



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

CSOP SZSE CHINEXT ETF (*This is a synthetic ETF)
Stock Codes: 83147 (RMB counter) and 03147 (HKD counter)
(A sub-fund of CSOP ETF Series* (*This includes synthetic ETFs))

Reports and Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2023



**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

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**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The CSOP SZSE ChiNext ETF (the “CSOP ChiNext ETF”), a sub-fund of the CSOP ETF Series, is a unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 13 May 2015 and commenced trading in RMB under the stock code 83147 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 15 May 2015; following the SEHK’s dual counter model, the CSOP ChiNext ETF started trading in HKD under the stock code 03147 on the SEHK on 15 May 2015 too. The CSOP ChiNext ETF is benchmarked against the ChiNext Index and adopts a combination of primarily a synthetic representative sampling strategy and a physical representative sampling strategy as an ancillary strategy. The Manager of the CSOP ChiNext ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP ChiNext ETF will primarily use a synthetic representative sampling strategy by investing up to 100% of its Net Asset Value in financial derivative instruments (“FDIs”), which will be fully funded total return swaps with one or more counterparties. When manager believes such investments are beneficial to the CSOP ChiNext ETF and will help the CSOP ChiNext ETF achieve its investment objective, manager will use a physical representative sampling strategy as an ancillary strategy by investing a maximum level of less than 50% and an expected level of approximately 20% of its Net Asset Value in a representative portfolio of securities that collectively has a high correlation with the Underlying Index.

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

Fund Performance

The CSOP SZSE ChiNext ETF seeks to provide investment results, before fees and expenses, which closely correspond to the performance of the Index. As of 29 December 2023, the dealing Net Asset Value (“NAV”) per unit of the CSOP SZSE ChiNext ETF was RMB6.6143 and there were 36,000,000 units outstanding. The total asset under management was approximately RMB238.1 million.

As of 29 December 2023, the dealing NAV performed -19.55% while the Index performed -19.41%. The difference in performance between the NAV of the CSOP SZSE ChiNext ETF and the Index is mainly attributed to dividends, fees and expenses including tax on dividends and distributions to unitholders.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 the CSOP SZSE ChiNext ETF* (*This is a synthetic 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 2023.

HSBC Institutional Trust Services (Asia) Limited
29 April 2024

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 the CSOP SZSE ChiNext ETF* (*This is a synthetic 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 year and of the transactions for the year then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to 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 2023, the Trust has established eleven sub-funds, namely, CSOP SZSE ChiNext ETF* (*This is a synthetic ETF) (the “Sub-Fund”), CSOP FTSE China A50 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 Ether Futures ETF and CSOP Saudi Arabia ETF. CSOP Saudi Arabia ETF was inceptioned on 20 November 2023.

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 SZSE CHINEXT ETF* (*THIS IS A SYNTHETIC 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 SZSE ChiNext ETF* (*This is a synthetic ETF) (the “Sub-Fund”), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), which are set out on pages 8 to 34, comprise:

- the statement of financial position as at 31 December 2023;
- 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 2023, and of its financial transactions and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) 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
TO THE UNITHOLDERS OF CSOP SZSE CHINEXT ETF* (*THIS IS A SYNTHETIC ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*THIS INCLUDES SYNTHETIC ETFS), AN UMBRELLA UNIT
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 data-bbox="97 533 699 600"><u>Existence and valuation of investments and derivative financial instruments</u></p> <p data-bbox="97 633 699 869">The Sub-Fund's investments and derivative financial instruments as at 31 December 2023 are mainly comprised of listed equities in the People's Republic of China ("PRC listed equities") and unlisted funded total return swaps of PRC listed equities, valued at RMB82,237,206 and RMB155,774,358 respectively.</p> <p data-bbox="97 902 699 1104">We focused on the existence and valuation of the investments and derivative financial instruments because the investments and derivative financial instruments represented the principal elements of the Sub-Fund's net assets attributable to unitholders as at 31 December 2023.</p> <p data-bbox="97 1171 699 1205">Refer to note 9 to the financial statements.</p>	<p data-bbox="707 533 1490 633">Our work included an assessment of the key controls over the existence and valuation of the investments and derivative financial instruments, which included the following:</p> <ul data-bbox="762 667 1490 1104" style="list-style-type: none"> <li data-bbox="762 667 1490 902">• 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 data-bbox="762 936 1490 1104">• 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 data-bbox="707 1137 1490 1272">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 data-bbox="707 1305 1490 1406">We tested the valuation of the Sub-Fund's investments and derivative financial instruments by comparing the pricing used by the Sub-Fund to external pricing sources as at 31 December 2023.</p> <p data-bbox="707 1440 1490 1507">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 SZSE CHINEXT ETF* (*THIS IS A SYNTHETIC ETF)
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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 HKFRS 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").

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 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 SZSE CHINEXT ETF* (*THIS IS A SYNTHETIC ETF)
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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 2024

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	<i>Notes</i>	2023 <i>RMB</i>	2022 <i>RMB</i>
ASSETS			
NON-CURRENT ASSETS			
Deposit reserve		666	816
CURRENT ASSETS			
Investments	<i>7(c),9(a),9(b),9(d)</i>	82,237,206	219,879,889
Derivative financial instruments	<i>9(a),9(b),9(d),9(f)</i>	155,774,358	122,757,055
Interest receivable from bank deposits		508	765
Interest receivable from derivative counterparties		310,286	251,460
Amounts due from participating dealers		-	648
Other receivables		-	14,011
Cash and cash equivalent	<i>7(c)</i>	9,636,812	29,706,455
		<u>247,959,170</u>	<u>372,610,283</u>
Total assets		<u>247,959,836</u>	<u>372,611,099</u>
LIABILITIES			
CURRENT LIABILITIES			
Amounts due to brokers		-	1,799,837
Amounts due to participating dealers		5,691,368	-
Cash collateral payable	<i>10</i>	3,519,171	26,654,530
Management fee payable	<i>7(a),7(b)</i>	199,973	284,628
Other accounts payable		457,147	1,049,595
		<u>9,867,659</u>	<u>29,788,590</u>
Total liabilities		<u>9,867,659</u>	<u>29,788,590</u>
EQUITY			
Net assets attributable to unitholders		<u>238,092,177</u>	<u>342,822,509</u>

The financial statements on pages 8 to 34 were approved by the Trustee and the Manager on 29 April 2024 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 SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

		Year ended 31 December 2023 <i>RMB</i>	Year ended 31 December 2022 <i>RMB</i>
	<i>Notes</i>		
INCOME			
Dividend income		2,403,749	2,044,940
Interest income from bank deposits	7(c)	197,433	85,656
Interest income from derivative counterparties	8	780,380	1,085,976
Net loss on investments and derivative financial instruments	5	(62,236,067)	(190,180,547)
Net foreign currency gain/(loss)		5,653	(1,594)
Other income		133,448	26,314
Total net loss		<u>(58,715,404)</u>	<u>(186,939,255)</u>
EXPENSES			
Management fee	7(a),7(b)	(3,079,094)	(4,492,652)
Transaction costs on investments		(528,721)	(986,273)
Audit fee		(369,404)	(267,452)
Bank charges	7(e)	(5,102)	(3,597)
Legal and other professional fees		(144,480)	(78,286)
Other operating expenses	7(e)	(681,602)	(663,823)
Total operating expenses		<u>(4,808,403)</u>	<u>(6,492,083)</u>
Operating loss		<u>(63,523,807)</u>	<u>(193,431,338)</u>
Taxation	6	<u>(176,635)</u>	<u>(132,145)</u>
Total comprehensive loss	4	<u><u>(63,700,442)</u></u>	<u><u>(193,563,483)</u></u>

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

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 2023

		Year ended 31 December 2023 <i>RMB</i>	Year ended 31 December 2022 <i>RMB</i>
Net assets attributable to unitholders at the beginning of the year		342,822,509	667,050,992
Issue of units	4	21,102,390	67,855,290
Redemption of units	4	(62,132,280)	(198,520,290)
Net decrease from unit transactions		(41,029,890)	(130,665,000)
Total comprehensive loss for the year		(63,700,442)	(193,563,483)
Net assets attributable to unitholders at the end of the year		238,092,177	342,822,509

The movements of the redeemable units for the years ended 31 December 2023 and 2022 are as follows:

	Year ended 31 December 2023 Units	Year ended 31 December 2022 Units
Number of units in issue at the beginning of the year	41,700,000	57,000,000
Units issued	2,400,000	(22,800,000)
Units redeemed	(8,100,000)	7,500,000
Number of units in issue at the end of the year	36,000,000	41,700,000

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

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Year ended 31 December 2023 <i>RMB</i>	Year ended 31 December 2022 <i>RMB</i>
OPERATING ACTIVITIES		
Payments for purchase of investments	(377,544,917)	(560,913,162)
Proceeds from sale of investments	418,140,046	696,700,795
Dividend income received, net of tax	2,227,294	1,913,127
Interest income from bank deposits received	197,510	84,722
Interest income from derivatives	721,554	1,360,680
Other income received	147,459	37,446
Management fee paid	(3,163,749)	(4,796,801)
Transaction costs paid	(528,721)	(986,273)
Other operating expenses paid	(1,793,036)	(730,454)
Deposit reserve received/(paid)	150	(134)
(Decrease)/increase in cash collateral payable	(23,135,359)	2,970,414
	<hr/>	<hr/>
Net cash generated from operating activities	15,268,231	135,640,360
	-----	-----
FINANCING ACTIVITIES		
Proceeds on issue of units	21,103,038	67,854,642
Payments on redemption of units	(56,440,912)	(219,300,614)
	<hr/>	<hr/>
Net cash used in financing activities	(35,337,874)	(151,445,972)
	-----	-----
Net decrease in cash and cash equivalents	(20,069,643)	(15,805,612)
Cash and cash equivalents at the beginning of the year	29,706,455	45,512,067
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	9,636,812	29,706,455
	<hr/> <hr/>	<hr/> <hr/>
Analysis of balances of cash and cash equivalents		
Bank balances	9,636,812	29,706,455
	<hr/> <hr/>	<hr/> <hr/>

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

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 2023, the Trust has eleven sub-funds which are CSOP SZSE ChiNext ETF* (*This is a synthetic ETF) (the “Sub-Fund”), CSOP FTSE China A50 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 Ether Futures ETF and CSOP Saudi Arabia ETF. CSOP Saudi Arabia ETF was inceptioned on 20 November 2023. The date of inception of the Sub-Fund was 13 May 2015. The Sub-Fund is listed on The Stock Exchange of Hong Kong Limited.

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

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the underlying index, namely, the ChiNext Index.

Investment Strategy

Prior to 14 August 2023, in order to achieve the investment objective of the Sub-Fund, the Manager uses a combination of a synthetic a physical representative sampling strategy and a synthetic representative sampling strategy. The Sub-Fund (i) primarily uses a physical representative sampling strategy by investing 50% to 100% of its net asset value in index securities constituting the underlying index; and (ii) where the Manager believes such investments are beneficial to the Sub-Fund and will help the Sub-Fund achieve its investment objective, uses a synthetic representative sampling strategy as an ancillary strategy by investing up to 50% in financial derivative instruments, which are unlisted funded total return swaps with one or more counterparties. Exposure of the Sub-Fund to the index securities (either through direct investment or through financial derivative instruments) is in substantially the same weightings (i.e. proportions) as these index securities have in the underlying index.

Effective from 14 August 2023, in order to achieve the investment strategy of the Sub-Fund, the Manager will (i) primarily use a synthetic representative sampling strategy by investing up to 100% of the Sub Fund’s NAV in financial derivative instruments (“FDI”), which will be fully funded total return swaps with one or more swap counterparties; and (ii) where the Manager believes such investments are beneficial to the Sub-Fund and will help the Sub-Fund achieve its investment objective, use a physical representative sampling strategy as an ancillary strategy by investing a maximum level of less than 50% and an expected level of approximately 20% of the Sub-Fund’s NAV (or up to 100% in extreme market conditions, e.g. regulatory change, market crash, crisis or extreme market turbulence affecting particularly the FDI market) in a representative portfolio of securities that collectively has a high correlation with the underlying index.

Under current regulations in the People's Republic of China (“PRC”), generally foreign investors can invest in the domestic securities and/or futures market through (i) certain foreign institutional investors that have obtained status as a Qualified Foreign Investors (“QFI”) from the China Securities Regulatory Commission (“CSRC”) to remit foreign freely convertible currencies and Renminbi (“RMB”) into the PRC for the purpose of investing in the PRC’s domestic securities and/or futures markets, or (ii) the Stock Connect Program.

The Sub-Fund directly invests in securities issued within the PRC through the QFI status of the Manager and/or the Shenzhen-Hong Kong Stock Connect.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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, 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 and CSOP Ether Futures ETF have been prepared separately. CSOP Saudi Arabia ETF were incepted on 20 November 2023 with the first financial statements issued for the period from 20 November 2023 (date of inception) to 31 December 2024.

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 years 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 (“HKFRS”).

HKFRS 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 HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (together the “Management”) to exercise their judgment in the process of applying the Sub-Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Standards and amendments to existing standards effective 1 January 2023

The Sub-Fund has applied the following new and amended standards for its annual reporting period commencing 1 January 2023:

- Disclosure of Accounting Policies – Amendments to HKAS 1 and HKFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to HKAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to HKAS 12

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

New standards, amendments and interpretations effective after 1 January 2023 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 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(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.

(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 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.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (Continued)

(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.

(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.

(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 year. 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.

(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.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(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 year. 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) 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.

(i) 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.

(j) Expenses

Expenses are accounted for on an accrual basis.

(k) 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.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

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

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 loss on investments and derivative financial instruments”.

(m) 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 equity in accordance with HKAS 32 (Amendment), “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.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Taxation

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

(o) Deposits with broker/Cash collateral payable

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 from 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 asset with a corresponding liability shown separately.

(p) Changes to presentation and comparative information

When the presentation or classification of items in the financial statements is amended, comparative amounts have been updated to conform with the current year's presentation or classification.

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.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

Fair value of securities that are suspended from trading

As at 31 December 2023, there was no listed equity which was suspended for trading. As at 31 December 2022, there was one listed equity which was suspended for trading mainly due to business restructuring. Management used its judgment in determining the fair values of these investments and involved a higher degree of subjectivity. Management judgment in determining the fair value of the suspended investment includes factors such as the duration of suspension period, the relevant market information and news of the suspended listed equities, the price movement of comparable listed equities/index during the suspension period and, if applicable, the market prices of the suspended listed equities upon resumption of trading after period end.

As at 31 December 2023, the Sub-Fund held no listed equity which was suspended for trading. As at 31 December 2022, the Sub-Fund held one listed equity of RMB1,044,288, representing 0.30% of the net asset value of the Sub-Fund, which was suspended for trading and classified as level 2. Such suspended investment held by the Sub-Fund had resumed trading subsequent to the year ended 31 December 2022. Having considered the factors mentioned above, Management decided to use the latest available price before suspension as the fair value of such suspended investment as at 31 December 2022. Refer to Note 9(d).

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 year are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-Fund endeavors to invest its capital in accordance with the investment policies, whilst maintaining sufficient liquidity to meet redemption requests.

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(m), 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 unitholder exercised the right to redeem the units in the Sub-Fund.

	2023 Units	2022 Units
Number of units in issue at the end of the year	36,000,000	41,700,000
	2023 RMB	2022 RMB
Net assets attributable to unitholders per unit as at 31 December (per statement of financial position)	6.6137	8.2212

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

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

	Year ended 31 December 2023 <i>RMB</i>	Year ended 31 December 2022 <i>RMB</i>
Net change in unrealised gain/loss in value of investments and derivative financial instruments	(3,233,808)	(124,536,915)
Net realised loss on sale of investments and derivative financial instruments	(59,002,259)	(65,643,632)
	<u>(62,236,067)</u>	<u>(190,180,547)</u>

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.

PRC tax

The Sub-Fund invests in A-Shares listed in the PRC and is subjected to 10% withholding tax on dividend income derived from A-Shares. The Sub-Fund held deposits with PRC bank and is subjected to 10% withholding tax on interest income arose from the deposits. Withholding tax was charged on dividend income received from A-Shares and interest income on cash balances during the years ended 31 December 2023 and 2022.

The taxation of the Sub-Fund for the years ended 31 December 2023 and 2022 represents:

	Year ended 31 December 2023 <i>RMB</i>	Year ended 31 December 2022 <i>RMB</i>
Withholding tax on dividend income	176,455	131,813
Withholding tax on interest income	180	332
Taxation	<u>176,635</u>	<u>132,145</u>

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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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 year between the Sub-Fund and the Trustee/Custodian, the Manager and the Connected Persons of the Manager. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the “SFC Code”). All transactions entered into during the years ended 31 December 2023 and 2022, between the Sub-Fund and the Manager and its Connected Persons were carried out in the normal course of business and on ordinary commercial terms. To the best of the Manager’s knowledge, the Sub-Fund does not have any other transactions with the Connected Persons of the Manager except for those disclosed below.

(a) Management fee

The Manager is entitled to receive a management fee, currently at the rate of 0.99% per annum of the net asset value of the Sub-Fund, inclusive of trustee fee and registrar’s fee, accrued daily and calculated as at each dealing day and payable monthly in arrears.

(b) Trustee fee and registrar’s fee

The trustee fee and registrar's fee are included in the management fee and the Manager will pay the fees of the Trustee and the registrar out of the management fee. Refer to Note 7(a).

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

	2023 <i>RMB</i>	2022 <i>RMB</i>
Investments		
The Hongkong and Shanghai Banking Corporation Limited	82,237,206	219,799,609
HSBC Bank (China) Company Limited	-	80,280
	<u>82,237,206</u>	<u>219,879,889</u>
Bank balances		
The Hongkong and Shanghai Banking Corporation Limited	9,442,852	28,865,422
HSBC Bank (China) Company Limited	193,960	841,033
	<u>9,636,812</u>	<u>29,706,455</u>
Deposit reserve		
HSBC Bank (China) Company Limited	666	816

Interest income amounted to RMB197,433 (2022: RMB85,656) was earned on these bank balances for the year ended 31 December 2023.

During the year ended 31 December 2023, the Sub-Fund entered into unlisted funded total return swaps with Huatai Capital Investment Limited, a connected person of the Manager, with realised loss amounting to RMB7,313,588 (2022: Realised gain of RMB1,881,749). As at 31 December 2023, the Sub-Fund held outstanding unlisted funded total return swaps as financial assets amounting to RMB4,098,171 (2022: RMB29,102,124) respectively with Huatai Capital Investment Limited.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Financial assets (Continued)

During the year ended 31 December 2023, the Sub-Fund entered into unlisted funded total return swaps with The Hongkong and Shanghai Banking Corporation Limited, a connected person of the Trustee, with realised loss amounting to RMB182,596 (2022: RMB Nil).

(d) Holding in the Sub-Fund

As at 31 December 2023 and 2022, no unit was held by the Trustee, the Manager and their connected persons.

(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 years ended 31 December 2023 and 2022 were as follows:

	2023 <i>RMB</i>	2022 <i>RMB</i>
Bank charges	1,236	162
Other operating expenses	401,790	340,373
	<hr/>	<hr/>
	403,026	340,535
	<hr/> <hr/>	<hr/> <hr/>

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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NOTES TO THE FINANCIAL STATEMENTS

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

(f) Investment transactions and brokerage commission

During the years ended 31 December 2023 and 2022, the Sub-Fund entered into transactions through the connected persons of the Manager for its brokerage services. Investment transactions with this entity is set out below.

	Aggregate value of purchase and Sale of investments <i>RMB</i>	% of the Fund's total aggregate value of transactions during the year %	Brokerage commission paid <i>RMB</i>	Average rate of commission % %
2023	154,290,111	19.43%	61,719	0.04%
2022	585,355,106	46.49%	153,191	0.03%

During the year ended 31 December 2023 (2022: Nil), the Sub-Fund entered into transactions through the connected persons of the Trustee for its brokerage services. Investment transactions with this entity is set out below.

	Aggregate value of purchase and Sale of investments <i>RMB</i>	% of the Fund's total aggregate value of transactions during the year %	Brokerage commission paid <i>RMB</i>	Average rate of commission % %
2023	4,248,004	0.54%	-	0%

8. TRANSACTION COSTS

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.

Swap fees

Swap fees include all costs associated with swap transactions which represents the brokerage commission and the swap counterparty's costs of financing the underlying hedge in order to provide the performance.

If the swap fee is a positive figure, the fee is paid to the swap counterparties by the Sub-Fund and vice versa, a negative figure denotes that the fee is paid to the Sub-Fund by the swap counterparties.

Swap fees are borne by the Sub-Fund in trading swap contracts and are inclusive of any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such swap contracts. The swap fees are included in the statement of comprehensive income as part of income from derivative counterparties which are accrued daily and spread over the period of the swap contracts.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

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

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

(a) Market risk

(i) Market price risk

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

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

As at 31 December 2023 and 2022, the Sub-Fund's investments and derivative financial instruments were concentrated in the following industries:

	2023		2022	
	Fair value <i>RMB</i>	% of net asset value	Fair value <i>RMB</i>	% of net asset value
Listed equities in PRC and unlisted funded total return swap* – by industry				
Basic Materials	10,564,971	4.44	25,152,524	7.34
Communications	6,377,132	2.68	-	-
Consumer Cyclicals	2,718,040	1.14	4,037,791	1.18
Consumer Discretionary	39,875,876	16.75	43,655,776	12.74
Consumer Non-Cyclicals	9,596,760	4.02	3,364,502	0.98
Consumer Staples	16,836,360	7.07	27,096,610	7.91
Energy	12,033,081	5.06	13,992,064	4.08
Financials	15,782,522	6.63	22,293,258	6.50
Health Care	48,823,328	20.52	81,800,225	23.86
Industrials	37,288,107	15.66	70,160,991	20.47
Technology	28,275,293	11.86	48,556,272	14.16
Telecommunications	8,851,076	3.72	1,589,445	0.46
Utilities	989,018	0.42	937,486	0.27
	<u>238,011,564</u>	<u>99.97</u>	<u>342,636,944</u>	<u>99.95</u>

*The data of unlisted funded total return swaps represents their underlying assets

The Sub-Fund held 100 out of 100 (2022: 100 out of 100) constituents comprising the ChiNext Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the ChiNext Index.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) Market price risk (Continued)

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

As at 31 December 2023 and 2022, if the ChiNext Index were to increase by 20% (2022: 20%) with all other variables held constant, this would increase the operating profit for the year by approximately RMB47,475,013 (2022: RMB68,415,525). Conversely, if the ChiNext Index were to decrease by 20% (2022: 20%), this would decrease the operating profit for the year 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 2023 and 2022, interest rate risk arises only from bank balances and unlisted funded total return swaps. As the bank balances held by the Sub-Fund is short term in nature and interest arising from these interest bearing assets are immaterial, and the swap interest being fixed, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. As a result, the Manager considers sensitivity analysis of interest rate risk is not necessary to be presented.

(iii) Currency risk

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

(b) Credit and counterparty risk

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

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

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

As at 31 December 2023 and 2022, the Sub-Fund placed bank balances of RMB9,442,852 (2022: RMB28,865,422) and investments of RMB82,237,206 (2022: RMB219,799,609) with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), which is the custodian of the Sub-Fund. As at 31 December 2023 and 2022, the credit ratings of the Sub-Fund's custodian are at or above investment grade.

As at 31 December 2023 and 2022, the Sub-Fund placed bank balances of RMB193,960 (2022: RMB841,033), deposit reserve of RMB666 (2022: RMB816) and investments of RMB Nil (2022: RMB80,280) with HSBC Bank (China) Company Limited ("HSBC China"), which is the PRC custodian of the Sub-Fund. As at 31 December 2023 and 2022, the credit ratings of the Sub-Fund's PRC custodian and the counterparties are at or above investment grade.

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NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

As at 31 December 2023 and 2022, the Sub-Fund invested in unlisted funded total return swaps as follows:

Counterparty	Swap value RMB	Collateral value* RMB	Collateral ratio
As at 31 December 2023			
CSI Capital Management Limited	115,713	142,072	122.78%
Goldman Sachs International, London	74,919,407	74,100,788	98.91%
Huatai Capital Investment Limited	4,098,171	3,392,976	82.79%
JP Morgan Securities PLC, London	60,942,057	59,291,129	97.29%
Morgan Stanley & Co. International PLC, London	15,699,010	15,960,832	101.67%
	<u>155,774,358</u>	<u>152,887,797</u>	
As at 31 December 2022			
CSI Capital Management Limited	172,600	141,873	82.20%
Goldman Sachs International, London	8,322,970	8,427,162	101.25%
Huatai Capital Investment Limited	29,102,124	26,568,861	91.30%
JP Morgan Securities PLC, London	65,488,361	65,155,019	99.49%
Morgan Stanley & Co. International PLC, London	19,671,000	21,726,199	110.45%
	<u>122,757,055</u>	<u>122,019,114</u>	

The Sub-Fund receives government bonds as non-cash collateral for margins posted by its derivative counterparties. The total fair value of this non-cash collateral was RMB149,352,749 as at 31 December 2023 (2022: RMB95,308,380). The Sub-Fund is obliged to return this non-cash collateral upon request when the derivative counterparties' collateral obligations have been substituted with cash collateral or otherwise discharged. The Sub-Fund is permitted to sell or pledge such collateral in the event of the default of the derivative counterparties. Such non-cash collateral has been pledged to the Sub-Fund's custodian bank under security arrangements for the settlement in respect of the investments held. Non-cash collateral is not recognised on the statement of financial position of the Sub-Fund.

The non-cash collateral are being held by the Sub-Fund to mitigate the Sub-Fund's exposure to credit risk. As at 31 December 2023 and 2022, the credit ratings of collateral included government bonds are at or above investment grade.

As at 31 December 2023 and 2022, the credit ratings of the counterparties are at or above investment grade.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 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.

At 31 December 2023 and 2022, deposit reserve, interest receivable from bank deposits, interest receivable from derivative counterparties, amounts due from participating dealers 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 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 2023 and 2022 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>RMB</i>	1 month to less than 3 months <i>RMB</i>	Over 3 months <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2023				
Amounts due to participating dealers	5,691,368	-	-	5,691,368
Cash collateral payable	3,519,171	-	-	3,519,171
Management fee payable	199,873	100	-	199,973
Other accounts payable	10,050	-	447,097	457,147
Contractual cash outflow	9,420,462	100	447,097	9,867,659
As at 31 December 2022				
Amounts due to brokers	1,799,837	-	-	1,799,837
Cash collateral payable	26,654,530	-	-	26,654,530
Management fee payable	284,328	300	-	284,628
Other accounts payable	11,580	-	1,038,015	1,049,595
Contractual cash outflow	28,750,275	300	1,038,015	29,788,590

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 2023 and 2022, there were 2 (2022: 2) nominee accounts holding more than 10% of the Sub-Fund's units, representing in aggregate 36.03% (2022: 40.64%) of the total Sub-Fund's units.

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

	Less than 1 month <i>RMB</i>	1 to 12 months <i>RMB</i>	No stated maturity <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2023				
Total assets	247,648,376	310,794	666	247,959,836
	<u>247,648,376</u>	<u>310,794</u>	<u>666</u>	<u>247,959,836</u>
	Less than 1 month <i>RMB</i>	1 to 12 months <i>RMB</i>	No stated maturity <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2022				
Total assets	372,358,058	252,225	816	372,611,099
	<u>372,358,058</u>	<u>252,225</u>	<u>816</u>	<u>372,611,099</u>

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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

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

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

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

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

The following table analyses within the fair value hierarchy the Sub-Fund’s financial assets (by class) measured at fair value at 31 December 2023 and 2022:

	Level 1 <i>RMB</i>	Level 2 <i>RMB</i>	Level 3 <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2023				
Assets				
Investments				
- Listed equity securities	82,237,206	-	-	82,237,206
Derivative financial instruments				
- Unlisted funded total return swaps	-	155,774,358	-	155,774,358
Total assets	<u>82,237,206</u>	<u>155,774,358</u>	<u>-</u>	<u>238,011,564</u>
As at 31 December 2022				
Assets				
Investments				
- Listed equity securities	218,835,601	1,044,288	-	219,879,889
Derivative financial instruments				
- Unlisted funded total return swaps	-	122,757,055	-	122,757,055
Total assets	<u>218,835,601</u>	<u>123,801,343</u>	<u>-</u>	<u>342,636,944</u>

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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)

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. Management has used best estimation and assessed all available information and considers that the last traded price is the best estimation of the fair value of level 2 investments. As at 31 December 2023 and 2022, unlisted funded total return swaps are classified within level 2.

As at 31 December 2023, there was no listed equity investment held by the Sub-Fund that was suspended for trading. As at 31 December 2022, one listed equity investment held by the Sub-Fund amounted to RMB1,044,288 representing 0.30% of the net asset value of the Sub-Fund, were suspended for trading due to business restructuring and was classified as level 2. The suspended equity investments have been transferred from level 1 to level 2 and classified as level 2 investments. The security which was suspended for trading as at 31 December 2022 have resumed trading after 31 December 2022.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or do not trade. As at 31 December 2023 and 2022, the Sub-Fund did not hold any investments classified in level 3.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. As at 31 December 2023 and 2022, there was no transfer between levels of fair value hierarchy.

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.

(e) Capital risk management

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

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

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

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

As at 31 December 2023 and 2022, the Sub-Fund was subject to master netting arrangements with derivative counterparties including CSI Capital Management Limited, Goldman Sachs International, London, Huatai Capital Investment Limited, JP Morgan Securities PLC, London and Morgan Stanley & Co. International PLC, London. All of the derivative assets and liabilities of the Sub-Fund are held with these counterparties and the margin balance maintained by the Sub-Fund is for the purpose of providing collateral on derivative positions.

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 December 2023 and 31 December 2022. The column 'net amount' shows the impact on the Sub-Fund's balance sheet if all set-off rights were exercised.

	A	B	C = A - B	D		E = C - D
		Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Related amounts not set-off in the Statement of Financial Position		Net amount
	Gross amounts of recognised financial assets			D(i)	D(ii)	
	RMB	RMB	RMB	Financial instruments	Collateral	RMB
As at 31 December 2023						
Financial assets						
Derivative financial instrument						
- Unlisted funded total						
return swaps	155,774,358	-	155,774,358	-	152,599,616	3,174,742
	<u>155,774,358</u>	<u>-</u>	<u>155,774,358</u>	<u>-</u>	<u>152,599,616</u>	<u>3,174,742</u>
	<u><u>155,774,358</u></u>	<u><u>-</u></u>	<u><u>155,774,358</u></u>	<u><u>-</u></u>	<u><u>152,599,616</u></u>	<u><u>3,174,742</u></u>
As at 31 December 2022						
Financial assets						
Derivative financial instrument						
- Unlisted funded total						
return swaps	122,757,055	-	122,757,055	-	119,859,723	2,897,332
	<u>122,757,055</u>	<u>-</u>	<u>122,757,055</u>	<u>-</u>	<u>119,859,723</u>	<u>2,897,332</u>
	<u><u>122,757,055</u></u>	<u><u>-</u></u>	<u><u>122,757,055</u></u>	<u><u>-</u></u>	<u><u>119,859,723</u></u>	<u><u>2,897,332</u></u>

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

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (Continued)

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

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

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

10. DEPOSITS WITH BROKER/CASH COLLATERAL PAYABLE

As at 31 December 2023, cash collateral received from unlisted funded total return swaps amounting to RMB3,519,171 (2022: RMB26,654,530) were included as cash collateral payable under the statement of financial position.

11. DISTRIBUTION

There is no distribution during the years ended 31 December 2023 and 2022.

12. FINANCIAL INSTRUMENTS BY CATEGORY

As of 31 December 2023 and 2022, 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 cost. All the financial liabilities of the Sub-Fund are carried at amortised cost.

13. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

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

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the years ended 31 December 2023 and 2022.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (Continued)

There was one (2022: one) constituent securities that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the ChiNext Index as at 31 December 2023. The following table shows the constituent securities that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the ChiNext Index as at 31 December 2023 and 2022:

	<u>Weighting in the Index (%)</u>	<u>% of net asset value</u>
31 December 2023		
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A SHS ORD	14.96%	14.85%
31 December 2022		
CONTEMPORARY AMPEREX TECHNOLOGY CO LTD A SHS ORD	16.28%	16.25%

During the year ended 31 December 2023, the ChiNext Index decreased by 19.41% (2022: decreased by 29.37%) while the net asset value per unit of the Sub-Fund decreased by 19.55% (2022: decreased by 29.75%).

14. SOFT COMMISSION ARRANGEMENTS

The Manager has entered into soft commission arrangements 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 year ended 31 December 2023, the Manager obtained services through soft dollar arrangements on transactions amounting to RMB263,817,996 (2022: RMB536,952,104). Commission which amounted to RMB105,638 (2022: RMB183,738) is paid from the Sub-Fund on these transactions.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic 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 investing in securities either through direct investment or through financial derivative instruments. The objectives of the Sub-Fund are to track the performance of the ChiNext Index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked index.

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

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

The total of non-current assets of the Sub-Fund located in PRC is RMB666 (2022: RMB816) as at 31 December 2023. The Sub-Fund has no other assets classified as non-current assets. As at 31 December 2023, the Sub-Fund has a diversified portfolio of investments and one (2022: one) investment 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 2024.

CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

INVESTMENT PORTFOLIO (Unaudited)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%)			
Investments (34.54%)			
Listed equities (34.54%)			
China (34.54%)			
ANHUI ANKE BIOTECHNOLOGY G-A	1,604	16,393	0.01
ANKER INNOVATIONS TECHNOLO-A	700	62,020	0.03
BEIJING COMPASS TECHNOLOGY-A	1,600	96,416	0.04
BEIJING ENLIGHT MEDIA CO L-A	2,400	19,560	0.01
BEIJING SINNET TECHNOLOGY-A	1,689	16,417	0.01
BETTA PHARMACEUTICALS CO L-A	313	16,135	0.01
BY-HEALTH CO LTD-A	72,295	1,231,184	0.52
CANMAX TECHNOLOGIES CO LTD-A	220	5,577	0.00
CHANGSHA JINGJIA MICROELEC-A	16,950	1,198,534	0.50
CHAOZHOU THREE-CIRCLE GROU-A	590	17,375	0.01
CHINA RESOURCES BOYA BIO-P-A	100	3,368	0.00
CNGR ADVANCED MATERIAL CO -A	100	4,913	0.00
CONTEMPORARY AMPEREX TECHN-A	216,567	35,356,728	14.85
DIAN DIAGNOSTICS GROUP CO-A	31,039	739,039	0.31
DONGGUAN YIHEDA AUTOMATION-A	1,956	50,426	0.02
EAST GROUP CO LTD-A	1,000	6,370	0.00
EAST MONEY INFORMATION CO-A	13,244	185,946	0.08
EMPYREAN TECHNOLOGY CO LTD-A	7,200	762,120	0.32
EOPTOLINK TECHNOLOGY INC LTD ORD CN Y1 SZHK	48,300	2,382,156	1.00
EVE ENERGY CO LTD-A	103,743	4,377,955	1.84
GAONA AERO MATERIAL CO LTD-A	160	3,256	0.00
GINLONG TECHNOLOGIES CO LT-A	710	49,629	0.02
GUANGZHOU GREAT POWER ENER-A	19,100	540,339	0.23
HUALAN BIOLOGICAL VACCINE-A	1,200	33,360	0.01
HUALI INDUSTRIAL GROUP CO -A	200	10,528	0.00
HUAXIA EYE HOSPITAL GROUP CO LTD ORD CNY1 SZHK	8,600	275,974	0.11
HUBEI DINGLONG CO LTD-A	600	14,520	0.01
HUBEI FEILIHUA QUARTZ GLAS-A	300	10,968	0.00

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Investments (34.54%)			
Listed equities (34.54%)			
China (34.54%)			
HUNAN YUNENG NEW ENERGY BATTERY MATERIAL CO LTD ORD CNY1 SZHK	4,700	159,565	0.07
IMEIK TECHNOLOGY DEVELOPME-A	800	235,464	0.10
INGENIC SEMICONDUCTOR CO -A	5,200	336,180	0.14
ISOFTSTONE INFORMATION TEC-A	18,550	857,010	0.36
JAFRON BIOMEDICAL CO LTD-A	27,561	612,681	0.26
JL MAG RARE-EARTH CO LTD-A	1,272	25,720	0.01
KUNLUN TECH CO LTD-A	2,500	93,500	0.04
LEPU MEDICAL TECHNOLOGY-A	92,064	1,487,754	0.62
LONGSHINE TECHNOLOGY GROUP-A	906	14,849	0.01
MANGO EXCELLENT MEDIA CO L-A	300	7,560	0.00
MAXSCEND MICROELECTRONICS -A	48	6,768	0.00
OVCTEK CHINA INC-A	609	13,751	0.01
PHARMARON BEIJING CO LTD-A	8,175	236,912	0.10
PORTON PHARMA SOLUTIONS L-A	300	7,545	0.00
QINGDAO TGOOD ELECTRIC-A	728	14,633	0.01
RISEN ENERGY CO LTD-A	55,600	981,340	0.41
SEMITRONIX CORP-A	1,400	104,622	0.04
SG MICRO CORP-A	22,074	1,964,807	0.82
SHANDONG SINOCERA FUNCTION-A	58,475	1,351,942	0.57
SHANDONG WEIFANG RAINBOW C-A	1,000	70,000	0.03
SHENZHEN CAPCHEM TECHNOLOG-A	220	10,406	0.00
SHENZHEN DYNANONIC CO LTD-A	256	15,624	0.01
SHENZHEN INOVANCE TECHNOLO-A	23,413	1,478,297	0.62
SHENZHEN KANGTAI BIOLOGICA-A	534	14,498	0.01
SHENZHEN LONGSYS ELECTRONI-A	2,200	202,510	0.08
SHENZHEN MINDRAY BIO-MEDIC-A	45,052	13,092,111	5.50
SHENZHEN NEW INDUSTRIES BI-A	3,840	300,288	0.13
SHENZHEN SC NEW ENERGY TEC-A	603	44,628	0.02
SHENZHEN SENIOR TECHNOLOGY-A	1,400	21,588	0.01
SHENZHEN SUNWAY COMMUNICAT-A	812	19,163	0.01
SINOFIBERS TECHNOLOGY CO L-A	2,900	86,507	0.04

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Investments (34.54%)			
Listed equities (34.54%)			
China (34.54%)			
SONGCHENG PERFORMANCE DEVE-A	114,733	1,132,415	0.48
SONOSCAPE MEDICAL CORP-A	100	4,730	0.00
SUNRESIN NEW MATERIALS CO -A	4,850	257,341	0.11
SUNWODA ELECTRONIC CO LTD-A	103,200	1,523,232	0.64
SUZHOU MAXWELL TECHNOLOGIE-A	260	33,673	0.01
SUZHOU TFC OPTICAL COMMUNICATION CO LTD ORD CNY1 SZHK	16,300	1,491,776	0.63
TOFFLON SCIENCE & TECHNOLO-A	1,900	34,181	0.01
WENS FOODSTUFFS GROUP CO L-A	740	14,844	0.01
WINNER MEDICAL CO LTD-A	1,620	60,345	0.02
WINNING HEALTH TECHNOLOGY-A	1,325	9,527	0.00
WUHAN DR LASER TECHNOLOGY -A	120	7,231	0.00
WUHAN JINGCE ELECTRONIC GROUP LTD ORD CNY1 SZHK	13,300	1,165,346	0.49
WUXI LEAD INTELLIGENT EQUI-A	49,092	1,256,755	0.53
XI'AN TRIANGLE DEFENSE CO -A	400	11,160	0.00
YANGLING METRON NEW MATERI-A	600	19,974	0.01
YANGZHOU YANGJIE ELECTRONI-A	18,700	686,290	0.29
YEALINK NETWORK TECHNOLOGY-A	760	22,458	0.01
YUNNAN BOTANEE BIO-TECHNOL-A	287	19,565	0.01
ZHEJIANG JINGSHENG MECHANI-A	47,700	2,103,093	0.88
ZHEJIANG WOLWO BIO-PHARMAC-A	410	11,890	0.01
ZHONGHANG ELECTRONIC MEASURING INST RUMENTS CO LTD ORD CNY1 SZHK	19,200	840,000	0.35
ZHONGJI INNOLIGHT CO LTD-A	1,184	133,685	0.06
ZHUZHOU HONGDA ELECTRONICS-A	1,400	42,266	0.02
Total listed equity shares		82,237,206	34.54

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Derivative financial instruments (65.43%)			
Unlisted funded total return swaps (65.43%)			
AIER EYE HOSPITAL GROUP CO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	422,913	6,690,484	2.81
ANHUI ANKE BIOTECHNOLOGY G-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	91,000	930,020	0.39
ANKER INNOVATIONS TECHNOLO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	11,000	974,600	0.41
BEIJING COMPASS TECHNOLOGY-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	17,000	1,024,420	0.43
BEIJING EASPRING MATERIAL-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	43,800	1,673,160	0.70
BEIJING ENLIGHT MEDIA CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	100,000	815,000	0.34
BEIJING ORIGINWATER TECHNO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	198,200	989,018	0.42
BEIJING SINNET TECHNOLOGY-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	118,000	1,146,960	0.48
BETTA PHARMACEUTICALS CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	21,500	1,108,325	0.47
BGI GENOMICS CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	33,000	1,584,000	0.67
CANMAX TECHNOLOGIES CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	44,000	1,115,400	0.47
CENTRE TESTING INTL GROUP-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	160,000	2,272,000	0.95
CHAOZHOU THREE-CIRCLE GROU-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	104,000	3,062,800	1.29
CHINA RESOURCES BOYA BIO-P-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	25,000	842,000	0.35
CHONGQING ZHIFEI BIOLOGICA-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	123,450	7,544,029	3.17
CNGR ADVANCED MATERIAL CO -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	26,000	1,277,380	0.54
DONGGUAN YIHEDA AUTOMATION-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	8,200	211,396	0.09
EAST GROUP CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	89,000	566,930	0.24
EAST MONEY INFORMATION CO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	1,104,000	15,500,160	6.51
EMPYREAN TECHNOLOGY CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	6,000	635,100	0.27

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Derivative financial instruments (65.43%)			
Unlisted funded total return swaps (65.43%)			
GAONA AERO MATERIAL CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	40,000	814,000	0.34
GINLONG TECHNOLOGIES CO LT-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	16,000	1,118,400	0.47
HANGZHOU CHANG CHUAN TECHN-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	30,000	1,139,700	0.48
HANGZHOU TIGERMED CONSULTI-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	50,000	2,748,500	1.15
HITHINK ROYALFLUSH INFORMA-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	22,000	3,451,140	1.45
HUALAN BIOLOGICAL VACCINE-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	5,500	152,900	0.06
HUALI INDUSTRIAL GROUP CO -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	13,000	684,320	0.29
HUBEI DINGLONG CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	60,000	1,452,000	0.61
HUBEI FEILIHUA QUARTZ GLAS-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	35,000	1,279,600	0.54
IMEIK TECHNOLOGY DEVELOPME-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	7,100	2,089,743	0.88
INGENIC SEMICONDUCTOR CO -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	16,400	1,060,260	0.45
ISOFTSTONE INFORMATION TEC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	28,000	1,293,600	0.54
JL MAG RARE-EARTH CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	47,000	950,340	0.40
KONFOONG MATERIALS INTERNA-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	17,000	995,860	0.42
KUNLUN TECH CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	63,800	2,386,120	1.00
LENS TECHNOLOGY CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	210,700	2,781,240	1.17
LEYARD OPTOELECTRONIC CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	172,000	1,032,000	0.43
LONGSHINE TECHNOLOGY GROUP-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	47,000	770,330	0.32
MANGO EXCELLENT MEDIA CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	48,000	1,209,600	0.51
MAXSCEND MICROELECTRONICS -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	30,000	4,230,000	1.78
OVCTEK CHINA INC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	43,000	970,940	0.41
PHARMARON BEIJING CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	66,000	1,912,680	0.80

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Derivative financial instruments (65.43%)			
Unlisted funded total return swaps (65.43%)			
PORTON PHARMA SOLUTIONS L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	28,500	716,775	0.30
QINGDAO TGOOD ELECTRIC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	57,000	1,145,700	0.48
RISEN ENERGY CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	7,500	132,375	0.06
SANGFOR TECHNOLOGIES INC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	25,100	1,814,479	0.76
SEMITRONIX CORP-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	3,600	269,028	0.11
SG MICRO CORP-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	1,300	115,713	0.05
SHANDONG WEIFANG RAINBOW C-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	7,000	490,000	0.21
SHENZHEN CAPCHEM TECHNOLOG-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	39,000	1,844,700	0.77
SHENZHEN DYNANONIC CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	16,000	976,480	0.41
SHENZHEN INOVANCE TECHNOLO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	140,000	8,839,600	3.71
SHENZHEN KANGTAI BIOLOGICA-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	52,000	1,411,800	0.59
SHENZHEN LONGSYS ELECTRONI-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	3,000	276,150	0.12
SHENZHEN NEW INDUSTRIES BI-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	22,000	1,720,400	0.72
SHENZHEN SC NEW ENERGY TEC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	18,400	1,361,784	0.57
SHENZHEN SENIOR TECHNOLOGY-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	101,000	1,557,420	0.65
SHENZHEN SUNWAY COMMUNICAT-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	70,000	1,652,000	0.69
SINOFIBERS TECHNOLOGY CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	22,500	671,175	0.28
SONOSCAPE MEDICAL CORP-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	21,000	993,300	0.42
SUNGROW POWER SUPPLY CO LT-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	108,400	9,494,756	3.99
SUNRESIN NEW MATERIALS CO -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	16,600	880,796	0.37
SUZHOU MAXWELL TECHNOLOGIE-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	11,000	1,424,610	0.60

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

INVESTMENT PORTFOLIO (Unaudited) (Continued)

As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Investments and derivative financial instruments (99.97%) (Continued)			
Derivative financial instruments (65.43%)			
Unlisted funded total return swaps (65.43%)			
THUNDER SOFTWARE TECHNOLOG-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	34,300	2,746,058	1.15
TOFFLON SCIENCE & TECHNOLO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	22,000	395,780	0.17
WALVAX BIOTECHNOLOGY CO-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	175,700	4,130,707	1.74
WEIHAI GUANGWEI COMPOSITES-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	51,680	1,378,306	0.58
WENS FOODSTUFFS GROUP CO L-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	480,000	9,628,800	4.04
WINNER MEDICAL CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	15,500	577,375	0.24
WINNING HEALTH TECHNOLOGY-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	155,000	1,114,450	0.47
WUHAN DR LASER TECHNOLOGY -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	10,500	632,730	0.27
WUXI LEAD INTELLIGENT EQUI-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	27,300	698,880	0.29
XI'AN TRIANGLE DEFENSE CO -A (UNLISTED FUNDED TOTAL RETURN SWAPS)	25,000	697,500	0.29
YANGLING METRON NEW MATERI-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	13,000	432,770	0.18
YEALINK NETWORK TECHNOLOGY-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	39,000	1,152,450	0.48
YIHAI KERRY ARAWANA HOLDIN-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	70,000	2,336,600	0.98
YUNNAN BOTANEE BIO-TECHNOL-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	10,800	736,236	0.31
ZHEJIANG WOLWO BIO-PHARMAC-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	23,000	667,000	0.28
ZHONGJI INNOLIGHT CO LTD-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	52,000	5,871,320	2.47
ZHUZHOU HONGDA ELECTRONICS-A (UNLISTED FUNDED TOTAL RETURN SWAPS)	10,000	301,900	0.13
Total unlisted funded total return swaps		<u>155,774,358</u>	<u>65.43</u>

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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INVESTMENT PORTFOLIO (Unaudited) (Continued)
As at 31 December 2023

	Holdings	Fair value RMB	% of net assets
Total investments and derivative financial instruments		238,011,564	99.97
Other net assets		80,613	0.03
Net assets attributable to unitholders at 31 December 2023		<u>238,092,177</u>	<u>100.00</u>
Total investments and derivative financial instruments, at cost		<u>286,747,438</u>	

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the year ended 31 December 2023

	% of net asset value 2023	% of net asset value 2022
Listed equities and unlisted funded total return swaps* – by industry		
Basic Materials	4.44	7.34
Communications	2.68	-
Consumer Cyclicals	1.14	1.18
Consumer Discretionary	16.75	12.74
Consumer Non-Cyclicals	4.02	0.98
Consumer Staples	7.07	7.91
Energy	5.06	4.08
Financials	6.63	6.50
Health Care	20.52	23.86
Industrials	15.66	20.47
Technology	11.86	14.16
Telecommunications	3.72	0.46
Utilities	0.42	0.27
	<hr/>	<hr/>
Total investments and derivative financial instruments	99.97	99.95
Other net assets	0.03	0.05
	<hr/>	<hr/>
Total net assets	100.00	100.00
	<hr/> <hr/>	<hr/> <hr/>

*The data of unlisted funded total return swaps represents their underlying asset

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)

As at 31 December 2023

As at 31 December 2023, the Sub-Fund held unlisted funded total return swaps as shown details in investment portfolio. The counterparty of the swaps were CSI Capital Management Limited, Goldman Sachs International, London, Huatai Capital Investment Limited, JP Morgan Securities PLC, London and Morgan Stanley & Co. International PLC, London.

HOLDINGS OF COLLATERAL (Unaudited)

As at 31 December 2023

Collateral provider	Nature of the collateral	Maturity tenor	Currency denomination	% of net asset value covered by collateral	Value of the collateral* RMB
CSI CAPITAL MANAGEMENT LIMITED	Cash collateral	N/A	CNH	0.06%	142,072
GOLDMAN SACHS INTERNATIONAL, LONDON	Government Bond	8 Aug 2024	USD	6.25%	14,888,920
GOLDMAN SACHS INTERNATIONAL, LONDON	Government Bond	4 April 2024	USD	2.60%	6,183,640
GOLDMAN SACHS INTERNATIONAL, LONDON	Government Bond	15 April 2025	USD	4.30%	10,248,964
GOLDMAN SACHS INTERNATIONAL, LONDON	Government Bond	29 Feb 2028	USD	16.98%	40,432,785
GOLDMAN SACHS INTERNATIONAL, LONDON	Government Bond	31 Jul 2025	USD	0.99%	2,346,479
HUATAI CAPITAL INVESTMENT LIMITED	Cash collateral	N/A	USD	1.27%	3,018,849
HUATAI CAPITAL INVESTMENT LIMITED	Cash collateral	N/A	CNH	0.16%	374,127
JP MORGAN SECURITIES PLC, LONDON	Government Bond	22 Nov 2027	USD	24.90%	59,291,129
MORGAN STANLEY & CO. INTERNATIONAL PLC, LONDON	Government Bond	20 Dec 2027	USD	6.70%	15,960,832
				64.21%	152,887,797

* The credit ratings of collateral are at or above investment grade.

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))**

HOLDINGS OF COLLATERAL (Unaudited) (continued)

As at 31 December 2023

Custody/safe-keeping arrangement

	Amount of collateral received/held 31 December 2023 RMB	Proportion of collateral posted by the sub-fund 31 December 2023 %
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Custodians of collateral securities

Pooled accounts

The Hongkong and Shanghai Banking Corporation Limited, Hong Kong	<u>152,887,797</u>	<u>100%</u>
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Swap fees

The Sub-Fund will bear the swap fees, which includes all costs associated with swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparties based on the actual market circumstances on a case-by-case basis. The swap fees represent the brokerage commission and the swap counterparties' cost of financing the underlying hedge.

Swap fees are accrued daily and spread out over the month. The Sub-Fund shall bear the swap fees (including any costs associated with the entering into, or unwind or maintenance of, any hedging arrangements in respect of such swaps).

The swap fees of the Sub-Fund was RMB-780,380* (2022: RMB-1,085,976*) for the year ended 31 December 2023.

* A positive figure denotes the fee that the Sub-Fund pays to the swap counterparties. A negative figure denotes the fee that the swap counterparties paid to the Sub-Fund.

CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
(A SUB-FUND OF CSOP ETF SERIES* (*This includes synthetic ETFs))

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS
(Unaudited)

As at 31 December 2023

The lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Sub-Fund's total net asset value for the years ended 31 December 2023 and 31 December 2022.

	Year ended 31 December 2023 % of NAV	Year ended 31 December 2022 % of NAV
Lowest gross exposure	26.66	31.57
Highest gross exposure	65.57	131.46
Average gross exposure	45.55	40.43

The lowest, highest and average net exposure arising from the use of financial derivative instruments for investment as a proportion to the Sub-Fund's total net asset value for the years ended 31 December 2023 and 31 December 2022.

	Year ended 31 December 2023 % of NAV	Year ended 31 December 2022 % of NAV
Lowest net exposure	26.66	31.57
Highest net exposure	65.57	131.46
Average net exposure	45.55	40.43

**CSOP SZSE CHINEXT ETF* (*This is a synthetic ETF)
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PERFORMANCE RECORD (Unaudited)

Net asset value

	Net asset value of the Sub-Fund <i>RMB</i>	Net asset value per unit <i>RMB</i>
At the end of financial year dated		
31 December 2023*	238,092,177	6.6137
31 December 2022*	342,822,509	8.2212
31 December 2021	667,050,992	11.7026

Highest and lowest net asset value per unit

	Highest issue price per unit <i>RMB</i>	Lowest redemption price per unit <i>RMB</i>
Financial year/period ended		
31 December 2023	9.1479	6.3073
31 December 2022	11.4521	7.5684
31 December 2021	12.5848	9.3153
31 December 2020	10.5064	6.3972
31 December 2019	6.4341	4.3661
31 December 2018	6.7968	4.3472
31 December 2017	7.4020	6.1254
31 December 2016	9.3382	7.0438
31 December 2015 (Since 13 May 2015 (date of inception))	15.0190	6.7295

**The 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 SZSE CHINEXT ETF* (*This is a synthetic ETF)
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MANAGEMENT AND ADMINISTRATION

Manager and QFI Holder

CSOP Asset Management Limited
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8 Connaught Place
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Hong Kong

Trustee and Registrar

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

Custodian

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

PRC Custodian

HSBC Bank (China) Company Limited
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Shanghai ifc, 8 Century Avenue
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Service Agent

HK Conversion Agency Services Limited
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8 Connaught Place
Central, Hong Kong

Directors of the Manager

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

Legal Adviser to the Manager

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Certified Public Accountants
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