



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

**CSOP SZSE CHINEXT ETF**  
**Stock Codes: 83147 (RMB counter) and 03147 (HKD counter)**  
**(A sub-fund of CSOP ETF Series)**

Unaudited Semi-Annual Report  
FOR THE PERIOD ENDED 30 JUNE 2022



**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**CONTENTS**

	<b>Page</b>
Report of the Manager to the Unitholders	1
Condensed Statement of Financial Position	2
Condensed Statement of Comprehensive Income	3
Condensed Statement of Changes in Net Assets Attributable to Unitholders	4
Condensed Statement of Cash Flows	5
Notes to the Unaudited Condensed Financial Statements	6 – 21
Investment Portfolio (Unaudited)	22 – 27
Statement of Movements in Investment Portfolio (Unaudited)	28
Details in Respect of Financial Derivative Instruments (Unaudited)	29
Holdings of Collateral (Unaudited)	29 - 30
Performance Record (Unaudited)	31
Management and Administration	32

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS**

**Introduction**

The CSOP SZSE ChiNext ETF (the “CSOP ChiNext 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 13 May 2015 and commenced trading in RMB under the stock code 83147 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 15 May 2015; following the SEHK’s dual counter model, the CSOP ChiNext ETF started trading in HKD under the stock code 03147 on the SEHK on 15 May 2015 too. The CSOP ChiNext ETF is benchmarked against the ChiNext Index and adopts the full-replication strategy. The Manager and QFI Holder of the CSOP ChiNext ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP ChiNext ETF will directly invest in securities issued within the PRC mainland primarily through the QFI status of the Manager and/or the Shenzhen-Hong Kong Stock Connect. The Manager has obtained QFI status in the PRC mainland. The CSOP ChiNext ETF will primarily use a physical representative sampling strategy by investing 50% to 100% of its NAV in Index Securities, and may use a synthetic representative sampling strategy as an ancillary strategy by investing up to 50% in FDIs, which will mainly be funded total return swaps with one or more counterparties.

The ChiNext Index (the “Index”) is compiled and published by Shenzhen Securities Information Co., Ltd. It comprises the top 100 A-Share companies listed on the ChiNext board of the Shenzhen Stock Exchange ranked by total market capitalization, free-float market capitalization and turnovers. The Index operates under clearly defined rules published by the index provider and is a tradable index.

**Fund Performance**

The CSOP ChiNext ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Index. As of 30 June 2022, the dealing Net Asset Value (“NAV”) per unit of the CSOP ChiNext ETF was RMB 9.8702 and there were 50,700,000 units outstanding. The total asset under management was approximately RMB 500.4 million.

As of 30 June 2022, the dealing NAV of CSOP ChiNext ETF RMB counter (stock code 83147) performed -15.66% while the index performed -15.41%. The difference in performance between the NAV of the CSOP ChiNext ETF and the Index is mainly attributed to fees and expenses. YTD Price return of the RMB counter (stock code 83147) was -16.43%.

**Exchange Liquidity**

The trading value of the RMB counter (stock code: 83147) of CSOP ChiNext ETF remained steadily at an average daily turnover of RMB 75.1 thousand in June 2022. The trading value of the HKD counter (stock code: 03147) remained steadily at an average daily turnover of HKD 3.6 million in June 2022.

**Portfolio Rebalance**

The CSOP ChiNext ETF adopts a combination of primarily a physical representative sampling strategy and a synthetic representative sampling strategy as an ancillary strategy. Since inception, the Sub-Fund has experienced twenty-three index rebalances.

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**CONDENSED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2022

	<i>Notes</i>	30 June 2022 (Unaudited) RMB	31 December 2021 (Audited) RMB
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Deposit reserve		1,596	682
<b>CURRENT ASSETS</b>			
Investments	<i>6(c), 8(a), 8(c)</i>	301,611,294	395,663,062
Derivative financial instruments	<i>8(a), 8(b), 8(d)</i>	198,277,322	271,143,819
Interest receivable from bank deposits		264	163
Interest receivable from derivative counterparties		841,904	526,164
Amounts due from participating dealers		648	-
Other receivables		41,544	25,143
Cash and cash equivalent	<i>6(c)</i>	30,993,361	45,512,067
		<u>531,766,337</u>	<u>712,870,418</u>
<b>Total assets</b>		<u>531,767,933</u>	<u>712,871,100</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Due to brokers		4,607,050	-
Amounts due to participating dealers		-	20,780,324
Cash collateral payable		25,462,287	23,684,116
Management fee payable	<i>6(a), 6(b)</i>	378,953	588,777
Other accounts payable		900,036	766,891
		<u>31,348,326</u>	<u>45,820,108</u>
<b>Total liabilities</b>		<u>31,348,326</u>	<u>45,820,108</u>
<b>EQUITY</b>			
Net assets attributable to unitholders	<i>3</i>	<u>500,419,607</u>	<u>667,050,992</u>

Note: Interim reports have applied the same accounting policies and methods of computation as are applied in the annual reports of the Sub-Fund.

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

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

*For the period ended 30 June 2022*

	<i>Notes</i>	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>RMB</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>RMB</i>
<b>INCOME</b>			
Dividend income		1,660,693	1,957,666
Interest income from bank deposits	6(c)	9,687	39,398
Interest income from derivative counterparties		649,685	751,428
Net (loss)/gain on investments and derivative financial instruments	4	(113,488,886)	124,729,477
Other income		(131,173)	582,481
<b>Total net (loss)/income</b>		<u>(111,299,994)</u>	<u>128,060,450</u>
<b>EXPENSES</b>			
Management fee	6(a), 6(b)	(2,519,527)	(3,695,912)
Transaction costs on investments		(515,804)	(930,514)
Audit fee		(111,389)	(91,864)
Bank charges	6(e)	(1,354)	(2,215)
Legal and other professional fee		-	(4,748)
Other operating expenses	6(e)	(281,083)	(313,708)
<b>Total operating expenses</b>		<u>(3,429,157)</u>	<u>(5,038,961)</u>
Operating (loss)/profit		<u>(114,729,151)</u>	<u>123,021,489</u>
Taxation	5	(110,504)	(108,035)
<b>Total comprehensive (loss)/income</b>		<u><u>(114,839,655)</u></u>	<u><u>122,913,454</u></u>

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

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

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

*For the period ended 30 June 2022*

	Period from 1 January 2022 to 30 June 2022 (Unaudited) RMB	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB
Net assets attributable to unitholders at the beginning of the period	667,050,992	800,588,402
Proceeds on issue of units	45,228,570	163,492,560
Payments on redemption of units	(97,020,300)	(279,727,290)
Net decrease from unit transactions	(51,791,730)	(116,234,730)
Total comprehensive (loss)/income for the period	(114,839,655)	122,913,454
<b>Net assets attributable to unitholders at the end of the period</b>	<b>500,419,607</b>	<b>807,267,126</b>

The movements of the redeemable units for the periods ended 30 June 2022 and 2021 are as follows:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) Units	Period from 1 January 2021 to 30 June 2021 (Unaudited) Units
Number of units in issue at the beginning of the period	57,000,000	76,200,000
Units issued	4,800,000	15,300,000
Units redeemed	(11,100,000)	(25,800,000)
Number of units in issue at the end of the period	50,700,000	65,700,000

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

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**CONDENSED STATEMENT OF CASH FLOWS**

*For the period ended 30 June 2022*

	Period from 1 January 2022 to 30 June 2022 (Unaudited) RMB	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB
<b>OPERATING ACTIVITIES</b>		
Payments for purchase of investments	(248,630,484)	(501,556,669)
Proceeds from sale of investments	306,666,913	680,571,382
Dividend income received	1,660,693	1,957,881
Interest income from bank deposits received	9,586	38,936
Interest income from swap received	333,945	653,550
Other income received	(147,574)	522,204
Management fee paid	(2,729,351)	(3,747,488)
Transaction costs paid	(515,804)	(930,514)
Taxation paid	(110,504)	(108,035)
Other operating expenses paid	(260,681)	(431,709)
Deposit reserve paid	(914)	(460)
Increase in cash collateral payable	1,778,171	-
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>58,053,996</b>	<b>176,969,078</b>
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<b>FINANCING ACTIVITIES</b>		
Proceeds on issue of units	45,227,922	163,493,208
Payments on redemption of units	(117,800,624)	(279,434,242)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(72,572,702)</b>	<b>(115,941,034)</b>
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Net (decrease)/increase in cash and cash equivalents	(14,518,706)	61,028,044
Cash and cash equivalents at the beginning of the period	45,512,067	471,778
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	30,993,361	61,499,822
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of balances of cash and cash equivalents</b>		
Bank balances	30,993,361	61,499,822
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*The accompanying notes form an integral part of these unaudited condensed financial statements.*

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED 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 30 June 2022, the Trust has nine sub-funds which are CSOP SZSE ChiNext ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF, CSOP Hong Kong Dollar Money Market ETF, CSOP US Dollar Money Market ETF, CSOP CSI 500 ETF, CSOP Hang Seng TECH Index ETF and CSOP Yinhua CSI 5G Communications Theme ETF. The date of inception of the Sub-Fund was 13 May 2015. 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 underlying index, namely, the ChiNext Index.

Investment Strategy

In order to achieve the investment objective of the Sub-Fund, the Manager now uses a combination of a physical representative sampling strategy and a synthetic representative sampling strategy. The Sub-Fund (i) primarily uses a physical representative sampling strategy by investing 50% to 100% of its net asset value in index securities constituting the underlying index; and (ii) where the Manager believes such investments are beneficial to the Sub-Fund and will help the Sub-Fund achieve its investment objective, uses a synthetic representative sampling strategy as an ancillary strategy by investing up to 50% in financial derivative instruments, which are unlisted funded total return swaps with one or more counterparties. Exposure of the Sub-Fund to the index securities (either through direct investment or through financial derivative instruments) is in substantially the same weightings (i.e. proportions) as these index securities have in the underlying index.

Under current regulations in the PRC mainland, generally foreign investors can invest in the domestic securities and/or futures market through (i) certain foreign institutional investors that have obtained status as a QFI from the CSRC to remit foreign freely convertible currencies and RMB into the PRC mainland for the purpose of investing in the PRC mainland’s domestic securities and/or futures markets, or (ii) the Stock Connect Program.

The Sub-Fund directly invests in securities issued within the PRC mainland through the QFI status of the Manager and Stock Connect.

These condensed semi-annual financial statements are prepared for the Sub-Fund only. The condensed financial statements for CSOP FTSE China A50 ETF, CSOP MSCI China A Inclusion Index ETF, ICBC CSOP S&P New China Sectors ETF, CSOP Hong Kong Dollar Money Market ETF, CSOP US Dollar Money Market ETF, CSOP CSI 500 ETF, CSOP Hang Seng TECH Index ETF and CSOP Yinhua CSI 5G Communications Theme ETF have been prepared separately.



**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

These condensed semi-annual financial statements for the six months ended 30 June 2022 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The condensed semi-annual financial statements should be read in conjunction with the annual financial statements for the period ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The accounting policies applied are consistent with those of the annual financial statements for the period ended 31 December 2021, as described in the annual financial statements.

Standards and amendments to existing standards effective 1 January 2022

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 1 January 2022 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 1 January 2022, 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.

**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 condensed statement of financial position. Subscriptions and redemptions of units during the period are shown in the condensed 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.

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.

Redeemable units of the Sub-Fund are classified as equity and they are carried at the redemption amount that would be payable at the reporting date if the unitholder exercised the right to redeem the units in the Sub-Fund.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

	Period from 1 January 2022 to 30 June 2022 (Unaudited) Units	Period from 1 January 2021 to 30 June 2021 (Unaudited) Units
Number of units in issue at the end of the period	50,700,000	65,700,000
	As at 30 June 2022 (Unaudited)	As at 31 December 2021 (Audited)
Net assets attributable to unitholders per unit (per statement of financial position)	9.8702	11.7026

**4. NET (LOSS)/GAIN ON INVESTMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS**

	Period from 1 January 2022 to 30 June 2022 (Unaudited) RMB	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB
Net change in unrealised (loss)/gain in value of investments and derivative financial instruments	(91,811,192)	42,771,466
Net realised (loss)/gain on sale of investments and derivative financial instruments	(21,676,333)	81,958,011
Net foreign currency loss	(1,361)	-
	(113,488,886)	124,729,477

**5. 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.

PRC tax

The Sub-Fund invests in A-Shares listed in the PRC and is subjected to 10% withholding tax on dividend income derived from A-Shares. Withholding tax was charged on dividend income received from A-Shares and interest income on cash balances during the period.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**5. TAXATION (Continued)**

The taxation of the Sub-Fund for the period ended 30 June 2022 and 30 June 2021 represents:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) RMB	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB
Withholding tax on dividend income	(110,312)	(107,962)
Withholding tax on interest income	(192)	(73)
Taxation	<u>(110,504)</u>	<u>(108,035)</u>

**6. 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/Custodian, 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 1 January 2022 to 30 June 2022, between the Sub-Fund and the Manager and its Connected Persons were carried out in the normal course of business and on ordinary 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 0.99% per annum of the net asset value of the Sub-Fund, 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 the Registrar out of the management fee. Refer to Note 6(a).

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

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS (Continued)**

**(c) Financial assets**

The investments and bank balances of the Sub-Fund held with related parties of the Trustee are:

	30 June 2022 (Unaudited) <i>RMB</i>	31 December 2021 (Audited) <i>RMB</i>
<b>Investments</b>		
The Hongkong and Shanghai Banking Corporation Limited	301,075,143	393,788,312
HSBC Bank (China) Company Limited	536,151	1,874,750
	<u>301,611,294</u>	<u>395,663,062</u>
<b>Bank balances</b>		
The Hongkong and Shanghai Banking Corporation Limited	29,267,346	44,478,867
HSBC Bank (China) Company Limited	1,726,015	1,033,200
	<u>30,993,361</u>	<u>45,512,067</u>
<b>Deposit reserve</b>		
HSBC Bank (China) Company Limited	<u>1,596</u>	<u>682</u>

Interest income amounted to RMB9,687 (for the period from 1 January 2021 to 30 June 2021: RMB39,398) was earned on these bank balances for the period ended 30 June 2022.

As at 30 June 2022, the Sub-Fund entered into swap contracts with Huatai Capital Investment Limited, a connected person of the Manager, of RMB44,928,520 (31 December 2021: RMB39,126,350).

**(d) Holding in the Sub-Fund**

As at 30 June 2022, no unit was held by the Trustee, Manager and their connected persons (31 December 2021: Nil)

**(e) Other respective amounts paid to the Trustee and its connected persons**

The other respective amounts paid to the trustee and its connected persons for the period ended 30 June 2022 and 2021 were as follows:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>RMB</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>RMB</i>
Bank charges	162	-
Other operating expenses	116,315	73,675

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS (Continued)**

**(e) Other respective amounts paid to the Manager and its connected persons (Continued)**

The other respective amounts paid to the Manager and its connected persons for the period ended 30 June 2022 and 2021 were as follows:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>RMB</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>RMB</i>
Transaction costs of investment - Brokerage commission paid	63,441	13,701

**7. TRANSACTION COST**

Transaction 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, advisers, brokers and dealers.

**8. 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 ChiNext 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**

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

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

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

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

**(i) Market price risk (Continued)**

As at 30 June 2022 and 31 December 2021, the Sub-Fund's investments and derivative financial instruments were concentrated in the following industries:

	30 June 2022 (Unaudited)		31 December 2021 (Audited)	
	Fair value <i>RMB</i>	% of net asset value	Fair value <i>RMB</i>	% of net asset value
Listed equities in PRC and funded total return swap* – by industry				
Basic Materials	33,562,986	6.71	36,303,397	5.44
Consumer Discretionary	111,014,514	22.18	14,299,925	2.14
Consumer Goods	-	-	151,739,921	22.75
Consumer Services	-	-	66,298,937	9.94
Consumer Staples	44,029,905	8.80	23,114,381	3.47
Energy	14,737,500	2.94	21,870,000	3.28
Financials	38,068,022	7.61	2,138,774	0.32
Health Care	120,490,129	24.08	155,090,875	23.25
Industrials	53,866,116	10.76	92,509,921	13.87
Oil & Gas	-	-	2,128,680	0.32
Technology	72,560,324	14.50	88,878,583	13.32
Telecommunications	9,857,013	1.97	10,084,514	1.51
Utilities	1,702,107	0.34	2,348,973	0.35
	<u>499,888,616</u>	<u>99.89</u>	<u>666,806,881</u>	<u>99.96</u>

\*The data of Unlisted Funded Total Return Swaps represent their underlying asset.

The Sub-Fund held 100 out of 100 (31 December 2021: 100 out of 100) constituent comprising the ChiNext Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the ChiNext Index.

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

As at 30 June 2022 and 31 December 2021, if the ChiNext Index were to increase by 10% (31 December 2021: increase by 10%) with all other variables held constant, this would increase the operating profit for the period by approximately RMB 49,988,862 (31 December 2021: RMB66,568,682). Conversely, if the ChiNext Index were to decrease by 10% (31 December 2021: decrease by 10%), this would decrease the operating profit for the period by an equal amount.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

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

**(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 30 June 2022 and 31 December 2021, interest rate risk arises only from bank balances. As the bank balances held by the Sub-Fund is short term in nature and interest arising 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. As a result, the Manager considers sensitivity analysis of interest rate risk is not necessary to be presented.

**(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 RMB, the Sub-Fund's functional and presentation currency. As a result, the Manager 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 may invest in financial derivative instruments ("FDIs"), which is mainly unlisted funded total return swaps with one or more counterparties. The counterparties are transactions of over-the-counter FDIs or their guarantors must be substantial financial institutions. Collateral are received from the counterparty to reduce counterparty risk.

All transactions in listed securities are settled or paid for upon delivery using approved and reputable brokers. In addition, the Sub-Fund places bank balances with reputable financial institutions. As such, the Manager does not consider the Sub-Fund to be exposed to significant credit and counterparty risk.

As at 30 June 2022, the Sub-Fund placed bank balances of RMB29,267,346 (31 December 2021: RMB44,478,867) and investments of RMB301,075,143 (31 December 2021: RMB393,788,312) with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), which is the custodian of the Sub-Fund. The S&P credit rating of HSBC is A- (2021: A-).

As at 30 June 2022, the Sub-Fund placed bank balances of RMB1,726,015 (31 December 2021: RMB1,033,200), deposit reserve of RMB1,596 (31 December 2021: RMB682) and investments of RMB536,151 (31 December 2021: RMB1,874,750) with HSBC Bank (China) Company Limited ("HSBC China"), which is the PRC custodian of the Sub-Fund. The Moody's credit rating of HSBC China is A1 (2021: A1).

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

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

As at 30 June 2022, the Sub-Fund invested in unlisted funded total return swaps were as follows:

<b>Counterparty</b>	<b>Credit rating</b>	<b>Swap value</b>	<b>Collateral value</b>	<b>Collateral ratio</b>
<b>As at 30 June 2022</b>				
Huatai Capital Investment Limited	Baa1	44,928,520	45,598,839	101.49%
Goldman Sachs International, London	A1	2,366,100	2,158,198	91.21%
JP Morgan Securities Plc, London	Aa2	124,282,702	122,795,103	98.80%
Morgan Stanley & Co. International Plc, London	Aa3	26,700,000	27,913,258	104.54%
<b>As at 31 December 2021</b>				
JP Morgan Securities PLC, London	Aa3	232,017,469	232,727,072	100.31%
Huatai Capital Investment Limited	Baa2	39,126,350	38,659,053	98.81%

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss.

At 30 June 2022 and 31 December 2021, deposit reserve, interest receivable, amounts due from participating dealers and bank balances are held with counterparties with high credit ratings and are due to be settled within 1 month. Management consider the probability of default to be close to zero as the counterparties 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 wholly insignificant to the Sub-Fund.

**(c) Liquidity risk**

The maximum exposure to credit risk as at 30 June 2022 and 31 December 2021 is the carrying amount of the financial assets as shown on the condensed statement of financial position.

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 securities that are traded in an active market which can be readily disposed of.

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.



**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

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

	Less than 1 month <i>RMB</i>	1 month to less than 3 months <i>RMB</i>	Over 3 months <i>RMB</i>	Total <i>RMB</i>
<b>As at 30 June 2022</b>				
Due to brokers	4,607,050	-	-	4,607,050
Cash collateral liabilities	25,462,287	-	-	25,462,287
Management fee payable	378,953	-	-	378,953
Other accounts payable	9,858	-	890,178	900,036
<b>Contractual cash outflow</b>	<u>30,458,148</u>	<u>-</u>	<u>890,178</u>	<u>31,348,326</u>
<b>As at 31 December 2021</b>				
Amounts due to participating dealers	20,780,324	-	-	20,780,324
Cash collateral payable	23,684,116	-	-	23,684,116
Management fee payable	588,277	500	-	588,777
Other accounts payable	11,110	-	755,781	766,891
<b>Contractual cash outflow</b>	<u>45,063,827</u>	<u>500</u>	<u>755,781</u>	<u>45,820,108</u>

Units are redeemed on demand at the unitholder's option. As at 30 June 2022, there were two (31 December 2021: 2) unitholders holding more than 10% of the Sub-Fund's units.

The Sub-Fund manages its liquidity risk by investing in securities that it expects to be able to liquidate within 7 days or less. The following table illustrates the expected liquidity of assets held:

	Less than 1 month <i>RMB</i>	1 to 12 months <i>RMB</i>	No stated maturity <i>RMB</i>	Total <i>RMB</i>
<b>As at 30 June 2022</b>				
Total assets	<u>530,924,169</u>	<u>842,168</u>	<u>1,596</u>	<u>531,767,933</u>
<b>As at 31 December 2021</b>				
Total assets	<u>712,344,091</u>	<u>526,327</u>	<u>682</u>	<u>712,871,100</u>

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

**(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.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

**(d) Fair value estimation (Continued)**

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets (by class) measured at fair value at 30 June 2022 and 31 December 2021:

	Level 1 <i>RMB</i>	Level 2 <i>RMB</i>	Level 3 <i>RMB</i>	Total <i>RMB</i>
<b>As at 30 June 2022</b>				
<b>Assets</b>				
Investments				
- Equity securities	301,611,294	-	-	301,611,294
Derivative financial instruments				
- Unlisted Funded Total Return Swaps	-	198,277,322	-	198,277,322
<b>Total assets</b>	<u>301,611,294</u>	<u>198,277,322</u>	<u>-</u>	<u>499,888,616</u>
<b>As at 31 December 2021</b>				
<b>Assets</b>				
Investments				
- Equity securities	395,663,062	-	-	395,663,062
Derivative financial instruments				
- Unlisted Funded Total Return Swaps	-	271,143,819	-	271,143,819
<b>Total assets</b>	<u>395,663,062</u>	<u>271,143,819</u>	<u>-</u>	<u>666,806,881</u>

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. Management has used best estimation and assessed all available information and considers that the last traded price is the best estimation of the fair value of level 2 investments. As at 30 June 2022 and 31 December 2021, unlisted funded total return swap is classified within level 2.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

**(d) Fair value estimation (Continued)**

As at 30 June 2022 and 31 December 2021, there was no investment held by the Sub-Fund which has been suspended for trading and classified in level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or do not trade. As at 30 June 2022 and 31 December 2021, there was no investment classified as level 3.

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

The assets and liabilities included in the condensed statement of financial position, other than investments and derivative financial instruments, 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 fair value is disclosed.

**(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 generally to the performance of the respective index. 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.

**(f) Offsetting and amounts subject to master netting arrangements and similar agreements**

As at 30 June 2022 and 31 December 2021, the Sub-Fund was subject to master netting arrangements with derivative counterparties. All of the derivative assets and liabilities of the Sub-Fund are held with this counterparty and the margin balance maintained by the Sub-Fund is for the purpose of providing collateral on derivative positions.

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 30 June 2022 and 31 December 2021. The column 'net amount' shows the impact on the group's balance sheet if all set-off rights were exercised.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

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

**(f) Offsetting and amounts subject to master netting arrangements and similar agreements**

	A	B	C = A – B	D		E = C- D
	Gross amounts of recognised financial assets <i>RMB</i>	Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position <i>RMB</i>	Net amounts of financial assets presented in the Statement of Financial Position <i>RMB</i>	Related amounts not set-off in the Statement of Financial Position		Net amount <i>RMB</i>
				D(i)	D(ii)	
				Financial instruments <i>RMB</i>	Collateral <i>RMB</i>	
<b>As at 30 June 2022</b>						
<b>Financial assets</b>						
Derivative financial instrument						
- Unlisted						
Funded Total						
Return						
Swaps	198,277,322	-	198,277,322	-	198,465,398	188,076
	<u>198,277,322</u>	<u>-</u>	<u>198,277,322</u>	<u>-</u>	<u>198,465,398</u>	<u>188,076</u>
	<u><u>198,277,322</u></u>	<u><u>-</u></u>	<u><u>198,277,322</u></u>	<u><u>-</u></u>	<u><u>198,465,398</u></u>	<u><u>188,076</u></u>
<b>As at 31 December 2021</b>						
<b>Financial assets</b>						
Derivative financial instrument						
- Unlisted						
Funded Total						
Return						
Swaps	271,143,819	-	271,143,819	-	270,676,522	467,297
	<u>271,143,819</u>	<u>-</u>	<u>271,143,819</u>	<u>-</u>	<u>270,676,522</u>	<u>467,297</u>
	<u><u>271,143,819</u></u>	<u><u>-</u></u>	<u><u>271,143,819</u></u>	<u><u>-</u></u>	<u><u>270,676,522</u></u>	<u><u>467,297</u></u>

Amount in D(i) and D(ii) above relate to amounts to set-off that do not qualify for offsetting under (B) above. This includes (i) amounts which are subject to set-off against the asset (or liability) disclosed in (A) which have not been offset in the statement of financial position and (ii) any financial collateral (including cash collateral), both received and pledged.

The Sub-Fund and its counterparty have elected to settle all transactions on a gross basis. However, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Per the terms of the master netting agreement, an event of default includes the following:

- failure by a party to make payment when due;
- bankruptcy.

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**9. DEPOSITS WITH BROKER/CASH COLLATERAL PAYABLE**

As at 30 June 2022, cash collateral received from unlisted funded total return swaps amounting to RMB25,462,287 (31 December 2021: RMB23,684,116) were included as Cash and cash equivalent under the statement of financial position.

**10. DISTRIBUTION**

There is no distribution during the period ended 30 June 2022 and 30 June 2021.

**11. FINANCIAL INSTRUMENTS BY CATEGORY**

As of 30 June 2022 and 31 December 2021, other than investments as disclosed in the financial statements which are classified as the financial assets at fair value through profit or loss, all financial assets including interest receivable, amount due from participating dealers and bank balances are categorised as per IFRS 9 and carried at amortised cost. All the financial liabilities of the Sub-Fund are carried at amortised cost.

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

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

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period/year ended 30 June 2022 and 31 December 2021.

There was 1 (31 December 2021: 1) constituent securities that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the ChiNext Index as at 30 June 2022.

	<u>Weighting in the Index (%)</u>	<u>% of net asset value</u>
<b>30 June 2022</b>		
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD ORD CNY1	18.67%	18.61%
<b>31 December 2021</b>		
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A SHS ORD CNY1	17.26%	17.26%

During the period ended 30 June 2022, the ChiNext Index decreased by 15.41% (31 December 2021: increased by 12.02%) while the net asset value per unit of the Sub-Fund decreased by 15.66% (31 December 2021: increased by 11.39%).

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**13. SOFT COMMISSION ARRANGEMENT**

The Manager has entered into soft commission arrangements since 26 October 2018 with some brokers under which certain goods and services used to support investment decision making are obtained from third parties and are paid for by the brokers in consideration of transactions of the Sub-Fund directed to the brokers. These may include, for example, research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; clearing, registrar and custodial services and investment-related publication; computer hardware and software incidental to the above goods and services.

For the period ended 30 June 2022 and 2021, the Manager obtained services through soft dollar arrangements on transactions amounting to RMB277,872,981 (30 June 2021: RMB964,982,098). Commission which amounted to RMB111,149 (30 June 2021: RMB228,629) is paid from the Sub-Fund on these transactions.

**14. SEGMENT INFORMATION**

The Manager makes the strategic resource allocations on behalf of the Sub-Fund and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that the Sub-Fund has a single operating segment which is investing in securities either through direct investment or through financial derivative instruments. The objectives of the Sub-Fund are to track the performance of the ChiNext Index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked index.

The internal financial information used by the Manager for the Sub-Fund's assets, liabilities and performance is the same as that disclosed in the condensed statement of financial position and condensed 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 ChiNext Index, the tracked index.

The total of non-current assets of the Sub-Fund located in PRC is RMB1,596 (31 December 2021: RMB682). The Sub-Fund has no other assets classified as non-current assets. As at 30 June 2022 and 31 December 2021, the Sub-Fund has a diversified portfolio of investments and one (31 December 2021: one) investment accounts for more than 10% of the Sub-Fund's net asset value.

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited)**

As at 30 June 2022

	Holdings	Fair value RMB	% of net assets
<b>Investments and derivative financial instruments (99.89%)</b>			
<b>Investments (60.27%)</b>			
<b>Listed equities (60.27%)</b>			
<b>China (60.27%)</b>			
ANHUI ANKE BIOTECHNOLOGY GROUP CO LTD ORD CNY1	2,404	24,304	-
ANKER INNOVATIONS TECHNOLOGY CO LTD ORD CNY1	18,800	1,246,816	0.25
BEIJING EASPRING MATERIAL TECHNOLOG Y CO LTD ORD CNY1	9,900	894,366	0.18
BEIJING SINNET TECHNOLOGY ORD CNY1	13,789	143,681	0.03
BETTA PHARMACEUTICALS CO L-A ORD CNY1	34,613	2,104,470	0.42
BYHEALTH CO LTD ORD CNY1	122,395	2,649,852	0.53
CENTRE TESTING INTERNATIONAL CORP A SHR ORD CNY1	23,100	536,151	0.11
CENTRE TESTING INTERNATIONAL GROUP CO LTD ORD CNY1	175,700	4,077,997	0.81
CHANGSHA JINGJIA MICROELECTRON CO LTD ORD CNY1	30,350	2,075,637	0.41
CHAOZHOU THREECIRCLE GROU ORD CNY1	160,090	4,818,709	0.96
CHENGDU KANGHUA BIOLOGICAL PRODUCTS CO LTD ORD CNY1	8,175	943,722	0.19
CNGR ADVANCED MATERIAL CO LTD ORD C NY1	27,600	3,419,640	0.68
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD ORD CNY1	124,398	66,428,532	13.27
DONGGUAN YIHEDA AUTOMATION CO LTD ORD CNY1	5,300	431,950	0.09
EAST MONEY INFORMATION CO LTD ORD CNY1	243,437	6,183,300	1.24
EOPTOLINK TECHNOLOGY INC LTD ORD CNY1	59,892	1,569,170	0.31
EVE ENERGY CO LTD ORD CNY1	169,743	16,549,943	3.31
GINLONG TECHNOLOGIES CO LTD ORD CNY1	24,710	5,263,230	1.05
GOKE MICROELECTRONICS CO LTD ORD CNY1	13,400	1,095,584	0.22
GUANGDONG EAST POWER CO LT ORD CNY1	145,100	1,178,212	0.24
GUANGZHOU WONDFO BIOTECH CO LTD ORD CNY1	4,600	187,266	0.04
HANGZHOU CHANG CHUAN TECHNOLOGY CO LTD ORD CNY1	47,800	2,158,170	0.43
HANGZHOU TIGERMED CONSULTI ORD CNY1	66,917	7,658,651	1.53
HAPPIGO HOME SHOPPING CO L ORD CNY1	87,500	2,919,000	0.58
HITHINK ROYALFLUSH INFORMATION NETWORK CO LTD ORD CNY1	186	17,884	-
HUABAO FLAVOURS & FRAGRANCES CO LTD ORD CNY1	200	5,564	-
HUALI INDUSTRIAL GROUP CO LTD ORD C NY1	21,400	1,563,912	0.31
IMEIK TECHNOLOGY DEVELOPMENT CO LTD ORD CNY1	6,200	3,720,062	0.74
INGENIC SEMICONDUCTOR CO LTD ORD CNY1	14,200	1,508,750	0.30
JAFRON BIOMEDICAL CO LTD ORD CNY1	59,761	3,041,237	0.61



**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**

As at 30 June 2022

	Holdings	Fair value RMB	% of net assets
<b>Investments and derivative financial instruments (99.89%)</b>			
<b>(Continued)</b>			
<b>Investments (60.27%) (Continued)</b>			
<b>Listed equities (60.27%) (Continued)</b>			
<b>China (60.27%) (Continued)</b>			
JL MAG RARE-EARTH CO LTD ORD CNY1	11,920	438,656	0.09
LENS TECHNOLOGY CO LTD ORD CNY1	28,839	319,248	0.06
LEPU MEDICAL TECHNOLOGY BEIJING CO LTD ORD CNY1	161,764	3,003,957	0.60
LEYARD OPTOELECTRONIC CO LTD ORD CNY1	284,700	2,078,310	0.42
LIGAO FOODS CO LTD ORD CNY1	8,000	831,600	0.17
LONGSHINE TECHNOLOGY CO LTD ORD CNY1	12,806	322,583	0.06
LUOYANG XINQIANGLIAN SLEWING BEARING CO LTD ORD CNY1	21,200	1,887,436	0.38
MAXSCEND MICROELECTRONICS CO LTD ORD CNY1	46,048	6,216,480	1.24
NANJING HANRUI COBALT CO LTD ORD CNY1	30,303	1,755,150	0.35
OVCTEK CHINA INC ORD CNY1	62,609	3,580,609	0.72
PHARMABLOCK SCIENCES NANJING INC ORD CNY1	21,300	2,108,487	0.42
PHARMARON BEIJING CO LTD ORD CNY1	59,850	5,698,917	1.14
PORTON FINE CHEMICALS LTD ORD CNY1	45,000	3,509,550	0.70
QINGDAO TGOOD ELECTRIC CO LTD ORD CNY1	88,028	1,523,765	0.30
SG MICRO CORP ORD CNY1	30,442	5,541,053	1.11
SHANDONG DONGYUE ORGANOSILICON MATERIAL CO LTD ORD CNY1	47,500	873,050	0.17
SHANDONG SINOCERA FUNCTIONAL MATERIAL CO LTD ORD NPV	106,375	3,820,990	0.76
SHANGHAI TOFFLON SCIENCE & TECHNOLOGY CO LTD ORD CNY1	35,500	1,203,805	0.24
SHENZHEN CAPCHEM TECHNOLOGY CO LTD ORD CNY1	66,620	3,501,547	0.70
SHENZHEN DYNANONIC CO LTD ORD CNY1	14,860	6,072,985	1.21
SHENZHEN EVERWIN PRECISION TECHNOLOGY CO LTD ORD CNY1	110,340	1,137,605	0.23
SHENZHEN INOVANCE TECHNOLOGY CO LTD ORD CNY1	111,913	7,371,709	1.47
SHENZHEN KANGTAI BIOLOGICAL PRODUCTS CO LTD ORD CNY1	17,934	810,258	0.16
SHENZHEN MINDRAY BIO-MEDICAL ELECTRONICS CO LTD ORD CNY1	60,373	18,908,824	3.78
SHENZHEN NEW INDUSTRIES BIOMEDICAL ENGINEERING CO LTD ORD CNY1	40,840	1,842,292	0.37
SHENZHEN SC NEW ENERGY TECHNOLOGY CORP ORD CNY1	31,703	2,832,663	0.57
SHENZHEN SENIOR TECHNOLOGY MATERIAL CO LTD ORD CNY1	140,437	4,078,290	0.83
SHENZHEN SUNWAY COMMUNICATION CO LTD ORD CNY1	1,212	20,422	-
SHENZHEN YINGHE TECHNOLOGY CO LTD ORD CNY1	2,300	65,343	0.01
SINO BIOLOGICAL INC ORD CNY1	4,800	622,704	0.12

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**

As at 30 June 2022

	<b>Holdings</b>	<b>Fair value RMB</b>	<b>% of net assets</b>
<b>Investments and derivative financial instruments (99.89%)</b>			
<b>(Continued)</b>			
<b>Investments (60.27%) (Continued)</b>			
<b>Listed equities (60.27%) (Continued)</b>			
<b>China (60.27%) (Continued)</b>			
SINOFIBERS TECHNOLOGY CO LTD ORD CNY1	43,200	2,082,240	0.42
SONGCHENG PERFORMANCE DEVELOPMENT CO LTD ORD	208,033	3,193,307	0.64
SUNWODA ELECTRONIC CO LTD ORD CNY1	170,874	5,399,618	1.08
SUZHOU MAXWELL TECHNOLOGIES CO LTD ORD CNY1	12,800	6,283,520	1.26
SUZHOU TA&A ULTRA CLEAN TECHNOLOGY CO LTD ORD CNY1	55,300	4,833,220	0.97
THUNDER SOFTWARE TECHNOLOG ORD CNY1	6,480	845,510	0.17
WEIHAI GUANGWEI COMPOSITES CO LTD O RD CNY1	2,400	141,288	0.03
WENS FOODSTUFF GROUP CO LTD ORD CNY1	625,440	13,315,618	2.66
WINNER MEDICAL CO LTD ORD CNY1	14,800	984,200	0.20
WINNING HEALTH TECHNOLOGY ORD CNY1	247,725	2,175,026	0.43
WUHAN DR LASER TECHNOLOGY CORP LTD ORD CNY1 SZHK	10,900	1,883,520	0.38
WUHU TOKEN SCIENCE CO LTD ORD CNY1	14,500	107,590	0.02
WUXI LEAD INTELLIGENT EQUIPMENT CO LTD A SHS ORD CNY1	128,092	8,092,853	1.62
YANGLING METRON NEW MATERIAL INC OR D CNY1	16,700	1,547,923	0.31
YANGZHOU YANGJIE ELECTRONI ORD CNY1	36,100	2,572,125	0.51
YIHAI KERRY ARAWANA HOLDINGS CO LTD ORD CNY1	79,583	4,299,074	0.86
YUNNAN BOTANEE BIO-TECHNOLOGY GROUP CO LTD ORD CNY1	14,687	3,194,863	0.64
ZHEJIANG DIAN DIAGNOSTICS ORD CNY1	5,839	181,593	0.04
ZHEJIANG JINGSHENG MECHANI ORD CNY1	13,500	912,465	0.18
ZHEJIANG WOLWO BIO PHARMACEUTICAL C O LTD ORD NPV	37,010	1,925,630	0.38
ZHONGJI INNOLIGHT CO LTD ORD CNY1	7,625	236,756	0.05
ZHUZHOU HONGDA ELECTRONICS CORP LTD ORD CNY1	16,500	1,009,305	0.20
		-----	-----
<b>Total listed equity shares</b>		<b>301,611,294</b>	<b>60.27</b>
		=====	=====

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**

As at 30 June 2022

	<b>Holdings</b>	<b>Fair value RMB</b>	<b>% of net assets</b>
<b>Investments and derivative financial instruments (99.89%)</b>			
<b>(Continued)</b>			
<b>Derivative financial instruments (39.62%)</b>			
<b>Unlisted funded total return swaps (39.62%)</b>			
AIER EYE HOSPITAL GROUP CO A (UNLISTED FUNDED	350,000	15,669,500	3.13
ANHUI ANKE BIOTECHNOLOGY G-A (FUNDED TOTAL			
RETURN SWAPS)	149,280	1,509,221	0.30
BEIJING EASPRING MATERIAL-A (FUNDED TOTAL RETURN			
SWAPS)	47,000	4,245,980	0.85
BEIJING E-HUALU INFO TECH-A (FUNDED TOTAL RETURN			
SWAPS)	72,960	1,269,504	0.25
BEIJING ENLIGHT MEDIA CO L-A (FUNDED TOTAL RETURN			
SWAPS)	174,300	1,650,621	0.33
BEIJING KUNLUN TECH CO LTD-A (FUNDED TOTAL RETURN			
SWAPS)	111,600	1,785,600	0.36
BEIJING ORIGINWATER TECHNO-A (FUNDED TOTAL			
RETURN SWAPS)	326,700	1,702,107	0.34
BEIJING SINNET TECHNOLOGY-A (FUNDED TOTAL RETURN			
SWAPS)	144,900	1,509,858	0.30
BGI GENOMICS CO LTD-A (FUNDED TOTAL RETURN SWAPS)	33,000	2,366,100	0.47
BLUEFOCUS INTELLIGENT COMM-A (FUNDED TOTAL			
RETURN SWAPS)	357,100	2,331,863	0.47
BOYA BIO-PHARMACEUTICAL GR-A (FUNDED TOTAL			
RETURN SWAPS)	46,600	1,675,270	0.33
CHONGQING ZHIFEI BIOLOGICA-A (FUNDED TOTAL			
RETURN SWAPS)	110,000	12,211,100	2.44
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A			
(UNLISTED FUNDED TOTAL RETURN SWAPS)	50,000	26,700,000	5.34
DIAN DIAGNOSTICS GROUP CO-A (FUNDED TOTAL RETURN			
SWAPS)	59,600	1,853,560	0.37
EAST MONEY INFORMATION CO LTD A (UNLISTED FUNDED			
TOTAL RETURN SWAPS)	1,200,000	30,480,000	6.09
GUANGZHOU WONDFO BIOTECH C-A (FUNDED TOTAL			
RETURN SWAPS)	30,160	1,227,814	0.24
HAINAN POLY PHARM CO LTD-A (FUNDED TOTAL RETURN			
SWAPS)	43,949	1,544,807	0.31
HITHINK ROYALFLUSH INFORMA-A (FUNDED TOTAL			
RETURN SWAPS)	28,400	2,730,660	0.55
HUABAO FLAVOURS & FRAGRANC-A (FUNDED TOTAL			
RETURN SWAPS)	16,900	470,158	0.09
IMEIK TECHNOLOGY DEVELOPMENT CO LTD A (UNLISTED			
FUNDED TOTAL RETURN SWAPS)	5,000	3,000,050	0.60
INGENIC SEMICONDUCTOR CO -A (FUNDED TOTAL RETURN			
SWAPS)	16,400	1,742,500	0.35
JL MAG RARE-EARTH CO LTD-A (FUNDED TOTAL RETURN			
SWAPS)	35,360	1,301,248	0.26

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**

As at 30 June 2022

	<b>Holdings</b>	<b>Fair value RMB</b>	<b>% of net assets</b>
<b>Investments and derivative financial instruments (99.89%) (Continued)</b>			
<b>Derivative financial instruments (39.62%) (Continued)</b>			
<b>Unlisted funded total return swaps (39.62%) (Continued)</b>			
LAKALA PAYMENT CO LTD-A (FUNDED TOTAL RETURN SWAPS)	73,700	1,404,722	0.28
LENS TECHNOLOGY CO LTD-A (FUNDED TOTAL RETURN SWAPS)	245,100	2,713,257	0.54
LONGSHINE TECHNOLOGY CO LT-A (FUNDED TOTAL RETURN SWAPS)	40,000	1,007,600	0.20
SANGFOR TECHNOLOGIES INC-A (FUNDED TOTAL RETURN SWAPS)	34,100	3,538,898	0.71
SHANDONG INTCO MEDICAL PRODUCTS CO LTD A (UNLISTED FUNDED TOTAL RETURN SWAPS)	72,000	1,825,920	0.36
SHENZHEN INOVANCE TECHNOLOGY CO LTD (UNLISTED FUNDED TOTAL RETURN SWAPS)	140,000	9,221,800	1.84
SHENZHEN KANGTAI BIOLOGICA-A (FUNDED TOTAL RETURN SWAPS)	62,880	2,840,918	0.57
SHENZHEN SUNWAY COMMUNICAT-A (FUNDED TOTAL RETURN SWAPS)	112,700	1,898,995	0.38
SHENZHEN YINGHE TECHNOLOGY-A (FUNDED TOTAL RETURN SWAPS)	47,800	1,357,998	0.27
SUNGROW POWER SUPPLY CO LT-A (FUNDED TOTAL RETURN SWAPS)	150,000	14,737,500	2.94
THUNDER SOFTWARE TECHNOLOG-A (FUNDED TOTAL RETURN SWAPS)	36,200	4,723,376	0.94
VICTORY GIANT TECHNOLOGY -A (FUNDED TOTAL RETURN SWAPS)	82,400	1,512,864	0.30
WALVAX BIOTECHNOLOGY CO-A (FUNDED TOTAL RETURN SWAPS)	282,900	13,689,531	2.74
WEIHAI GUANGWEI COMPOSITES-A (FUNDED TOTAL RETURN SWAPS)	37,400	2,201,738	0.44
WUHAN RAYCUS FIBER LASER T-A (FUNDED TOTAL RETURN SWAPS)	36,000	1,400,400	0.28
WUHU TOKEN SCIENCE CO LTD-A (FUNDED TOTAL RETURN SWAPS)	273,700	2,030,854	0.41

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**INVESTMENT PORTFOLIO (Unaudited) (Continued)**  
*As at 30 June 2022*

	<b>Holdings</b>	<b>Fair value RMB</b>	<b>% of net assets</b>
<b>Investments and derivative financial instruments (99.89%) (Continued)</b>			
<b>Derivative financial instruments (39.62%) (Continued)</b>			
<b>Unlisted funded total return swaps (39.62%) (Continued)</b>			
XI'AN TRIANGLE DEFENSE CO -A (FUNDED TOTAL RETURN SWAPS)	48,400	2,330,460	0.47
YEALINK NETWORK TECHNOLOGY-A (FUNDED TOTAL RETURN SWAPS)	51,000	3,883,650	0.78
ZHEJIANG JINGSHENG MECHANI-A (FUNDED TOTAL RETURN SWAPS)	70,000	4,731,300	0.95
ZHONGJI INNOLIGHT CO LTD-A (FUNDED TOTAL RETURN SWAPS)	72,400	2,248,020	0.45
		-----	-----
<b>Total unlisted funded total return swaps</b>		198,277,322	39.62
		=====	=====
<b>Total investments and derivative financial instruments</b>		499,888,616	99.89
<b>Other net assets</b>		530,991	0.11
		-----	-----
<b>Net assets attributable to unitholders at 30 June 2022</b>		500,419,607	100.00
		=====	=====
<b>Total investments and derivative financial instruments, at cost</b>		512,664,960	
		=====	

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**

*For the period from 1 January 2022 to 30 June 2022*

	% of net asset value 1 January 2022 to 30 June 2022	% of net asset value For the year Ended 31 December 2021
Listed equities and unlisted funded total return swap* – by industry		
Basic Materials	6.71	5.44
Consumer Discretionary	22.18	2.14
Consumer Goods	-	22.75
Consumer Services	-	9.94
Consumer Staples	8.80	3.47
Energy	2.94	3.28
Financials	7.61	0.32
Health Care	24.08	23.25
Industrials	10.76	13.87
Oil & Gas	-	0.32
Technology	14.50	13.32
Telecommunications	1.97	1.51
Utilities	0.34	0.35
	<hr/>	<hr/>
<b>Total investments and derivative financial instruments</b>	99.89	99.96
<b>Other net assets</b>	0.11	0.04
	<hr/>	<hr/>
<b>Total net assets</b>	<u>100.00</u>	<u>100.00</u>

\*The data of Unlisted Funded Total Return Swaps represent their underlying asset.

**CSOP SZSE CHINEXT ETF**  
**(A SUB-FUND OF CSOP ETF SERIES)**

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)**

As at 30 June 2022

As at 30 June 2022, the Sub-Fund held Funded Total Return Swaps as shown details in investment portfolio. The counterparties of the Swaps were Huatai Capital Investment Limited, Goldman Sachs International, London, Morgan Stanley & Co. International Plc, London and JP Morgan Securities PLC, London.

**HOLDINGS OF COLLATERAL (Unaudited)**

As at 30 June 2022

<b>Collateral provider</b>	<b>Nature of the collateral</b>	<b>Credit rating</b>	<b>Rating agencies</b>	<b>Maturity tenor</b>	<b>Currency denomination</b>	<b>% of net asset value covered by collateral</b>	<b>Value of the collateral RMB</b>
Goldman Sachs International, London	Government bond	AA+u	S&P	13-Oct-22	USD	0.43%	2,158,198
Huatai Capital Investment Limited	Cash collateral	N/A	N/A	N/A	RMB	5.32%	26,619,759
Huatai Capital Investment Limited	Exchange Trade Fund	N/A	N/A	N/A	RMB	3.02%	15,098,767
Huatai Capital Investment Limited	Cash collateral	N/A	N/A	N/A	RMB	0.78%	3,880,313
JP Morgan Securities Plc, London	Government bond	A+u	S&P	01-Feb-23	USD	1.42%	7,101,811
JP Morgan Securities Plc, London	Government bond	A+u	S&P	01-Nov-23	USD	1.18%	5,925,308
JP Morgan Securities Plc, London	Government bond	A+u	S&P	01-Feb-24	USD	0.38%	1,919,764
JP Morgan Securities Plc, London	Government bond	A1	Moody's	20-Mar-23	USD	6.22%	31,137,549
JP Morgan Securities Plc, London	Government bond	A1	Moody's	20-Jun-23	USD	1.13%	5,634,066
JP Morgan Securities Plc, London	Government bond	A+u	S&P	25-Jul-22	USD	14.2%	71,076,605
Morgan Stanley & Co. International PLC London	Government bond	A1	Moody's	20-Sep-31	USD	5.58%	27,913,258
						<hr/> 39.66% <hr/>	<hr/> 198,465,398 <hr/>

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited) (Continued)**

*As at 30 June 2022*

**Custody/safe-keeping arrangement**

	<b>Amount of collateral received/held 30 June 2022 RMB</b>	<b>Proportion of collateral posted by the Sub-Fund 30 June 2022 %</b>
Custodians of collateral securities		
<b>Pooled accounts</b>		
The Hongkong and Shanghai Banking Corporation Limited, Hong Kong	198,465,398 =====	100% =====



**CSOP SZSE CHINEXT ETF  
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**PERFORMANCE RECORD (Unaudited)**

**Net asset value**

	Dealing net asset value of the Sub-Fund* <i>RMB</i>	Dealing net asset value per unit <i>RMB</i>
At the end of financial period/year dated		
30 June 2022	500,419,607	9.8702
31 December 2021	667,050,992	11.7026
31 December 2020	800,588,402	10.5064

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

	Highest net asset value per unit <i>RMB</i>	Lowest net asset value per unit <i>RMB</i>
Financial year/period ended		
30 June 2022	11.4521	7.5684
31 December 2021	12.5848	9.3153
31 December 2020	10.5064	6.3972
31 December 2019	6.4341	4.3661
31 December 2018	6.7968	4.3472
31 December 2017	7.4020	6.1254
31 December 2016	9.3382	7.0438
31 December 2015 (Since 13 May 2015 (date of inception))	15.0190	6.7295

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

**CSOP SZSE CHINEXT ETF  
(A SUB-FUND OF CSOP ETF SERIES)**

**MANAGEMENT AND ADMINISTRATION**

**Manager and QFI Holder**

CSOP Asset Management Limited  
Suite 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

**PRC Custodian**

HSBC Bank (China) Company Limited  
33rd Floor, HSBC Building,  
Shanghai ifc, 8 Century Avenue,  
Pudong, Shanghai, China 200120

**Service Agent**

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

**Directors of the Manager**

Chen Ding  
Gaobo Zhang  
Xiaosong Yang  
Xiuyan Liu (resigned on 17 June 2022)  
Yi Zhou  
Yundong Zhu (appointed on 17 June 2022)  
Zhiwei Liu  
Zhongping Cai

**Legal Adviser to the Manager**

Simmons & Simmons  
30th Floor  
979 King's Road  
Hong Kong

**Auditor**

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



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