



CSOP ETF SERIES* (*This includes synthetic ETFs)
(An umbrella unit trust established in Hong Kong)

CSOP ETHER FUTURES ETF
Stock Codes: 03068 (HKD counter)
(A sub-fund of CSOP ETF Series* (*This includes synthetic ETFs))

Report and Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2024



CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

CONTENTS

	Page
Report of the Manager to the Unitholders	1
Report of the Trustee to the Unitholders	2
Statement of Responsibilities of the Manager and the Trustee	3
Independent Auditor's Report	4 – 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Net Assets Attributable to Unitholders	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 – 40
Investment Portfolio (Unaudited)	41
Statement of Movements in Investment Portfolio (Unaudited)	42
Details in Respect of Financial Derivative Instruments (Unaudited)	43
Information on exposure arising from financial derivative instruments (Unaudited)	44
Performance Record (Unaudited)	45
Management and Administration	46

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

CSOP Ether Futures ETF (or the “Sub-Fund”), a sub-fund of the CSOP ETF Series, a Hong Kong umbrella unit trust authorized under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 14 December 2022 and commenced trading in HKD under the stock code 3068 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 16 December 2022. The investment objective of Sub-Fund is to achieve long-term capital growth by primarily investing in CME Ether Futures adopting an active investment strategy. The Manager of the CSOP Ether Futures ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP Ether Futures ETF does not invest directly in ether and does not seek to deliver a return of the spot price of ether. The CSOP Ether Futures ETF seeks to achieve its investment objective by primarily investing in standardised, cash-settled ether futures contracts and/or micro ether futures contracts traded on the Chicago Mercantile Exchange (the “CME”) (collectively, the “CME Ether Futures”).

The CSOP Ether Futures ETF generally intends to “roll” its Ether Futures prior to expiration. In determining whether to roll the CME Ether Futures in which the CSOP Ether Futures ETF invests, the Manager will take into account, among other things, the liquidity, roll spread level and bid-offer spread of the CME Ether Futures, the prevailing market conditions as well as the best interest of the investors.

The Sub-Fund Performance

The CSOP Ether Futures ETF seeks to invest in cash-settled, front-month CME Ether Futures, and may also invest in cash-settled, back-month CME Ether Futures. As of 31 December 2024, the dealing Net Asset Value (“NAV”) per unit of the CSOP Ether Futures ETF was USD2.16 and there were 11,739,500 units outstanding. The dealing NAV of its unlisted class A was USD8.2376 and there were 1,000 units outstanding. The total asset under management was approximately USD25.4 million.

As of 31 December 2024, the dealing NAV of The CSOP Ether Futures ETF performed 26.46%. From 31 May 2024 to 31 December 2024, the dealing NAV of its unlisted class A performed -17.62%.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager of CSOP Ether Futures ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 25 July 2012, as amended, For the year ended 31 December 2024.

HSBC Institutional Trust Services (Asia) Limited
29 April 2025

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

MANAGER'S RESPONSIBILITIES

The Manager of CSOP Ether Futures ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), is required by the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong and the Trust Deed dated 25 July 2012, as amended, (the “Trust Deed”) to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of the period and of the transactions for the year ended 31 December 2024. In preparing these financial statements the Manager is required to:

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

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

CSOP ETF Series* (*This includes synthetic ETFs) (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31 December 2024, the Trust has established fifteen sub-funds, namely, CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF* (*This is a synthetic 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* (*This is a synthetic ETF), CSOP Hang Seng TECH Index ETF, CSOP Yinhua CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF, CSOP Ether Futures ETF, CSOP Saudi Arabia ETF, CSOP Nikkei 225 Index ETF, CSOP MSCI HK China Connect Select ETF, CSOP Huatai-PineBridge CSI 300 ETF and CSOP MAG Seven ETF. CSOP Nikkei 225 Index ETF was inceptioned on 30 January 2024, CSOP MSCI HK China Connect Select ETF was inceptioned on 2 July 2024, CSOP Huatai-PineBridge CSI 300 ETF was inceptioned on 14 July 2024 and CSOP MAG Seven ETF was inceptioned on 5 November 2024.

TRUSTEE'S RESPONSIBILITIES

The Trustee of the Sub-Fund is required to:

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*THIS INCLUDES SYNTHETIC ETFs), AN UMBRELLA UNIT
TRUST ESTABLISHED IN HONG KONG)**

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of CSOP Ether Futures ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), which are set out on pages 9 to 40, comprise:

- the statement of financial position as at 31 December 2024;
- 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, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2024, and of its financial transactions and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR'S REPORT
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TRUST ESTABLISHED IN HONG KONG) (CONTINUED)**

Key Audit Matters (Continued)

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

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><u>Existence and valuation of investments and derivative financial instruments, and occurrence and accuracy of the related investment gain/loss</u></p> <p>As at 31 December 2024, the Sub-Fund had investments with an aggregated fair value of USD812,176 which comprised of an investment fund. The Sub-Fund had derivative financial assets and derivative financial liabilities comprised of futures contracts with fair value of USD77,200 and USD490,050 respectively. The net gain on investments and derivative financial instruments amounted to USD2,960,211, which represents net change in unrealised loss in value of investments and derivative financial instruments of USD541,824 and net realised gain on sale of investments and derivative financial instruments of USD3,502,035.</p> <p>We focused on the existence and valuation of the investments and derivative financial instruments, and the occurrence and accuracy of the related investment gain/loss, because the investments, derivative financial instruments and the net gain on investments and derivative financial instruments represented the principal element of Sub-Fund's net assets attributable to unitholders as at 31 December 2024.</p> <p>Refer to note 4 and note 9 to the financial statements.</p>	<p>Our work included an assessment of the key controls over the existence and valuation of the investments and derivative financial instruments, and the occurrence and accuracy of the related investment gain/loss, which included the following:</p> <ul style="list-style-type: none"> • We developed an understanding of the control objectives and related controls relevant to our audit of the Sub-Fund by obtaining the service organisation internal control reports (the "Control Reports") provided by the trustee setting out the controls in place, and the independent service auditor's assurance reports over the design and operating effectiveness of those controls. • We evaluated the tests undertaken by the service auditor, the results of the tests undertaken and the opinions formed by the service auditor on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Sub-Fund. <p>We tested the existence of investments and derivative financial instruments by obtaining direct confirmations from the custodians and brokers and agreeing the Sub-Fund's holdings of investments and derivative financial instruments to the confirmations.</p> <p>We tested the valuation of the Sub-Fund's investments and derivative financial instruments, and the accuracy of their related unrealised gains/losses by comparing the pricing used by the Sub-Fund to external pricing sources as at 31 December 2024.</p> <p>We tested the occurrence and accuracy of net realised gains/losses from trading of investments and derivative financial instruments by agreeing the purchase and sales transactions to the broker statements and testing the calculation of net gains and losses on a sample basis.</p> <p>Based on the procedures we performed, we found no material exceptions from our testing.</p>

**INDEPENDENT AUDITOR'S REPORT
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TRUST ESTABLISHED IN HONG KONG) (CONTINUED)**

Other Information

The manager and the trustee (the “Management”) of the Sub-Fund is 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.

Responsibilities of Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Fund is responsible for assessing the Sub-Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Sub-Fund or to cease operations, or has no realistic alternative but to do so.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP ETHER FUTURES ETF
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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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, 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.
- 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.

**INDEPENDENT AUDITOR'S REPORT
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Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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, actions taken to eliminate threats or safeguards applied.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Kwan Wai Tuen, Josephine.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 29 April 2025

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		31 December 2024	31 December 2023
	<i>Notes</i>	<i>USD</i>	<i>USD</i>
ASSETS			
CURRENT ASSETS			
Investments	6(c),9(a),9(d)	812,176	771,050
Derivative financial instruments	9(a),9(d),9(f)	77,200	170,100
Bank interest receivable		168	133
Other receivable	6(f)	42,547	92,151
Interest receivable from brokers		21,156	12,390
Deposit with brokers		11,275,226	5,028,594
Cash and cash equivalents	6(c)	13,594,051	2,766,634
Total assets		25,822,524	8,841,052
LIABILITIES			
CURRENT LIABILITIES			
Derivative financial instruments		490,050	-
Management fee payable	6(a),6(b)	41,682	15,536
Other accounts payable		33,871	31,897
Tax payable	5	2,116	1,239
Liabilities (excluding net assets attributable to unitholders)/total liabilities		567,719	48,672
Net assets attributable to unitholders (Note)	3	25,254,805	8,792,380
Represented by:			
Net assets attributable to unitholders (at prospectus value)	3	25,370,884	8,947,870
Adjustment for establishment costs	3	(116,079)	(155,490)

Note: Net assets attributable to unitholders are classified as financial liabilities as at 31 December 2024 and as equity as at 31 December 2023 as disclosed in note 2(i).

The financial statements on pages 9 to 40 were approved by the Trustee and the Manager on 29 April 2025 and were signed on their behalf.

For and on behalf of

For and on behalf of

CSOP Asset Management Limited
as the Manager

HSBC Institutional Trust Services (Asia) Limited
as the Trustee

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

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

		Year ended 31 December 2024	Period from 14 December 2022 (date of inception) to 31 December 2023
	<i>Notes</i>	<i>USD</i>	<i>USD</i>
INCOME			
Interest income from bank deposits	6(c)	63,395	38,800
Interest income from deposit with brokers		265,320	178,021
Net gain on investments and derivative financial instruments	4	2,960,211	8,068,167
Net foreign currency gain		-	493
Other income	6(f)	42,826	92,150
Total net income		<u>3,331,752</u>	<u>8,377,631</u>
EXPENSES			
Management fee	6(a),6(b)	(389,624)	(237,517)
Transaction costs on investments	7	(44,012)	(56,973)
Audit fee		(19,023)	(20,600)
Bank charges	6(e)	(2,720)	(800)
Legal and other professional fees		(22,976)	(2,315)
Establishment costs		-	(200,823)
Interest expenses	6(e)	-	(810)
Other operating expenses	6(e)	(59,085)	(33,178)
Total operating expenses		<u>(537,440)</u>	<u>(553,016)</u>
Operating profit before taxation		<u>2,794,312</u>	<u>7,824,615</u>
Taxation	5	(25,423)	(17,261)
Increase in net asset attributable to unitholders/total comprehensive income		<u><u>2,768,889</u></u>	<u><u>7,807,354</u></u>

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

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2024

		Year ended 31 December 2024	Period from 14 December 2022 (date of inception) to 31 December 2023
	<i>Note</i>	<i>USD</i>	<i>USD</i>
Net assets attributable to unitholders at the beginning of the year/period		8,792,380	-
Issue of units		29,664,227	21,781,133
Redemption of units		(15,970,691)	(20,796,107)
Net increase from unit transactions		13,693,536	985,026
Increase in net asset attributable to unitholders/total comprehensive income		2,768,889	7,807,354
Net assets attributable to unitholders at the end of the year/period	3	25,254,805	8,792,380

The movements of the redeemable units for the year/period ended 31 December 2024 and 2023 are as follows:

	Year ended 31 December 2024	Period from 14 December 2022 (date of inception) to 31 December 2023
	<i>Units</i>	<i>Units</i>
Listed class		
Number of units in issue at the beginning of the year/period	5,239,500	-
Units issued	13,500,000	21,239,500
Units redeemed	(7,000,000)	(16,000,000)
Number of units in issue at the end of the year/period	11,739,500	5,239,500
Unlisted class A		
Number of units in issue at the beginning of the year/period	-	-
Units issued	1,000	-
Number of units in issue at the end of the year/period	1,000	-

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

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Year ended 31 December 2024 USD	Period from 14 December 2022 (date of inception) to 31 December 2023 USD
OPERATING ACTIVITIES		
Payments for purchase of investments	-	(4,505,377)
Proceeds from sale of investments	-	3,827,268
Net receipts from derivatives	3,502,035	7,805,125
Interest income from bank deposits received	63,360	38,667
Interest income from deposit with brokers received	256,554	165,631
Other income received	92,428	-
Management fee paid	(363,477)	(221,981)
Transaction costs paid	(44,012)	(56,973)
Taxation paid	(24,546)	(16,022)
Interest paid	-	(810)
Establishment costs paid	-	(200,823)
Increase in deposit with brokers	(6,246,632)	(5,028,594)
Other operating expenses paid	(101,829)	(24,996)
Net cash (used in)/generated from operating activities	(2,866,119)	1,781,115
FINANCING ACTIVITIES		
Proceeds on issue of units	29,664,227	21,781,133
Payments on redemption of units	(15,970,691)	(20,796,107)
Net cash generated from financing activities	13,693,536	985,026
Net increase in cash and cash equivalents	10,827,417	2,766,141
Cash and cash equivalents at the beginning of the year/period	2,766,634	-
Effect of foreign exchange rate changes	-	493
Cash and cash equivalents at the end of the year/period	13,594,051	2,766,634
Analysis of balances of cash and cash equivalents		
Bank balances	13,594,051	2,766,634

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

**CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

CSOP ETF Series* (*This includes synthetic ETFs) (the “Trust”) is an umbrella unit trust governed by its trust deed dated 25 July 2012, as amended, (the “Trust Deed”) and authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance. The terms of the Trust Deed are governed by the laws of Hong Kong. As at 31 December 2024, the Trust has fifteen sub-funds which are CSOP Ether Futures ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF* (*This is a synthetic 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* (*This is a synthetic ETF), CSOP Hang Seng TECH Index ETF, CSOP Yinhuo CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF, CSOP Saudi Arabia ETF, CSOP Nikkei 225 Index ETF, CSOP MSCI HK China Connect Select ETF, CSOP Huatai-PineBridge CSI 300 ETF and CSOP MAG Seven ETF. CSOP Nikkei 225 Index ETF was inceptioned on 30 January 2024, CSOP MSCI HK China Connect Select ETF was inceptioned on 2 July 2024, CSOP Huatai-PineBridge CSI 300 ETF was inceptioned on 14 July 2024 and CSOP MAG Seven ETF was inceptioned on 5 November 2024. The date of inception of the Sub-Fund was 14 December 2022. 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 achieve long-term capital growth by primarily investing in CME Ether Futures adopting an active investment strategy. The CSOP Ether Futures ETF does not invest directly in Ether. There is no assurance that the CSOP Ether Futures ETF will achieve its investment objective. The CSOP Ether Futures ETF invests in CME Ether Futures which price movement may deviate significantly from the spot price of ether. The CSOP Ether Futures ETF does not seek to deliver a return of the spot price of ether.

In order to achieve the investment objective of the Sub-Fund, the Sub-Fund primarily invests in standardised, cash-settled Ether futures contracts and/or micro Ether futures contracts traded on the Chicago Mercantile Exchange (the “CME”) (collectively, the “CME Ether Futures”). The CME is a commodity exchange registered with the Commodity Futures Trading Commission of the United States (the “CFTC”).

It is expected that the notional value of CME Ether Futures to which the Sub-Fund has exposure will not exceed 100% of the Net Asset Value of the Sub-Fund. The Sub-Fund deposits initial margins to clearing houses for an open interest in CME Ether Futures based on the notional value of its exposure to CME Ether Futures. The Manager anticipates that up to 65% of the Net Asset Value of the Sub-Fund from time to time will be used as margin to acquire the CME Ether Futures. Under exceptional circumstances, such as increased margin requirements in extreme market turbulence, the Sub-Fund’s exposure to margin may increase substantially beyond 65% of its Net Asset Value.

The Sub-Fund seeks to invest in cash-settled, front-month CME Ether Futures, and may also invest in cash-settled, back-month CME Ether Futures. Front-month CME Ether Futures are those contracts with the shortest time to maturity. Back-month CME Ether Futures are those with longer times to maturity.

The Sub-Fund may also invest at least 35% of its NAV (this percentage may be reduced proportionally under exceptional circumstances when there is a higher margin exposure, as described above) in cash (United States Dollar (“USD”)) such as deposits with banks in Hong Kong or cash equivalents such as USD-denominated money market funds (which are authorized under Chapter 8.2 of the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the “Code”) or eligible schemes under Chapter 7.11A of the Code or non-eligible schemes and not authorised by the Commission under Chapter 7.11 of the Code, including those which are managed by the Manager or its Connected Persons) in accordance with the Code for cash management purpose. Yield from such cash or cash equivalents will be used to meet the Sub-Fund’s fees and expenses and after deduction of such fees and expenses will form part of the assets of the Sub-Fund.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION (Continued)

These financial statements are prepared for the Sub-Fund only. The financial statements for CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF* (*This is a synthetic ETF), ICBC CSOP S&P New China Sectors ETF, CSOP Saudi Arabia ETF, CSOP Hong Kong Dollar Money Market ETF, CSOP US Dollar Money Market ETF, CSOP CSI 500 ETF* (*This is a synthetic ETF), CSOP Hang Seng TECH Index ETF, CSOP Yinhuo CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF and CSOP Ether Futures ETF will be prepared separately. CSOP Nikkei 225 Index ETF was inceptioned on 29 January 2024 with the first financial statements to be issued for the period from 29 January 2024 (date of inception) to 31 December 2024. For CSOP MSCI HK China Connect Select ETF, CSOP Huatai-PineBridge CSI 300 ETF and CSOP MAG Seven ETF, the first financial statements will be issued for the period ending 31 December 2025.

2. MATERIAL ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKFRSs”).

HKFRSs comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and derivative financial instruments at fair value through profit or loss.

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

Standards and amendments to existing standards effective 1 January 2024

The Sub-Fund has applied the following new and amended standards for its annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to HKAS 1.

The amendment and interpretation listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

New standards, amendments and interpretations effective after 1 January 2024 that are relevant to the Sub-Fund 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 1 January 2024 and have not been early adopted in preparing these financial statements. The Sub-Fund is currently still assessing the effect of these forthcoming standards and amendments:

- Amendments to HKAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- HKFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

(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 is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Sub-Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

(ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis - the date on which the Sub-Fund commits to purchase or sell the investments. 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.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Investments (Continued)

(iii) Measurement

Investments are initially recognised at fair value. Transaction costs are expensed as incurred 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 year 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) are 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; the 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 (for example, over-the-counter derivatives) is determined by using broker quotes or valuation techniques.

(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.

(vi) Derivatives

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or is part of a portfolio of identifiable financial investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Derivatives are also categorised as held for trading unless they are designated as hedges. The Sub-Fund does not classify any derivatives as hedges in a hedging relationship.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the Sub-Fund's documented investment strategy.

The Sub-Fund's policy requires the Manager to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Investments (Continued)

(vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(viii) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual agreements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Sub-Fund considers their investment in investment funds to be investment in unconsolidated structured entities. The investment funds are managed by the Manager who apply various investment strategies to accomplish the respective investment objectives of the investment funds. The investment funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitles the holder to a proportional stake in the respective Sub-Fund's net assets. The Sub-Fund holds redeemable units in the investment funds.

The Sub-Fund's investments in unconsolidated structured entities are shown as financial assets at fair value through profit and loss. The change in fair value of investment funds is included in the statement of comprehensive income in "Net gain on investments and derivative financial instruments".

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(c) Expected credit losses on financial assets measured at amortised cost

At each reporting date, the Sub-Fund shall measure the loss allowance on financial assets measured at amortised cost 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 counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, financial assets measured at amortised cost will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by Management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(d) Interest income

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

(e) Transactions costs on investments

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

(f) Expenses

Expenses are accounted for on an accrual basis.

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank, demand deposits, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Cash and cash equivalents excluded deposit with brokers as they are restricted from investment purpose.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(h) Foreign currencies translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the “functional currency”). The Sub-Fund invests in USD denominated cash-settled, front-month CME Ether Futures, and also invest in cash-settled, back-month CME Ether Futures. The Manager considers USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Sub-Fund’s functional and presentation currency.

Transactions and balances

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

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

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “Net gain on investments and derivative financial instruments”.

(i) Redeemable units

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

The Sub-Fund currently offers and issues both listed class of units and unlisted class of units, namely, unlisted Class A. As at 31 December 2023, the Sub-Fund had only issued listed class of units. The listed class and unlisted class A have different terms and conditions as set out in the Sub-Fund’s Prospectus, including dealing arrangements, fee structure and investment return/net asset value. As the different class of units do not have identical features, they are classified as financial liabilities. Previously, the Sub-Fund’s units are classified as equity in accordance with HKAS 32 (Amendment), “Financial instruments: Presentation”.

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.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(j) Taxation

The Sub-Fund may incur withholding taxes imposed by other jurisdictions 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.

(k) Establishment costs

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

(l) Deposit with brokers

Cash collateral provided by the Sub-Fund is identified in the statement of financial position as deposit with brokers and is not included as a component of cash and cash equivalents. Cash collateral received by the Sub-Fund is identified in the statement of financial position as cash collateral payable. Cash collateral received is treated as an on-balance sheet transaction with a corresponding liability shown separately.

(m) Other income/expense

Other income/expense mainly represents the difference between the proceeds received from/paid to participating dealers and cost of investment purchased/sold and expense reimbursement by the manager.

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

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

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

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

	As at 31 December 2024	
	Listed class <i>Units</i>	Unlisted Class A <i>Units</i>
Number of units in issue	11,739,500	1,000
	Listed class	Unlisted Class A
	<i>USD</i>	<i>USD</i>
Net assets attributable to unitholders per unit (per statement of financial position)	2.1506	8.2017

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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

	As at 31 December 2023	
	Listed class <i>Units</i>	Unlisted class A <i>Units</i>
Number of units in issue	5,239,500	-
	Listed class <i>USD</i>	Unlisted class A <i>USD</i>
Net assets attributable to unitholders per unit (per statement of financial position)	1.6781	-

As stated in Note 2(k), establishment costs are expensed as incurred in the financial statements. However, in accordance with the provisions of the Trust's Prospectus, establishment costs are recognized using the amortisation method for dealing net assets value for subscriptions and redemptions. As at 31 December 2024 and 2023, the expensing of establishment costs as stated in the financial statements resulted in a decrease of USD 116,079 (2023: USD 155,490) of net assets attributable to unitholders when compared with the methodology indicated in the Trust's Prospectus with remaining 3 years of amortization (2023: 4 years).

	As at 31 December 2024 <i>USD</i>	As at 31 December 2023 <i>USD</i>
Net assets attributable to unitholders as reported in the statement of financial position	25,254,805	8,792,380
- Adjustments for unamortised establishment costs	116,079	155,490
Net assets value in accordance with the Trust's Prospectus	25,370,884	8,947,870

4. NET GAIN ON INVESTMENTS AND DERIVATIVE FINANCIAL INSTRUMENTS

	Year ended 31 December 2024 <i>USD</i>	Period from 14 December 2022 (date of inception) to 31 December 2023 <i>USD</i>
Net change in unrealised gain/loss in value of investments and derivative financial instruments	(541,824)	207,717
Net realised gain on sale of investments and derivative financial instruments	3,502,035	7,860,450
	2,960,211	8,068,167

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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.

The Sub-Fund may incur withholding taxes imposed by other jurisdictions 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.

	Year end 31 December 2024 <i>USD</i>	Period from 14 December 2022 (date of inception) to 31 December 2023 <i>USD</i>
Withholding tax on interest income	25,423	17,261
Taxation	25,423	17,261

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 year between the Sub-Fund and its related parties including the Trustee/Custodian, the Manager and their Connected Persons. Connected Persons 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 year/period ended 31 December 2024 and 2023, between the Sub-Fund 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 except for those disclosed below.

(a) Management fee

The Manager is entitled to receive a management fee, currently at the rate of 1.99% 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.

During the year/period ended 31 December 2024 and 2023, the Sub-Fund invested into CSOP US Dollar Money Market ETF listed class, a money market fund managed by the Manager. The Manager has waived the portion of the management fee charged on the Sub-Fund’s holding in CSOP US Dollar Money Market ETF.

(b) Trustee fee and registrar’s fee

The Trustee fee and registrar’s fee are included in the management fee and the Manager will pay the fees of the Trustee and Registrar out of the management fee. Refer to note 6(a).

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

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE 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:

	As at 31 December 2024 USD	As at 31 December 2023 USD
Investments		
The Hongkong and Shanghai Banking Corporation Limited	812,176	771,050
Bank balances		
The Hongkong and Shanghai Banking Corporation Limited	3,028,608	957,634

Interest income amounted to USD57,776 (period from 14 December 2022 (date of inception) to 31 December 2023: USD38,800) was earned on these bank balances for the year ended 31 December 2024.

As at 31 December 2024, the Sub-Fund invests in CSOP US Dollar Money Market ETF listed class of USD812,176 (2023: USD771,050) which are managed by the Manager.

(d) Holding in the Sub-Fund

As at 31 December 2024 and 2023, no listed unit was held by the Trustee, the Manager and their connected persons. The Manager of the Sub-Fund holds 1,000 units of unlisted class A, which represents 100% of the net asset value of unlisted class A units of the Sub-Fund as at 31 December 2024 (2023: 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 year/period ended 31 December 2024 and 2023 were as follows:

	Year ended 31 December 2024 USD	Period from 14 December 2022 (date of inception) to 31 December 2023 USD
Bank charges	2,720	800
Other operating expenses	13,085	15,727
Interest expenses	-	810
	15,805	17,337

**CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

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

(f) Reimbursement from manager

The Manager agreed to reimburse the Sub-Fund in cases where the expenses exceed a certain percentage of the NAV of the Sub-Fund. Other income consists of reimbursements from the Manager amounting to USD42,826 (period from 14 December 2022 (date of inception) to 31 December 2023: USD92,151) for the year ended 31 December 2024, with USD42,547 (period from 14 December 2022 (date of inception) to 31 December 2023: USD92,151) remaining receivable as of year-end.

7. TRANSACTION COSTS ON INVESTMENTS

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. INVESTMENT RISKS

The CSOP Ether Futures ETF is a futures based ETF investing in CME Ether Futures. The risks of investing in the CSOP Ether Futures ETF are therefore greater than those of investing in other conventional ETFs. Investment in CME Ether Futures involves specific risks summarised below.

(a) Ether and ether industry risk

Ether is a relatively new innovation and the market for ether is subject to rapid price swings, changes and uncertainty. The further development and acceptance of the Ethereum computer network, which is part of a new and rapidly changing industry, is subject to a variety of factors that are difficult to evaluate and unforeseeable. The slowing, stopping or reversing of the development or acceptance of the Ethereum computer network may adversely affect the price of ether and accordingly, of CME Ether Futures, and therefore cause the Sub-Fund to suffer losses.

(b) Regulatory risk

The regulation of ether, digital assets and related products and services continues to evolve. There is a trend of increase regulations. Certain regulatory authorities have been examining the operations of digital asset exchanges and service providers, have brought enforcement actions and issued advisories and rules relating to digital asset markets. Regulatory changes and actions may alter the nature of an investment in the ether, or affect whether CME Ether Futures may continue to operate, or restrict the use and exchange of ether or the operations of the Ethereum computer network or venues on which ether trades in a manner that adversely affects the price of ether and CME Ether Futures. Future regulatory changes could expose the Sub-Fund to potential new costs and expenses and adversely impact the ability of the Sub-Fund to achieve its investment objective.

(c) Cybersecurity risk

Ether is susceptible to theft, loss and destruction. The Ethereum network is also vulnerable to various deliberate cybersecurity attacks for purposes of misappropriating information and assets or causing operational disruption. Accordingly, the CME Ether Futures in which the Sub-Fund invests are also susceptible to these risks. Cybersecurity risks of the Ethereum protocol and of entities that custody or facilitate the transfers or trading of ether could result in a loss of public confidence in ether, a decline in the value of ether and, as a result, adversely impact the CME Ether Futures in which the Sub-Fund invests.

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT RISKS (Continued)

(d) CME Ether Futures risk

(i) Speculative nature risk

Ether is a new technological innovation with a limited history. Investing in ether is highly speculative, and market movements are difficult to predict. Supply and demand for ether could change rapidly and subject to a large variety of factors, including governmental regulations and investors' sentiments.

The Sub-Fund does not invest in ether. The risk of investing in CME Ether Futures is that it can be speculative in nature. A futures market for ether is speculative in nature as deals are struck at future prices where the holder of CME Ether Futures is purchasing an obligation to buy or sell the ether at a future specified date, which may not be the best price at the time the contract is completed, and may not accurately reflect or correspond to ether spot price on the specified date, depending on the prevailing market conditions during the intervening period. Accordingly, the Sub-Fund is exposed to the potential risks involved of using CME Ether Futures which are speculative in nature.

(ii) Extremely high volatility risk

Investments linked to ether can be highly volatile compared to investments in traditional securities and the Sub-Fund may experience sudden and substantial losses. Historically, the prices of ether and CME Ether Futures have been highly volatile and is influenced by, among others, changing investor confidence in future fluctuations in the price of ether, and other factors contributing to volatility of the price of ether.

(iii) Negative roll yields and "contango" market risk

The Sub-Fund may "roll" out of one futures contract as the expiration date approaches and into another futures contract on ether with a later expiration date. The "rolling" feature creates the potential for a significant negative effect on the Sub-Fund's performance that is independent of the performance of the spot prices of the ether. The "spot price" of a commodity is the price of that commodity for immediate delivery, as opposed to a futures price, which represents the agreed on a specified date in the future. The Sub-Fund would be expected to experience negative roll yield if the futures prices of ether tend to be greater than the spot price of ether. Such roll costs may be potentially substantial. A market where futures prices are generally greater than spot prices is referred to as a "contango" market. Therefore, if the futures market for a given commodity is in contango, then the value of a futures contract on that commodity would tend to decline over time (assuming the spot price remains unchanged), because the higher futures price would fall as it converges to the lower spot price by expiration. Extended period of contango may cause significant and sustained losses to the Sub-Fund. Additionally, because of the frequency with which the Sub-Fund may roll CME Ether Futures, the impact of contango on the Sub-Fund's performance may be greater than it would have been if the Sub-Fund rolled CME Ether Futures less frequently.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

The investment objective of the Sub-Fund is to achieve long-term capital growth by primarily investment in CME Ether Futures adopting an active investment strategy. 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 following table details the exposure of the Sub-Fund's investments and derivative financial instruments based on respective fair value categorised by the geographical location:

	31 December 2024		31 December 2023	
	Fair value USD	% of net asset value	Fair value USD	% of net asset value
Hong Kong				
Listed investment fund				
Listed Class				
- CSOP US Dollar Money Market ETF	812,176	3.22	771,050	8.77
Total listed investment fund	812,176	3.22	771,050	8.77
United States of America				
Listed derivative financial instruments				
- Derivative financial assets	77,200	0.30	170,100	1.93
- Derivative financial liabilities	(490,050)	(1.94)	-	-
Total listed derivative financial instruments	(412,850)	(1.64)	170,100	1.93
Total investments and derivative financial instruments	399,326	1.58	941,150	10.70

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

As at 31 December 2024, if the CME Ether Futures was to increase by 45% (2023:50%) with all other variables held constant, this would increase the operating profit for the period by approximately USD11,531,006 (2023: USD4,254,637) Conversely, if the CME Ether Futures was to decrease by 45% (2023: 50%), this would decrease the operating profit for the period by an equal amount.

Sensitivity analysis of investment funds is disclosed under interest rate risk. Refer to note 9(a)(ii).

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. 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.

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

As at 31 December 2024

	Maturity Up to 1 year USD	Maturity Between 1-5 years USD	Maturity Over 5 years USD	Non- Interest bearing USD	Total USD
Assets					
Investments	-	-	-	812,176	812,176
Derivative financial instruments	-	-	-	77,200	77,200
Bank interest receivable	-	-	-	168	168
Other receivable	-	-	-	42,547	42,547
Interest receivable from brokers	-	-	-	21,156	21,156
Deposit with brokers	11,275,226	-	-	-	11,275,226
Cash and cash equivalents	13,594,051	-	-	-	13,594,051
Total assets	<u>24,869,277</u>	<u>-</u>	<u>-</u>	<u>953,247</u>	<u>25,822,524</u>
Liabilities					
Derivative financial instruments	-	-	-	490,050	490,050
Management fee payable	-	-	-	41,682	41,682
Tax payable	-	-	-	2,116	2,116
Other accounts payable	-	-	-	33,871	33,871
Net assets attributable to unitholders	-	-	-	25,254,805	25,254,805
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,822,524</u>	<u>25,822,524</u>
Total interest sensitivity gap	<u>24,869,277</u>	<u>-</u>	<u>-</u>		

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk (Continued)

As at 31 December 2023

	Maturity Up to 1 year <i>USD</i>	Maturity Between 1-5 years <i>USD</i>	Maturity Over 5 years <i>USD</i>	Non- Interest bearing <i>USD</i>	Total <i>USD</i>
Assets					
Investment	-	-	-	771,050	771,050
Derivative financial instruments	-	-	-	170,100	170,100
Bank interest receivable	-	-	-	133	133
Other receivable	-	-	-	12,390	12,390
Interest receivable from brokers	-	-	-	92,151	92,151
Deposit with brokers	5,028,594	-	-	-	5,028,594
Cash and cash equivalents	2,766,634	-	-	-	2,766,634
Total assets	<u>7,795,228</u>	<u>-</u>	<u>-</u>	<u>1,045,824</u>	<u>8,841,052</u>
Liabilities					
Management fee payable	-	-	-	15,536	15,536
Tax payable	-	-	-	1,239	1,239
Other accounts payable	-	-	-	31,897	31,897
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,672</u>	<u>48,672</u>
Total interest sensitivity gap	<u><u>7,795,228</u></u>	<u><u>-</u></u>	<u><u>-</u></u>		

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk (Continued)

At 31 December 2024 and 2023, the Sub-Fund has bank balances and deposits with brokers of USD24,869,277 (2023: USD7,795,228). If the interest rates had been 50 basis points (2023: 100 basis points) higher or lower with all variables held constant, net assets attributable to unitholders would have been USD124,346 (2023: USD77,952) higher or lower as a result of higher or lower interest income.

The Manager and Trustee monitor the interest rate risks by quantifying (a) market exposure in percentage terms; and (b) exposure in duration terms by different countries.

As at 31 December 2024 and 2023, the Sub-Fund has invested in CSOP US Dollar Money Market ETF listed class of USD812,176 (2023: USD771,050), which mainly invests in USD denominated and settled short-term deposits and money market instruments. As such, the Sub-Fund's investment in CSOP US Dollar Money Market ETF is subject to interest rate risk. The underlying investments within CSOP US Dollar Money Market ETF were short term. As at 31 December 2024 and 2023, should the relevant interest rates have risen/lowered by 50 basis points (2023: 100 basis points) with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the year would amount to approximately USD4,061 (2023: USD7,711), arising substantially from the increase/decrease in market values of CSOP US Dollar Money Market ETF as a result of increase/decrease in interest income.

(iii) Currency risk

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

For risk in relation to the fluctuation of the Ether against the USD, it is disclosed in the market price risk section. Refer to note 9(a)(i).

(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.

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.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

The table below summarises the amount to investments and derivative financial instruments, deposit with brokers and bank balances of the Sub-Fund placed with counterparties as at 31 December 2024 and 2023.

As at 31 December 2024

	<i>USD</i>
Investments and derivative financial instruments	
Macquarie Bank Limited	77,200
Phillip Nova Pte. Limited	(490,050)
The Hongkong and Shanghai Banking Corporation Limited	812,176
	<hr/> 399,326 <hr/>
Deposit with brokers	
Macquarie Bank Limited	7,940,884
Phillip Nova Pte. Limited	3,334,342
	<hr/> 11,275,226 <hr/>
Bank balances	
China Everbright Limited	1,932,000
DBS Bank (Hong Kong) Limited	2,713,949
ICBC (Asia) Limited	1,837,942
Standard Chartered Bank (Hong Kong) Limited	868,619
The Hongkong and Shanghai Banking Corporation Limited	3,028,608
United Overseas Bank Limited	1,883,000
Wing Lung Bank Limited	1,329,933
	<hr/> 13,594,051 <hr/>

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

As at 31 December 2023

	<i>USD</i>
Investments and derivative financial instruments	
Macquarie Bank Limited	166,500
Phillip Nova Pte. Limited	3,600
The Hongkong and Shanghai Banking Corporation Limited	771,050
	<hr/> 941,150 <hr/>
Deposit with brokers	
Macquarie Bank Limited	3,529,314
Phillip Nova Pte. Limited	1,499,280
	<hr/> 5,028,594 <hr/>
Bank balances	
China Everbright Limited	506,000
ICBC (Asia) Limited	705,000
The Hongkong and Shanghai Banking Corporation Limited	957,634
Wing Lung Bank Limited	598,000
	<hr/> 2,766,634 <hr/>

As at 31 December 2024 and 2023, the credit ratings of the counterparties are at or above investment grade except for Phillip Nova Pte. Limited. The credit rating of Phillip Nova Pte. Limited is unrated. The amount placed with Phillip Nova Pte. Limited is with good credit and settlement history.

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 31 December 2024 and 2023, bank interest receivable, other receivable, interest receivable from brokers, deposit with brokers and cash and cash equivalents are held with counterparties with high credit rating and are due to be settled within 1 month. Applying the requirements of HKFRS 9, the expected credit loss (“ECL”) is immaterial for the Sub-Fund and, as such, no ECL has been recognised within the financial statements.

The maximum exposure to credit risk as at 31 December 2024 and 2023 is the carrying amount of the financial assets as shown on the statement of financial position.

(c) Liquidity risk

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

The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in 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 ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

	Less than 1 month <i>USD</i>	1 month to less than 3 months <i>USD</i>	Over 3 months <i>USD</i>	Total <i>USD</i>
As at 31 December 2024				
Derivative financial instruments	490,050	-	-	490,050
Management fee payable	41,682	-	-	41,682
Other accounts payable	1,836	-	32,035	33,871
Net asset attributable to unitholders	25,254,805	-	-	25,254,805
Contractual cash outflow	25,788,373	-	32,035	25,820,408
As at 31 December 2023				
Management fee payable	15,536	-	-	15,536
Other accounts payable	1,215	-	30,682	31,897
Contractual cash outflow	16,751	-	30,682	47,433

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

Units are redeemed on demand at the unitholder's option. As at 31 December 2024 and 2023, there were two (2023: two) nominee accounts holding more than 10% of the Sub-Fund's listed class units, representing in aggregate 54.84% (2023: 63.97%), and there was one unitholder holding more than 10% of the Sub-Fund's unlisted class A units, representing in aggregate 100.00%.

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>USD</i>	1 to 12 months <i>USD</i>	No stated maturity <i>USD</i>	Total <i>USD</i>
As at 31 December 2024				
Total assets	14,547,298	-	11,275,226	25,822,524
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Less than 1 month <i>USD</i>	1 to 12 months <i>USD</i>	No stated maturity <i>USD</i>	Total <i>USD</i>
As at 31 December 2023				
Total assets	3,812,458	-	5,028,594	8,841,052
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(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).

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

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

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

The following table analyses within the fair value hierarchy the Sub-Fund’s financial assets (by class) measured at fair value at 31 December 2024 and 2023:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
As at 31 December 2024				
Assets				
Investments				
- Listed investment fund	812,176	-	-	812,176
Derivative financial instruments				
- Listed futures contracts	77,200	-	-	77,200
Total assets	889,376	-	-	889,376
Liabilities				
Derivative financial instruments				
- Listed future contracts	(490,050)	-	-	(490,050)
Total liabilities	(490,050)	-	-	(490,050)
As at 31 December 2023				
Assets				
Investments				
- Listed investment fund	771,050	-	-	771,050
Derivative financial instruments				
- Listed futures contracts	170,100	-	-	170,100
Total assets	941,150	-	-	941,150

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

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

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. As at 31 December 2024 and 2023, the Sub-Fund did not hold any investments classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or do not trade. As at 31 December 2024 and 2023, the Sub-Fund did not hold any investments classified in level 3.

During the year/period ended 31 December 2024 and 2023, there had been no transfers between levels.

The assets and liabilities included in the 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 strives to invest the subscriptions in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet unitholder redemptions. 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) Derivative financial instruments

Futures

Futures contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or index at a specified future date for a specified price and may be settled in cash or the underlying financial asset. Futures are standardised exchange-traded contracts. Initial margin requirements for futures are met in cash or other instruments, and changes in futures contract values are marked to market daily. Futures contracts have lower credit risk because the counterparties are futures exchanges.

Futures contracts result in exposure to market risk based on changes in market prices relative to contracted price. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a futures contract and may result in substantial losses to the Sub-Funds. Certain futures exchanges do not permit trading in particular futures contracts at prices that represent a material fluctuation in price during a single day's trading beyond certain present limits. If prices fluctuate during a single day's trading beyond those limits, the Sub-Funds could be prevented from promptly liquidating unfavourable positions and thus could be subject to substantial losses.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(f) Derivative financial instruments (Continued)

The following futures contracts were unsettled at the date of statement of financial position:

As at 31 December 2024

Name of the futures	Expiration date	Number of contracts	Notional amount USD	Position	Fair value USD
<u>Futures contracts</u>					
CME ETHER FUTURES 31 JANUARY 2025	31 January 2025	123	20,719,025	Long	77,200
CME ETHER FUTURES 31 JANUARY 2025	31 January 2025	27	4,565,025	Long	(490,050)
					<u>(412,850)</u>

As at 31 December 2023

Name of the futures	Expiration date	Number of contracts	Notional amount USD	Position	Fair value USD
<u>Futures contracts</u>					
CME ETHER FUTURES 26 JANUARY 2024	26 January 2024	60	7,012,500	Long	166,500
CME ETHER FUTURES 26 JANUARY 2024	26 January 2024	16	1,870,000	Long	3,600
					<u>170,100</u>

(g) Interest in other entities

The Sub-Fund's investments in an investment fund are subject to the terms and conditions of the respective investment funds' offering documentation and are susceptible to market price risk arising from uncertainties about future values of such investment fund. The Manager makes investment decisions after extensive due diligence of the underlying fund, its strategy and the overall quality of the underlying funds' manager.

As at 31 December 2024 and 2023, the Sub-Fund invested in CSOP US Dollar Money Market ETF listed class. The right of the Sub-Fund to request redemption of its investments in CSOP US Dollar Money Market ETF listed class is on a daily basis.

The Sub-Fund's exposure to investments in CSOP US Dollar Money Market ETF listed class, at fair value is disclosed in the following table. These investments are included in financial assets at fair value through profit or loss in the statement of financial position.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(g) Interest in other entities (Continued)

As at 31 December 2024

Fund Name	Dealing net asset value of CSOP US Dollar Money Market ETF USD	Investment fair value USD	% of net asset value
CSOP US DOLLAR MONEY MARKET ETF	870,642,680	812,176	3.22

As at 31 December 2023

Fund Name	Dealing net asset value of CSOP US Dollar Money Market ETF USD	Investment fair value USD	% of net asset value
CSOP US DOLLAR MONEY MARKET ETF	529,794,984	771,050	8.77

The investment objective of the CSOP US Dollar Money Market ETF is to invest in short-term deposits and high quality money market instruments. It seeks to achieve a return in USD in line with prevailing money market rates.

Once the Sub-Fund has disposed of its shares in CSOP US Dollar Money Market ETF listed class, the Sub-Fund ceases to be exposed to any risk from CSOP US Dollar Money Market ETF.

As at 31 December 2024 and 2023, there were no capital commitment obligations and no amounts due to CSOP US Dollar Money Market ETF.

During the year ended 31 December 2024 and 2023, total net gain on investments in CSOP US Dollar Money Market ETF listed class was USD41,125 (2023: USD92,942).

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

As at 31 December 2024 and 2023, the Sub-Fund was subject to master netting arrangements for the derivative assets and liabilities of the Sub-Funds held with these counterparties. All of the derivative assets and liabilities of the Sub-Fund was held with these counterparties and the margin balances maintained by the Sub-Fund is for the purpose of providing collateral on derivative positions. The margin balances maintained by the Sub-Fund is for the purpose of providing collateral on derivative positions.

The following tables present the Sub-Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(h) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

	A	B	C = A – B	D		E = C - D
	Gross amounts of recognised financial assets <i>USD</i>	Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position <i>USD</i>	Net amounts of financial assets presented in the Statement of Financial Position <i>USD</i>	Related amounts not set-off in the Statement of Financial Position		Net amount <i>USD</i>
				D(i) Financial instruments <i>USD</i>	D(ii) Collateral <i>USD</i>	
As at 31 December 2024						
Financial assets						
Derivative financial instrument						
- Listed futures contracts	77,200	-	77,200	-	-	77,200
Deposit with brokers	11,275,226	-	11,275,226	490,050	-	10,785,176
	<u>11,352,426</u>	<u>-</u>	<u>11,352,426</u>	<u>490,050</u>	<u>-</u>	<u>10,862,376</u>
Financial liabilities						
Derivative financial instrument						
- Listed futures contracts	490,050	-	490,050	-	490,050	-
	<u>490,050</u>	<u>-</u>	<u>490,050</u>	<u>-</u>	<u>490,050</u>	<u>-</u>

As at 31 December 2023

Financial assets						
Derivative financial instrument						
- Listed futures contracts	170,100	-	170,100	-	-	170,100
Deposit with brokers	5,028,594	-	5,028,594	-	-	5,028,594
	<u>5,198,694</u>	<u>-</u>	<u>5,198,694</u>	<u>-</u>	<u>-</u>	<u>5,198,694</u>

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(h) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

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 counterparties 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.

10. DEPOSIT WITH BROKERS

Cash collateral provided by the Sub-Fund is identified in the statement of financial position as deposit with brokers which represents initial margin and variable margin and is not included as a component of cash and cash equivalents.

As of 31 December 2024 and 2023, included in deposit with brokers are initial margin deposits of USD8,644,453 (2023: USD2,717,000), which are pledged as collateral against open futures contracts. Refer to Note 9(f) for the details of derivative financial instruments.

11. DISTRIBUTION

There is no distribution during the year/period ended 31 December 2024 and 2023.

12. FINANCIAL INSTRUMENTS BY CATEGORY

As of 31 December 2024 and 2023, all financial assets, other than investments and derivative financial instruments as disclosed in the financial statements which are classified as financial assets at fair value through profit or loss, are categorised as per HKFRS 9 as carried at amortised costs. All the financial liabilities of the Sub-Fund are carried at amortised cost.

13. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

There was no security that individually accounted for more than 10% of the net asset value of the Sub-Fund but less than 30% of the net asset value of the Sub-Fund as at 31 December 2024 and 2023.

For the year ended 31 December 2024, the CME CF Ether-Dollar Reference Rate increased by 45.10% while the net asset value per unit of the listed share class increased by 28.16% and the net asset value per unit of the unlisted class A decreased by 17.98%. For the period ended 31 December 2023, the CME CF Ether-Dollar Reference Rate increased by 84.49% while the net asset value per unit of the Sub-Fund decreased by 67.81%.

14. SOFT COMMISSION ARRANGEMENT

The Manager and its connected persons confirm that there have been no soft commission arrangements existing during the year/period ended 31 December 2024 and 2023 in relation to directing transactions of the Sub-Fund through a broker or dealer.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

15. 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 listed investment fund and listed futures contracts. The objective of the Sub-Fund is to invest in CME Ether Futures adopting an active investment strategy and seeks to achieve long-term capital growth.

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 does not have any non-current assets. As at 31 December 2024 and 2023, the Sub-Fund has no investment which accounts for more than 10% of the Sub-Fund's net asset value.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 29 April 2025.

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

INVESTMENT PORTFOLIO (Unaudited)

As at 31 December 2024

	Holdings	Fair value USD	% of net assets
Investments and derivative financial instruments (1.58%)			
Listed investment fund (3.22%)			
Hong Kong (3.22%)			
Listed Class			
CSOP US DOLLAR MONEY MARKET ETF	7,000	812,176	3.22
Total listed investment fund		812,176	3.22
Listed futures contracts (-1.64%)	Contracts		
United States of America (-1.64%)			
CME ETHER FUTURE 31 JANUARY 2025	123	77,200	0.30
CME ETHER FUTURE 31 JANUARY 2025	27	(490,050)	(1.94)
Total listed futures contracts		(412,850)	(1.64)
Total investments and derivative financial instruments		399,326	1.58
Other net assets		24,855,479	98.42
Net assets attributable to unitholders as at 31 December 2024		25,254,805	100.00
Total investments and derivative financial instruments, at cost		733,433	

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the year ended 31 December 2024

	% of net asset value 31 December 2024	% of net asset value 31 December 2023
Listed investment fund		
Hong Kong	3.22	8.77
	<hr/>	<hr/>
	3.22	8.77
Listed futures contracts		
United States of America	(1.64)	1.93
	<hr/>	<hr/>
Total investments and derivative financial instruments	1.58	10.70
Other net assets	98.42	89.30
	<hr/>	<hr/>
Net assets attributable to unitholders	100.00	100.00
	<hr/> <hr/>	<hr/> <hr/>

CSOP ETHER FUTURES ETF
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)

As at 31 December 2024

The financial derivative instruments held by the Sub-Fund as at 31 December 2024 are summarised below:

Futures contracts

The details of futures contracts held by the Sub-Fund as at 31 December 2024 are as follows:

Description	Expiration date	Underlying assets	Position	Counterparty	Fair value USD
Financial assets:					
CME ETHER FUTURE				Macquarie Bank	
31 JANUARY 2025	31 January 2025	Ether	Long	Ltd	77,200
CME ETHER FUTURE				Phillip Nova	
31 JANUARY 2025	31 January 2025	Ether	Long	Pte. Limited	(490,050)
					<hr/>
					(412,850)
					<hr/> <hr/>

CSOP ETHER FUTURES ETF**(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))****INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS
(Unaudited)**

The following table shows the lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Fund's total net asset value for the year/period ended 31 December 2024 and 2023:

	2024 % of NAV	2023 % of NAV
Lowest gross exposure	99.82	97.16
Highest gross exposure	100.84	100.81
Average gross exposure	99.56	99.41

The following table shows the lowest, highest and average net exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Fund's total net asset value for the year/period ended 31 December 2024 and 2023:

	2024 % of NAV	2023 % of NAV
Lowest net exposure	99.82	97.16
Highest net exposure	100.84	100.81
Average net exposure	99.56	99.41

CSOP ETHER FUTURES ETF**(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))****PERFORMANCE RECORD (Unaudited)****Net asset value**

	Net asset value of the Sub-Fund <i>USD</i>	Net asset value per unit <i>USD</i>
At the end of financial year/period dated		
31 December 2024*		
Listed class	25,362,645	2.1605
Unlisted class A	8,239	8.2394
31 December 2023**		
Listed class	8,947,870	1.7078

Highest and lowest net asset value per unit

	Highest issue price per unit <i>USD</i>	Lowest redemption price per unit <i>USD</i>
Financial year/period ended		
31 December 2024		
Listed class	2.8982	1.5305
Unlisted class A	10.2727	5.8374
31 December 2023 (since 14 December 2022 (date of inception))		
Listed class	1.7723	0.9227

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

***The net asset value of the Sub-Fund disclosed is on a non-dealing day and is calculated in accordance with the Trust's Prospectus.*

CSOP ETHER FUTURES ETF

(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

MANAGEMENT AND ADMINISTRATION

Manager

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8 Connaught Place
Central
Hong Kong

Trustee and Registrar

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1 Queen's Road Central
Hong Kong

Custodian

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

Service Agent

HK Conversion Agency Services Limited
2/F, Infinitus Plaza
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Hong Kong

Listing Agent

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

Directors of the Manager

Chen Ding
Gaobo Zhang (resigned on 25 March 2025)
Huachen Zhang (appointed on 25 March 2025)
Li Chen (appointed on 25 March 2025)
Qin Wang (appointed on 25 March 2025)
Xiaosong Yang
Yi Zhou
Yundong Zhu (resigned on 25 March 2025)
Zhiwei Liu (resigned on 25 March 2025)
Zhongping Cai

Legal Advisor to the Manager

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