



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

CSOP HANG SENG TECH INDEX ETF

Stock Codes: 3033

(A sub-fund of CSOP ETF Series* (*This includes synthetic ETFs))

Reports and Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2023

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

CONTENTS

	Page
Report of the Manager to the Unitholders	1
Report of the Trustee to the Unitholders	2
Statement of Responsibilities of the Manager and the Trustee	3
Independent Auditor's Report	4 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Net Assets Attributable to Unitholders	10
Statement of Cash Flows	11
Notes to the Financial Statements	12 - 29
Investment Portfolio (Unaudited)	30 - 31
Statement of Movements in Investment Portfolio (Unaudited)	32
Details of Security Lending Arrangements (Unaudited)	33 - 37
Holding of Collateral (Unaudited)	38 - 40
Performance Record (Unaudited)	41
Management and Administration	42

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The CSOP Hang Seng TECH Index ETF, a sub-fund of the CSOP ETF Series* (*This includes synthetic ETFs), is a unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 27 August 2020 and commenced trading in HKD under the stock code 3033 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 28 August 2020. The CSOP Hang Seng TECH Index ETF is benchmarked against the Hang Seng TECH Index and adopts a full replication strategy. The Manager of the CSOP Hang Seng TECH Index ETF is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP Hang Seng TECH Index ETF is a physical ETF which invests in the top 30 Hong Kong-listed top technology or innovative companies that permeated each aspect of our life.

The Hang Seng TECH Index (the “Index”) is compiled and published by Hang Seng Indexes Company Limited. It represents the 30 largest technology companies listed in Hong Kong that have high business exposure to technology themes and pass the index’s screening criteria. The Index operates under clearly defined rules published by the index provider and is a tradable index.

Fund Performance

The CSOP Hang Seng TECH Index 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 Hang Seng TECH Index ETF was HKD3.6934 and there were 8,062,400,200 units outstanding. The dealing NAV of its unlisted class A was HKD3.6722 and there were 34,889 units outstanding. The total asset under management was approximately HKD29.8 billion.

As of 29 December 2023, the dealing NAV of CSOP Hang Seng TECH Index ETF performed -9.21%. The dealing NAV of its unlisted class A performed -9.36%. The Index performed -8.26%. The difference in performance between the NAV of the CSOP Hang Seng TECH Index ETF and the Index is mainly attributed to dividends, fees and expenses including tax on dividends and distributions to unitholders.

CSOP HANG SENG TECH INDEX 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 Hang Seng Tech Index 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 HANG SENG TECH INDEX 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 Hang Seng Tech Index ETF (the "Sub-Fund"), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), is required by the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong and the Trust Deed dated 25 July 2012, as amended (the "Trust Deed"), to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of the period and of the transactions for the year ended 31 December 2023. 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 Hang Seng Tech Index ETF (the "Sub-Fund"), CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF (*This is a synthetic ETFs), 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 ETFs), CSOP Yinhua CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF, CSOP Ether Futures ETF and CSOP Saudi Arabia ETF. CSOP Saudi Arabia ETF was incepted 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 HANG SENG TECH INDEX 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 Hang Seng TECH Index ETF (the “Sub-Fund”), a sub-fund of CSOP ETF Series* (*This includes synthetic ETFs), which are set out on pages 8 to 29, 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 HANG SENG TECH INDEX 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><u>Existence and valuation of investments</u></p> <p>The Sub-Fund’s investments as at 31 December 2023 are mainly comprised of listed equities in Hong Kong valued at HKD29,635,338,009.</p> <p>We focused on the existence and valuation of the investments because the investments represented the principal elements of the Sub-Fund’s net assets attributable to unitholders as at 31 December 2023.</p> <p>Refer to note 10 to the financial statements.</p>	<p>Our work included an assessment of the key controls over the existence and valuation of the investments, which included the following:</p> <ul style="list-style-type: none"> • We developed an understanding of the control objectives and related controls relevant to our audit of the Sub-Fund by obtaining the service organization 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. • We evaluated the tests undertaken by the service auditor, the results of the tests undertaken and the opinions formed by the service auditor on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Sub-Fund. <p>We tested the existence of investments by obtaining direct confirmations from the custodians and agreeing the Sub-Fund’s holdings of investments to the confirmations.</p> <p>We tested the valuation of the Sub-Fund’s investments by comparing the pricing used by the Sub-Fund to external pricing sources as at 31 December 2023.</p> <p>Based on the procedures we performed, we found no material exceptions from our testing.</p>

Other Information

The manager and the trustee (the “Management”) of the Sub-Fund is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF SERIES* (*THIS INCLUDES SYNTHETIC ETFS)), AN UMBRELLA
UNIT TRUST ESTABLISHED IN HONG KONG) (CONTINUED)**

Responsibilities of Management for the Financial Statements

The Management of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF SERIES* (*THIS INCLUDES SYNTHETIC ETFS), AN UMBRELLA
UNIT TRUST ESTABLISHED IN HONG KONG) (CONTINUED)**

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 HANG SENG TECH INDEX 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>HKD</i>	2022 <i>HKD</i>
ASSETS			
CURRENT ASSETS			
Investments	<i>8(c), 10(a), 10(d)</i>	29,635,338,009	21,124,577,919
Dividend receivable		33,144,017	-
Amounts due from brokers		341,617,686	141,627,799
Amounts due from participating dealers		-	201,299,308
Interest receivables		298	889
Other receivable		1,242,685	2,492,694
Cash and cash equivalents	<i>8(c)</i>	<u>5,831,497</u>	<u>33,135,851</u>
Total assets		<u>30,017,174,192</u>	<u>21,503,134,460</u>
LIABILITIES			
CURRENT LIABILITIES			
Amounts due to brokers		221,588,820	342,939,830
Amounts due to participating dealers		120,040,605	-
Management fee payable	<i>8(a), (b)</i>	23,607,366	18,333,096
Other accounts payable		<u>3,765,041</u>	<u>6,572,629</u>
Liabilities (excluding net assets attributable to unitholders)		<u>369,001,832</u>	<u>367,845,555</u>
Net assets attributable to unitholders	<i>3</i>	<u>29,648,172,360</u>	<u>21,135,288,905</u>

The financial statements on pages 8 to 29 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 HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	<i>Notes</i>	Year ended 31 December 2023 <i>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
INCOME			
Dividend income		163,340,358	125,877,759
Interest income	8(c)	304,001	44,462
Security lending income	8(g)	24,750,574	18,488,626
Net loss on investments	5	(2,382,556,173)	(3,189,198,350)
Net foreign currency loss		(16,257)	(57,504)
Other income		4,601	10,733
Total net loss		<u>(2,194,172,896)</u>	<u>(3,044,834,274)</u>
EXPENSES			
Management fee	8(a), (b)	(250,554,408)	(166,254,697)
Management fee for security lending activities	8(g)	(5,765,414)	(4,278,310)
Transaction costs on investments		(19,492,000)	(11,584,887)
Audit fee		(899,028)	(784,785)
Safe custody and bank charges		(392)	(200)
Legal and other professional fee		(208,942)	(7,800)
Other operating expenses	8(e)	(11,607,457)	(8,165,524)
Total operating expenses		<u>(288,527,641)</u>	<u>(191,076,203)</u>
Operating loss		(2,482,700,537)	(3,235,910,477)
Taxation	6	(1,711,049)	(1,633,847)
Decrease in net assets attributable to unitholders		<u>(2,484,411,586)</u>	<u>(3,237,544,324)</u>

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

CSOP HANG SENG TECH INDEX 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

	<i>Note</i>	Year ended 31 December 2023 <i>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
Net assets attributable to unitholders at the beginning of the year		21,135,288,905	13,614,879,779
Issue of units	3		
- In-kind subscription	7	15,985,804,997	50,747,244,549
- Cash component and cash subscription		53,089,838,848	236,961,501
Redemption of units	3		
- In-kind redemption	7	(11,494,391,002)	(40,061,398,794)
- Cash component and cash redemption		(46,583,957,802)	(164,853,806)
Net increase from unit transactions		10,997,295,041	10,757,953,450
Decrease in net assets attributable to unitholders		(2,484,411,586)	(3,237,544,324)
Net assets attributable to unitholders at the end of the year		29,648,172,360	21,135,288,905

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
Listed class		
Number of units in issue at the beginning of the year	5,195,400,200	2,429,400,200
Units issued	17,452,000,000	12,642,500,000
Units redeemed	(14,620,000,000)	(9,876,500,000)
Number of units in issue at the end of the year	8,027,400,200	5,195,400,200
Unlisted class A		
Number of units in issue at the beginning of the year	1,578	1,578
Units issued	60,223	-
Units redeemed	(26,912)	-
Number of units in issue at the end of the year	34,889	1,578

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

CSOP HANG SENG TECH INDEX 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>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
OPERATING ACTIVITIES		
Payments for purchase of investments	(76,353,383,099)	(55,927,367,980)
Proceeds from sale of investments	69,630,139,934	55,961,640,354
Dividend income received, net of tax	128,485,292	124,243,912
Interest received	304,592	43,573
Security lending income received	26,000,583	16,403,872
Other income received	4,601	10,733
Management fee paid	(245,280,138)	(158,815,681)
Transactions costs paid	(19,492,000)	(11,584,887)
Other operating expenses paid	(21,288,821)	(9,137,877)
	<hr/>	<hr/>
Net cash used in operating activities	(6,854,509,056)	(4,563,981)
	<hr/>	<hr/>
FINANCING ACTIVITIES		
Proceeds on issue of units	53,291,138,156	184,898,943
Payments on redemption of units	(46,463,917,197)	(164,853,806)
	<hr/>	<hr/>
Net cash generated from financing activities	6,827,220,959	20,045,137
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(27,288,097)	15,481,156
Cash and cash equivalents at the beginning of the year	33,135,851	17,712,199
Foreign currency loss on cash and cash equivalents	(16,257)	(57,504)
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	5,831,497	33,135,851
	<hr/>	<hr/>
Analysis of balances of cash and cash equivalents		
Bank balances	5,831,497	33,135,851
	<hr/>	<hr/>

Refer to note 7 for details of major non-cash transactions.

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

CSOP HANG SENG TECH INDEX 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 Hang Sang Tech Index ETF (the “Sub-Fund”), CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF (*This is a synthetic ETFs), 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 ETFs), CSOP Yinhua CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF, CSOP Ether Futures ETF and CSOP Saudi Arabia ETF. CSOP Saudi Arabia ETF was incepted on 20 November 2023. CSOP Hang Sang Tech Index ETF was incepted on 27 August 2020. 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, Hang Seng TECH Index (the “Underlying Index”). In order to achieve the investment objective of the Sub-Fund, the Manager will adopt a full replication strategy by directly investing all, or substantially all, of the assets of the Sub-Fund in index securities constituting the Underlying Index in substantially the same weightings (i.e. proportions) as these index securities have in the Underlying Index. The Manager may also use a representative sampling strategy in exceptional circumstances.

The Sub-Fund has been using Hang Seng TECH Index as its underlying index.

These financial statements are prepared for the Sub-Fund only. The financial statements for CSOP FTSE China A50 ETF, CSOP SZSE ChiNext ETF (*This is a synthetic ETFs), 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 ETFs), CSOP Yinhua CSI 5G Communications Theme ETF, CSOP Bitcoin Futures ETF and CSOP Ether Futures ETF have been prepared separately. CSOP Saudi Arabia ETF was incepted on 20 November 2023. The first financial statements will be 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 periods 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 at fair value through profit or loss.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

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.

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 applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Fund.

(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.

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(b) Financial instruments (Continued)

(iv) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Fund utilises the last traded market price for both listed financial assets and liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets that are not traded in an active market (for example, over-the-counter derivatives) is determined by using broker quotes or valuation techniques.

(v) Transfers between levels of the fair value hierarchy

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

(c) Amounts due from participating dealers/brokers

Amounts due from participating dealers represent the subscription receivable from the participating dealers at the end of the reporting 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.

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) Securities lending

Securities on loan are included in the investment portfolio of the Sub-Fund as the Sub-Fund is entitled to the interest income from cash and equities on loan and retain substantially all the risks and rewards. Relevant securities lending income received by the Sub-Fund is included in security lending income in the statement of comprehensive income.

Collateral received for the purpose of securities on loan generally consists of fixed income securities collateral. Fixed income securities collateral received is treated as an off-balance sheet transaction and is therefore not included in the statement of financial position because the Sub-Fund is not entitled to the interest income from the fixed income securities collateral and do not retain substantially all the risks and rewards. Interest received from fixed income securities collateral is paid to the counterparty that provides the collateral to the Sub-Fund.

(g) 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.

(h) 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.

(i) Other income/expenses

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

(j) Transactions costs on investments

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

(k) Expenses

Expenses are accounted for on an accrual basis.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(l) Cash component

Cash issue component represents the amount being equal to the difference between the issue price on the relevant transaction date and the value of the securities exchanged in kind for those units.

Cash redemption component represents the amount being equal to the difference between the redemption value on the relevant transaction date on which such units are redeemed and the value of securities transferred in kind to the redeeming unitholder in respect of such units.

(m) 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.

(n) 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 Hong Kong (“HK”) stocks and the performance of the Sub-Fund is measured and reported to the unitholders in Hong Kong Dollar (“HKD”). The Manager considers HKD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in HKD, 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”.

(o) Redeemable units

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

The Sub-Fund currently offers both listed class of units and unlisted class of units. As at 31 December 2023 and 2022, the Sub-Fund has issued listed class of units and one unlisted class of units namely, listed class and unlisted class A which have different terms and conditions as set out in the Sub-Fund’s Prospectus, including dealing arrangements, fee structure and investment return/net asset value. As the different class of units do not have identical features, they are classified as financial liabilities. Listed class units can be redeemed in-kind and/or in cash equal to a proportionate share of the respective Sub-Fund’s net asset value.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (Continued)

(o) Redeemable units (Continued)

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.

(p) Taxation

The Sub-Fund may incur withholding taxes imposed by other jurisdictions on investment income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included as taxation in the statement of comprehensive income.

(q) Establishment costs

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

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

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

In accordance with the provisions of the Trust Deed dated 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(o), redeemable units of the Sub-Fund are classified as financial liabilities and they are carried at the price based on the Sub-Fund's net asset value per unit at the reporting date if the unitholders exercised the right to redeem the units in the Sub-Fund.

	As at 31 December 2023		As at 31 December 2022	
	Listed class <i>Units</i>	Unlisted Class A <i>Units</i>	Listed class <i>Units</i>	Unlisted Class A <i>Units</i>
Number of units in issue	8,027,400,200	34,889	5,195,400,200	1,578

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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

	As at 31 December 2023		As at 31 December 2022	
	Listed class HKD	Unlisted Class A HKD	Listed class HKD	Unlisted Class A HKD
Net assets attributable to unitholders per unit as at 31 December (per statement of financial position)	3.6934	3.6722	4.0681	4.0517

As stated in Note 2(q), establishment costs are expensed as incurred. However, in accordance with the provisions of the Trust's Prospectus, establishment costs are recognised using the amortisation method. As at 31 December 2023 and 2022, the expensing of establishment costs as stated in the financial statements resulted in decrease of net assets attributable to unitholders of HKD501,176 (2022: HKD803,538) as stated in the financial statements when compared with the methodology indicated in the Trust's Prospectus and the amount HKD501,176 (2022: HKD803,538) is unamortised with remaining 2 years 8 months of amortisation (2022: 3 years 8 months).

	31 December 2023 HKD	31 December 2022 HKD
Net assets attributable to unitholders as reported in the statement of financial position	29,648,172,360	21,135,288,905
- Adjustments for unamortised establishment costs	501,176	803,538
Net assets value in accordance with the Trust's Prospectus	<u>29,648,673,536</u>	<u>21,136,092,443</u>

4. SECURITIES LENDING TRANSACTIONS

The Manager may enter into securities lending transactions, with the maximum level for up to 50% and expected level for approximately 20% of the Sub-Fund's Net Asset Value. As part of the securities lending transactions, the Sub-Fund must receive cash and/or non-cash collateral of 100% of the value of the securities lent.

The collateral will be marked-to-market on a daily basis and be safe kept by the Trustee or an agent appointed by the Trustee (Refer to Note 10(b)). Security lending income and expenses are accounted for in the Statement of Comprehensive Income on an accrual basis.

5. NET LOSS ON INVESTMENTS

	Year ended 31 December 2023 HKD	Year ended 31 December 2022 HKD
Net change in unrealised gain/loss in value of investments	(2,611,293,673)	4,372,569,413
Net realised gain/(loss) on sale of investments	228,737,500	(7,561,767,763)
	<u>(2,382,556,173)</u>	<u>(3,189,198,350)</u>

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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 H-Shares and is subjected to 10% withholding tax on dividend income derived from H-Shares. Withholding tax was charged on dividend income received from H-Shares 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>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
Withholding tax on dividend income	1,711,049	1,633,847
	<hr/>	<hr/>
	1,711,049	1,633,847
	<hr/>	<hr/>

7. MAJOR NON-CASH TRANSACTIONS

During the years ended 31 December 2023 and 2022, the Sub-Fund issued units in exchange for Baskets consisting of investments valued at HKD15,985,804,997 (2022: HKD50,747,244,549) and redeemed units in exchange for Baskets consisting of investments valued at HKD11,494,391,002 (2022: HKD40,061,398,794). “Basket” means, the portfolio of securities determined by the Manager on the relevant dealing day for the purpose of the creation and redemption of such units in an application unit size.

8. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS

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

(a) Management fee

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

(b) Trustee fee and registrar’s fee

The management fee is inclusive of the trustee’s and registrar’s fee and the Manager will pay the fees of the trustee and the registrar out of the management fee.

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

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Financial assets

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

	As at 31 December 2023 <i>HKD</i>	As at 31 December 2022 <i>HKD</i>
Investments		
The Hongkong and Shanghai Banking Corporation Limited	29,635,338,009	21,124,577,919
Bank balances		
The Hongkong and Shanghai Banking Corporation Limited	5,831,497	33,135,851

Interest income amounting to HKD304,001 (2022: HKD44,462) was earned on this bank balances placed with the connected person of the Trustee for the year ended 31 December 2023.

(d) Manager's holding in the Sub-Fund

The Manager of the Sub-Fund holds 1,356,000 (2022: 2,036,000) units of listed class and 1,578 (2022: 1,578) units of unlisted class A, which represents 0.02% (2022: 0.04%) and 4.52% (2022: 100.00%) of the net asset value of listed class units and unlisted class A units of the Sub-Fund respectively as at 31 December 2023 and 2022.

(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 was as follows:

	Year ended 31 December 2023 <i>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
Bank charges	196	200
Other operating expenses	187,242	170,409

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

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

(f) Security Lending Arrangement

For the years ended 31 December 2023 and 2022, the Sub-Fund put in place a securities lending arrangement with a related party of the Trustee (i.e. HSBC Bank Plc) as a security lending agent. The details of such transactions are as follows:

	Year ended 31 December 2023 <i>HKD</i>	Year ended 31 December 2022 <i>HKD</i>
Aggregate securities lending transactions through HSBC Bank Plc	<u>9,941,561,757</u>	<u>7,390,952,961</u>
	<u>9,941,561,757</u>	<u>7,390,952,961</u>

(g) Management fee charged by the manager relating to security lending activities

For the year ended 31 December 2023, total income received from security lending activities was HKD24,750,574 (2022: HKD18,488,626) while management fee amounting to HKD5,765,414 (2022: HKD4,278,310) was charged by the Manager to establish and maintain the security lending activities under agreement.

(h) Investment transactions and brokerage commission

For the years ended 31 December 2023 and 2022, transactions through the connected persons of the Trustee for its brokerage services are set out below:

	Aggregate value of purchase and sale of investments <i>HKD</i>	% of the Sub- Fund's total aggregate value of transactions during the year %	Brokerage commission paid <i>HKD</i>	Average rate of commission %
2023	9,987,052,007	7.05%	-	-
2022	2,392,530,811	2.36%	-	-

* These transactions are related to in-kind creation and redemption executed by connected persons of the Trustee. For the in-kind creation and redemption transactions, refer to note 7.

9. 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.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT

The objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Hang Seng TECH 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 Hang Seng TECH Index, therefore the exposures to market risk in the Sub-Fund will be substantially the same as the tracked index. For the years ended 31 December 2023 and 2022, 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 were concentrated in the following industries:

	2023		2022	
	Fair value <i>HKD</i>	% of net asset value	Fair value <i>HKD</i>	% of net asset value
Listed equities in HK – by industry				
Communications	224,104,726	0.76	-	-
Consumer Discretionary	11,926,198,069	40.23	6,364,047,612	30.12
Consumer Staples	1,029,373,874	3.47	1,489,878,572	7.05
Financials	235,122,708	0.79	236,350,059	1.12
Health Care	168,906,178	0.57	138,250,100	0.65
Technology	13,068,405,876	44.08	10,985,560,925	51.97
Telecommunications	2,983,226,578	10.06	1,910,490,651	9.04
	<u>29,635,338,009</u>	<u>99.96</u>	<u>21,124,577,919</u>	<u>99.95</u>

The Sub-Fund held 30 out of 30 (2022: 30 out of 30) constituent securities comprising the Hang Seng TECH Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the Hang Seng TECH Index.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. 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 Hang Seng TECH 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 HKD5,913,344,900 (2022: HKD4,218,498,969). Conversely, if the Hang Seng TECH 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 from bank balances. As the bank balances held by the Sub-Fund is short term in nature and interest arising from these interest bearing assets are immaterial, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. As a result, the Manager considers sensitivity analysis of interest rate risk is not necessary to be presented.

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Sub-Fund is not exposed to currency risk arising from balances and transactions in foreign currencies as the majority of its assets and liabilities are denominated in HKD, 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 HKD5,831,497 (2022: HKD33,135,851) and investments of HKD29,635,338,009 (2022: HKD21,124,577,919) 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, collateral securities of HKD3,634,025,088 (2022: HKD1,965,663,670) was held by JP Morgan Bank Luxembourg S.A as custodian of collateral securities received for Security lending transactions. As at 31 December 2023 and 2022, the credit ratings of the Sub-Fund's custodians of collateral securities are at or above investment grade.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

The table below categorised the securities on loan by collateral providers. As at 31 December 2023 and 2022, the fair value of collateral and securities on loan are as follow:

As at 31 December 2023

Collateral provider	Fair value of collateral* <i>HKD</i>	Securities on loan <i>HKD</i>
BNP Paribas Arbitrage London/Paris	70,992,128	67,317,935
Citigroup Global Markets Ltd	115,488,399	109,578,020
Credit Suisse AG Singapore Branch	2,504,354	2,372,854
Goldman Sachs International	1,699,224,027	1,525,096,861
HSBC Bank Plc	265,282,931	251,329,368
Merrill Lynch International	529,677,138	502,617,162
Morgan Stanley & Co International Plc	520,613,547	493,007,806
Natixis	43,615,180	41,315,846
UBS AG	386,627,384	357,659,808
	<u>3,634,025,088</u>	<u>3,350,295,660</u>

As at 31 December 2022

Collateral provider	Fair value of collateral* <i>HKD</i>	Securities on loan <i>HKD</i>
BNP Paribas Arbitrage London/Paris	93,739,590	89,227,095
Citigroup Global Markets Ltd	82,094,789	78,297,649
Credit Suisse AG Singapore Branch	118,065,628	107,162,068
HSBC Bank Plc	22,730,280	21,633,769
JP Morgan Secs Plc	74,506,966	70,988,678
Merrill Lynch International	965,894,565	919,924,375
Mizuho Securities Co Ltd	36,873,414	35,030,000
Natixis	181,540,327	172,958,040
The Hongkong and Shanghai Banking Corporation Limited	210,071,604	200,237,500
UBS AG	180,146,507	171,729,708
	<u>1,965,663,670</u>	<u>1,867,188,882</u>

*Collaterals were received for security lending. As at 31 December 2023 and 2022, collaterals included government bonds. The credit ratings of 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 HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. 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. As at 31 December 2023 and 2022, dividend receivable, amounts due from brokers, amounts due from participating dealers, other receivable, interest receivables 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>HKD</i>	1 month to less than 3 months <i>HKD</i>	Over 3 months <i>HKD</i>	Total <i>HKD</i>
As at 31 December 2023				
Amounts due to brokers	221,588,820	-	-	221,588,820
Management fee payable	23,607,366	-	-	23,607,366
Amounts due to participating dealers	120,040,605	-	-	120,040,605
Other accounts payable	31,200	-	3,733,841	3,765,041
Net asset attributable to unitholders	29,648,172,360	-	-	29,648,172,360
Contractual cash outflow	30,013,440,351	-	3,733,841	30,017,174,192

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

	Less than 1 month <i>HKD</i>	1 month to less than 3 months <i>HKD</i>	Over 3 months <i>HKD</i>	Total <i>HKD</i>
As at 31 December 2022				
Amounts due to brokers	342,939,830	-	-	342,939,830
Management fee payable	18,333,096	-	-	18,333,096
Other accounts payable	11,800	-	6,560,829	6,572,629
Net asset attributable to unitholders	21,136,092,443	-	-	21,136,092,443
Contractual cash outflow	21,497,377,169	-	6,560,829	21,503,937,998

Units are redeemed on demand at the unitholder's option. As at 31 December 2023 and 2022, there were two (2022: three) unitholders holding more than 10% of the listed class of Sub-Fund's units, representing in aggregate 59.75% (2022:56.73%) and there was one unitholders (2022:one) who individually held more than 10% of the unlisted class A units, representing in aggregate 95.48% (2022:100%) of unlisted class A 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>HKD</i>	1 to 12 months <i>HKD</i>	No stated maturity <i>HKD</i>	Total <i>HKD</i>
As at 31 December 2023				
Total assets	30,017,173,894	298	-	30,017,174,192
As at 31 December 2022				
Total assets	21,503,133,571	889	-	21,503,134,460

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. 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>HKD</i>	Level 2 <i>HKD</i>	Level 3 <i>HKD</i>	Total <i>HKD</i>
As at 31 December 2023				
Assets				
Investments				
- Listed equity securities	29,635,338,009	-	-	29,635,338,009
Total assets	<u>29,635,338,009</u>	<u>-</u>	<u>-</u>	<u>29,635,338,009</u>
	Level 1 <i>HKD</i>	Level 2 <i>HKD</i>	Level 3 <i>HKD</i>	Total <i>HKD</i>
As at 31 December 2022				
Assets				
Investments				
- Listed equity securities	21,124,577,919	-	-	21,124,577,919
Total assets	<u>21,124,577,919</u>	<u>-</u>	<u>-</u>	<u>21,124,577,919</u>

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

NOTES TO THE FINANCIAL STATEMENTS

10. 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. As at 31 December 2023 and 2022, there was no investment classified within level 2.

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

For the years ended 31 December 2023 and 2022, there were no transfers between levels.

The assets and liabilities included in the statement of financial position, other than investments, are carried at amortised cost. The carrying value of these financial assets and liabilities are considered by the Manager to approximate their fair value as they are short term in nature and the effect of discounting is immaterial. There are no other assets and liabilities not carried at fair value but for which fair value is disclosed.

(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.

11. DISTRIBUTION

There was 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 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 and carried at amortised costs. All the financial liabilities of the Sub-Fund are carried at amortised cost.

13. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

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

CSOP HANG SENG TECH INDEX 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)

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.

There was no constituent security that individually accounted for more than 10% of the net asset value of the Sub-Fund and their respective weightings of the Hang Seng TECH Index as at 31 December 2023 and 2022.

During the year ended 31 December 2023, the Hang Seng TECH Index decreased by 8.26% (2022: decreased by 26.67%) while the net asset value per unit of the Sub-Fund decreased by 9.21% (2022: decreased by 27.41%).

14. SOFT COMMISSION ARRANGEMENTS

The Manager has entered into soft commission arrangements for the years ended 31 December 2023 and 2022 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 the services through soft dollar arrangements on transactions amounting to HKD11,127,327,539 (2022: HKD7,205,833,655). Commission which amounted to HKD4,450,923 (2022: HKD631,102) is paid from the Sub-Fund on these transactions.

15. SEGMENT INFORMATION

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

The Manager considers that the Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Fund are to track the performance of the Hang Seng TECH 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 HK securities which constitute Hang Seng TECH Index, the tracked index.

The Sub-Fund does not have any non-current assets. As at 31 December 2023 and 2022, the Sub Fund has a diversified portfolio of investments and no single 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 HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

INVESTMENT PORTFOLIO (Unaudited)

As at 31 December 2023

	Holdings	Fair value HKD	% of net assets
Investments (99.96%)			
Listed equities (99.96%)			
Hong Kong (99.96%)			
ALIBABA GROUP HOLDING LTD	34,087,033	2,565,792,407	8.65
ALIBABA HEALTH INFORMATION T	84,163,200	355,300,001	1.20
BAIDU INC-CLASS A	11,014,531	1,273,236,308	4.30
BILIBILI INC-CLASS Z	4,197,064	391,135,118	1.32
BYD ELECTRONIC INTL CO LTD	12,261,738	446,827,367	1.51
CHINA LITERATURE LTD	7,151,322	206,840,997	0.70
EAST BUY HOLDING LTD	7,880,839	218,133,784	0.74
GDS HOLDINGS LTD-CL A	5,885,811	53,092,062	0.18
HAIER SMART HOME CO LTD-H	37,801,966	829,910,756	2.80
HUA HONG SEMICONDUCTOR LTD	10,157,545	190,939,198	0.64
JD HEALTH INTERNATIONAL INC	17,314,991	674,073,873	2.27
JD.COM INC-CLASS A	23,401,248	2,621,213,775	8.84
KINGDEE INTERNATIONAL SFTWR	43,248,660	490,030,083	1.65
KINGSOFT CORP LTD	14,861,389	356,602,374	1.20
KUAISHOU TECHNOLOGY	45,015,204	2,373,210,210	8.01
LENOVO GROUP LTD	122,780,632	1,334,943,596	4.50
LI AUTO INC-CLASS A	16,049,735	2,350,670,504	7.93
MEITUAN-CLASS B	24,604,332	2,006,346,233	6.77
NETEASE INC	10,763,862	1,506,834,383	5.08
NIO INC-CLASS A	1,597,670	117,073,312	0.39
PING AN HEALTHCARE AND TECHN	9,552,063	168,906,178	0.57
SEMICONDUCTOR MANUFACTURING	65,109,600	1,287,463,028	4.34
SENSETIME GROUP INC-CLASS B	312,259,797	360,646,409	1.22
SUNNY OPTICAL TECH	11,091,540	782,418,514	2.64
TENCENT HOLDINGS LTD	7,929,890	2,318,104,120	7.82
TRIP.COM GROUP LTD	2,126,386	587,719,730	1.98
WEIBO CORP-CLASS A	70,104	5,970,942	0.02
XIAOMI CORP-CLASS B	163,298,513	2,536,399,211	8.56

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

INVESTMENT PORTFOLIO (Unaudited) (Continued)
As at 31 December 2023

	Holdings	Fair value HKD	% of net assets
Investments (99.96%) (Continued)			
Listed equities (99.96%) (Continued)			
Hong Kong (99.96%) (Continued)			
XPENG INC - CLASS A SHARES	17,543,194	990,380,828	3.34
ZHONGAN ONLINE P&C INSURAN-H	13,237,134	235,122,708	0.79
		<hr/>	<hr/>
Total investments		29,635,338,009	99.96
Other net assets		12,834,351	0.04
		<hr/>	<hr/>
Net assets attributable to unitholders at 31 December 2023		29,648,172,360	100.00
		<hr/> <hr/>	<hr/> <hr/>
Total investments, at cost		31,331,529,531	
		<hr/> <hr/>	

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)
For the year ended 31 December 2023

	% of net asset value 2023	% of net asset value 2022
Listed equities – by industry		
Communications	0.76	-
Consumer Discretionary	40.23	30.12
Consumer Staples	3.47	7.05
Financials	0.79	1.12
Health Care	0.57	0.65
Technology	44.08	51.97
Telecommunications	10.06	9.04
	<hr/>	<hr/>
Total investments	99.96	99.95
Other net assets	0.04	0.05
	<hr/>	<hr/>
Total net assets	<u>100.00</u>	<u>100.00</u>

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

DETAILS OF SECURITY LENDING ARRANGEMENTS (Unaudited)

(a) Breakdown of securities lending transactions

The following table shows the aggregate securities lending transactions for the year ended 31 December 2023.

Counterparty	Country of the counterparty	Collateral type	Currency	Maturity Tenor ¹	Settlement/ clearing means	Fair value of securities lent ² <i>HKD</i>
BNP Paribas Arbitrage London/Paris	United Kingdom	Government bond	HKD	Open tenor	Triparty Collateral	183,071,765
Citigroup Global Markets Ltd	United Kingdom	Government bond	HKD	Open tenor	Triparty Collateral	651,548,422
Credit Suisse AG Singapore Branch	Singapore	Government bond	HKD	Open tenor	Triparty Collateral	17,750,535
Goldman Sachs International	United States	Government bond	CNY	Open tenor	Triparty Collateral	176,961,409
Goldman Sachs International	United States	Government bond	HKD	Open tenor	Triparty Collateral	3,742,643,995
HSBC Bank Plc	United Kingdom	Government bond	HKD	Open tenor	Triparty Collateral	443,339,382
JP Morgan Secs Plc	United Kingdom	Government bond	HKD	Open tenor	Triparty Collateral	46,914,628
Macquarie Bank Ltd	Australia	Government bond	CNY	Open tenor	Triparty Collateral	5,170,371
Macquarie Bank Ltd	Australia	Government bond	HKD	Open tenor	Triparty Collateral	28,423,152
Merrill Lynch International	United States	Government bond	CNY	Open tenor	Triparty Collateral	56,777,316
Merrill Lynch International	United States	Government bond	HKD	Open tenor	Triparty Collateral	1,623,326,944
Mizuho Securities Co Ltd	Japan	Government bond	HKD	Open tenor	Triparty Collateral	35,071,440
Morgan Stanley & Co International Plc	United States	Government bond	CNY	Open tenor	Triparty Collateral	68,791,856
Morgan Stanley & Co International Plc	United States	Government bond	HKD	Open tenor	Triparty Collateral	872,212,751
Natixis	France	Government bond	HKD	Open tenor	Triparty Collateral	2,982,914
The Hongkong and Shanghai Banking Corporation	Hong Kong	Government bond	HKD	Open tenor	Triparty Collateral	13,716,497
UBS AG	Switzerland	Government bond	CNY	Open tenor	Triparty Collateral	229,272,306
UBS AG	Switzerland	Government bond	HKD	Open tenor	Triparty Collateral	1,743,586,074
						<u>9,941,561,757</u>

¹ Securities lent out during the year which have not been returned as at year ended 31 December 2023 were disclosed the above table.

² Securities lent information was based on the Sub-Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

DETAILS OF SECURITY LENDING ARRANGEMENTS (Unaudited) (Continued)

(a) Breakdown of securities lending transactions (Continued)

The following table shows the securities lending transactions as at 31 December 2023.

Security on loan	Collateral type	Currency	Maturity Tenor	Settlement/ clearing means	Fair value of securities lent ² HKD	% of Net Asset Value
Listed Equity						
ALIBABA GROUP HOLDING LTD	Government bond	HKD	Open tenor	Triparty Collateral	310,366,687	1.05%
ZHONGAN ONLINE P&C INSURAN-H	Government bond	HKD	Open tenor	Triparty Collateral	58,593,470	0.20%
HAIER SMART HOME CO LTD-H	Government bond	HKD	Open tenor	Triparty Collateral	3,732,209	0.01%
HUA HONG SEMICONDUCTOR LTD	Government bond	HKD	Open tenor	Triparty Collateral	162,053,343	0.55%
LENOVO GROUP LTD	Government bond	HKD	Open tenor	Triparty Collateral	311,630,204	1.05%
BILIBILI INC-CLASS Z	Government bond	HKD	Open tenor	Triparty Collateral	337,496,467	1.14%
CHINA LITERATURE LTD	Government bond	HKD	Open tenor	Triparty Collateral	159,477,208	0.54%
GDS HOLDINGS LTD-CL A	Government bond	HKD	Open tenor	Triparty Collateral	19,886,701	0.07%
JD HEALTH INTERNATIONAL INC	Government bond	HKD	Open tenor	Triparty Collateral	308,933,104	1.04%
KINGDEE INTERNATIONAL SFTWR	Government bond	HKD	Open tenor	Triparty Collateral	119,401,087	0.40%
KINGSOFT CORP LTD	Government bond	HKD	Open tenor	Triparty Collateral	63,203,423	0.21%
EAST BUY HOLDING LTD	Government bond	HKD	Open tenor	Triparty Collateral	193,718,300	0.65%
KUAISHOU TECHNOLOGY	Government bond	HKD	Open tenor	Triparty Collateral	53,380,196	0.18%
NIO INC-CLASS A	Government bond	HKD	Open tenor	Triparty Collateral	21,177,206	0.07%

¹ Securities lent out during the year which have not been returned as at year ended 31 December 2023 were disclosed the above table.

² Securities lent information was based on the Sub-Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

DETAILS OF SECURITY LENDING ARRANGEMENTS (Unaudited) (Continued)

(a) Breakdown of securities lending transactions (Continued)

Security on loan	Collateral type	Currency	Maturity Tenor	Settlement/ clearing means	Fair value of securities lent ² <i>HKD</i>	% of Net Asset Value
<u>Listed Equity</u>						
PING AN HEALTHCARE AND TECHN SEMICONDUCTOR MANUFACTURING	Government bond	HKD	Open tenor	Triparty Collateral	148,186,947	0.50%
SENSETIME GROUP INC-CLASS B	Government bond	HKD	Open tenor	Triparty Collateral	5,338,921	0.02%
WEIBO CORP-CLASS A	Government bond	HKD	Open tenor	Triparty Collateral	225,370,610	0.76%
XPENG INC - CLASS A SHARES	Government bond	HKD	Open tenor	Triparty Collateral	1,495,546	0.01%
					846,854,031	2.86%
					<u>3,350,295,660</u>	<u>11.31%</u>

¹ Securities lent out during the year which have not been returned as at year ended 31 December 2023 were disclosed the above table.

² Securities lent information was based on the Sub-Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

DETAILS OF SECURITY LENDING ARRANGEMENTS (Unaudited) (Continued)

(a) Breakdown of securities lending transactions (Continued)

Collateral for security lending transactions as at 31 December 2023

Collateral type	Currency	Maturity Tenor	Fair value of collateral <i>HKD</i>
Government bond	GBP	22 November 2037	216
Government bond	GBP	7 December 2038	129,554,696
Government bond	GBP	22 March 2044	5
Government bond	GBP	31 January 2046	94,004
Government bond	GBP	7 December 2046	48,155,731
Government bond	GBP	22 November 2047	11,183,368
Government bond	JPY	15 January 2024	1,696,816,385
Government bond	JPY	20 March 2025	2,433,104
Government bond	JPY	20 March 2027	112,895,739
Government bond	JPY	20 September 2027	2,504,354
Government bond	JPY	20 March 2028	70,992,128
Government bond	JPY	20 June 2031	529,677,138
Government bond	JPY	20 December 2031	2,592,660
Government bond	JPY	20 March 2037	2,407,642
Government bond	JPY	20 March 2040	386,627,384
Government bond	USD	15 May 2026	108,848,245
Government bond	USD	30 June 2027	43,615,180
Government bond	USD	15 July 2028	26,785,986
Government bond	USD	15 August 2041	458,841,123
			3,634,025,088

(b) Global data

	As at 31 December 2023
Amount of securities on loan as proportion of total lendable assets ²	11.31%
Amount of securities on loan as a proportion of total net asset value ²	11.31%

² Securities lent information was based on the Sub-Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year-end date.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

DETAILS OF SECURITY LENDING ARRANGEMENTS (Unaudited) (Continued)

(c) Top ten largest collateral issuers at 31 December 2023

	Amount of collateral received <i>HKD</i>	% of Net Asset Value
Japan	2,806,946,534	9.47
United Kingdom	188,988,020	0.64
United States	638,090,534	2.15
	<hr/>	
	<u>3,634,025,088</u>	<u>12.26</u>

(d) Top ten counterparties of securities lending transactions at 31 December 2023

	Fair value of securities on loan <i>HKD</i>	% of Net Asset Value
BNP Paribas Arbitrage London/Paris	67,317,935	0.23
Citigroup Global Markets Ltd	109,578,020	0.37
Credit Suisse AG Singapore Branch	2,372,854	0.01
Goldman Sachs International	1,525,096,861	5.14
HSBC Bank Plc	251,329,368	0.85
Merrill Lynch International	502,617,162	1.70
Morgan Stanley & Co International Plc	493,007,806	1.66
Natixis	41,315,846	0.14
UBS AG	357,659,808	1.21
	<hr/>	
	<u>3,350,295,660</u>	<u>11.31</u>

(e) Revenue and expenses relating to securities financing transactions

Revenue retained by the Sub-Fund and expenses incurred relating to each type of securities financing transactions are shown below.

	Year ended 31 December 2023 <i>HKD</i>
<u>Securities Lending Transactions</u>	
Revenue retained by the Sub-Fund	24,750,574
Direct expenses paid to the Manager	5,765,414

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

HOLDING OF COLLATERAL (Unaudited)

(a) Holdings of Collateral

Collateral provider	Nature of the collateral	Maturity tenor	Currency denomination	% of net asset value covered by collateral	Value of the collateral* <i>HKD</i>
BNP PARIBAS ARBITRAGE LONDON/PARIS	Fixed income securities	20 March 2028	JPY	0.24%	70,992,128
CITIGROUP GLOBAL MARKETS LTD	Fixed income securities	20 March 2027	JPY	0.38%	112,895,739
CITIGROUP GLOBAL MARKETS LTD	Fixed income securities	20 December 2031	JPY	0.01%	2,592,660
CREDIT SUISSE AG SINGAPORE BRANCH	Fixed income securities	20 September 2027	JPY	0.01%	2,504,354
GOLDMAN SACHS INTERNATIONAL	Fixed income securities	15 January 2024	JPY	5.72%	1,696,816,385
GOLDMAN SACHS INTERNATIONAL	Fixed income securities	20 March 2037	JPY	0.01%	2,407,642
HSBC BANK PLC	Fixed income securities	15 May 2026	USD	0.36%	108,848,245
HSBC BANK PLC	Fixed income securities	15 July 2028	USD	0.09%	26,785,986
HSBC BANK PLC	Fixed income securities	7 December 2038	GBP	0.44%	129,554,696
HSBC BANK PLC	Fixed income securities	31 January 2046	GBP	0.00%	94,004
MERRILL LYNCH INTERNATIONAL	Fixed income securities	20 June 2031	JPY	1.79%	529,677,138
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	20 March 2025	JPY	0.01%	2,433,104
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	22 November 2037	GBP	0.00%	216
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	15 August 2041	USD	1.55%	458,841,123
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	22 March 2044	GBP	0.00%	5
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	7 December 2046	GBP	0.16%	48,155,731
MORGAN STANLEY & CO INTERNATIONAL PLC	Fixed income securities	22 November 2047	GBP	0.04%	11,183,368
NATIXIS	Fixed income securities	30 June 2027	USD	0.15%	43,615,180
UBS AG	Fixed income securities	20 March 2040	JPY	1.30%	386,627,384
				12.26%	3,634,025,088

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

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

HOLDING OF COLLATERAL (Unaudited) (continued)

(b) Credit rating of fixed income collateral

Collateral provider	Asset class	Fair value of collateral*
		<i>HKD</i>
BNP Paribas Arbitrage London/Paris	Government bond	70,992,128
Citigroup Global Markets Ltd	Government bond	112,895,739
Citigroup Global Markets Ltd	Government bond	2,592,660
Credit Suisse AG Singapore Branch	Government bond	2,504,354
Goldman Sachs International	Government bond	1,696,816,385
Goldman Sachs International	Government bond	2,407,642
HSBC Bank Plc	Government bond	108,848,245
HSBC Bank Plc	Government bond	26,785,986
HSBC Bank Plc	Government bond	129,554,696
HSBC Bank Plc	Government bond	94,004
Merrill Lynch International	Government bond	529,677,138
Morgan Stanley & Co International Plc	Government bond	2,433,104
Morgan Stanley & Co International Plc	Government bond	216
Morgan Stanley & Co International Plc	Government bond	458,841,123
Morgan Stanley & Co International Plc	Government bond	5
Morgan Stanley & Co International Plc	Government bond	48,155,731
Morgan Stanley & Co International Plc	Government bond	11,183,368
Natixis	Government bond	43,615,180
UBS AG	Government bond	386,627,384
		3,634,025,088

* As at 31 December 2023, the credit ratings of the collateral are at or above investment grade.

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

HOLDING OF COLLATERAL (Unaudited) (Continued)

(c) Custody/safe-keeping arrangement

Fair value
31 December 2023
HKD

Custodians of collateral securities

Segregated accounts

JP Morgan Bank Luxembourg S.A.

3,634,025,088

3,634,025,088

CSOP HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

PERFORMANCE RECORD (Unaudited)

Net asset value

	Net asset value of the Sub-Fund <i>HKD</i>	Net asset value per unit <i>HKD</i>
At the end of financial year/period dated		
31 December 2023*		
Listed class	29,648,044,240	3.6934
Unlisted class A	128,120	3.6722
31 December 2022*		
Listed class	21,136,086,047	4.0682
Unlisted class A	6,396	4.0519
31 December 2021		
Listed class	13,615,976,838	5.6047
Unlisted class A	8,842	5.6018

Highest and lowest net asset value per unit

	Highest issue price per unit <i>HKD</i>	Lowest redemption price per unit <i>HKD</i>
Financial year/period ended		
31 December 2023		
Listed class	4.7386	3.4820
Unlisted class A	4.7180	3.4621
31 December 2022		
Listed class	5.8284	2.7650
Unlisted class A	5.8251	2.7566
31 December 2021 (since 27 August 2020 (date of inception))		
Listed class	10.8904	5.4083
Unlisted class A	6.8249	5.4056

*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 HANG SENG TECH INDEX ETF
(A SUB-FUND OF CSOP ETF Series* (*This includes synthetic ETFs))

MANAGEMENT AND ADMINISTRATION

Manager

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

Trustee and Registrar

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

Custodian

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

Service Agent

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

Listing Agent

Altus Capital Limited
21 Wing Wo Street
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

Simmons & Simmons
30th Floor, One Taikoo Place
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Auditor

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Certified Public Accountants
Registered Public Interest Entity Auditor
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