



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

**CSOP FTSE Asia Pacific Select REITs ETF**  
**Stock Code: 3447**  
**(A sub-fund of CSOP ETF SERIES II)**

Reports and Financial Statements  
FOR THE PERIOD FROM 9 MAY 2025 (DATE OF INCEPTION)  
TO 31 DECEMBER 2025

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

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**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS**

CSOP FTSE Asia Pacific Select REITs ETF, a sub-fund of the CSOP ETF Series II, 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 9 May 2025 and commenced trading in HKD under the stock code 3447 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 13 May 2025. The CSOP FTSE Asia Pacific Select REITs ETF is benchmarked against the FTSE EPRA Nareit Asia Pacific Select REITS Capped Net Tax Index (the “Underlying Index”) and adopts a representative sampling strategy. The Manager of the CSOP FTSE Asia Pacific Select REITs ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The FTSE EPRA Nareit Asia Pacific Select REITS Capped Net Tax Index is compiled and published by FTSE Russell (the “Index Provider”). The Underlying Index is a free float market capitalisation weighted index, which is designed to represent the performance of the largest 50 REITs by full market capitalisation listed in Australia, Japan, Hong Kong and Singapore. The Underlying Index is denominated and quoted in USD. The Underlying Index operates under clearly defined rules published by the index provider and is a tradable index.

**Fund Performance**

The CSOP FTSE Asia Pacific Select REITs ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Underlying Index. From 9 May 2025 to 30 December 2025, the dealing NAV of CSOP FTSE Asia Pacific Select REITs ETF performed 8.29%. The Underlying Index performed 11.34%. The difference in performance between the NAV of the CSOP FTSE Asia Pacific Select REITs ETF and the Underlying Index is mainly attributed to dividends, fees and expenses including tax on dividends and distributions to unitholders.

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

We hereby confirm that, in our opinion, the Manager of the CSOP FTSE Asia Pacific Select REITs ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series II, has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 20 January 2014, as amended, for the period from 9 May 2025 (date of inception) to 31 December 2025.

HSBC Institutional Trust Services (Asia) Limited  
29 April 2026

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

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

**MANAGER’S RESPONSIBILITIES**

The Manager of the CSOP FTSE Asia Pacific select REITs ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series II, 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 20 January 2014, as amended (the “Trust Deed”), to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of the period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to 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 II (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31 December 2025, the Trust has established five sub-funds, namely;

Name of the sub-funds	Launch Date
CSOP FTSE Asia Pacific Select REITs ETF (the “Sub-Fund”)	9 May 2025
CSOP FTSE Hong Kong Equity ETF	6 May 2025
ICBC CSOP FTSE Chinese Government and Policy Bank Bond Index ETF	17 February 2014
CSOP RMB Money Market ETF	16 January 2015
CSOP FTSE US Treasury 20+ Years Index ETF	8 January 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 FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II, 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 FTSE Asia Pacific Select REITs ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series II, which are set out on pages 8 to 28, comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the period from 9 May 2025 (date of inception) to 31 December 2025;
- the statement of changes in net assets attributable to unitholders for the period from 9 May 2025 (date of inception) to 31 December 2025;
- the statement of cash flows for the period from 9 May 2025 (date of inception) to 31 December 2025; 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 2025, and of its financial transactions and its cash flows for the period from 9 May 2025 (date of inception) to 31 December 2025 in accordance with IFRS Accounting Standards.

**Basis for Opinion**

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

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

*Independence*

We are independent of the Sub-Fund in accordance with the Hong Kong Institute of Certified Public Accountants (“HKICPA”)’s Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

**Key Audit Matters**

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

**INDEPENDENT AUDITOR’S REPORT  
TO THE UNITHOLDERS OF CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG  
KONG) (CONTINUED)**

**Key Audit Matters (Continued)**

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

<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p><u>Existence and valuation of investments</u></p> <p>The Sub-Fund’s investments as at 31 December 2025 are mainly comprised of listed equities valued at USD17,086,112.</p> <p>We focused on the existence and valuation of the investments because the investments represented the principal elements of the Sub-Fund’s net assets attributable to unitholders as at 31 December 2025.</p> <p>Refer to 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, which included the following:</p> <ul style="list-style-type: none"> <li>• 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 report over the design and operating effectiveness of those controls.</li> <li>• 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.</li> </ul> <p>We tested the existence of investments by obtaining direct confirmation from the custodian and agreeing the Sub-Fund’s holdings of investments to the confirmation.</p> <p>We tested the valuation of the Sub-Fund’s investments by comparing the pricing used by the Sub-Fund to external pricing sources as at 31 December 2025.</p> <p>Based on the procedures we performed, we found no material exceptions from our testing.</p>

**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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG  
KONG) (CONTINUED)**

**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 IFRS Accounting Standards, 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 20 January 2014, 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").

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.
- 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  
TO THE UNITHOLDERS OF CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II, AN UMBRELLA UNIT TRUST ESTABLISHED IN HONG  
KONG) (CONTINUED)**

**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 2026

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2025*

	<i>Notes</i>	31 December 2025 USD
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	<i>7(c),9(a),9(d)</i>	17,086,112
Derivative financial instruments	<i>7(c),9(a),9(d)</i>	0 <sup>1</sup>
Dividends receivable		109,503
Bank interest receivable		3
Cash and cash equivalents	<i>7(c),9(b)</i>	83,984
<b>Total assets</b>		<u>17,279,602</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Management fee payable	<i>7(a)</i>	14,314
Trustee fee payable	<i>7(b)</i>	578
License fee payable		6,188
Other accounts payable		35,841
<b>Total liabilities</b>		<u>56,921</u>
<b>EQUITY</b>		
<b>Net assets attributable to unitholders</b>		<u><u>17,222,681</u></u>

<sup>1</sup> Amount is less than USD 1.

The financial statements on pages 8 to 28 were approved by the Trustee and the Manager on 29 April 2026 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 FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**STATEMENT OF COMPREHENSIVE INCOME**

*For the period from 9 May 2025 (date of inception) to 31 December 2025*

	<i>Notes</i>	Period from 9 May 2025 (date of inception) to 31 December 2025 <i>USD</i>
<b>INCOME</b>		
Dividend income		595,655
Interest income from bank deposits	7(c)	2,672
Net gain on investments	5	1,778,733
Net foreign currency gain		7,271
<b>Total net income</b>		<u>2,384,331</u>
<b>EXPENSES</b>		
Management fee	7(a)	(122,525)
Trustee fee	7(b)	(4,950)
Transaction costs on investments	8	(20,798)
Audit fee		(22,000)
Establishment cost	4	(42,708)
Safe custody and bank charges	7(e)	(1,009)
License fee		(6,188)
Other operating expenses	7(e)	(23,708)
<b>Total operating expenses</b>		<u>(243,886)</u>
<b>Operating profit before taxation</b>		<u>2,140,445</u>
Taxation	6	(62,924)
<b>Total comprehensive income</b>		<u><u>2,077,521</u></u>

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

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

*For the period from 9 May 2025 (date of inception) to 31 December 2025*

	<i>Notes</i>	Period from 9 May 2025 (date of inception) to 31 December 2025 USD
Net assets attributable to unitholders at the beginning of the period		-
Issue of units		18,775,850
Redemption of units		(3,216,600)
Net increase from unit transactions		<u>15,559,250</u>
Distribution to unitholders	<i>10</i>	(414,090)
Total comprehensive income		<u>2,077,521</u>
<b>Net assets attributable to unitholders at the end of the period</b>	<i>4</i>	<u><u>17,222,681</u></u>

The movements of the redeemable units for the period from 9 May 2025 (date of inception) to 31 December 2025 are as follows:

	Period from 9 May 2025 (date of inception) to 31 December 2025 Units
Number of units in issue at the beginning of the period	-
Units issued	19,000,000
Units redeemed	(3,000,000)
Number of units in issue at the end of the period	<u><u>16,000,000</u></u>

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**STATEMENT OF CASH FLOWS**

*For the period from 9 May 2025 (date of inception) to 31 December 2025*

Period from  
9 May 2025  
(date of inception)  
to 31 December  
2025  
USD

**Cash flows from operating activities**

Total comprehensive income	2,077,521
<b>Adjustment for:</b>	
Dividend income	(595,655)
Interest income from bank deposits	(2,672)

**Operating profit before working capital changes**

	1,479,194
Net change in investments	(17,086,112)
Net change in management fee payable	14,314
Net change in trustee fee payable	578
Net change in license fee payable	6,188
Net change in other accounts payable	35,841

**Cash used in operating activities**

	(15,549,997)
Dividend received	486,152
Interest received from bank deposits	2,669

**Net cash used in operating activities**

**Cash flows from financing activities**

	(15,061,176)
Proceeds on issue of units	18,775,850
Payments on redemption of units	(3,216,600)
Dividend distribution paid	(414,090)

**Net cash generated from financing activities**

**Net increase in cash and cash equivalents**

	15,145,160
	83,984
Cash and cash equivalents at beginning of the period	-

**Cash and cash equivalents at end of the period**

**Analysis of cash and cash equivalents**

	83,984
Bank balances	83,984

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

## **CSOP FTSE ASIA PACIFIC SELECT REITs ETF (A SUB-FUND OF CSOP ETF SERIES II)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. GENERAL INFORMATION**

CSOP ETF Series II (the “Trust”) is an umbrella unit trust governed by its trust deed dated 20 January 2014, 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 2025, the Trust has five sub-funds which are:

Name of the sub-funds	Launch Date
CSOP FTSE Asia Pacific Select REITs ETF (the “Sub-Fund”)	9 May 2025
CSOP FTSE Hong Kong Equity ETF	6 May 2025
ICBC CSOP FTSE Chinese Government and Policy Bank Bond Index ETF	17 February 2014
CSOP RMB Money Market ETF	16 January 2015
CSOP FTSE US Treasury 20+ Years Index ETF	8 January 2024

The Sub-Fund is listed on The Stock Exchange of Hong Kong Limited.

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

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Underlying Index. The Sub-Fund will primarily use a physical representative sampling strategy through investing up to 100% of its Net Asset Value in a representative portfolio of securities that collectively has a high correlation with the Underlying Index, but whose constituents may or may not themselves be constituents of the Underlying Index and may or may not be REITs listed in Australia, Japan, Hong Kong and Singapore. In order to achieve the investment objective of the Sub-Fund, the Manager will adopt a full replication strategy by directly investing all, or substantially all, of the assets of the Sub-Fund in index securities constituting the Underlying Index in substantially the same weightings (i.e. proportions) as these index securities have in the Underlying Index. The Manager may cause the Sub-Fund to deviate from the index weighting on condition that the maximum deviation from the index weighting of any constituent will not exceed 3% or such other percentage as determined by the Manager after consultation with the SFC.

These financial statements are prepared for the Sub-Fund only. The financial statements for the other sub-funds of the Trust have been prepared separately.

#### **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 IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**(a) Basis of preparation (Continued)**

- IFRS Accounting Standards
- IAS<sup>®</sup> Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC<sup>®</sup> Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC<sup>®</sup> Interpretations).

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 IFRS Accounting Standards 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 after 9 May 2025 (date of inception)

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 9 May 2025 (date of inception) that have a material effect on the financial statements of the Sub-Fund.

New standards, amendments and interpretations effective after 9 May 2025 (date of inception) 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 9 May 2025 (date of inception) and have not been early adopted in preparing these financial statements:

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

For Amendment to IFRS 9 and IFRS 7, the Sub-Fund does not expect these amendments to have a material impact on its operations or financial statements.

For IFRS 18 Presentation and Disclosure in Financial Statements, the Sub-Fund is currently still assessing the effect of this standard and amendment.

**(b) Financial Instruments**

**(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 Sub-Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**(b) Financial Instruments (continued)**

(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.

(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 period in which they arise.

(iv) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) 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.

**(c) Amounts due from participating dealers/brokers**

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

Amounts due from brokers represent receivables for securities sold that have been contracted for but not yet settled on the statement of financial position date.

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**(d) 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.

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

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

Amounts due to brokers represent payables for securities purchased that have been contracted for but not yet delivered on the statement of financial position date.

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

**(f) Dividend income and interest income**

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

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

**(g) Distributions to unitholders**

Distributions to unitholders are recognised in the statement of changes in net assets attributable to unitholders when they are approved by the Manager at discretion.

**(h) Transaction costs on investments**

Transaction costs are costs incurred to acquire/dispose of 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.

**(i) Expenses**

Expenses are accounted for on an accrual basis.

**(j) Cash and cash equivalents**

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**(k) 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 performance of the Sub-Fund is measured and reported to the unitholders in US Dollar (“USD”). The Manager considers USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is the Sub-Fund’s functional and presentation currency.

Transactions and balances

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

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

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

**(l) 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 classifies its puttable financial instruments as equities in accordance with IAS 32, “Financial instruments: Presentation” as those puttable financial instruments meet all the following criteria:

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

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

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

**(m) Establishment costs**

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**2. MATERIAL ACCOUNTING POLICIES (Continued)**

**(n) 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.

**3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS**

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the fair value of the securities that are suspended from trading which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

**Fair value of derivative financial instruments**

The Fund may, from time to time, hold financial instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager, independent of the party that created them.

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

The Sub-Fund's capital is represented by the units in the Sub-Fund, and shown as "net assets attributable to unitholders" in the statement of financial position. Subscriptions and redemptions of units during the period are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment 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 20 January 2014, 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 equities and they are carried at the price based on the Sub-Fund's net asset value per unit at the reporting date if the unitholders exercised the right to redeem the units in the Sub-Fund.

	As at 31 December 2025
	<i>Units</i>
Number of units in issue	16,000,000
	<hr/> <hr/>
	As at 31 December 2025
	<i>USD</i>
Net assets attributable to unitholders per unit (per statement of financial position)	1.0764
	<hr/> <hr/>

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

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

As stated in Note 2(m), establishment costs are expensed as incurred in the financial statements. However, in accordance with the provisions of the Trust's Prospectus, establishment costs are recognised using the amortisation method for dealing NAV for subscriptions and redemptions. For the period from 9 May 2025 (date of inception) to 31 December 2025, the expensing of establishment costs as stated in the financial statements resulted in decrease of net assets attributable to unitholders of USD34,095 as stated in the financial statements when compared with the methodology indicated in the Trust's Prospectus. The amount USD34,095 is unamortised with remaining 4 years 4 months of amortisation.

	As at 31 December 2025 USD
Net assets attributable to unitholders as reported in the statement of financial position	17,222,681
- Adjustments for unamortised establishment costs	34,095
	<hr/>
Net assets value in accordance with the Trust's Prospectus	17,256,776
	<hr/> <hr/>

**5. NET GAIN ON INVESTMENTS**

	Period from 9 May 2025 (date of inception) to 31 December 2025 USD
Net change in unrealised gain/loss in value of investments	1,424,137
Net realised gain on sale of investments	354,596
	<hr/>
	1,778,733
	<hr/> <hr/>

**6. 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 exempted 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.

	Period from 9 May 2025 (date of inception) to 31 December 2025 USD
Withholding tax on dividend income	62,924
	<hr/>
	62,924
	<hr/> <hr/>

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

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

The following is a summary of significant related party transactions and transactions entered into during the period between the Sub-Fund and 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 period from 9 May 2025 (date of inception) to 31 December 2025 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 0.99% per annum of the net asset value of the Sub-Fund accrued daily and calculated as at each dealing day and payable monthly in arrears.

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

The Trustee is entitled to receive a trustee fee of up to 0.10% per annum of the net asset value of the Sub Fund, which is accrued daily and calculated as at each dealing day and payable monthly in arrears. The Trustee fee is inclusive of fees payable to The Hongkong and Shanghai Banking Corporation Limited (the “Custodian”).

The Trustee, acting as the Registrar, is also entitled to a fee of USD15 per participating dealer per transaction for the period from 9 May 2025 (date of inception) to 31 December 2025. The Trustee shall also be entitled to be reimbursed from the Sub-Fund for all out-of-pocket expenses incurred.

**(c) Financial assets**

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

	As at 31 December 2025 USD
<b>Investments and derivative financial instruments</b>	
The Hongkong and Shanghai Banking Corporation Limited	17,086,112
	<hr/> <hr/>
<b>Bank balances</b>	
The Hongkong and Shanghai Banking Corporation Limited	83,984
	<hr/> <hr/>

Interest income amounting to USD2,672 was earned on this bank balances placed with the connected person of the Trustee for the period from 9 May 2025 (date of inception) to 31 December 2025.

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

As at 31 December 2025, no unit was held by the Trustee, Manager and their connected persons.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

The other respective amounts paid to the trustee and its connected persons for the period from 9 May 2025 (date of inception) to 31 December 2025 was as follows:

	Period from 9 May 2025 (date of inception) to 31 December 2025 <i>USD</i>
Safe custody and bank charges	1,009
Other operating expenses	14,117
	<hr/>
	15,126
	<hr/> <hr/>

**8. TRANSACTION COSTS ON INVESTMENTS**

Transaction costs are costs incurred to acquire/dispose of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers.

**9. FINANCIAL RISK MANAGEMENT**

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

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

**(a) Market risk**

**(i) Market price risk**

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

The Sub-Fund is designated to track the performance of the Underlying Index, therefore the exposures to market risk in the Sub-Fund will be substantially the same as the tracked index. For the period from 9 May 2025 (date of inception) to 31 December 2025, the Manager manages the Sub-Fund's exposures to market risk by ensuring that the key characteristics of the portfolio, such as security weight and industry weight, are closely aligned with the characteristics of the tracked index.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

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

As at 31 December 2025, the Sub-Fund's investments and derivative financial instruments were concentrated in the following industries:

	31 December 2025	
	Fair value <i>USD</i>	% of net asset value
Listed equities in REITs – by country		
Australia	6,704,408	38.93
Hong Kong	905,661	5.26
Japan	5,991,826	34.79
Singapore	3,484,217	20.23
Unlisted rights		
Singapore	0 <sup>1</sup>	-
	17,086,112	99.21

<sup>1</sup> Amount is less than USD 1.

The Sub-Fund adopts representative sampling strategy and it held 50 out of 50 constituent investments comprising the Underlying Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the Underlying Index.

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

As at 31 December 2025, if the Underlying Index were to increase by 12% with all other variables held constant, this would increase the operating profit for the period by approximately USD1,892,916. Conversely, if the Underlying Index were to decrease by 12%, this would decrease the operating profit for the period by an equal amount.

**(ii) Interest rate risk**

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

As at 31 December 2025, interest rate risk arises from cash and cash equivalents. As the cash and cash equivalents held by the Sub-Fund is short term in nature and interest arising from these interest bearing assets are immaterial, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. As a result, the Manager considers sensitivity analysis of interest rate risk is not necessary to be presented.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**(iii) Currency risk**

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

The Sub-Fund has assets and liabilities denominated in currencies other than USD, the functional currency of the Sub-Fund. The Sub-Fund is therefore exposed to currency risks as the value of the assets and liabilities denominated in other currencies will fluctuate due to change in exchange rates.

The Sub-Fund has not entered into any foreign exchange hedging transactions for the purpose of managing its exposure to foreign exchange movement (both monetary and non-monetary). The Manager monitors the Sub-Fund's monetary and non-monetary foreign exposure on a daily basis.

The table below summarises the Sub-Fund's monetary exposure to currency risks.

	As at 31 December 2025	
	Monetary <i>USD</i>	Non-monetary <i>USD</i>
Australian Dollar	50,175	6,704,408
Hong Kong Dollar	5,960	905,661
Japanese Yen	59,329	5,991,826
Singapore Dollar	7	3,484,217

Assets and liabilities denominated in Hong Kong Dollar are not considered as subject to currency risk as it is currently pegged to USD within a narrow range.

The following table shows the approximate changes in the Sub-fund's net assets in response to a reasonable possible change in the USD exchange rate as at 31 December 2025, with all other variables held constant.

	As at 31 December 2025	
	Change +/-	Impact on net assets <i>USD</i>
Australian Dollar	9%	607,912
Japanese Yen	10%	605,116
Singapore Dollar	5%	174,211

**(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 cash and cash equivalents with reputable financial institutions. As such, the Manager does not consider the Sub-Fund to be exposed to significant credit and counterparty risk.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

As at 31 December 2025, the Sub-Fund placed bank balances of USD83,984 and investments of USD17,086,112 with The Hongkong and Shanghai Banking Corporation Limited (“HSBC”), which is the custodian of the Sub-Fund. As at 31 December 2025, the credit ratings of the Sub-Fund’s custodian are at or above investment grade.

The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. As at 31 December 2025, dividends receivable, bank interest receivable and cash and cash equivalents are held with counterparties with high credit ratings and are due to be settled within 1 month. Applying the requirements of IFRS 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 2025 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.

	Less than 1 month <i>USD</i>	1 month to less than 3 months <i>USD</i>	Over 3 months <i>USD</i>	Total <i>USD</i>
<b>As at 31 December 2025</b>				
Management fee payable	14,314	-	-	14,314
Trustee fee payable	578	-	-	578
License fee payable	6,188	-	-	6,188
Other accounts payable	35,841	-	-	35,841
<b>Contractual cash outflow</b>	<b>56,921</b>	<b>-</b>	<b>-</b>	<b>56,921</b>

Units are redeemed on demand at the unitholder’s option. As at 31 December 2025, there was one nominee account holding more than 10% of the listed class of Sub-Fund’s units, representing in aggregate 96.88% of units.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

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>	More than 12 months <i>USD</i>	Total <i>USD</i>
<b>As at 31 December 2025</b>				
Total assets	17,170,099	109,503	-	17,279,602

**(d) Fair value estimation**

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets (by class) measured at fair value at 31 December 2025:

	Level 1 <i>USD</i>	Level 2 <i>USD</i>	Level 3 <i>USD</i>	Total <i>USD</i>
<b>As at 31 December 2025</b>				
<b>Assets</b>				
Investments				
- Listed equity securities	17,086,112	-	-	17,086,112
- Unlisted rights	-	-	0 <sup>1</sup>	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total assets</b>	<b>17,086,112</b>	<b>-</b>	<b>0<sup>1</sup></b>	<b>17,086,112</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<sup>1</sup> Amount is less than USD 1.

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As at 31 December 2025, there was no investment 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 2025, there was one investment held by the Sub-Fund classified in level 3.

On 19 December 2025, the Sub-Fund received an unlisted preferential offering rights from Keppel REIT that had no active trading market. The Manager has assessed the fair value and considered the terms of such offering from the company. Therefore, the Manager has marked its fair value to USDNil.

For the period from 9 May 2025 (date of inception) to 31 December 2025, there were no transfers between levels.

The assets and liabilities included in the statement of financial position, other than investments, 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.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

**(e) Capital risk management**

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

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

**10. DISTRIBUTION**

	Period from 9 May 2025 (date of inception) to 31 December 2025 USD
<b>Interim distribution</b>	
HKD0.08 on 19,000,000 units on ex-dividend date 18 July 2025 paid on 28 July 2025	(193,786)
<b>Final distribution</b>	
HKD0.09 on 19,000,000 units on ex-dividend date 17 October 2025 paid on 28 October 2025	(220,304)
	<hr/>
	(414,090)
	<hr/> <hr/>

The Manager currently intends to make distribution in January, April, July and October of each year. There is no guarantee of regular distribution and, if distribution is made, the amount being distributed. The Manager may, at its discretion, pay dividend out of or effectively out of capital. All units will receive distribution in HKD only.

The net income for distribution for the period from 9 May 2025 (date of inception) to 31 December 2025 was USD653,384. Net distribution income does not include net change in unrealised gain/loss in value of investments. There is no undistributed income carried forward as at 31 December 2025.

**11. FINANCIAL INSTRUMENTS BY CATEGORY**

As of 31 December 2025, 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 IFRS 9 and carried at amortised costs. All the financial liabilities of the Sub-Fund are carried at amortised cost.

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**NOTES TO THE FINANCIAL STATEMENTS**

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

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

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period from 9 May 2025 (date of inception) to 31 December 2025.

There was one constituent security that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the Underlying Index as at 31 December 2025.

**As at 31 December 2025**

	Weighting in index (%)	% of Net asset value
<b>Australia</b>		
Goodman Group	10.44	10.37

During the period from 9 May 2025 (date of inception) to 31 December 2025, the Underlying Index increased by 11.38% while the net asset value per unit of the Sub-Fund increased by 9.82% before dividend distribution and increased by 7.64% after dividend distribution.

During the period from 9 May 2025 (date of inception) to 31 December 2025, the Sub-Fund paid dividend of USD0.0218 per unit, which represented 2.40% to the net asset value per unit as at 31 December 2025. For the details of dividend distribution, refer to Note 9.

**13. SOFT COMMISSION ARRANGEMENTS**

The Manager has entered into soft commission arrangements for the period from 9 May 2025 (date of inception) to 31 December 2025 with some brokers under which certain goods and services used to support investment decision making are obtained from third parties and are paid for by the brokers in consideration of transactions of the Sub-Fund directed to the brokers. These may include, for example, research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; clearing, registrar and custodial services and investment-related publication; computer hardware and software incidental to the above goods and services.

For the period from 9 May 2025 (date of inception) to 31 December 2025, the Manager obtained the services through soft dollar arrangements on transactions amounting to USD23,942,795. Commission which amounted to USD18,840 is paid from the Sub-Fund on these transactions.

**14. SEGMENT INFORMATION**

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

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

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

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**NOTES TO THE FINANCIAL STATEMENTS**

**14. SEGMENT INFORMATION (Continued)**

The Sub-Fund is domiciled in Hong Kong. The Sub-Fund's income is derived from investments in HK securities which constitute Underlying Index, the tracked index.

The Sub-Fund does not have any non-current assets. As at 31 December 2025, the Sub Fund has a diversified portfolio of investments and one investment account for more than 10% of the Sub-Fund's net asset value.

**15. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Trustee and the Manager on 29 April 2026.

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**INVESTMENT PORTFOLIO (Unaudited)**

*As at 31 December 2025*

	<b>Holdings</b>	<b>Fair value USD</b>	<b>% of net assets</b>
<b>Investments (99.21%)</b>			
<b>Listed equities (99.21%)</b>			
<b>Australia (38.93%)</b>			
BWP Property Group Ltd	43,860	115,583	0.67
Charter Hall Group	36,797	601,755	3.49
Charter Hall Long Wale REIT	53,230	145,260	0.84
Dexus	82,687	383,265	2.23
Goodman Group	86,175	1,785,630	10.37
GPT Group/The	150,534	545,711	3.17
Mirvac Group	308,723	423,303	2.46
National Storage REIT	95,115	173,676	1.01
Region Group	90,421	142,124	0.83
Scentre Group	408,507	1,147,566	6.66
Stockland	189,216	725,172	4.21
Vicinity Ltd	300,985	515,363	2.99
		6,704,408	38.93
<b>Hong Kong (5.26%)</b>			
Link REIT	202,894	905,661	5.26
		905,661	5.26
<b>Japan (34.79%)</b>			
Activia Properties Inc	163	146,540	0.85
Advance Residence Investment Corp	204	223,258	1.30
AEON REIT Investment Corp	133	116,597	0.68
Daiwa House REIT Investment Corp	324	296,248	1.72
Daiwa Office Investment Corp	40	95,649	0.56
Daiwa Securities Living Investments Corp	150	109,281	0.63
GLP J-Reit	343	326,104	1.89
Industrial & Infrastructure Fund Investment Corp	186	183,132	1.06
Invincible Investment Corp	569	233,972	1.36
Japan Hotel REIT Investment Corp	380	198,474	1.15
Japan Logistics Fund Inc	202	134,267	0.78
Japan Metropolitan Fund Invest	526	416,797	2.42
Japan Prime Realty Investment Corp	280	188,973	1.10
Japan Real Estate Investment Corp	525	438,799	2.55
KDX Realty Investment Corp	290	325,710	1.89
LaSalle Logiport REIT	128	129,622	0.75
Mitsui Fudosan Accommodations Fund Inc	183	157,042	0.91
Mitsui Fudosan Logistics Park Inc	233	181,651	1.06
Mori Hills REIT Investment Corp	109	103,700	0.60
Nippon Building Fund Inc	620	565,706	3.28
Nippon Prologis REIT Inc	563	333,957	1.94
Nomura Real Estate Master Fund Inc	323	356,998	2.07
Orix JREIT Inc	410	278,281	1.62

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
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**INVESTMENT PORTFOLIO (Unaudited)**

*As at 31 December 2025*

	<b>Holdings</b>	<b>Fair value USD</b>	<b>% of net assets</b>
<b>Investments (99.21%) (continued)</b>			
<b>Listed equities (99.21%) (continued)</b>			
<b>Japan (34.79%) (continued)</b>			
Sekisui House Reit Inc	301	172,972	1.00
United Urban Investment Corp	238	278,096	1.62
		<hr/>	<hr/>
		5,991,826	34.79
		<hr/>	<hr/>
<b>Singapore (20.23%)</b>			
CapitaLand Ascendas REIT	292,300	643,868	3.74
CapitaLand Ascott Trust	205,000	152,384	0.88
CapitaLand Integrated Commercial Trust	464,600	864,288	5.02
Frasers Centrepoint Trust	100,100	181,540	1.05
Frasers Logistics & Commercial Trust	216,700	167,827	0.97
Keppel DC REIT	152,136	266,438	1.55
Keppel REIT	235,800	178,949	1.04
Mapletree Industrial Trust	162,400	262,924	1.53
Mapletree Logistics Trust	265,100	272,374	1.58
Mapletree Pan Asia Commercial Trust	176,300	201,721	1.17
Parkway Life Real Estate Investment Trust	34,000	107,974	0.63
Suntec Real Estate Investment Trust	164,100	183,930	1.07
		<hr/>	<hr/>
		3,484,217	20.23
		<hr/>	<hr/>
<b>Unlisted rights (0.00%)</b>			
<b>Singapore (0.00%)</b>			
Keppel REIT-RIGHTS	42,849	0 <sup>1</sup>	-
		<hr/>	<hr/>
		0 <sup>1</sup>	-
		<hr/>	<hr/>
<b>Total investments</b>		17,086,112	99.21
<b>Other net assets</b>		136,569	0.79
		<hr/>	<hr/>
<b>Net assets attributable to unitholders at 31 December 2025</b>		17,222,681	100.00
		<hr/> <hr/>	<hr/> <hr/>
<b>Total investments, at cost</b>		15,661,975	
		<hr/> <hr/>	

<sup>1</sup> Amount is less than USD 1.

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**  
*For the period from 9 May 2025 (date of inception) to 31 December 2025*

	% of net asset value 2025
<b>Listed equities – by country</b>	
Australia	38.93
Hong Kong	5.26
Japan	34.79
Singapore	20.23
<b>Unlisted rights</b>	
Singapore	-
<b>Total investments</b>	99.21
<b>Other net assets</b>	0.79
<b>Total net assets</b>	<u>100.00</u>

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)**  
*As at 31 December 2025*

**Unlisted rights (0.00%)**

The details of unlisted rights held by the Sub-Fund as at 31 December 2025 are as follows:

<b>Description</b>	<b>Underlying assets</b>	<b>Issuer</b>	<b>Fair value USD</b>
<u>Financial assets:</u>			
Keppel REIT-RIGHTS	Keppel REIT	Keppel REIT	0 <sup>1</sup>
			<hr/> 0 <sup>1</sup> <hr/> <hr/>

<sup>1</sup> Amount is less than USD 1.

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
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**INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)**  
*As at 31 December 2025*

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 period from 9 May 2025 (date of inception) to 31 December 2025.

	<b>Period from 9 May 2025 (date of inception) to 31 December 2025 % of NAV</b>
Lowest gross exposure	-
Highest gross exposure	-
Average gross exposure	-

The following table shows the lowest, highest and average net exposure arising from the use of financial derivative instruments for investment purpose as a proportion to the Fund's total net asset value for the period from 9 May 2025 (date of inception) to 31 December 2025.

	<b>Period from 9 May 2025 (date of inception) to 31 December 2025 % of NAV</b>
Lowest net exposure	-
Highest net exposure	-
Average net exposure	-

**CSOP FTSE ASIA PACIFIC SELECT REITs ETF  
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**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 period dated		
31 December 2025	17,256,776	1.0785

**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 period ended		
31 December 2025 (since 9 May 2025 (date of inception))	1.1237	0.9843

*\*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 FTSE ASIA PACIFIC SELECT REITs ETF  
(A SUB-FUND OF CSOP ETF SERIES II)**

**MANAGEMENT AND ADMINISTRATION**

**Manager**

CSOP Asset Management Limited  
2801 – 2803 & 3303-3304, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

**Trustee and Registrar**

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

**Custodian**

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

**Service Agent**

HK Conversion Agency Services Limited  
8<sup>th</sup> Floor, Two Exchange Square  
8 Connaught Place  
Central, Hong Kong

**Listing Agent**

Oriental Patron Asia Limited  
27th Floor, Two Exchange Square  
8 Connaught Place  
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**

Deacons  
5th Floor, Alexandra House  
18 Chater Road  
Central  
Hong Kong

**Auditor**

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

**Non-discretionary Investment Advisor**

Straits Investment Management Pte. Ltd.  
1 Wallich Street  
#15-01 Guoco Tower 078881  
Singapore



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