

**E Fund CSI 100 A-Share Index ETF**

**For the year ended 31st December 2019**

**Sub-Fund of E Fund ETFs Trust**

**Annual Report 2019**

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

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**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**REPORT OF THE MANAGER TO THE UNITHOLDERS**

**E Fund CSI 100 A-Share Index ETF**  
(a sub-fund of E Fund ETFs Trust)

**Introduction**

E Fund CSI 100 A-Share Index ETF (the “CSI 100 ETF”), a sub-fund of E Fund ETFs Trust, was launched and commenced trading under the stock code 83100 (RMB Counter) and 3100 (HKD Counter) on The Stock Exchange of Hong Kong Limited on 27th August 2012 and 9th November 2012 respectively. The CSI 100 ETF is benchmarked against the CSI 100 Index. The manager of the CSI 100 ETF is E Fund Management (Hong Kong) Co., Limited and the trustee is HSBC Institutional Trust Services (Asia) Limited.

**Fund Performance**

E Fund CSI 100 A-Share Index ETF seeks to provide investment returns that, before deduction of fees and expenses, closely correspond to the performance of the CSI 100 Index. As of 31st December 2019, the net asset value per unit of the CSI 100 ETF was RMB43.18, and there were 1,000,000 units outstanding. The total size of the fund was approximately RMB43.18 million.

A summary of the performance of the CSI 100 ETF is given below.

<b>Cumulative Performance*</b>						
	<b>Since Launch<sup>1</sup></b>	<b>YTD</b>	<b>1 Month</b>	<b>3 Months</b>	<b>6 Months</b>	<b>1 Year</b>
<b>Fund (RMB)</b>	102.0%	35.3%	7.1%	5.6%	5.1%	35.3%
<b>Fund (HKD)</b>	79.5%	32.8%	7.5%	7.3%	3.3%	32.8%
<b>Index (Price Return)</b>	102.1%	35.5%	6.2%	6.0%	5.2%	35.5%

<b>Calendar Year Cumulative Performance*</b>						
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Fund (RMB)</b>	35.3%	-21.3%	29.3%	-8.0%	2.4%	54.1%
<b>Fund (HKD)</b>	32.8%	-25.3%	39.5%	-13.0%	-3.4%	50.2%
<b>Index (Price Return)</b>	35.5%	-21.9%	30.2%	-7.5%	-1.5%	59.6%
<b>Index (Total Return)</b>	39.1%	-19.9%	33.4%	-4.8%	0.5%	65.2%

Source: Bloomberg

\*Fund: NAV-to-NAV return, net return with dividend (if any) NOT reinvested.

1. Since launch is calculated from 27th August 2012.

Note:

Past performance information is not indicative of future performance. Investors may not get back the full amount invested. The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend not reinvested. These figures show by how much the fund increased or decreased in value during the calendar year being shown. Performance data has been calculated in RMB/HKD, including ongoing charges and excluding subscription fee and redemption fee investors might have to pay.

Where no past performance is shown, there was insufficient data available in that year to provide performance.

The benchmark of the fund is CSI 100 Index.

Fund launch date: 27th August 2012

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)**

**E Fund CSI 100 A-Share Index ETF (continued)**  
(a sub-fund of E Fund ETFs Trust)

The CSI 100 Index was launched by China Securities Index Company Limited on 26th May 2006. It is made up of the 100 largest A-Share issuers in terms of market capitalization listed in the Shanghai and Shenzhen stock exchanges. The difference in performance between the CSI 100 Index and the CSI 100 ETF is mainly attributed to fees and expenses, and security misweights.

**Fund Activities**

The average daily trading volume for the CSI 100 ETF during the year ended 31st December 2019 was reported by Bloomberg to be approximately RMB237,746. As of 31st December 2019, the CSI 100 ETF comprised 1,000,000 outstanding units.

**Index Activities**

The CSI 100 Index underwent 2 regular reviews during the year ended 31st December 2019. As of 31st December 2019, the CSI 100 ETF held 96 constituents as the CSI 100 Index.

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

We hereby confirm that, in our opinion, the Manager of E Fund CSI 100 A-Share Index ETF (the "Sub-Fund") has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 25th July 2012, as amended by the first supplemental deed dated 25th July 2012, the second supplemental deed dated 13th September 2013, the third and fourth supplemental deeds dated 15th January 2014 and the fifth supplemental deed dated 29th October 2014, for the year ended 31st December 2019.



HSBC Institutional Trust Services (Asia) Limited  
28 April 2020

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

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

**MANAGER’S RESPONSIBILITIES**

The Manager of E Fund CSI 100 A-Share Index ETF (the “Sub-Fund”), a sub-fund of E Fund ETFs Trust, 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 25th July 2012, as amended (the “Trust Deed”) to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Sub-Fund at the end of that year and of the transactions for the year 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.

E Fund ETFs Trust (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31st December 2019, the Trust has one sub-fund, namely, E Fund CSI 100 A-Share Index ETF. The other sub-funds established by the Trust, E Fund FTSE Chinese Government Bond 5-10 Years Index ETF and E Fund CES China 120 Index ETF, were terminated on 31st May 2019 and 4th November 2019 respectively.

**TRUSTEE’S RESPONSIBILITIES**

The Trustee of the Sub-Fund is required to:

- ensure that the Sub-Fund is managed by the Manager 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 year on the conduct of the Manager in the management of the Sub-Fund.

E Fund Management (Hong Kong) Co., Limited  
28 April 2020

*For and on behalf of*  
**E FUND MANAGEMENT (HONG KONG) CO., LIMITED**  
易方達資產管理(香港)有限公司  
.....  
*Authorized Signature(s)*

HSBC Institutional Trust Services (Asia) Limited  
28 April 2020



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF E FUND CSI 100 A-SHARE INDEX ETF**

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

**Opinion**

*What we have audited*

The financial statements of E Fund CSI 100 A-Share Index ETF (the "Sub-Fund"), a sub-fund of E Fund ETFs Trust, set out on pages 9 to 30, which comprise:

- the statement of financial position as at 31st December 2019;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; 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 31st December 2019, and of its financial transactions and 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 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 International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA 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.

Key audit matters identified in our audit are summarised as follows:

- Existence and valuation of investments

**INDEPENDENT AUDITOR’S REPORT  
TO THE UNITHOLDERS OF E FUND CSI 100 A-SHARE INDEX ETF (CONTINUED)**

**Key Audit Matters (continued)**

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><i>Existence and valuation of investments</i></p> <p>The investments of the Sub-Fund as at 31st December 2019 comprised listed equities valued at RMB43,497,867. None of the investments held by the Sub-Fund has been suspended from trading as at 31st December 2019.</p> <p>We focused on the existence and valuation of the investments because the investments represented the principal element of the Sub-Fund’s net asset value.</p> <p>Refer to Note 7 to the financial statements.</p>	<p>We tested the existence of investments by obtaining direct confirmation from the custodian and agreeing the Sub-Fund’s holdings of investments to the confirmation. Based on the procedures we performed, we found the Sub-Fund’s holdings of investments to be in agreement with the confirmation received.</p> <p>We agreed the valuation of the Sub-Fund’s investments by comparing the pricing used by the Sub-Fund to external pricing sources as at 31st December 2019. We found no material exceptions from our testing.</p>

**Other Information**

The Manager and the Trustee (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 E FUND CSI 100 A-SHARE INDEX ETF (CONTINUED)**

**Responsibilities of the 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 IFRSs, 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 25th July 2012, as amended (the "Trust Deed") and 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 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 disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, 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.
- 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.

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF E FUND CSI 100 A-SHARE INDEX ETF (CONTINUED)**

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

- 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.

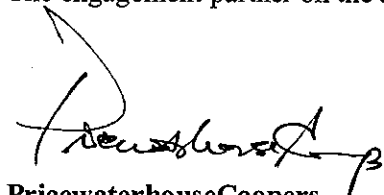
We also provide the Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 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 Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Chung Chi Fai.



**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 28 April 2020

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2019**

	<i>Note</i>	2019 RMB	2018 RMB
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Deposit reserve		252,000	252,000
<b>CURRENT ASSETS</b>			
Investments	7(a)	43,497,867	81,698,332
Interest receivable		1	10
Other receivables		42,000	-
Prepayment		36,319	-
Cash and cash equivalents	6(c)	334,290	3,052,081
		<u>43,910,477</u>	<u>84,750,423</u>
<b>Total assets</b>		<u>44,162,477</u>	<u>85,002,423</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Amounts due to a participating dealer		193,216	193,216
Management fee payable	6(a)	28,624	55,347
Other accounts payable		762,117	1,430,438
Establishment costs payable	6(d)	-	314,477
<b>Total liabilities</b>		<u>983,957</u>	<u>1,993,478</u>
<b>EQUITY</b>			
Net assets attributable to unitholders	3	<u>43,178,520</u>	<u>83,008,945</u>

The financial statements on pages 9 to 30 were approved by the Trustee and the Manager on 28 April 2020 and were signed on their behalf.

For and on behalf of *For and on behalf of*  
**E FUND MANAGEMENT (HONG KONG) CO., LIMITED**  
 易方達資產管理(香港)有限公司

.....  
*Authorized Signature(s)*

E Fund Management (Hong Kong) Co., Limited  
 as the Manager

For and on behalf of



HSBC Institutional Trust Services (Asia) Limited  
 as the Trustee

*The notes on pages 13 to 30 form part of these financial statements.*

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST DECEMBER 2019**

	<i>Note</i>	2019 <i>RMB</i>	2018 <i>RMB</i>
<b>INCOME</b>			
Dividend income		2,689,201	2,341,712
Bank interest income	<i>6(c)</i>	13,664	11,855
Net gain/(loss) on investments	<i>4</i>	28,107,192	(22,874,796)
Net foreign exchange losses		(2,913)	(2,753)
Other income	<i>2(n)</i>	539,482	1,280,276
<b>Total net income/(loss)</b>		<u>31,346,626</u>	<u>(19,243,706)</u>
<b>EXPENSES</b>			
Management fee	<i>6(a)</i>	(710,577)	(738,059)
Trustee fee	<i>6(b)</i>	(480,000)	(480,000)
Transaction costs on investments		(168,404)	(56,714)
Audit fee		(210,978)	(139,670)
Bank charges		(9,547)	(3,451)
Other operating expenses		(736,615)	(1,046,626)
<b>Total operating expenses</b>		<u>(2,316,121)</u>	<u>(2,464,520)</u>
Operating profit/(loss)		29,030,505	(21,708,226)
<b>TAXATION</b>			
Withholding tax on dividend	<i>5</i>	(269,490)	(234,622)
<b>Total comprehensive income/(loss) for the year</b>		<u><u>28,761,015</u></u>	<u><u>(21,942,848)</u></u>

*The notes on pages 13 to 30 form part of these financial statements.*

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2019**

	<i>Note</i>	2019 <i>RMB</i>	2018 <i>RMB</i>
<b>Net assets attributable to unitholders at the beginning of the year</b>		83,008,945	113,521,913
		-----	-----
Proceeds from subscription of units		-	8,147,280
Payments on redemption of units		(68,087,440)	(16,665,400)
		-----	-----
Net decrease from unit transactions		(68,087,440)	(8,518,120)
		-----	-----
Distribution to unitholders	<i>11</i>	(504,000)	(52,000)
		-----	-----
Total comprehensive income/(loss) for the year		28,761,015	(21,942,848)
		=====	=====
<b>Net assets attributable to unitholders at the end of the year</b>	<i>3</i>	43,178,520	83,008,945
		=====	=====

*The notes on pages 13 to 30 form part of these financial statements.*

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2019**

	2019 <i>RMB</i>	2018 <i>RMB</i>
<b>OPERATING ACTIVITIES</b>		
Payments for purchase of investments	(7,274,149)	(13,719,191)
Proceeds from sale of investments	73,581,806	23,654,933
Dividend received	2,689,201	2,341,712
Bank interest received	13,673	11,854
Other income received	497,482	1,280,276
Prepayment paid	(36,319)	-
Management fee paid	(737,300)	(827,624)
Transaction costs paid	(168,404)	(56,714)
Trustee fee paid	(480,000)	(481,333)
Audit fee, bank charges and other operating expenses paid	(1,628,374)	(327,215)
Taxation paid	(269,490)	(234,622)
Establishment costs paid	(314,477)	(1,197,758)
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>65,873,649</b>	<b>10,444,318</b>
	<hr/>	<hr/>
<b>FINANCING ACTIVITIES</b>		
Proceeds from subscription of units	-	8,147,280
Payments on redemption of units	(68,087,440)	(16,472,184)
Distribution to unitholders paid	(504,000)	(52,000)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(68,591,440)</b>	<b>(8,376,904)</b>
	<hr/>	<hr/>
(Decrease)/increase in cash and cash equivalents	(2,717,791)	2,067,414
Cash and cash equivalents at the beginning of the year	3,052,081	984,667
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	334,290	3,052,081
	<hr/>	<hr/>
<b>Analysis of balances of cash and cash equivalents</b>		
Bank balances	334,290	3,052,081
	<hr/>	<hr/>

*The notes on pages 13 to 30 form part of these financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

E Fund ETFs Trust (the “Trust”) is an umbrella unit trust constituted by its trust deed dated 25th 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 Hong Kong Securities and Futures Ordinance. The terms of the Trust Deed are governed by the laws of Hong Kong. As at 31st December 2019, the Trust has one sub-fund, namely, E Fund CSI 100 A-Share Index ETF (the “Sub-Fund”) which is authorised by the SFC. The other sub-funds established by the Trust, E Fund FTSE Chinese Government Bond 5-10 Years Index ETF and E Fund CES China 120 Index ETF were terminated on 31st May 2019 and 4th November 2019 respectively. The Sub-Fund is also listed on The Stock Exchange of Hong Kong Limited. The date of inception of the Sub-Fund was 25th July 2012.

The manager and the trustee of the Sub-Fund are E Fund Management (Hong Kong) Co., Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”) respectively.

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the underlying index, namely, CSI 100 Index (the “Index”). In order to achieve the investment objective of the Sub-Fund, the Manager will adopt a full replication strategy through investing directly in the constituents of the Index in substantially the same weightings in which they are included in the Index. The Manager will not adopt a representative sampling strategy for the Sub-Fund.

Under current regulations in the People’s Republic of China (“PRC”), foreign investors can invest only in the domestic securities market through certain qualified foreign institutional investors that have obtained status as a Renminbi Qualified Foreign Institutional Investor (“RQFII”) from the China Securities Regulatory Commission and have been granted quota by the State Administration of Foreign Exchange of the PRC to remit Chinese Renminbi (“RMB”) into the PRC for the purpose of investing in the PRC domestic securities markets.

The Sub-Fund obtains exposures to securities issued within the PRC through the RQFII quotas of the Manager granted by the SAFE and the Shanghai-Hong Kong Stock Connect.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**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 all the periods presented, unless otherwise stated.

**(a) Basis of preparation**

The financial statements of the Sub-Fund have been prepared in accordance with International Financial Reporting Standards (“IFRSs”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

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

**(i) Standards and amendments to existing standards effective 1st January 2019**

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1st January 2019 that have a material effect on the financial statements of the Sub-Fund.

**(ii) New standards, amendments and interpretations effective after 1st January 2019 and have not been early adopted by the Sub-Fund**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1st January 2019, 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.

**(b) Investments**

**(i) Classification**

The Sub-Fund classifies its investments based on both the Sub-Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Fund primarily focuses on fair value information and uses that information to assess the assets’ performance and to make decisions. The Sub-Fund has not taken the option to irrevocably designate any equity securities as measured at fair value through other comprehensive income. All investments are measured at fair value through profit or loss.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

**(b) Investments (continued)**

**(ii) Recognition/derecognition**

Purchases and sales of investments are accounted for on the trade date basis. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

**(iii) Measurement**

Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all investments are measured at fair value. Realised and unrealised gains and losses on investments are recognised in the statement of comprehensive income in the period in which they arise.

**(iv) Fair value estimation**

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 of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both listed financial assets and liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets that are not traded in an active market (such as over-the-counter derivatives) is determined by using broker quotes or valuation techniques. Details of the fair value estimation of these securities are discussed in Note 7(f).

**(v) Transfers between levels of the fair value hierarchy**

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

**(c) Dividend income and interest income**

Dividend income is recorded on the ex-dividend date with the corresponding foreign withholding taxes recorded as an expense.

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

**(d) Distribution to unitholders**

No distribution will be paid out of capital.

Distribution to unitholders is recognised in the statement of changes in net assets attributable to unitholders when it is approved by the Manager.

**(e) Amounts due from/to participating dealers**

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

**(f) Other receivables and payables**

Other receivables and payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method. At each reporting date, the Sub-Fund shall measure the loss allowance on other receivables 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 counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. 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.

**(g) Expenses**

Expenses are accounted for on an accrual basis.

**(h) Cash and cash equivalents**

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

**(i) Deposit reserve**

Deposit reserve is a balance deposited with China Securities Depository and Clearing Corporation Limited, and is recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

**(j) Foreign currency translation**

**(i) 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 A-Shares in the PRC and Hong Kong listed PRC shares, and the performance of the Sub-Fund is measured and reported to the unitholders in RMB. The Manager considers RMB as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in RMB, which is the Sub-Fund’s functional and presentation currency.

**(ii) 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 rates 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 financial assets carried at fair value through profit or loss are presented in the statement of comprehensive income within net gain/(loss) on investments.

**(k) Redeemable units**

The Sub-Fund issues redeemable units which are redeemable at the holder’s option and which represent puttable financial instruments of the Sub-Fund. The Sub-Fund classifies its puttable financial instruments as equity in accordance with IAS 32 (Amendment) “Financial instruments: Presentation” as those puttable financial instruments meet all of the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net asset value;
- the puttable financial instruments are the most subordinated units in issue and unit features are identical;
- there are no contractual obligations to deliver cash or other financial assets; and
- the total expected cash flows from the puttable financial instruments over its life are based substantially on the profit or loss of the Sub-Fund.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

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

**(l) Taxation**

The Sub-Fund currently incurs withholding taxes imposed by the PRC on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included as taxation in the statement of comprehensive income.

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, deferred income tax is not accounted for if it arises from initial recognition of an asset or a 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 reporting 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 income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority.

**(m) Establishment costs**

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

**(n) Other income**

Other income includes the difference between the proceeds received from/paid to participating dealers and the cost of investments purchased/sold.

**(o) Transactions costs**

Transactions costs are costs incurred to acquire 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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**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. Creation and redemption of units during the year 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. Such liquidity is augmented by the holding of liquid investments.

In accordance with the provisions of the Sub-Fund's Trust Deed dated 25th July 2012, as amended, and the prospectus dated 20th August 2012, as amended, investments are stated at the official closing price or the last traded price on the market on the valuation day for the purpose of determining the net asset value per unit for creations and redemptions and for various fees calculation.

As stated in Note 2(k), redeemable units of the Sub-Fund are classified as equity.

The Sub-Fund's objectives and policies for managing its obligations to redeemable units are included in Note 7(g) on capital risk management.

The movements of the redeemable units for the year for the Sub-Fund are as follows:

	2019	2018
At the beginning of the year	2,600,000	2,800,000
Units issued	-	200,000
Units redeemed	(1,600,000)	(400,000)
At the end of the year	<u>1,000,000</u>	<u>2,600,000</u>
	2019	2018
	<i>RMB</i>	<i>RMB</i>
Net assets attributable to unitholders per unit	<u>43.18</u>	<u>31.93</u>

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**4. NET GAIN/(LOSS) ON INVESTMENTS**

	2019 <i>RMB</i>	2018 <i>RMB</i>
Net unrealised gain/(loss) on investments	10,927,013	(26,209,728)
Net realised gain on investments	17,180,179	3,334,932
	<u>28,107,192</u>	<u>(22,874,796)</u>

**5. TAXATION**

No provision for Hong Kong profits tax has been made for the Sub-Fund as the Trust 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.

The Sub-Fund invests in A-Shares listed in the PRC ("A-Shares") and is subject to 10% (2018: 10%) withholding tax on dividend income derived from the A-Shares. Withholding tax was charged on dividend income received from A-Shares during the years ended 31st December 2019 and 2018.

No tax provision has been made on the realised or unrealised gains derived from the trading of A-Shares for the years ended 31 December 2019 and 2018 as these gains are currently exempt from PRC Corporate Income Tax pursuant to Caishui [2014] 79.

The taxation of the Sub-Fund for the year represents:

	2019 <i>RMB</i>	2018 <i>RMB</i>
Withholding tax on dividend	269,490	234,622
Taxation	<u>269,490</u>	<u>234,622</u>

The movements in provision for taxation for the year are as follows:

	2019 <i>RMB</i>	2018 <i>RMB</i>
At the beginning of the year	-	-
Taxation charged to the statement of comprehensive income	269,490	234,622
Tax paid	(269,490)	(234,622)
At the end of the year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. RELATED PARTY TRANSACTIONS / TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND ITS CONNECTED PERSONS

The following is a summary of significant related party transactions and transactions entered into during the year between the Sub-Fund and the Trustee, the Manager and its Connected Persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the SFC (the “SFC Code”). To the best of the Manager’s knowledge, the Sub-Fund does not have any other transactions except for those disclosed below. All transactions entered into during the year were carried out in the normal course of business and on normal commercial terms.

(a) Management fee

The Manager is entitled to receive a management fee at the rate of 0.76% per annum of the net asset value of Sub-Fund, accrued daily, calculated as at each dealing day and payable monthly in arrears.

For the year ended 31st December 2019, the Manager was entitled to management fee of RMB710,577 (2018: RMB738,059) for the Sub-Fund. As at 31st December 2019, management fee of RMB28,624 (2018: RMB55,347) was payable to the Manager for the Sub-Fund.

(b) Trustee fee

The Trustee is entitled to receive a trustee fee, which is accrued daily, 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 rates as follows, subject to a monthly minimum of RMB40,000:

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

The trustee fee is inclusive of fees payable to The Hongkong and Shanghai Banking Corporation Limited (the “PRC Custodian”) and HSBC Bank (China) Company Limited (the “PRC Custodian’s Delegate”).

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

For the year ended 31st December 2019, the Trustee was entitled to trustee fee of RMB480,000 (2018: RMB480,000) for the Sub-Fund. As at 31st December 2019, trustee fee of RMB40,000 (2018: RMB40,000) was payable to the Trustee for the Sub-Fund.

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**6. RELATED PARTY TRANSACTIONS / TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND ITS CONNECTED PERSONS (continued)**

**(c) Financial assets**

The investments and cash and cash equivalents of the Sub-Fund held with related parties of the Trustee are as follows:

	2019 <i>RMB</i>	2018 <i>RMB</i>
<b>Investments</b>		
HSBC Bank (China) Company Limited	43,497,867	81,698,332
<b>Cash and cash equivalents</b>		
The Hongkong and Shanghai Banking Corporation Limited ("HSBC")	114,963	1,425,330
HSBC Bank (China) Company Limited	219,327	1,626,751
	<u>334,290</u>	<u>3,052,081</u>

For the year ended 31st December 2019, interest income on bank deposits amounted to RMB13,664 (2018: RMB11,855) for the Sub-Fund.

**(d) Establishment costs payable**

The establishment costs payable includes the establishment costs paid by the Manager on behalf of the Sub-Fund. As at 31st December 2019, there was RMBNil establishment costs payable (2018: RMB314,477) to the Manager for the Sub-Fund. Such balance is unsecured, non-interest bearing and repayable on demand.

**(e) Transactions with the Connected Persons of the Manager**

During the years ended 31st December 2019 and 2018, the Sub-Fund held listed shares in GF Securities Co., Ltd., a related party of the Manager. The movements in the number of shares of the Sub-Fund's investments in GF Securities Co., Ltd. are as follows:

	2019	2018
At the beginning of the year	39,268	43,068
Purchases	-	3,100
Sales	(25,000)	(6,900)
At the end of the year	<u>14,268</u>	<u>39,268</u>

**(f) Transaction handling fees**

Pursuant to the prospectus, the Sub-Fund receives transaction handling fees per creation and redemption orders from the participating dealer on behalf of the Trustee. For the year ended 31st December 2019, the Trustee was entitled to transaction handling fees of RMB22,680 (2018: RMB38,430) for the Sub-Fund. As at 31st December 2019, no transaction handling fee was payable to the Trustee for the Sub-Fund (2018: Nil).



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT**

The objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Index. The Sub-Fund's activities may expose it to a variety of risks including but not limited to: market price risk, interest rate risk, credit risk, liquidity risk and currency 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 price risk**

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

The Sub-Fund is designed to track the performance of the Index, therefore the exposures to market price risk for the Sub-Fund will be substantially the same as the tracked index. The Manager manages the Sub-Fund's exposures to market price risk by ensuring that the key characteristics of its portfolio, such as security weighting and industry weighting, are closely aligned with the characteristics of the Index.

At the reporting date, the Sub-Fund's investments by industries are as follows:

	2019		2018	
	Fair value <i>RMB</i>	% of net asset value	Fair value <i>RMB</i>	% of net asset value
Communications	567,312	1.31%	628,941	0.76%
Consumer discretionary	4,553,996	10.55%	8,694,415	10.47%
Consumer staples	6,863,052	15.90%	11,583,063	13.95%
Energy	1,022,760	2.37%	2,118,035	2.55%
Financials	19,212,090	44.50%	41,238,061	49.68%
Health care	1,568,038	3.63%	-	-
Industrials	3,295,070	7.63%	7,043,626	8.49%
Information technology	1,882,849	4.36%	4,698,135	5.66%
Materials	1,736,111	4.02%	2,883,523	3.47%
Real estate	1,875,235	4.34%	-	-
Utilities	921,354	2.13%	2,810,533	3.39%
	<u>43,497,867</u>	<u>100.74%</u>	<u>81,698,332</u>	<u>98.42%</u>

As at 31st December 2019, the Sub-Fund held 96 (2018: 96) out of 100 (2018: 100) constituents comprising the Index in proportion to the constitution of the Index. The Sub-Fund is therefore exposed to similar market price risk as the Index.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT (continued)**

**(a) Market price risk (continued)**

As at 31st December 2019, for the Sub-Fund, if the Index were to increase by 20% (2018: 10%) with all other variables held constant, this would increase the net asset value by approximately RMB8,699,573 (2018: RMB8,169,833). Conversely, if the Index were to decrease by 20% (2018: 10%), this would decrease the net asset value by approximately RMB8,699,573 (2018: RMB8,169,833).

The Manager has used its view of what would be a reasonable shift in each key market to estimate the change for use in the sensitivity analysis above.

**(b) Interest rate risk**

The majority of the Sub-Fund's financial assets and liabilities are non-interest bearing. As a result, the Sub-Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

At the reporting date, interest rate risk arises from cash and cash equivalents. As interest from these interest bearing assets are immaterial, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material.

**(c) Credit risk**

Credit risk is the risk that an issuer or a counterparty will be unable or unwilling to pay amounts in full when due.

The Sub-Fund limits its exposure to credit risk by transacting the majority of its securities and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings and/or that the Sub-Fund considers to be well established.

The Sub-Fund's financial assets which are potentially subject to concentration of credit risk consist principally of bank deposits and assets held with the custodians.

As at 31st December 2019, the Sub-Fund placed cash and cash equivalents of RMB114,963 (2018: RMB1,425,330) with the PRC Custodian. The Moody's credit rating of the PRC Custodian was Aa3 (2018: A) as at 31st December 2019.

As at 31st December 2019, the Sub-Fund placed cash and cash equivalents of RMB219,327 (2018: RMB1,626,751) and investments of RMB43,497,867 (2018: RMB81,698,332) with the PRC Custodian's Delegate. The Moody's credit rating of the PRC Custodian's Delegate was A1 (2018: A1) as at 31st December 2019.

The maximum exposure to credit risk at the reporting date for the Sub-Fund is the carrying amounts of the financial assets as shown in the statement of financial position.

None of these assets are impaired nor past due but not impaired at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT (continued)**

**(c) Credit risk (continued)**

The Sub-Fund measures credit risk and expected credit losses using the probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit losses. The Manager considers the probability of default of cash and cash equivalents, interest receivable and deposit reserve to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be insignificant to the Sub-Fund.

**(d) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in settling a liability, including a redemption request.

The Sub-Fund is exposed to daily redemption of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in investments that are traded in an active market which can be readily disposed of.

The following table analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period from 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 amounts, as the impact of discounting is not significant.

	Less than 3 months <i>RMB</i>	3 months to 1 year <i>RMB</i>	Total <i>RMB</i>
<b>As at 31st December 2019</b>			
Amounts due to a participating dealer	193,216	-	193,216
Management fee payable	28,624	-	28,624
Other accounts payable	353,907	408,210	762,117
<b>Contractual cash outflow</b>	<u>575,747</u>	<u>408,210</u>	<u>983,957</u>
<b>As at 31st December 2018</b>			
Amounts due to a participating dealer	-	193,216	193,216
Management fee payable	55,347	-	55,347
Other accounts payable	737,974	692,464	1,430,438
Establishment costs payable	-	314,477	314,477
<b>Contractual cash outflow</b>	<u>793,321</u>	<u>1,200,157</u>	<u>1,993,478</u>

Units are redeemable on demand at the holder's option.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT (continued)**

**(d) Liquidity risk (continued)**

The Sub-Fund manages its liquidity risk by investing in investments that it expects to be able to liquidate within 3 months or less. The following table illustrates the expected liquidity of assets held.

	Less than 3 months <i>RMB</i>	3 months to 1 year <i>RMB</i>	Over 1 year <i>RMB</i>	Total <i>RMB</i>
<b>As at 31st December 2019</b>				
Total assets	43,874,158	36,319	252,000	44,162,477
<b>As at 31st December 2018</b>				
Total assets	84,750,423	-	252,000	85,002,423

**(e) Currency risk**

The Sub-Fund is not exposed to any material currency risk arising from balances and transactions in foreign currencies as its assets and liabilities are denominated in RMB, the Sub-Fund's functional and presentation currency.

**(f) Fair value estimation**

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

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

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

The determination of what constitutes observable requires significant judgment by the Sub-Fund. The Sub-Fund considers observable data to be such 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. FINANCIAL RISK MANAGEMENT (continued)

(f) Fair value estimation (continued)

The following table analyses within the fair value hierarchy the Sub-Fund's investments (by class) measured at fair value at the reporting date.

	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
<b>As at 31st December 2019</b>				
Financial assets at fair value through profit or loss				
- Equity securities	43,497,867	-	-	43,497,867
	<u>43,497,867</u>	<u>-</u>	<u>-</u>	<u>43,497,867</u>
<b>As at 31st December 2018</b>				
Financial assets at fair value through profit or loss				
- Equity securities	79,717,821	1,620,116	360,395	81,698,332
	<u>79,717,821</u>	<u>1,620,116</u>	<u>360,395</u>	<u>81,698,332</u>

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

Investments that trade in markets that are not considered to be active and are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2 and include suspended equity securities. As at 31st December 2019, the Sub-Fund held nil (2018: 1) suspended stock.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 31st December 2019, the Sub-Fund held nil (2018: 1) investment classified within level 3 due to prolonged suspension.

The following table presents the movements in level 3 investments for the year.

	2019 RMB	2018 RMB
At the beginning of the year	360,395	1,314,609
Transfer out of level 3	-	(954,214)
Sales	(116,182)	-
Net loss on investments	(244,213)	-
At the end of the year	<u>-</u>	<u>360,395</u>
Net unrealised gain/(loss) for the year included in the statement of comprehensive income for investments held at the reporting date	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT (continued)**

**(f) Fair value estimation (continued)**

A sensitivity analysis for level 3 investments as at 31st December 2018 was not presented as the level 3 investments were valued at their corresponding last traded prices and no other unobservable inputs were developed by the Sub-Fund when measuring the fair value of the level 3 investments.

During the year, transfers between levels for the Sub-Fund are as follows:

	Level 1 <i>RMB</i>	Level 2 <i>RMB</i>	Level 3 <i>RMB</i>
<b>For the year ended 31st December 2019</b>			
Transfers between levels 1 and 2:			
Equity securities			
Transfer into level 1	1,620,116	(1,620,116)	-
<b>For the year ended 31st December 2018</b>			
Transfers between levels 1 and 2:			
Equity securities			
Transfer into level 2	(1,620,116)	1,620,116	-
Transfers between levels 1 and 3:			
Equity securities			
Transfer into level 1	954,214	-	(954,214)

The equity securities transferred into level 1 relate to positions whose trading was inactive as at 31st December 2018 but were actively traded as at 31st December 2019.

The equity securities transferred into level 2 relate to positions which were actively traded as at 31st December 2017 but whose trading was inactive as at 31st December 2018.

The equity securities transferred into level 1 relate to positions which were long suspended as at 31st December 2017 but were actively traded as at 31st December 2018.

For financial assets and liabilities carried at amortised cost, their carrying amounts are a reasonable approximation of fair value. The carrying amounts 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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7. FINANCIAL RISK MANAGEMENT (continued)**

**(g) 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 closely to the performance of the Index. The Manager may:

- Redeem and issue units in accordance with the constitutive documents of the Sub-Fund;
- Exercise discretion when determining the amount of distributions to the unitholders of the Sub-Fund; and
- Suspend the subscription and redemption of units under certain circumstances stipulated in the prospectus of the Sub-Fund.

**8. FINANCIAL INSTRUMENTS BY CATEGORY**

At the reporting date, other than investments as disclosed in the statement of financial position which are classified as financial assets at fair value through profit or loss, all financial assets including deposit reserve, interest receivable, other receivables, prepayment and cash and cash equivalents are categorised as financial assets at amortised cost and carried at amortised cost. All the financial liabilities of the Sub-Fund are categorised as financial liabilities at amortised cost and carried at amortised cost.

**9. SOFT COMMISSION ARRANGEMENT**

The Manager confirms that there have been no soft commission arrangements during the year in relation to directing transactions of the Sub-Fund through a broker or dealer.

**10. SEGMENT INFORMATION**

The Manager makes strategic resource allocations on behalf of the Sub-Fund and has determined 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 objective of the Sub-Fund is to track the performance of the Index and invest in substantially all the index constituents with security weighting and industry weighting that are closely aligned with the characteristics of the 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 PRC securities which constitute the Index.

The total non-current assets located in the PRC was RMB252,000 (2018: RMB252,000) for the Sub-Fund as at 31st December 2019. The Sub-Fund has no other assets classified as non-current assets. The Sub-Fund has a diversified portfolio of investments with 1 (2018: Nil) investment accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2019.

**E Fund ETFs Trust**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**11. DISTRIBUTION TO UNITHOLDERS**

	2019 <i>RMB</i>	2018 <i>RMB</i>
- RMB0.36 per unit on 1,400,000 units paid on 14th November 2019	504,000	-
- RMB0.02 per unit on 2,600,000 units paid on 31st October 2018	-	52,000
	<u>504,000</u>	<u>52,000</u>

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

Pursuant to the SFC's Guidelines for Regulating Index Tracking Exchange Traded Funds, the Sub-Fund's holding of any constituent securities may not exceed their respective weightings in the underlying index, except where the weightings are exceeded as a result of changes in the composition of the underlying index and the excess is only transitional and temporary in nature.

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the years ended 31st December 2019 and 2018.

There was 1 (2018: Nil) constituent security that individually accounted for more than 10% of the net asset value of the Sub-Fund and its respective weighting in the Index as at 31st December 2019.

During the year ended 31st December 2019, the Index increased by 35.5% (2018: decreased by 21.9%). The net asset value per unit of the Sub-Fund increased by 35.3% (2018: decreased by 21.3%).

**13. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Trustee and the Manager on 28 April 2020.



**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**INVESTMENT PORTFOLIO (Unaudited)**

*As at 31st December 2019*

	Holdings	Fair value RMB	% of net assets
<b>Listed equities</b>			
<b>CHINA (100.74%)</b>			
360 SECURITY TECHNOLOGY INC A SHRS ORD CNY	2,100	49,371	0.11
AGRICULTURAL BANK OF CHINA A SHS ORD CNY1	180,916	667,580	1.55
AIR CHINA LTD A SHR ORD CNY1	14,129	136,910	0.32
ANHUI CONCH CEMENT COMPANY LTD SHS A ORD CNY1	9,490	520,052	1.20
BANK OF BEIJING CO LTD ORD CNY1 CL A	70,955	403,024	0.93
BANK OF CHINA LTD A SHS ORD CNY1	101,069	372,945	0.86
BANK OF COMMUNICATIONS LTD A SHRS ORD CNY1	131,047	737,795	1.71
BANK OF JIANGSU CO LTD A SHRS CNY1	33,300	241,092	0.56
BANK OF NANJING CO LTD A SHR ORD CNY1	28,680	251,524	0.58
BANK OF NINGBO CO LTD A SHR ORD CNY1	12,950	364,542	0.84
BANK OF SHANGHAI CO LTD A SHS ORD CNY1	34,100	323,609	0.75
BAOSHAN IRON & STEEL CO LTD CL A ORD CNY1	41,591	238,732	0.55
BOE TECHNOLOGY GR CO LTD A SHS ORD CNY1	111,870	507,890	1.18
BYD CO LTD A SHRS ORD CNY1	4,414	210,415	0.49
CHINA CITIC BANK CORP A SHRS ORD CNY1	14,777	91,174	0.21
CHINA COMMUNICATIONS CONSTRUCTION CO LTD A SHS ORD NPV	10,861	99,487	0.23
CHINA EASTERN AIRLINES CORP A SHS ORD CNY1	21,168	122,986	0.28
CHINA EVERBRIGHT BANK CO LTD A ORD CNY1	75,652	333,625	0.77
CHINA FORTUNE LAND DEVELOPMENT CO LTD ORD CNY1	8,390	240,793	0.56
CHINA GALAXY SECURITIES CO LTD A SHRS ORD CNY1	7,100	82,431	0.19
CHINA INTERNATIONAL TRAVEL SERVICE CORP LTD A SHS ORD CNY1	4,600	409,170	0.95
CHINA LIFE INSURANCE CO A SHS ORD NPV	7,722	269,266	0.62
CHINA MERCHANTS BANK CO LTD A SHRS ORD CNY1	49,054	1,843,449	4.27
CHINA MERCHANTS SECURITIES CO LTD A SHR ORD CNY1	13,541	247,665	0.57
CHINA MERCHANTS SHEKOU INDUSTRIAL ZONE CO LTD A SHRS ORD CNY1	11,476	228,028	0.53
CHINA MINSHENG BANKING CO LTD A SHR ORD CNY1	118,227	746,012	1.73
CHINA MOLYBDENUM CO LTD A SHR ORD NPV	32,400	141,264	0.33
CHINA NATIONAL NUCLEAR POWER CO LTD A SHS ORD CNY1	21,930	109,650	0.25
CHINA PACIFIC INSURANCE GROUP A SHR ORD CNY1	14,798	559,956	1.30
CHINA PETROLEUM & CHEMICAL CORP CL A ORD CNY1	63,800	326,018	0.76
CHINA RAILWAY CONSTRUCTION CORP A SHS ORD CNY1	22,049	223,577	0.52
CHINA RAILWAY GROUP LTD A ORD CNY1	37,974	225,566	0.52
CHINA SECURITIES CO LTD A SHS ORD CNY1	2,200	66,880	0.16
CHINA SHENHUA ENERGY CO LTD A SHS ORD CNY1	15,434	281,670	0.65
CHINA SHIPBUILDING INDUSTRY CO LTD A SHR ORD CNY1	43,992	230,518	0.53
CHINA STATE CONSTRUCTION ENGINEERING CORP LTD A SHR ORD CNY1	98,973	556,228	1.29
CHINA UNITED NETWORK COMMUNICATIONS LTD A SHRS ORD CNY1	43,652	257,110	0.60

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**INVESTMENT PORTFOLIO (Unaudited) (continued)**

*As at 31st December 2019*

	Holdings	Fair value RMB	% of net assets
<b>Listed equities (continued)</b>			
<b>CHINA (100.74%) (continued)</b>			
CHINA VANKE CO LTD A SHR ORD CNY1	23,050	741,749	1.72
CHINA YANGTZE POWER CO LTD CL A ORD CNY1	31,276	574,853	1.33
CITIC SECURITIES CO LTD A SHR ORD CNY1	37,294	943,538	2.19
CRRC CORP LTD A SHR ORD CNY1	46,011	328,519	0.76
DAQIN RAILWAY CO LTD A SHS ORD CNY1	27,878	228,878	0.53
EAST MONEY INFORMATION CO LTD A SHR ORD CNY1	25,078	395,480	0.92
FOCUS MEDIA INFORMATION TECHNOLOGY CO LTD A SHS ORD CNY1	49,553	310,202	0.72
FOSHAN HAITIAN FLAVOURING & FOOD COMPANY LTD A SHS ORD CNY1	3,900	419,289	0.97
FOXCONN INDUSTRIAL INTERNET CO LTD A SHRS ORD CNY1	5,600	102,312	0.24
GF SECURITIES CO LTD A SHR ORD CNY1	14,268	216,446	0.50
GREE ELECTRIC APPLIANCES INC OF ZHUHAI A SHS ORD CNY1	22,799	1,495,158	3.46
GREENLAND HOLDINGS CORPORATION LIMITED A SHRS ORD1 CNY1	17,210	119,610	0.28
GUANGZHOU AUTOMOBILE GROUP CO LTD A SHRS ORD CNY1	4,260	49,799	0.12
GUOSEN SECURITIES CO LTD A SHRS	11,581	145,342	0.34
GUOTAI JUNAN SECURITIES CO LTD A SHRS ORD NPV	21,431	396,259	0.92
HAIER SMART HOME CO LTD A SHR ORD CNY1	17,593	343,064	0.79
HAITONG SECURITIES CO LTD CL A ORD CNY1	38,096	588,964	1.36
HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO LTD A SHS ORD NPV	17,781	582,150	1.35
HENAN SHUANGHUI INVESTMENT & DEVELOPMENT CO LTD A SHR ORD CNY1	4,490	130,345	0.30
HUANENG LANCANG RIVER HYDR-A SHS ORD CNY1	9,700	40,934	0.09
HUANENG POWER INTERNATIONAL INC A SHS ORD CNY1	20,800	116,064	0.27
HUATAI SECURITIES CO LTD A SHS ORD CNY1	17,063	346,550	0.80
HUAXIA BANK CO LTD A SHR ORD CNY1	29,566	226,771	0.53
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD A SHS ORD CNY1	101,545	597,085	1.38
INDUSTRIAL BANK CO LTD A SHR ORD CNY1	68,920	1,364,616	3.16
INNER MONGOLIA YILI INDUSTRIAL GR CO LTD A SHS ORD CNY1	29,045	898,652	2.08
INNER MONGOLIAN BAOTOU STEEL UNION CO LTD A SHR ORD CNY1	88,405	116,695	0.27
JIANGSU HENGRUI MEDICINE CO LTD A SHR ORD CNY1	14,607	1,278,405	2.96
JIANGSU YANGHE BREWERY JOINT-STOCK CO LTD A SHS	2,869	317,025	0.73
KWEICHOW MOUTAI CO LTD A SHR ORD CNY1	2,400	2,839,200	6.58
LUZHOU LAOJIAO CO LTD A SHR ORD CNY1	3,500	303,380	0.70

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**INVESTMENT PORTFOLIO (Unaudited) (continued)**

*As at 31st December 2019*

	Holdings	Fair value RMB	% of net assets
<b>Listed equities (continued)</b>			
<b>CHINA (100.74%) (continued)</b>			
METALLURGICAL CORPORATION OF CHINA LTD A SHRS ORD CNY1	33,153	92,828	0.22
MIDEA GROUP CO LTD A SHRS ORD CNY1	22,781	1,326,993	3.07
NARI TECHNOLOGY DEVELOPMENT LTD A SHR ORD CNY1	8,700	184,266	0.43
NEW CHINA LIFE INSURANCE CO LTD A SHRS ORD NPV	3,942	193,749	0.45
NINGBO ZHOUSHAN PORT CO LTD A SHS ORD CNY1	22,594	85,857	0.20
ORIENT SECURITIES COMPANY LTD A SHRS ORD CNY1	17,187	184,932	0.43
PEOPLE'S INSURANCE CO GROUP OF CHINA LTD/THE A SHRS ORD RMB1	5,000	37,950	0.09
PETROCHINA CO LTD A SHRS CNY1	38,730	225,796	0.52
PING AN BANK CO LTD A SHR ORD CNY1	44,046	724,557	1.68
PING AN INSURANCE (GROUP) CO OF CHINA LTD A SHR ORD CNY1	50,716	4,334,189	10.04
POLY DEVELOPMENTS AND HOLDINGS GROUP CO LTD A SHR ORD CNY1	33,687	545,056	1.26
POWER CONSTRUCTION CORPORATION OF CHINA A SHRS ORD CNY1	36,737	159,439	0.37
S F HOLDING CO LTD A SHRS ORD CNY1	2,700	100,413	0.23
SAIC MOTOR CORP LTD A SHR ORD CNY1	16,531	394,264	0.91
SANAN OPTOELECTRONICS CO LTD A SHS ORD CNY1	13,200	242,352	0.56
SHAANXI COAL INDUSTRY CO L - A SHRS ORD CNY1	21,054	189,275	0.44
SHANGHAI ELECTRIC GRP CO LTD-A ORD NPV	16,185	80,601	0.19
SHANGHAI INTERNATIONAL AIRPORT CO LTD A SHR ORD CNY1	4,600	362,250	0.84
SHANGHAI INTERNATIONAL PORT GR LTD A SHR ORD CNY 1	13,301	76,747	0.18
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD A SHR ORD CNY1	56,018	692,943	1.60
SHENWAN HONGYUAN GROUP CO LTD A SHRS ORD CNY1	42,998	220,150	0.51
SHENZHEN OVERSEAS CHINESE TOWN CO LTD A SHR ORD CNY1	19,107	148,844	0.34
SUNING COM CO LTD A SHR ORD CNY1	17,437	176,288	0.41
WANHUA CHEMICAL GROUP CO LTD A SHR ORD CNY1	7,500	421,275	0.98
WENS FOODSTUFF GROUP CO LTD A SHRS ORD CNY1	17,600	591,360	1.37

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**INVESTMENT PORTFOLIO (Unaudited) (continued)**

*As at 31st December 2019*

	<b>Holdings</b>	<b>Fair value RMB</b>	<b>% of net assets</b>
<b>Listed equities (continued)</b>			
<b>CHINA (100.74%) (continued)</b>			
WULIANGYE YIBIN CO LTD A SHS ORD CNY1	9,233	1,228,081	2.84
WUXI APPTec CO LTD A SHS ORD CNY1	720	66,326	0.15
YONGHUI SUPERSTORES CO LTD A SHR ORD CNY1	18,000	135,720	0.31
YUNNAN BAIYAO GROUP CO LTD A SHR ORD CNY1	2,497	223,307	0.52
ZHEJIANG ZHENENG ELECTRIC - A SHRS ORD CNY1	20,165	79,853	0.19
ZIJIN MINING GROUP CO LTD A SHR ORD CNY0.1	64,944	298,093	0.69
ZTE CORPORATION A SHR ORD CNY1	11,268	398,775	0.92
<b>Total investments</b>		43,497,867	100.74
<b>Other net liabilities</b>		(319,347)	(0.74)
<b>Net assets attributable to unitholders at 31st December 2019</b>		43,178,520	100.00
<b>Total investments, at cost</b>		31,584,886	

**E Fund ETFs Trust**  
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**

*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments</b>					
<b>Listed equities</b>					
<b>CHINA</b>					
<b>360 SECURITY</b>					
TECHNOLOGY INC A					
SHRS ORD CNY	5,200	-	-	(3,100)	2,100
<b>AECC AVIATION POWER</b>					
CO LTD A SHS ORD CNY1	11,960	-	-	(11,960)	-
<b>AGRICULTURAL BANK OF CHINA A SHS ORD CNY1</b>					
AIR CHINA LTD A SHR ORD CNY1	493,316	-	-	(312,400)	180,916
<b>ANHUI CONCH CEMENT COMPANY LTD SHS A ORD CNY1</b>					
BANK OF BEIJING CO LTD ORD CNY1 CL A	38,329	-	-	(24,200)	14,129
BANK OF CHINA LTD A SHS ORD CNY1	25,790	-	-	(16,300)	9,490
BANK OF CHINA LTD A SHS ORD CNY1	189,855	-	-	(118,900)	70,955
BANK OF COMMUNICATIONS LTD A SHRS ORD CNY1	270,469	-	-	(169,400)	101,069
BANK OF JIANGSU CO LTD A SHRS CNY1	354,447	-	-	(223,400)	131,047
BANK OF JIANGSU CO LTD NIL PAID RTS 14/03/2019	-	-	154,000	(154,000)	-
BANK OF NANJING CO LTD A SHR ORD CNY1	89,000	-	-	(55,700)	33,300
BANK OF NINGBO CO LTD A SHR ORD CNY1	76,880	-	-	(48,200)	28,680
BANK OF SHANGHAI CO LTD A SHS ORD CNY1	32,850	1,800	-	(21,700)	12,950
BAOSHAN IRON & STEEL CO LTD CL A ORD CNY1	70,154	-	20,146	(56,200)	34,100
BEIJING XINWEI TECHNOLOGY GROUP CO LTD A SHS ORD CNY1	108,291	-	-	(66,700)	41,591
BOE TECHNOLOGY GR CO LTD A SHS ORD CNY1	28,687	-	-	(28,687)	-
BYD CO LTD A SHRS ORD CNY1	304,870	-	-	(193,000)	111,870
CHINA CITIC BANK A NIL PAID RTS 04/03/2019	-	-	49,000	(49,000)	-
CHINA CITIC BANK CORP A SHRS ORD CNY1	11,614	-	-	(7,200)	4,414
	41,677	-	-	(26,900)	14,777

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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**  
*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
CHINA COMMUNICATIONS					
CONSTRUCTION CO LTD					
A SHS ORD NPV	20,861	7,600	-	(17,600)	10,861
CHINA EASTERN AIRLINES					
CORP A SHS ORD CNY1					
	50,668	4,100	-	(33,600)	21,168
CHINA EVERBRIGHT BANK					
CO LTD A ORD CNY1					
	206,352	-	-	(130,700)	75,652
CHINA FORTUNE LAND					
DEVELOPMENT CO LTD					
ORD CNY1	15,090	6,800	-	(13,500)	8,390
CHINA GALAXY					
SECURITIES CO LTD A					
SHRS ORD CNY1	16,700	-	-	(9,600)	7,100
CHINA INTERNATIONAL					
TRAVEL SERVICE CORP					
LTD A SHS ORD CNY1	-	11,900	-	(7,300)	4,600
CHINA LIFE INSURANCE					
CO A SHS ORD NPV					
	22,022	-	-	(14,300)	7,722
CHINA MERCHANTS BANK					
CO LTD A SHRS ORD					
CNY1	132,754	-	-	(83,700)	49,054
CHINA MERCHANTS					
SECURITIES CO LTD A					
SHR ORD CNY1	29,241	5,800	-	(21,500)	13,541
CHINA MERCHANTS					
SHEKOU INDUSTRIAL					
ZONE CO LTD A SHRS					
ORD CNY1	30,376	-	-	(18,900)	11,476
CHINA MINSHENG					
BANKING CO LTD A SHR					
ORD CNY1	365,327	-	-	(247,100)	118,227
CHINA MOLYBDENUM CO					
LTD A SHR ORD NPV					
	29,200	56,100	-	(52,900)	32,400
CHINA NATIONAL					
NUCLEAR POWER CO					
LTD A SHS ORD CNY1	63,030	-	-	(41,100)	21,930
CHINA NATIONAL					
NUCLEAR POWER RTS					
NIL PAID 15/04/2019	-	-	32,000	(32,000)	-
CHINA PACIFIC					
INSURANCE GROUP A					
SHR ORD CNY1	40,398	-	-	(25,600)	14,798
CHINA PETROLEUM &					
CHEMICAL CORP CL A					
ORD CNY1	134,700	29,200	-	(100,100)	63,800

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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**  
*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
CHINA RAILWAY					
CONSTRUCTION CORP A SHS ORD CNY1	59,449	-	-	(37,400)	22,049
CHINA RAILWAY GROUP LTD A ORD CNY1	74,874	24,100	-	(61,000)	37,974
CHINA SECURITIES CO LTD A SHS ORD CNY1	-	5,500	-	(3,300)	2,200
CHINA SHENHUA ENERGY CO LTD A SHS ORD CNY1	25,534	14,600	-	(24,700)	15,434
CHINA SHIPBUILDING INDUSTRY CO LTD A SHR ORD CNY1	121,492	-	-	(77,500)	43,992
CHINA STATE CONSTRUCTION ENGINEERING CORP LTD A SHR ORD CNY1	270,473	-	-	(171,500)	98,973
CHINA UNITED NETWORK COMMUNICATIONS LTD A SHRS ORD CNY1	121,652	-	-	(78,000)	43,652
CHINA VANKE CO LTD A SHR ORD CNY1	62,550	-	-	(39,500)	23,050
CHINA YANGTZE POWER CO LTD CL A ORD CNY1	84,776	-	-	(53,500)	31,276
CITIC SECURITIES CO LTD A SHR ORD CNY1	101,194	-	-	(63,900)	37,294
CRRC CORP LTD A SHR ORD CNY1	94,511	24,300	-	(72,800)	46,011
DAQIN RAILWAY CO LTD A SHS ORD CNY1	76,378	-	-	(48,500)	27,878
EAST MONEY INFORMATION CO LTD A SHR ORD CNY1	47,732	8,100	9,546	(40,300)	25,078
FOCUS MEDIA INFORMATION TECHNOLOGY CO LTD A SHS ORD CNY1	94,353	32,100	-	(76,900)	49,553
FOSHAN HAITIAN FLAVOURING & FOOD COMPANY LTD A SHS ORD CNY1	10,400	-	-	(6,500)	3,900
FOXCONN INDUSTRIAL INTERNET CO LTD A SHRS ORD CNY1	-	14,500	-	(8,900)	5,600

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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**  
*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
GD POWER DEVELOPMENT CO LTD A SHS ORD CNY1	150,465	-	-	(150,465)	-
GF SECURITIES CO LTD A SHR ORD CNY1	39,268	-	-	(25,000)	14,268
GIANT NETWORK GROUP CO LTD A SHRS ORD CNY1	8,140	-	-	(8,140)	-
GREAT WALL MOTOR CO LTD A SHRS ORD NPV	16,417	-	-	(16,417)	-
GREE ELECTRIC APPLIANCES INC OF ZHUHAI A SHS ORD CNY1	61,899	-	-	(39,100)	22,799
GREENLAND HOLDINGS CORPORATION LIMITED A SHRS ORD1 CNY1	49,710	-	-	(32,500)	17,210
GUANGZHOU AUTOMOBILE GROUP CO LTD A SHRS ORD CNY1	8,260	2,900	-	(6,900)	4,260
GUOSEN SECURITIES CO LTD A SHRS	32,581	-	-	(21,000)	11,581
GUOTAI JUNAN SECURITIES CO LTD A SHRS ORD NPV	48,331	6,800	-	(33,700)	21,431
HAIER SMART HOME CO LTD A SHR ORD CNY1	46,893	-	-	(29,300)	17,593
HAITONG SECURITIES CO LTD CL A ORD CNY1	104,096	-	-	(66,000)	38,096
HANGZHOU HIKVISION DIGITAL TECHNOLOGY CO LTD A SHS ORD NPV	47,581	-	-	(29,800)	17,781
HENAN SHUANGHUI INVESTMENT & DEVELOPMENT CO LTD A SHR ORD CNY1	12,990	-	-	(8,500)	4,490
HUANENG LANCANG RIVER HYDR-A SHS ORD CNY1	23,200	-	-	(13,500)	9,700



**E Fund ETFs Trust**  
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**  
*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
<b>HUANENG POWER</b>					
INTERNATIONAL INC A SHS ORD CNY1	56,400	-	-	(35,600)	20,800
HUATAI SECURITIES CO LTD A SHS ORD CNY1	42,063	4,400	-	(29,400)	17,063
HUAXIA BANK CO LTD A SHR ORD CNY1	81,966	-	-	(52,400)	29,566
<b>INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD A SHS ORD CNY1</b>					
	276,945	-	-	(175,400)	101,545
<b>INDUSTRIAL BANK CO LTD A SHR ORD CNY1</b>					
	160,320	17,400	-	(108,800)	68,920
<b>INNER MONGOLIA YILI INDUSTRIAL GR CO LTD A SHS ORD CNY1</b>					
	78,345	-	-	(49,300)	29,045
<b>INNER MONGOLIAN BAOTOU STEEL UNION CO LTD A SHR ORD CNY1</b>					
	184,705	40,200	-	(136,500)	88,405
<b>JIANGSU HENGRUI MEDICINE CO LTD A SHR ORD CNY1</b>					
	28,506	3,600	5,701	(23,200)	14,607
<b>JIANGSU YANGHE BREWERY JOINT-STOCK CO LTD A SHS</b>					
	7,769	-	-	(4,900)	2,869
<b>KANGMEI PHARMACEUTICAL co LTD A SHR ORD CNY1</b>					
	38,541	-	-	(38,541)	-
<b>KWEICHOW MOUTAI CO LTD A SHR ORD CNY1</b>					
	6,500	-	-	(4,100)	2,400
<b>LUZHOU LAOJIAO CO LTD A SHR ORD CNY1</b>					
	9,400	-	-	(5,900)	3,500
<b>METALLURGICAL CORPORATION OF CHINA LTD A SHRS ORD CNY1</b>					
	70,253	16,400	-	(53,500)	33,153
<b>MIDEA GROUP CO LTD A SHRS ORD CNY1</b>					
	59,381	2,700	-	(39,300)	22,781
<b>NARI TECHNOLOGY DEVELOPMENT LTD A SHR ORD CNY1</b>					
	-	22,600	-	(13,900)	8,700

**E Fund ETFs Trust**  
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**

*For the year ended 31st December 2019*

	Holdings				31st December 2019
	1st January 2019	Additions	Corporate action	Disposals	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
NEW CHINA LIFE					
INSURANCE CO LTD A SHRS ORD NPV	11,042	-	-	(7,100)	3,942
NINGBO ZHOUSHAN PORT CO LTD A SHS ORD CNY1	52,194	-	-	(29,600)	22,594
ORIENT SECURITIES COMPANY LTD A SHRS ORD CNY1	45,987	-	-	(28,800)	17,187
PEOPLE'S INSURANCE CO GROUP OF CHINA LTD/THE A SHRS ORD RMB1	-	13,000	-	(8,000)	5,000
PETROCHINA CO LTD A SHRS CNY1	83,130	16,300	-	(60,700)	38,730
PING AN BANK CO LTD A SHR ORD CNY1	111,046	10,100	-	(77,100)	44,046
PING AN BANK CO LTD NIL PAID RTS 21/01/2019	-	-	168,100	(168,100)	-
PING AN INSURANCE (GROUP) CO OF CHINA LTD A SHR ORD CNY1	139,616	900	-	(89,800)	50,716
POLY DEVELOPMENTS AND HOLDINGS GROUP CO LTD A SHR ORD CNY1	88,987	-	-	(55,300)	33,687
POWER CONSTRUCTION CORPORATION OF CHINA A SHRS ORD CNY1	60,737	33,200	-	(57,200)	36,737
PUDONG DEVELOPMENT NIL PAID RTS 28/10/2019	-	-	245,000	(245,000)	-
S F HOLDING CO LTD A SHRS ORD CNY1	2,900	4,500	-	(4,700)	2,700
SAIC MOTOR CORP LTD A SHR ORD CNY1	45,131	-	-	(28,600)	16,531
SANAN OPTOELECTRONICS CO LTD A SHS ORD CNY1	31,500	-	-	(18,300)	13,200
SF HOLDING A RIGHTS NIL PAID RTS 18/11/2019	-	-	3,500	(3,500)	-

**E Fund ETFs Trust**  
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**

*For the year ended 31st December 2019*

	<b>Holdings</b>				<b>31st December 2019</b>
	<b>1st January 2019</b>	<b>Additions</b>	<b>Corporate action</b>	<b>Disposals</b>	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
SHAANXI COAL INDUSTRY CO L - A SHRS ORD CNY1	51,054	-	-	(30,000)	21,054
SHANGHAI ELECTRIC GRP CO LTD-A ORD NPV	47,185	-	-	(31,000)	16,185
SHANGHAI INTERNATIONAL AIRPORT CO LTD A SHR ORD CNY1	12,400	-	-	(7,800)	4,600
SHANGHAI INTERNATIONAL PORT GR LTD A SHR ORD CNY 1	37,601	-	-	(24,300)	13,301
SHANGHAI PUDONG DEVELOPMENT BANK CO LTD A SHR ORD CNY1	151,018	-	-	(95,000)	56,018
SHANGHAI AIRAAS BLOOD PRODUCTS CO LTD A SHR ORD CNY1	22,086	-	-	(22,086)	-
SHENWAN HONGYUAN GROUP CO LTD A SHRS ORD CNY1	87,098	23,400	-	(67,500)	42,998
SHENZHEN OVERSEAS CHINESE TOWN CO LTD A SHR ORD CNY1	44,607	5,200	-	(30,700)	19,107
SUNING COM CO LTD A SHR ORD CNY1	48,237	-	-	(30,800)	17,437
WANHUA CHEMICAL GROUP CO LTD A SHR ORD CNY1	21,200	-	-	(13,700)	7,500
WENS FOODSTUFF GROUP CO LTD A SHRS ORD CNY1	-	45,500	-	(27,900)	17,600
WULIANGYE YIBIN CO LTD A SHS ORD CNY1	25,133	-	-	(15,900)	9,233
WUXI APPTTEC CO LTD A SHS ORD CNY1	-	1,300	520	(1,100)	720
YONGHUI SUPERSTORES CO LTD A SHR ORD CNY1	49,300	-	-	(31,300)	18,000

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (continued)**  
*For the year ended 31st December 2019*

	<b>Holdings</b>				<b>31st December 2019</b>
	<b>1st January 2019</b>	<b>Additions</b>	<b>Corporate action</b>	<b>Disposals</b>	
<b>Investments (continued)</b>					
<b>Listed equities (continued)</b>					
<b>CHINA (continued)</b>					
YUNNAN BAIYAO GROUP CO LTD A SHR ORD CNY1	6,697	-	-	(4,200)	2,497
ZHEJIANG ZHENENG ELECTRIC - A SHRS ORD CNY1	54,465	-	-	(34,300)	20,165
ZIJIN MINING GROUP CO LTD A SHR ORD CNY0.1	134,119	21,525	-	(90,700)	64,944
ZIJIN MINING GROUP CO LTD NIL PAID RTS 15/11/2019	-	-	7,725	(7,725)	-
ZTE CORPORATION A SHR ORD CNY1	31,568	-	-	(20,300)	11,268

**E Fund ETFs Trust**  
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**PERFORMANCE RECORD (Unaudited)**

**Net Asset Value**

	Net asset value <i>RMB</i>	Net asset value per unit <i>RMB</i>
At the end of financial year dated		
31st December 2019	43,178,520	43.18
31st December 2018	83,008,945	31.93
31st December 2017 (dealing NAV)	113,519,726	40.54

**Highest and Lowest Net Asset Value Per Unit**

Financial year/period ended	Highest net asset value per unit <i>RMB</i>	Lowest net asset value per unit <i>RMB</i>
31st December 2019	43.18	31.50
31st December 2018	45.12	31.69
31st December 2017	42.88	31.50
31st December 2016	33.90	26.98
31st December 2015	46.46	26.74
31st December 2014	33.28	19.54
31st December 2013	26.66	20.34
31st December 2012 (since inception)	24.39	20.62

**E Fund ETFs Trust**  
**- E Fund CSI 100 A-Share Index ETF**

**MANAGEMENT AND ADMINISTRATION**

**Manager and RQFII Holder**

E Fund Management (Hong Kong) Co., Limited  
Suites 3501-02, 35/F  
Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

**Trustee and Registrar**

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

**Investment Adviser**

E Fund Management Co., Limited  
25-28/F, City Development Plaza  
189 Ti Yu Xi Road  
Guangzhou 510620  
China

**PRC Custodian**

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

**PRC Custodian's Delegate**

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

**Service Agent/Conversion Agent**

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

**Listing Agent**

GF Capital (Hong Kong) Limited  
29-30/F, Li Po Chun Chambers  
189 Des Voeux Road Central  
Hong Kong

**Legal Counsel to the Manager**

Simmons & Simmons  
30/F, 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

**Directors of the Manager**

As at 31st December 2019  
Liu Xiaoyan  
Ma Jun  
Huang Gaohui  
Chen Rong  
Chen Liyuan