlisted class of units namely Class A which have different terms and conditions as set out in the Sub-Fund’s Prospectus, including dealing arrangements, fee structure and investment return/net asset value. As the different classes of units do not have identical features, they are classified as financial liabilities.

Units are issued and redeemed at the holder’s option at prices based on the Sub-Fund’s net asset value per unit at the time of issue or redemption. The Sub-Fund’s net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units of the respective classes.

In accordance with the Prospectus of the Sub-Fund, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions of the Sub-Fund.



**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Taxation**

No provision for Hong Kong profits tax has been made for the Sub-Fund as it is authorised as a collective investment scheme constituted as a unit trust under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**(l) Establishment costs**

Establishment costs are recognised as an expense in the period in which they are incurred.

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

The Sub-Fund's capital is represented by the units in the Sub-Fund, and shown as "net assets attributable to unitholders" in the statement of financial position. Subscriptions and redemptions of units during the period are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-Fund endeavors to invest its capital in accordance with the investment policies, whilst maintaining sufficient liquidity to meet redemption requests.

In accordance with the provisions of the Trust Deed dated 25 July 2012, as amended, and the Prospectus of the Sub-Fund, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculations.

As stated in Note 2(j), redeemable units of the Sub-Fund are classified as financial liabilities and they are carried at the price based on the Sub-Fund's net asset value per unit at the reporting date if the unitholder exercised the right to redeem the units in the Sub-Fund.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**3. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (Continued)**

The movements of the redeemable units for the period from 23 January 2019 (date of inception) to 31 December 2019 are as follows:

	Period from 23 January 2019 (date of inception) to 31 December 2019	
	Listed class <i>Units</i>	Unlisted Class A <i>Units</i>
Number of units in issue at the beginning of the period	-	-
Units issued	1,853,000	133,882,514
Units redeemed	(981,000)	(105,098,312)
Number of units in issue at the end of the period	872,000	28,784,202
	As at 31 December 2019	
	Listed class <i>USD</i>	Unlisted Class A <i>USD</i>
Net assets attributable to unitholders per unit (per statement of financial position)	101.9201	1.0192

As stated in Note 2(l), establishment costs are expensed as incurred. However, in accordance with the provisions of the Trust's Prospectus, establishment costs are recognised using the amortisation method. As at 31 December 2019, the expensing of establishment costs as stated in the financial statements resulted in a decrease of net assets attributable to unitholders of USD34,497 when compared with the methodology indicated in the Trust's Prospectus.

	As at 31 December 2019 <i>USD</i>
Net assets attributable to unitholders as reported in the statement of financial position	118,212,555
Adjustments for unamortised establishment costs	34,497
Net asset value in accordance with the Trust's Prospectus	118,247,052

**4. TAXATION**

No provision for Hong Kong profits tax has been made for the Sub-Fund as it is authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

There were no tax expenses of the Sub-Fund for the period from 23 January 2019 (date of inception) to 31 December 2019.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

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

The following is a summary of significant related party transactions and transactions entered into during the period between the Sub-Fund and the Trustee, the Manager and the Connected Persons of the Manager. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the “SFC Code”). All transactions entered into during the period from 23 January 2019 (date of inception) to 31 December 2019, between the Sub-Fund and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager’s knowledge, the Sub-Fund does not have any other transactions with the Connected Persons of the Manager except for those disclosed below.

**(a) Management fee**

The Manager is entitled to receive a management fee, currently at the rate of 0.35% per annum of the net asset value of the relevant class for listed class and unlisted class A units, and 0.85% per annum of the net asset value of unlisted class P units, inclusive of Trustee fee and Registrar’s fee, accrued daily and calculated as at each dealing day and payable monthly in arrears.

**(b) Trustee fee and Registrar’s fee**

The Trustee fee and Registrar’s fee are included in the management fee and the Manager will pay the fees of the Trustee and Registrar out of the management fee. Refer to Note 5(a).

The Trustee fee is inclusive of fees payable to The Hongkong and Shanghai Banking Corporation Limited (the “Custodian”).

The Trustee shall also be entitled to be reimbursed from the Sub-Fund for all out-of-pocket expenses incurred.

**(c) Financial assets**

The bank balances of the Sub-Fund held with related parties of the Trustee are as follows:

	As at 31 December 2019 USD
<b>Bank balances</b>	
The Hongkong and Shanghai Banking Corporation Limited	117,768

Interest income amounted to USD39,733 was earned on this bank balances placed with the connected person of the Trustee for the period from 23 January 2019 (date of inception) to 31 December 2019.

**(d) Manager’s holdings**

The Manager of the Sub-Fund holds 119,000 USD counter units, which represents 13.65% of the net asset value of listed class units of the Sub-Fund as at 31 December 2019.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT**

The objective of the Sub-Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE 3-Month US Dollar Eurodeposit Index. The Sub-Fund's activities may expose it to a variety of risks including but not limited to: market risk (including market price risk, interest rate risk and currency risk), credit and counterparty risk and liquidity risk which are associated with the markets in which the Sub-Fund invests.

The following is a summary of the main risks and risk management policies.

**(a) Market risk**

**(i) Market price risk**

As at 31 December 2019, the Sub-Fund did not hold any investments and it only invested into short-term deposits. The Sub-Fund was not exposed to market risk. As a result, no market exposure and sensitivity analysis are presented.

**(ii) Interest rate risk**

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31 December 2019, the Sub-Fund invests in short-term deposits and is subject to interest rate risk. Interest rate risk is the risk that the value of the Sub-Fund's portfolio will decline because of rising interest rates. Interest rate risk is generally lower for short-term deposits and higher for long-term deposits.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Market risk (Continued)**

**(ii) Interest rate risk (Continued)**

The table below summarises the Sub-Fund's exposure to interest rate risks. It includes the Sub-Fund's assets and liabilities and is categorised by the earlier of contractual re-pricing or maturity dates.

**As at 31 December 2019**

	Maturity Less than 1 month <i>USD</i>	Maturity 1-3 months <i>USD</i>	Maturity Over 3 months <i>USD</i>	Non- interest Bearing <i>USD</i>	Total <i>USD</i>
<b>Assets</b>					
Bank interest receivable	-	-	-	246,736	246,736
Cash and cash equivalents					
- Bank balances	117,768	-	-	-	117,768
- Bank deposits	108,000,000	14,700,000	-	-	122,700,000
<b>Total assets</b>	<u>108,117,768</u>	<u>14,700,000</u>	<u>-</u>	<u>246,736</u>	<u>123,064,504</u>
<b>Liabilities</b>					
Amounts due to participating dealers	-	-	-	4,792,110	4,792,110
Management fee payable	-	-	-	34,306	34,306
Other accounts payable	-	-	-	25,533	25,533
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,851,949</u>	<u>4,851,949</u>
<b>Total interest sensitivity gap</b>	<u>108,117,768</u>	<u>14,700,000</u>	<u>-</u>		

At 31 December 2019, the Sub-Fund has bank balance and short-term deposits of USD122,817,768. If the interest rates had been 10 basis points higher or lower with all variables held constant, net assets attributable to unitholders would have been USD122,818 higher or lower as a result of higher or lower interest income.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT (Continued)**

**(a) Market risk (Continued)**

**(iii) Currency risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Sub-Fund is not exposed to currency risk arising from balances and transactions in foreign currencies as the majority of its assets and liabilities are denominated in USD, the Sub-Fund's functional and presentation currency. As a result, Management considers sensitivity analysis of currency risk is not necessary to be presented.

**(b) Credit and counterparty risk**

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

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

The Sub-Fund places bank balance with reputable financial institutions. As such, the Manager does not consider the Sub-Fund to be exposed to significant credit and counterparty risk.

The main concentration to which the Sub-Fund is exposed arises from the Sub-Fund's investments in short-term deposits. The Sub-Fund does not have explicit restrictions on the minimum credit ratings of short-term deposits it may hold. The Manager will actively manage the portfolio of the Sub-Fund. In case of credit rating downgrading, the Manager will adjust the positions in the portfolio using its credit analysis and rating systems that are designed to manage credit risks.

The table below summarises the amount of short-term deposits and bank balance of the Sub-Fund placed with the counterparties together with the credit rating of the relevant counterparties as at 31 December 2019.

	USD	Short-term credit rating	Source of credit rating
<b>As at 31 December 2019</b>			
<b>Short-term deposits</b>			
Agricultural Bank of China Limited Hong Kong Branch	2,400,000	P-1	Moody's
China Everbright Bank Hong Kong Branch	28,100,000	P-2	Moody's
Chiyu Banking Corp LTD	13,300,000	P-2	Moody's
Industrial and Commercial Bank of China (Asia) Ltd	3,200,000	P-1	Moody's
Industrial Bank Co., LTD. Hong Kong Branch	18,100,000	P-2	Moody's
Maybank, HK Branch	15,700,000	P-2	Moody's
Nanyang Commercial Bank Limited	16,400,000	P-2	Moody's
Ping An Bank Co., LTD	5,000,000	P-2	Moody's
Shanghai Pudong Development Bank Hong Kong Branch	20,500,000	P-2	Moody's
	<hr/> 122,700,000		
<b>Bank balances</b>			
The Hongkong and Shanghai Banking Corporation Limited ("HSBC")	117,768	A	S&P
	<hr/> 122,817,768 <hr/>		

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit and counterparty risk (Continued)**

The maximum exposure to credit risk as at 31 December 2019 is the carrying amount of the financial assets as shown on the statement of financial position.

**(c) Liquidity risk**

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in short-term deposits that are matured in less than three months.

The table below analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month <i>USD</i>	1 month to less than 3 months <i>USD</i>	Over 3 months <i>USD</i>	Total <i>USD</i>
<b>As at 31 December 2019</b>				
Amounts due to				
participating dealers	4,792,110	-	-	4,792,110
Management fee payable	34,306	-	-	34,306
Other accounts payable	-	25,533	-	25,533
Net assets attributable to unitholders	118,212,555	-	-	118,212,555
<b>Contractual cash outflow</b>	<b>123,038,971</b>	<b>25,533</b>	<b>-</b>	<b>123,064,504</b>

Units are redeemed on demand at the unitholder's option. As at 31 December 2019, there were three unitholders who individually held more than 10% of the listed class of units, representing in aggregate 74.09% and there was one unitholder who individually held more than 10% of the unlisted class A units, representing in aggregate 97.91% of unlisted class A units.

The Manager is entitled to limit the number of unlisted class of units redeemed on any dealing day to 10% of the total number of units of the Sub-Fund then in issue.

Investors should note that switching between unlisted class of units and listed class of units on the secondary market is not available. Distributors who wish to switch between unlisted class of units and listed class of units should do so in accordance with the procedures as agreed with the Manager and the Trustee.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk (Continued)**

The Manager has assessed the liquidity of the instruments based on historical liquidity of similar money market instruments, by assessing the days to liquidate for such instruments. Only instruments or deposits with high liquidity are included in the portfolio of the Sub-Fund. The following table illustrates the expected liquidity of assets held:

	Less than 1 month USD	1 to 12 months USD	No stated maturity USD	Total USD
<b>As at 31 December 2019</b>				
Total assets	80,064,504	43,000,000	-	123,064,504

**(d) Fair value estimation**

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Sub-Fund can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Sub-Fund. The Sub-Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Sub-Fund did not hold any investments as at 31 December 2019.

The assets and liabilities included in the statement of financial position are carried at amortised cost. The carrying value of these financial assets and liabilities are considered by the Manager to approximate their fair value as they are short term in nature and the effect of discounting is immaterial. There are no other assets and liabilities not carried at fair value but for which the fair value is disclosed.



**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. FINANCIAL RISK MANAGEMENT (Continued)**

**(e) Capital risk management**

The Sub-Fund's capital is represented by the redeemable units outstanding. The Sub-Fund's objective is to provide investment results that correspond to the performance of the benchmark. The Manager may:

- Redeem and issue new units on a daily basis in accordance with the constitutive documents of the Sub-Fund;
- Exercise discretion when determining the amount of distributions of the Sub-Fund to the unitholders; and
- Suspend the creation and redemption of units under certain circumstance as currently disclosed in the Prospectus of the Sub-Fund.

**7. DISTRIBUTION**

There was no distribution during the period from 23 January 2019 (date of inception) to 31 December 2019.

**8. FINANCIAL INSTRUMENTS BY CATEGORY**

As of 31 December 2019, all financial assets including bank interest receivable and bank balances are categorised as per HKFRS9 and carried at amortised costs. All the financial liabilities of the Sub-Fund are carried at amortised cost.

**9. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE**

The aggregate value of a scheme's holding of instruments and deposits issued by a single issuer may not exceed 10% of the total net asset value of the scheme except:

- where the issuer is a substantial financial institution and the total amount does not exceed 10% of the issuer's issued capital and published reserves, the limit may be increased to 25%; or
- in the case of Government and other public securities, up to 30% may be invested in the same issue; or
- in respect of any deposit of less than USD1,000,000 or its equivalent in the base currency of the scheme, where a scheme cannot otherwise diversify as a result of its size.

As at 31 December 2019, the Sub-Fund held short-term deposits collectively more than 10% of net assets value, issued by single issuer as follows:

<b>Issuer</b>	<b>% of NAV</b>
China Everbright Bank Hong Kong Branch	23.77%
Chiyu Banking Corp LTD	11.25%
Industrial Bank Co., LTD. Hong Kong Branch	15.31%
Maybank, HK Branch	13.28%
Nanyang Commercial Bank Limited	13.87%
Shanghai Pudong Development Bank Hong Kong Branch	17.34%

During the period from 25 January 2019 (first trading date) to 31 December 2019, the net asset value per unit of the listed share class increased by 1.90% while the FTSE 3-Month US Dollar Eurodeposit Index increased by 2.23%. During the period from 1 August 2019 to 31 December 2019, the net asset value per unit of the unlisted class<sup>1</sup> increased by 0.76% while the FTSE 3-Month US Dollar Eurodeposit Index increased by 0.87%. During the period from 23 January 2019 (date of inception) to 31 December 2019, the Sub-Fund did not pay any dividend. For the details of dividend distribution, refer to Note 7.

<sup>1</sup> Unlisted class A was issued on 31 July 2019.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE FINANCIAL STATEMENTS**

**10. SOFT COMMISSION ARRANGEMENTS**

The Manager confirms that there have been no soft commission arrangements existing during the period from 23 January 2019 (date of inception) to 31 December 2019 in relation to directing transactions of the Sub-Fund through a broker or dealer.

**11. 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 short-term deposits. The objectives of the Sub-Fund are to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the benchmark, namely, FTSE 3-Month US Dollar Eurodeposit 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 comprehensive income.

The Sub-Fund is domiciled in Hong Kong. The Sub-Fund's income is derived from investments in short-term deposits and money market instruments including short-term deposits which constitute FTSE 3-Month US Dollar Eurodeposit Index, the tracked benchmark.

The Sub-Fund has no assets classified as non-current assets. As at 31 December 2019, the Sub-Fund did not have a portfolio of investments. There were six issuers of short-term deposits who individually accounted for more than 10% of the Sub-Fund's net asset value as at 31 December 2019.

**12. SUBSEQUENT EVENTS**

After the outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020, the Manager, the Trustee and the Custodian have all deployed business continuity arrangements to minimise interruption to business. As of the date of issuance of these financial statements, the extent and duration of the impact of COVID-19 on global and local economies, financial markets, and sectors and specific positions in which the Sub-Fund invests are uncertain. The Manager and the Trustee are closely monitoring, and responding to, the development of COVID-19 as appropriate.

**13. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Trustee and the Manager on 27 April 2020.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited)**

*As at 31 December 2019*

<b>Investments</b>	<b>Holdings</b>	<b>Fair value USD</b>	<b>% of net asset value</b>
Total investments at fair value		-	-
Other net assets		118,212,555	100.00
		<hr/>	<hr/>
Net assets attributable to unitholders		118,212,555	100.00
		<hr/> <hr/>	<hr/> <hr/>
Total investments at cost		-	
		<hr/> <hr/>	

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**  
*For the period from 23 January 2019 (date of inception) to 31 December 2019*

There were no security movements during the period from 23 January 2019 (date of inception) to 31 December 2019.

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**PERFORMANCE RECORD (Unaudited)**

**Net asset value**

	Dealing net asset value of the Sub-Fund* <i>USD</i>	Dealing net asset value per unit <i>USD</i>
At the end of financial period		
31 December 2019		
Listed class	88,900,305	101.9499
Unlisted class A	29,346,747	1.0195

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

	Highest net asset value per unit <i>USD</i>	Lowest net asset value per unit <i>USD</i>
Financial period ended		
31 December 2019 (Since 23 January 2019 (date of inception))		
Listed class	101.9499	100.0176
Unlisted class A	1.0195	1.0115

*\*The dealing net asset value of the Sub-Fund disclosed is calculated in accordance with the Trust's Prospectus.*

**CSOP US DOLLAR MONEY MARKET ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**MANAGEMENT AND ADMINISTRATION**

**Manager**

CSOP Asset Management Limited  
2801 - 2803, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

**Trustee and Registrar**

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

**Custodian**

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

**Service Agent**

HK Conversion Agency Services Limited  
1st Floor, One & Two Exchange Square  
8 Connaught Place  
Central, Hong Kong

**Listing Agent**

Altus Capital Limited  
21 Wing Wo Street  
Central  
Hong Kong

**Directors of the Manager**

Chen Ding  
Gaobo Zhang  
Xiaosong Yang  
Xiuyan Liu  
Yi Zhou  
Zhiwei Liu  
Zhongping Cai

**Legal Adviser to the Manager**

Simmons & Simmons  
30th Floor, One Taikoo Place  
979 King's Road  
Hong Kong

**Auditor**

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor  
22/F Prince's Building  
Central  
Hong Kong



**[www.csopasset.com](http://www.csopasset.com)**

**Telephone: (852) 3406 5688**

**2801-2803, Two Exchange Square, 8 Connaught Place, Central, Hong Kong**