

Source CSOP Markets plc

Interim report and unaudited financial statements

For the period ended 30 June 2015



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Organisation

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Registered Office of the Company

Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Manager

Source Investment Management Limited
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Administrator

HSBC Securities Services (Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and
Registered Auditor
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Directors of the Company

Mike Kirby (Irish)*
Feargal Dempsey (Irish)**
Chen Ding (Hong Kong)*
Helen Lingli Zhou (Hong Kong)*

Investment Manager

CSOP Asset Management Limited
Suite 2802, Two Exchange Square
Connaught Place
Central
Hong Kong

** Non-executive Directors*

*** Independent non-executive Directors*

Secretary

MFD Secretaries Limited
2nd Floor
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Promoter

Source UK Services Limited
9th Floor, 110 Cannon Street
London EC4N 6EU
United Kingdom

Legal Advisor (Ireland)

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

Hong Kong/PRC Legal Advisors to the Promoter and the Company in Relation to RQFII and Custody

Clifford Chance, Hong Kong
28th Floor Jardine House
One Connaught Place
Hong Kong

Custodian

HSBC Institutional Trust Services
(Ireland) Limited
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Registrar

Capita Registrars
24 Beckenham Road
Beckenham
Kent
BR3 4TU

Authorised Participants

Bank of America
Merrill Lynch International Limited
Merrill Lynch Financial Centre
2 King Edward Street
London, EC1A 1HQ
United Kingdom

J.P. Morgan Securities Limited
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB, United Kingdom

UBS AG
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

Registered no. of Company: 536094

General Information

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Description

Source CSOP Markets Public Limited Company (the "Company") is an open-ended variable capital company with segregated liability between the sub-funds of the Company ("Fund"). The Company was incorporated on 29 November 2013. It is organised under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 and as an undertaking for collective investment in transferable securities pursuant to the European Communities ("Undertakings for Collective Investment in Transferable Securities") Regulations 2011 (as amended).

The Company is structured as an umbrella investment company, and comprises separate Funds which may be established from time to time by the Directors with the prior approval of the Central Bank of Ireland (the "Central Bank").

A Fund is defined as a separate portfolio of assets which is invested in accordance with the investment objective and policies set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such portfolio shall be applied and charged.

The particulars of the Fund are set out in a separate Supplement. Redeemable Shares/Shares (these terms are used interchangeably throughout the financial statements) of more than one Class may be issued in relation to the Fund. Information contained within the Supplement is selective and should be read in conjunction with the Prospectus. On the introduction of any new Class of Shares, the Company prepares and the Directors will issue documentation setting out the relevant details of each such Class of Shares. Investments are made in accordance with the investment objective applicable to the Fund.

CSOP Source FTSE China A50 UCITS ETF Fund is in existence as at 30 June 2015. The Fund issued an updated supplement on 19 May 2015.

CSOP Source Citi Chinese 1-3 Year Government Bond UCITS ETF was authorised by the Central Bank of Ireland on 11 December 2014. However, this Fund is yet to be launched as at 30 June 2015.

Except where otherwise stated or the context requires, capitalised terms have the meaning given to them in the Prospectus of the Company dated 19 May 2015.

Investment objective and policy

The investment objective of CSOP Source FTSE China A50 UCITS ETF is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Reference Index, namely, FTSE China A50 PR Index (the "Reference Index").

The Reference Index is a free float-adjusted market capitalisation weighted index compiled and published by FTSE. The Investment Manager is independent of the FTSE International Limited, being the "Index Provider". The Reference Index is a real-time, tradable index comprising Index Securities being China A-Shares issued by the largest 50 companies by full market capitalisation of the FTSE China A All-Share Index. The Reference Index is a subset of the FTSE China A 200 Index. The Reference Index is a price return index which means that it does not include the reinvestment of dividends from the Index Securities. The Reference Index is denominated and quoted in RMB.

There is no assurance that the Fund will achieve its investment objective.

In order to achieve the investment objective, the Investment Manager will normally use a replication strategy by investing directly in Index Securities which constitute the Reference Index in substantially the same weightings (i.e. proportions) as such Index Securities have in the Reference Index.

The Fund will not invest in derivatives instruments (including structured deposits, products or instruments) for investment or hedging purposes. Furthermore, the Fund itself will not be leveraged for investment, efficient portfolio management or hedging purposes and will therefore not be subject to any shortfall risk.

This Fund is an Exchange Traded Fund ("ETF").

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Investment objective and policy (continued)

The Shares of this Fund are full transferable among investors and will be listed and/or traded on the relevant exchange.

The investment objective of the Fund may not be altered, and material changes to the investment policy of the Fund may not be made, without prior approval of Shareholders on the basis of (i) a majority of votes cast at a meeting of the Shareholders of the Fund duly convened and held or (ii) with the prior written approval of all Shareholders of the Fund. In the event of a change of the investment objective and/or a material change in the investment policy of the Fund, Shareholders in the Fund will be given reasonable notice of such change to enable them to redeem their Shares prior to implementation of such a change.

As at 30 June 2015, the Company had one active Fund:

	Launch date	Functional currency
CSOP Source FTSE China A50 UCITS ETF	07/01/2014	RMB

As at 30 June 2015, the listing details of the Fund are;

	Listing
CSOP Source FTSE China A50 UCITS ETF	London Stock Exchange* Irish Stock Exchange SIX Swiss Exchange* Deutsche Börse (Xetra)* Borsa Italiana*

*Fund is admitted to trading on the exchange

Investment Manager's Report

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Fund review

The CSOP Source FTSE China A50 UCITS ETF aims to provide investment results that, before deduction of fees and expenses (and taking into account any dividends received by the Fund in respect of the Index Securities), closely correspond to the performance of the Reference Index, namely, FTSE China A50 PR Index.

Benchmark index

Fund name	Functional currency	Benchmark index
CSOP Source FTSE China A50 UCITS ETF	RMB	FTSE China A50 PR Index

The performance of the Fund from launch date to 30 June 2015:

Currency	Launch date	Total net asset value 30/06/15	Net asset value per share 30/06/15	Return since launch (%) Fund	Tracking difference since launch		Tracking difference since 31/12/2014		Realised Tracking Error	Expected Tracking Error
					(%) Index	(%) Fund	(%) Index	(%) Index	p.a. since 31/12/2014 (%) Index	p.a. since 31/12/2014 (%) Index
CSOP Source FTSE China A50 UCITS ETF	RMB	07/01/14	179,710,067	135.94	93.29%	6.23%	11.57%	1.02%	0.73%	1.00%

Realised tracking error and realised tracking difference are in-line with what was expected. The tracking difference between the Fund and the benchmark index is mainly driven by management fees and dividend.

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The first half year of 2015 saw volatility of the A share market ("A Share"), and the FTSE China A50 Index ("Index") closed up 10% during the period.

A share experienced mild correction due to concerns on the regulators' curb on margin trading in January. Some major brokers were ordered to stop margin business for 3 months. FTSE China A50 Index closed 9.28% lower on January 19, but the market soon recovered after China Securities Regulatory Commission's ("CSRC") clarification that they weren't suppressing the stock market, and the outstanding margin amount didn't decrease significantly after market crash on January 19. Meanwhile, China 4Q2014 GDP YoY was 7.3%, a bit higher than survey. People's Bank of China ("PBOC") remained favourable monetary policy and confirmed that it rolled over RMB 269.5 billion 3-month MLF and injected another RMB 50 billion to banks. This has positively contributed to the strong sentiment recovery.

The Index managed to close 2.38% higher in February. Official February PMI came in at 49.9 (<50), which means contraction. The data just confirmed again that China's economy boom was slowing down among stall property sales and infrastructure investment. China's central government had been actively acting to spur economy growth. Interest rate was cut by PBOC twice within 3 months and the media reported 23 banks in Zhejiang Province got targeted Reserve Requirement Ratio ("RRR") cut after Chinese Spring Festival holiday.

The Index started to rally in March, backed by strong credit data and the influence from top officials. Firstly, New Yuan Loans in February amounted to RMB 1,020 billion, much higher than the expectation of RMB 750 billion. Meanwhile Money Supply M2 YoY read 12.5%, also higher than the expectation of 11.0%. Aggregate Financing was RMB 1,350 billion, compared with the survey of RMB 1,000 billion. Secondly PBOC governor Mr. Zhou Xiaochuan supported credit funds to flow into stock market and said that it would be good for the economy because listed companies could raise money to fund expansion. What's more, One Belt & One Road general plan was officially released at the Bo'ao Forum. China will invest RMB 300 billion to 400 billion to support the Silk Road and maritime route development. The plan involved 18 provinces and 15 harbours along the road. China pushed for both monetary and fiscal stimulus policies.

The Index continued its sharp rally in April backed by central government's influence. It jumped more than 18% in the month with record turnover. The daily value traded in the Shanghai Stock Exchange exceeded RMB 1 trillion, reflecting the investors' enthusiasm for more investments. Central government supported the enthusiasm implicitly and explicitly. Firstly, Chinese official news media Xinhua News Agency published a report at the beginning of the month to confirm the necessity of a bull market. Secondly, Premier Li Keqiang said that he was not against the idea of Quantitative Easing ("QE") in China. Thirdly, after announcing new regulations on umbrella trust and short sale, CSRC held a press conference to explain that they didn't have any intention of stopping the market rally. Meanwhile, PBOC announced to cut RRR by 1%. On the other side, the picture for the economy still looks unclear. China's GDP was 7% for the 1Q2015 and the exports and imports data was very disappointing recording a double-digit decline YoY. Manufacturing PMI shows that China's manufacturing activities continued to contract in April. However, brokers and insurance companies reported shining 1Q results thanks to the A share performance.

The FTSE China A50 Index representing blue-chip names dropped 4.90% in May while the ChiNext Index representing New China concepts rallied almost 24%. Over the month, we saw a big single-day correction which reminded people of the correction at the end of May 2007. Local investors identified two reasons for the sell-off. The first one was that Central Huijin cut the position on CCB and ICBC. However, Central Huijin announced that they didn't sell its core holding of banking names. The second one was that CBRC asked commercial banks to report the flow into the equity market, including wealth management's flows. The big news was that the FTSE announced a transition to include China A shares in global indexes.

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The FTSE China A50 Index outperformed other major A share indices in June thanks to the strong performance of financial sectors. The Index closed 5.29% lower, compared with -7.60% of the CSI300 Index and 19.31% of the ChiNext Index. A share investors experienced the most volatile month since the '08 Financial Crisis after Chinese regulators decided to curb the margin trading balance. Forced liquidation as well as profit-taking sale orders quickly sent the A share lower. Aware of the potential downside of the stock meltdown, Chinese authorities announced several measures to boost market confidence. The first measure was an unexpected cut of both the interest-rate and RRR which made the 1-year deposit rate at historical low of 2%. The second measure was to allow pension funds to invest in stock markets with a cap of 30% of net asset value and it was estimated to bring in around 1 trillion RMB to the market. The third measure was to lower exchange trading fees. The fourth measure was to loosen margin account rules and the CSRC asked brokers to decide the forced-sale level. The fifth measure was to buy directly in the secondary market.

Looking forward, although the economic growth may remain low, we believe the central government still has many tools in its fiscal package, like (1) accelerating key infrastructure projects, and improving efficiency of local governments' use of fiscal budgets; (2) further relaxing of property policies (such as lowering the down payment ratio, lowering mortgage rates, etc. and encouraging larger-scale purchases of commodity housing by local governments; (3) speeding up State-Owned Enterprise ("SOE") reforms; and (4) boosting policy banks' capital to provide additional and lower cost funding for infrastructure investment. Therefore we remain with a positive view on the FTSE China A50 Index in the second half year of 2015.

CSOP Asset Management Limited

Date: August 2015

Financial Statements of the Company

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Statement of comprehensive income	CSOP Source FTSE China A50 UCITS ETF		
	Notes	Period ended 30 June 2015* RMB	Period ended 30 June 2014* RMB
For the six months ended 30 June 2015			
Income			
Interest income	1(M)	46,871	68,333
Dividend income	1(K)	3,255,833	40,434,608
Net loss on financial assets at fair value through profit or loss	3	(89,612,908)	(12,239,455)
Other income		10,080,753	2,356,074
Total investment (expense)/income		(76,229,451)	30,619,560
Expenses			
Operating expenses	4	(11,187,627)	(11,373,756)
Capital gains tax provision	1(N)	-	(839,623)
Net (expense)/income		(87,417,078)	18,406,181
(Loss)/profit for the period before tax		(87,417,078)	18,406,181
Non reclaimable withholding tax	10	(325,583)	(4,440,139)
(Loss)/profit for the period		(87,742,661)	13,966,042
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Shares		(87,742,661)	13,966,042

*The amounts shown also represent Company total amounts.

There are no recognised gains or losses arising in the period other than the (decrease)/increase in Net Assets Attributable to Holders of Redeemable Shares of the Company. In arriving at the results of the financial period, all amounts above relate to continuing operations.

The accompanying notes form an integral part of the Financial Statements.

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Statement of financial position	Notes	CSOP Source FTSE China A50 UCITS ETF	
		As at 30 June 2015* RMB	As at 31 December 2014* RMB
As at 30 June 2015			
Current Assets			
Assets at fair value through profit or loss			
Financial assets at fair value through profit or loss	1(C),2(H)	178,805,223	3,522,774,831
Loans and receivables			
Cash and cash equivalents	6	1,375,978	41,495,964
Clearing reserve	6	14,000	635,600
Debtors	7	318,274	-
Total Current Assets		180,513,475	3,564,906,395
Current Liabilities			
Other financial liabilities			
Provision for capital gains tax		(265,085)	(265,085)
Creditors (amounts falling due within one year)	8	(538,323)	(3,241,393)
Total Current Liabilities (excluding Net Assets Attributable to Holders of Redeemable Shares)		(803,408)	(3,506,478)
Net Assets Attributable to Holders of Redeemable Shares		179,710,067	3,561,399,917

*The amounts shown also represent Company total amounts.

The accompanying notes form an integral part of the Financial Statements.

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Statement of changes in net assets attributable to holders of redeemable shares	CSOP Source FTSE China A50 UCITS ETF	
	Period ended 30 June 2015* RMB	Period ended 30 June 2014* RMB
For the six months ended 30 June 2015		
Net Assets Attributable to Holders of Redeemable Shares at the beginning of the period	3,561,399,917	-
(Decrease)/increase in Net Assets Attributable to Holders of Redeemable Shares	(87,742,661)	13,966,042
Proceeds from redeemable participating shares issued	42,603,215	2,297,395,266
Redemption of redeemable participating shares	(3,336,550,404)	(14,844,984)
Net Assets Attributable to Holders of Redeemable Shares	179,710,067	2,296,516,324

Statement of cash flows

For the six months ended 30 June 2015	Notes	Period ended 30 June 2015* RMB	Period ended 30 June 2014* RMB
Cash flows from operating activities			
Proceeds from sale of investments		3,450,385,891	84,232,699
Purchase of investments		(196,029,191)	(2,349,679,869)
Dividend income received	1K)	3,185,389	39,742,154
Interest income received	1(M)	46,871	68,333
Other income received		9,832,923	2,356,074
Operating expenses paid		(13,897,741)	(2,066,924)
Non reclaimable withholding tax paid		(318,539)	(4,370,894)
Clearing reserve		621,600	-
Net cash inflow/(outflow) from operating activities		3,253,827,203	(2,229,718,427)
Cash flows from financing activities			
Proceeds from issue of redeemable shares		42,603,215	2,297,395,266
Payments of redemptions of redeemable shares		(3,336,550,404)	(14,844,984)
Net cash (outflow)/inflow from financing activities		(3,293,947,189)	2,282,550,282
Net (decrease)/increase in cash and cash equivalents		(40,119,986)	52,831,855
Cash and cash equivalents at beginning of the period		41,495,964	-
Cash and cash equivalents at the end of the period	6	1,375,978	52,831,855

*The amounts shown also represent Company total amounts.

The accompanying notes form an integral part of the Financial Statements.

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Notes to the financial statements

1. Significant accounting policies

A) (i) Basis of preparation

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the International Financial Reporting Interpretations Committee (IFRIC) interpretations endorsed by the European Union (EU) and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "Regulations"). The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss. The significant accounting policies are set out below.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

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 Notes 1 C) (iii) and 1 D).

(ii) New Accounting Pronouncements not yet effective

IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the Financial Instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 is unlikely to have a material effect on the classification and measurement of the Company's financial assets or financial liabilities.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The adoption of IFRS 15 is not expected to have any material impact on the financial statements of the Company.

B) Foreign currency translation

Functional and presentation currency

The Board of Directors considers the Chinese Renminbi ("RMB") as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

The Financial Statements of the Company are presented in RMB, which is both the functional and presentation currency.

The average exchange rate used to convert other expenses incurred in EUR to RMB was 6.9000 (30 June 2014: 8.4526). Exchange gains and losses arising from these transactions are included in net loss on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

C) Financial assets at fair value through profit or loss

(i) Classification

IAS 39 (revised) sets out the requirements for recognition and measurement of all financial assets. The Company has classified all financial instruments as financial assets or financial liabilities at fair value through profit or loss on adoption of IAS 39.

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1. Significant accounting policies (continued)

C) Financial assets at fair value through profit or loss (continued)

(i) Classification (continued)

The category of financial assets at fair value through profit or loss comprises:

- (a) Financial instruments held for trading: a financial asset 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 if on initial recognition 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.
- (b) Financial instruments designated at fair value through profit or loss upon initial recognition. These include 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 Fund's documented investment strategy.

All of the Fund's investments are classified as held for trading as at 30 June 2015, as applicable.

(ii) Recognition, derecognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date. Any gains and losses, arising from changes in fair value of the financial assets are recorded from this date.

The Company recognises financial assets on the date it becomes a party to the contractual provisions of the instrument, and all significant rights and access to the benefits from the assets or liabilities, and the exposure to the risks inherent in those benefits, are transferred to the Company. The Company derecognises financial assets when all such benefits and risks are transferred from the Company.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the Statement of Comprehensive Income with other net changes in fair value of financial assets at fair value through profit or loss in the period in which they arise.

(iii) Valuation of Investments

The estimation of fair value, after initial recognition, is determined as follows:

Listed investments

The fair value of investments (equities) which are quoted, listed, traded or dealt with on a market or exchange are based on quoted prices which, for the purpose of the Financial Statements, is the last traded market price for financial assets as at the Statement of Financial Position date.

Realised gains or losses on disposal of investments during the period and unrealised gains and losses on valuation of investments held at the period-end are included in the Statement of Comprehensive Income, within net loss on financial assets at fair value through profit and loss.

(iv) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each financial position date to determine whether there is objective evidence of impairment.

If any such indication exists, an impairment loss is recognised in the Statement of Comprehensive Income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the Statement of Comprehensive Income.

D) Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined under Note 1(E) to 1(N).

All of the Fund's financial assets and financial liabilities are held for the purpose of being traded and designated at fair value through profit or loss.

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1. Significant accounting policies (continued)

E) Fees and expenses

In accordance with the Prospectus the management fees are charged to the Statement of Comprehensive Income on an accruals basis. Other than the management fees, administration fees and trustee fees, all other fees and expenses incurred by the Fund including those payable to the Investment Manager, the Auditor and the Directors are paid by the Manager or the Promoter.

F) Cash and cash equivalents

Cash balances represent residual cash subsequent to trading. As at 30 June 2015, cash in the Fund was held on deposit with an affiliate of the Custodian, HSBC Bank plc; details of which are disclosed in the Cash and Cash Equivalents note of the Financial Statements.

G) Redeemable Shares

Redeemable Shares are redeemable at the Shareholders option and are classified as financial liabilities. Any distributions on these shares are recognised in the Statement of Comprehensive Income as finance costs.

H) Fair value of net assets attributable to redeemable shareholders

In accordance with the provisions of the Prospectus and Supplement, listed investments are stated at the last traded price on the valuation day for the purpose of determining the net asset value per share for subscriptions and redemptions and for various fee calculations.

I) Valuation point

The valuation used for the purposes of the Financial Statements is that of 30 June 2015, the last Business Day of the financial period.

J) Distributions

There are no dividend entitlements for the shares of the Fund.

K) Dividend income

In the period ended 30 June 2015, dividend income was received by the Fund from certain underlying holdings of the Fund. This is reflected as income to the Fund on an accruals basis, in line with the contractual terms.

Details of the current period's dividend income are disclosed in the Fund's Financial Statements.

L) Transaction costs

Transaction costs are costs incurred to acquire financial assets at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers or dealers. Transaction costs, when incurred, are included in operating expenses in the Statement of Comprehensive Income. Transaction costs incurred during the period are detailed in Note 4.

M) Interest income

Interest income is income related to cash and cash equivalents. This is reflected as income to the Fund on an accruals basis, in line with the contractual terms.

N) Provision for capital gains tax exposure on China A-Shares

The Fund has exposure to China RQFII (Renminbi Qualified Foreign Institutional Investor) A-Shares listed on the stock exchanges in the PRC, under the RQFII programme. Until 17 November 2014, a provision had been set aside for potential direct or indirect Capital Gains Tax liabilities derived from China RQFII A-Shares, payable to the issuers of the China A-Shares, in accordance with terms and conditions set out in the agreement between the Fund and the issuers of the China A-Shares.

On 14 November 2014 Circular No. 79 was released by the Chinese Authorities amending the tax treatment of Capital Gains derived on Chinese A-Shares held by RQFIIs/QFIIs. Accordingly capital gains realised from the sale of A-shares on or after 17 November 2014 were temporarily exempted from China's 10% Capital Gains Tax ("CGT"). Any accruals made for unrealised gains as at 17 November 2014 have been reversed in the financial statements. Capital Gains Tax of RMB 265,085 (30 June 2014: RMB 839,623) which relates to the period pre 17 November 2014, was payable at the period end.

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2. Financial risks

As defined by IFRS7 'Financial Instruments: Disclosures', risk arising on financial instruments can be separated into the following components: Market Risk, Credit Risk and Liquidity Risk.

Each type of risk is discussed below and both qualitative and quantitative analyses are provided, where relevant, to give the reader an understanding of risk management methods used by the Investment Manager and reviewed by the Directors of the Company.

The main risks arising from the Fund's financial instruments are Market Risk, Liquidity Risk and Credit Risk.

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise any discrepancy between the performance of the Fund and the performance of the FTSE China A50 PR Index benchmark.

The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the Company are discussed below.

A) General

The risk monitoring process is the responsibility of the Company which has delegated this responsibility to the Manager and the Investment Manager.

The Company's investment objective is that the Fund will seek to provide Shareholders with a target performance linked to the performance of the FTSE China A50 PR Index by purchasing a portfolio of transferable securities that may (but is not obliged to) comprise all or a representative sample of the constituent securities of the FTSE China A50 PR Index.

The Investment Manager is responsible for the operation of the risk management process, including the measurement of risk of the Fund portfolio at any given time.

The Fund is managed by a portfolio manager.

The portfolio manager is supported by a trade order management system ("TOMS"), which is designed to manage the implementation of the portfolio manager's strategy and assist in the process of managing the Fund.

These systems generate exception reports highlighting any inconsistency between the Funds' investment objectives and restrictions, and the Funds' portfolios.

The risk management team is a unit of the Investment Manager and is independent of the portfolio managers. It is responsible for the day to day risk monitoring process in respect of the Investment Manager's duties. Global exposure, position and counterparty exposure are monitored by the risk management team. The risk management process is supported by the Investment Manager's internal systems which are designed to assess the Fund's risk and exposures on a daily basis.

The Investment Manager will report in writing confirming compliance with the guidelines laid down in the Risk Management Policy document and the Prospectus, at least monthly to the named Designated Person, and will report to the Board of Directors at least quarterly.

B) Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Market risk comprises the three following types of risk:

- interest rate risk,
- currency risk, and
- other price risk

Being a passive index strategy, the Investment Manager aims to verify and ensure that the individual market risks to which the Fund is exposed are in line with the risks of the relevant reference index.

(i) 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 the future cash flows.

The Fund's financial assets other than cash are non-interest bearing, and consequently the Fund's exposure to interest rate risk is minimal.

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2. Financial risks (continued)

B) Market risk (continued)

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

As at 30 June 2015 all assets and liabilities held by the Fund are in RMB and therefore not exposed to any foreign currency risk. However, since the Fund is denominated in RMB, non RMB based investors are exposed to fluctuation in the RMB exchange rate against their base currencies and may incur substantial capital loss due to foreign exchange risk. There is no assurance that RMB will not be subject to deviation. In which case, the value of their investments will be adversely affected.

The Fund, in line with the securities comprising their underlying indices, is exposed to the currency risk of the respective reference index. The Investment Manager monitors the Fund's currency risk to ensure that it replicates that of the securities comprising the underlying index (FTSE China PR A50 Index).

(iii) Other price risk

Other price risk is the risk that the value of investments will fluctuate as a result of changes in market price (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or similar financial instruments traded in the market. For the Fund this risk is in line with the risk of the reference index.

C) Other price risk – sensitivity analysis

The sensitivity analysis for the Fund assumes a change in the market price of the investments while holding all other variables constant. In practice this is unlikely to occur, and changes in some of the variables may be correlated.

In addition, as the sensitivity analysis uses historical data as a basis for determining future events, it does not encompass all possible scenarios, particularly those that are of an extreme nature. The reasonably possible decrease in the benchmark index is based on the movement over the period ended 30 June 2015. These movements may be different from the long term volatility of the index.

As detailed in the following tables, the decrease in the index (the FTSE China PR A50 index) at 30 June 2015, with all other variables held constant, would have resulted in an estimated decrease in the net assets attributable to holders of redeemable participating shares as follows:

Number of index units as of 30 June 2015	Index close at 30 June 2015	Index close assuming a 1% downward movement	Monetary impact of a 1% downward movement of the index RMB
179,710,067	12,732.98	12,605.65	(1,791,709)

Number of index units as of 31 December 2014	Index close at 31 December 2014	Index close assuming a 1% downward movement	Monetary impact of a 1% downward movement of the index RMB
3,561,399,917	11,517.68	11,402.50	(35,471,543)

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2. Financial risks (continued)

C) Other price risk – sensitivity analysis (continued)

If the Benchmark Index, at 30 June 2015, had increased by 1% with all other variables held constant, this would have increased net assets attributable to holders of redeemable shares of the Fund by approximately RMB 1,791,709 (31 December 2014 RMB 35,471,543).

Based on historic movements and volatilities in these market variables, and management's knowledge and experience of the financial markets, it was determined that the movement listed above are reasonably possible over the period.

D) Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Custodian on behalf of the Fund took physical receipt of the cash and securities. The cash and securities are held by the Custodian on behalf of the Fund and the credit risk exposure of the Fund is therefore considered minimal as all securities deposited with the Custodian will be clearly identified as being assets of the Fund.

The Company's Custodian is HSBC Institutional Trust Services (Ireland) Limited (the "Custodian"). The Company holds cash balances with the Custodian, the majority of which relates to trades awaiting settlement.

All of the cash assets of the Fund held by the Custodian are placed on deposit with an affiliate of the Custodian, HSBC Bank plc. Cash deposited with the Custodian is held on its Statement of Financial Position.

In accordance with usual banking practice, the Custodian's liability to the Company in respect of such cash deposits shall be that of debtor and the Company will rank as a general creditor of the Custodian.

The financial assets are held with the Custodian. These assets are held distinct and separately from the proprietary assets of the Custodian. Securities are clearly recorded to ensure they are held on behalf of the Company. Bankruptcy or insolvency of the Custodian and or one of its agents or affiliates may cause the Company's rights with respect to the securities held by the Custodian to be delayed.

HSBC Institutional Trust Services (Ireland) Limited is wholly owned subsidiary of HSBC Holdings Plc. As at 30 June 2015 HSBC Holdings Plc had a long term rating from Standard & Poor of A (31 December 2014:A+).

Risk is managed by monitoring the credit quality and financial positions of the Custodian the Company uses.

As already mentioned, the Company's non-cash assets held by the Custodian are segregated from the proprietary assets of the Custodian and are held in accounts in the name of the Custodian designated for the Company.

The Company is exposed to credit risk through the use of a Custodian, Sub-Custodian or Third Party bank. The bankruptcy or insolvency of any of these parties may cause the Company's rights with respect to its assets held by these entities to be delayed or limited.

E) Liquidity risk

Liquidity risk is the risk that a 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.

Liquidity is managed by investing predominantly in UCITS eligible listed securities that are traded in an active market and can be readily disposed. The Company has therefore limited exposure to liquidity risk.

Redeemable Shares are redeemed on demand at the holder's option.

The tables overleaf analyse the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant. All amounts are stated in RMB.

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2. Financial risks (continued)

E) Liquidity risk

As at 30 June 2015	Less than 7 days	7 days to 1 month	1 – 3 months	More than 3 months	Total
Provision for capital gains tax	-	-	-	265,085	265,085
Creditors	-	538,323	-	-	538,323
Net assets attributable to holders of Redeemable Shares	179,710,067	-	-	-	179,710,067
Total financial liabilities	179,710,067	538,323	-	265,085	180,513,475

As at 31 December 2014	Less than 7 days	7 days to 1 month	1 – 3 months	More than 3 months	Total
Provision for capital gains tax	-	-	-	265,085	265,085
Creditors	-	3,241,393	-	-	3,241,393
Net assets attributable to holders of Redeemable Shares	3,561,399,917	-	-	-	3,561,399,917
Total financial liabilities	3,561,399,917	3,241,393	-	265,085	3,564,906,395

F) Secondary market trading risk

Even though the Shares may be listed on one or more relevant stock exchanges, there can be no certainty that there will be liquidity in the Shares on any relevant stock exchange or that the market price at which the Shares may be traded on a relevant stock exchange will be the same as or approximately equal to the Net Asset Value per Share.

As the Shares may be dealt in by means of subscription and redemption, the Directors consider that large discounts or premiums in the Net Asset Value of a Fund would not be sustainable. There can be no guarantee that once the Shares are listed on a relevant stock exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a relevant stock exchange may be halted or suspended due to market conditions or for the reason that, in the relevant stock exchange's view, trading in the Shares is inadvisable, or otherwise pursuant to the relevant stock exchange's rules. If trading on a relevant stock exchange is halted, investors may not be able to sell their Shares until trading resumes however such investors should be able to apply to the Company to redeem Shares in accordance with the provisions set out in the Prospectus.

G) Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable shares. The amount of net assets attributable to holders of redeemable shares can change significantly on a daily basis as the Fund is subject to subscriptions and redemptions at the discretion of the Shareholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

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2. Financial risks (continued)

H) Fair value information

IFRS7 'Financial Instruments: Disclosures' requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities in the Statement of Financial Position. The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). The Fund has not invested in such instruments during the period.

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.

The Fund does not have any investments and has not entered into any transactions, requiring this type of valuation during the period. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The 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 fair value of financial assets and liabilities traded in an active market (such as trading securities) are based on quoted market prices at the close of trading on the period-end date. The quoted market price used for financial assets held by the Fund is the closing mid-market price.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

In the event that market quotes are not readily available for either of these inputs the value of the relevant input will be determined in good faith by the Administrator or another independent service provider, generally based upon recommendations provided by the Investment Manager.

The carrying values of other receivables and payables are assumed to approximate their fair value.

The table below analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value. All amounts are stated in RMB.

As at 30 June 2015			
	Level 1	Level 2	Level 3
Assets			
Financial assets held for trading:			
- Equity securities	178,805,223	-	-
Total assets	178,805,223	-	-

As at 31 December 2014			
	Level 1	Level 2	Level 3
Assets			
Financial assets held for trading:			
- Equity securities	3,522,774,831	-	-
Total assets	3,522,774,831	-	-

There were no transfers between levels during the period.

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

The Schedule of investments shows the equities split by level, country of origin and industry group. All equities are classified as level 1.

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3. Net losses on financial assets at fair value through profit or loss

	Period ended 30 June 2015 RMB	Period ended 30 June 2014 RMB
Realised gains/(losses) on sale of investments	1,321,921,466	(9,878,394)
Unrealised depreciation on investments	(1,411,534,374)	(2,361,061)
	(89,612,908)	(12,239,455)

4. Operating expenses

	Period ended 30 June 2015 RMB	Period ended 30 June 2014 RMB
Management fees	4,163,584	8,300,688
Transaction costs	6,488,531	2,066,924
Administration fees	423,853	838,453
Trustee fees	111,659	167,691
	11,187,627	11,373,756

All other expenses are paid by the Manager or the Promoter.

These expenses include Directors fees and expenses of RMB 89,700 (30 June 2014: RMB 110,345) and Legal fees of RMB 3,209 (30 June 2014: RMB: Nil).

5. Management fees

The Management Fee, a percentage of the Net Asset Value of the Class of Shares, is payable by the Company out of the assets of the Fund to the Manager. The Management Fee accrues on each day and is calculated on each Dealing Day and paid monthly in arrears. The Manager pays out of its fees (and not out of the assets of the Fund) the fees and expenses (where appropriate) of the Investment Manager, the Directors, the Auditors and the ordinary fees, expenses and costs incurred by the Fund that include setting up costs and other administrative expenses as described in the Prospectus.

The fees in the table below are expressed as a percentage per annum of the Fund's net asset value.

Fund	% Rate per annum Up to:*
CSOP Source FTSE China A50 UCITS ETF	0.99%

* The Management fee can be up to this percentage per annum or such lower amount as may be advised to Shareholders from time to time.

The Total Expense Ratio ("TER") is expressed as a percentage of the Net Asset Value of Share Class A, which represents all legitimate fees and expenses payable by the company (including the Manager's, Investment Manager's, Administrator's and Custodian's fees) on behalf of Share Class A whatever the basis of their calculation, including any VAT applicable, although excluding any Fund or Company Level taxes.

Currently the TER ratio for Class A is up to 1.15% of the Net Asset Value. Where the TER is exceeded, the Manager will be responsible for making up the shortfall of such fees and expenses.

6. Cash and cash equivalents

	As at 30 June 2015 RMB	As at 31 December 2014 RMB
HSBC Bank plc	1,375,978	41,495,964
	1,375,978	41,495,964

*Cash held is unsegregated.

The Company has restricted cash accounts as clearing reserves and holds restricted currencies in order for the Investment Manager to open security accounts in certain markets which require cash accounts to be opened in the local currency. As at 30 June 2015, these restricted balances amounted to RMB 14,000. (31 December 2014: RMB 635,600)

7. Debtors

	As at 30 June 2015 RMB	As at 31 December 2014 RMB
Other income receivable	247,830	-
Dividend income receivable	70,444	-
	318,274	-

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8. Creditors (amounts falling due within one year)

	As at 30 June 2015	As at 31 December 2014
	RMB	RMB
Management fees	173,998	2,898,042
Administration fees	317,556	284,843
Trustee fees	39,725	58,508
Irrecoverable tax on dividend payable	7,044	-
	538,323	3,241,393

All other expenses payable are paid by the Manager or the Promoter. Included in these are Directors fees payable of RMB 17,273 (31 December 2014: RMB 129,874) and Legal fees payable of RMB 2,866 (31 December 2014: RMB Nil).

9. Related party transactions

IAS 24 'Related Party Transactions' requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

The UCITS Regulations require that any transaction carried out with the Company by a promoter, manager, trustee, investment adviser and/or associate of these ("connected parties") are carried out as if negotiated at arm's length and are in the best interests of the share holders.

The Board of Directors of the Company are satisfied that there are arrangements in place to ensure that this requirement is applied to all transactions with connected parties, and that all transactions with connected parties during the period complied with the requirement.

Manager

The Company has appointed Source Investment Management Limited to act as Manager to the Company and each Fund. The Manager is a subsidiary of Source Holdings Limited which is a Cayman incorporated holding company. WP Source Limited, a subsidiary of Warburg Pincus (Bermuda) Private Equity GP Limited, a fund managed by a US private equity firm holds a majority stake in Source Holdings Limited (Parent entity). Bank of America Merrill Lynch International Limited, Goldman Sachs International, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc and Nomura International plc are minority shareholders in Source Holdings Limited.

The Funds accrued RMB 4,163,584 to the Manager during the period to 30 June 2015; (30 June 2014: RMB 8,300,688). of which RMB 173,998 was outstanding at 30 June 2015 (31 December 2014: RMB 2,898,042).

Directors

The amount paid to Directors in the period to 30 June 2015 by the Manager and the amounts outstanding on 30 June 2015 and 31 December 2014 are disclosed in Note 4 (Operating Expenses) and Note 8 (Creditors) respectively.

Mike Kirby is a Director of the Company, the Manager and the principal of KB Associates which provides consultancy services to the Manager.

The Fund accrued RMB 89,700 to the Directors during the period to 30 June 2015 (30 June 2014: RMB 110,345); of which RMB 72,546 was outstanding at 30 June 2015 (31 December 2014: RMB 129,874).

The Fund accrued RMB 69,000 to KB Associates for consultancy services during the period to 30 June 2015 (30 June 2014: RMB 81,335); of which RMB 34,546 was outstanding at 30 June 2015 (31 December 2014: RMB 37,536). These fees are presented exclusive of VAT and paid by the Manager.

Chen Ding is a Director of the Company and is the Chief Executive Officer and Chief Investment Officer of the Investment Manager.

Helen Lingli Zhou is a Director of the Company and is the Managing Director of the Investment Manager.

Details of the Investment Manager fees are disclosed in Note 4 and Note 8.

Feargal Dempsey is a Director of the Company and a Director of the Manager.

The Directors had no direct or indirect interest in any shares in issue by the Company as at 30 June 2015.

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9. Related party transactions (continued)

Authorised Participants

Goldman Sachs International, Bank of America Merrill Lynch International Limited, J.P Morgan Securities Limited and UBS AG are Authorised Participants to the Fund.

There were no brokerage fees paid to the Authorised Participants during the period ended 30 June 2015.

Shareholdings in redeemable shares

Authorised Participants may purchase and hold Redeemable Shares in the Fund for trading purposes. In addition, the Authorised Participants may hold Redeemable Shares on behalf of clients, on their own account or for the purpose of providing seed capital to the Funds. These holdings may on occasion constitute a large portion of the Fund. As at 30 June 2015, there are 4 shareholders who had entitlement of 10% or more in the shares in issue of the Fund of the Company. There is no requirement (expressed or implied) on Authorised Participants to maintain positions in a Fund at any time.

10. Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis it is not chargeable to Irish tax on its income or gains. However, Irish tax may arise on the occurrence of a "chargeable event" for certain investors not satisfying one of the criteria outlined below.

A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of Shares and the holding of Shares at the end of each 8 year period beginning with the acquisition of such Shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- a) a Shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, is held by the Company, or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

b) certain exempted Irish tax resident Shareholders who have provided the Company with the necessary signed statutory declarations.

c) any transaction (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners will not constitute a chargeable event. It is the current intention of the Directors that all the Shares in the Company will be held in recognised clearing systems.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its Shareholders.

11. Share capital

The authorised share capital of the Company is 2 subscriber shares of €1 each and 1,000,000,000,000 shares of no par value initially designated as unclassified shares and available for issue as shares.

Redeemable shares in issue	Period ended 30 June 2015	Period ended 31 December 2014	Period ended 30 June 2014
Number of Class A Accumulating Redeemable Shares Issued and Fully Paid			
Balance at beginning of period	29,229,819	-	-
Issued during period	300,000	32,849,819	32,849,819
Redeemed during period	(28,207,800)	(3,620,000)	(220,000)
Total number of Class A Accumulating Redeemable Shares in issue at end of period	1,322,019	29,229,819	32,629,819

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11. Share capital (continued)

	As at 30 June 2015	As at 31 December 2014	As at 30 June 2014
Total Net Asset Value			
Class A			
Accumulating			
Redeemable Shares	179,710,067	3,561,399,917	2,296,516,324
Dealing Net Asset Value per			
Redeemable Share			
Class A			
Accumulating			
Redeemable Shares	135.94	121.84	70.38

12. Soft commission arrangements

It is not currently intended that any soft commission arrangements will be made in respect of the Company.

There were no soft commission arrangements in the current period.

13. Comparative figures

Comparative figures for the Statement of Comprehensive Income, the Statement of Changes in Net Assets attributable to Holders of Redeemable Shares and the Statement of Cash Flows and related notes are those for the period from launch date to 30 June 2014. The comparative figures disclosed in the Statement of Financial Position and related notes are those of 31 December 2014 throughout.

14. Operating segment

IFRS requires disclosure in respect of the Chief Operating Decision Maker ("CODM") and certain disclosures in respect of the country of origin of income, which may consist of interest and dividends. Management have determined that the CODM is the Board of Directors.

The internal reporting provided to the Board of Directors for the Company assets and liabilities and performance is prepared on a consistent basis with the measurement and recognition of IFRS.

15. Significant events during the period

An updated prospectus for the Company and supplement for the Fund were issued on 19 May 2015.

There were no other significant events during the period which need to be disclosed in this Financial Statements.

16. Post balance sheet events

No significant post balance sheet events.

17. Approval of financial statements

The Financial Statements were approved by the Board on 31 August 2015.

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Schedule of investments

As at 30 June 2015

Transferable Securities admitted to an Official Stock Exchange Listing or traded on a Regulated Market. The percentages in brackets show the equivalent country of origin and sector holdings at 31 December 2014.

Holdings	Financial assets at fair value through profit or loss	Level 1 Fair value RMB	% of net assets	Holdings	Financial assets at fair value through profit or loss	Level 1 Fair value RMB	% of net assets
Equities: 99.50% (2014: 98.92%)				Electric: 4.01% (2014: 3.51%)			
China: 99.50% (2014: 98.92%)				157,252	China Yangtze Power	2,316,322	1.28
Auto Manufacturers: 2.05% (2014: 2.25%)				49,669	Gree Electric Appliances	3,173,849	1.77
16,798	BYD	927,754	0.52	78,016	Huaneng Power International	1,094,564	0.61
13,941	Great Wall Motor	596,117	0.33	42,700	Shanghai Electric Group	637,511	0.36
95,588	SAIC Motor Corporation	2,160,289	1.20	Engineering & Construction: 5.41% (2014: 4.45%)			
Banks: 47.87% (53.72%)				63,061	China Communications Construction	1,107,351	0.62
1,092,970	Agricultural Bank of China	4,054,919	2.26	211,800	China Railway Group	2,899,542	1.61
309,689	Bank of Beijing	4,125,057	2.30	101,757	China Railway Construction	1,590,462	0.89
957,469	Bank of China	4,682,023	2.61	495,571	China State Construction Engineering	4,118,195	2.29
697,057	Bank of Communications	5,743,750	3.20	Food: Nil (2014: 2.06%)			
132,027	China CITIC Bank	1,017,928	0.57	Home Improvements: 2.80% (2014: 1.36%)			
373,822	China Construction Bank	2,665,351	1.48	71,398	Midea Group	2,661,717	1.48
575,469	China Everbright Bank	3,084,514	1.71	155,500	Suning Appliance	2,379,150	1.32
540,324	China Merchants Bank	10,114,865	5.63	Insurance: 12.82% (2014: 13.13%)			
59,919	China Merchants Securities	1,585,457	0.88	68,775	China Life Insurance	2,154,033	1.20
884,314	China Minsheng Banking	8,790,081	4.89	104,085	China Pacific Insurance	3,141,285	1.75
320,983	CITIC Securities	8,637,653	4.81	23,252	New China Life Insurance	1,419,767	0.79
95,346	GF Securities	2,159,587	1.20	199,066	Ping An Insurance	16,311,468	9.07
50,800	Guosen Securities	1,274,572	0.71	Oil & Gas: 2.76% (2014: 2.44%)			
247,660	Haitong Securities	5,398,988	3.00	434,073	China Petroleum & Chemical	3,064,555	1.71
94,700	Huatai Securities	2,190,411	1.22	167,157	Petro China Company	1,893,889	1.05
1,002,100	Industrial & Commercial Bank of China	5,291,088	2.94	Oil & Gas Services: Nil (2014: 0.35%)			
472,062	Industrial Bank	8,143,070	4.53	Real Estate: 2.78% (2014: 3.32%)			
248,149	Ping An Bank	3,608,086	2.01	343,785	China Vanke	4,991,758	2.78
408,265	Shanghai Pudong Development Bank	6,924,174	3.85	Shipbuilding: 2.56% (2014: 1.39%)			
Beverages: 2.43% (2014: 2.24%)				310,497	China Shipbuilding Industry	4,595,356	2.56
16,936	Kweichow Moutai	4,363,560	2.43	Software: 0.12% (2014: 0.15%)			
Building Materials: 2.90% (2014: 1.85%)				4,875	Beijing Xinwei Telecom Technology	213,964	0.12
284,100	CSR	5,216,076	2.90	Steel-Producers: 0.76% (2014: 0.76%)			
Coal: 0.95% (2014: 1.15%)				156,505	Baoshan Iron & Steel	1,367,854	0.76
81,722	China Shenhua Energy	1,703,904	0.95				
Computers: 2.47% (2014: 0.69%)							
855,300	Boe Technology Group	4,439,007	2.47				
Consumer Electronics: 1.08% (2014: 0.67%)							
43,717	Hangzhou Hikvision	1,958,522	1.08				

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Schedule of investments (continued)

As at 30 June 2015

Transferable Securities admitted to an Official Stock Exchange Listing or traded on a Regulated Market. The percentages in brackets show the equivalent country of origin and sector holdings at 31 December 2014.

Holdings	Financial assets at fair value through profit or loss	Level 1 Fair value RMB	% of net assets
Telecommunications: 1.43% (2014: 1.20%)			
350,200	China United Network Communications	2,566,966	1.43
Transport Support Services: 0.46% (2014: 0.42%)			
103,391	Shanghai International Port	817,823	0.46
Transportation: 1.91% (2014: 1.81%)			
244,376	Daqin Railway	3,431,039	1.91
	Total China	178,805,223	99.50
	Total Equities	178,805,223	99.50
		Fair value RMB	% of net assets
Total value of investments		178,805,223	99.50
Cash and cash equivalents*		1,375,978	0.77
Other net liabilities		(471,134)	(0.27)
Net assets attributable to holders of redeemable participating shares		179,710,067	100.00

*All cash holdings are held with HSBC Bank plc.

	% of Total Assets
Analysis of Total Net Assets	
Transferable securities and money market instruments admitted to official stock exchange listing or traded on a regulated market.	99.05
Cash and cash equivalents.	0.76
Other net assets	0.18
Clearing reserve	0.01
	100.00

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Schedule of Material Portfolio Changes

For the six months ended 30 June 2015

CSOP Source FTSE China A50 UCITS ETF

Largest purchases		Cost RMB
3,991,200	China Railway Group	36,761,215
329,100	Ping An Insurance	23,961,323
452,900	China CNR	10,015,780
258,500	Citic Securities	7,494,941
714,400	China Minsheng Banking	6,689,706
241,700	Huatai Securities	6,595,495
394,547	Industrial Bank Company	6,241,929
398,678	China Merchants Bank	5,882,218
326,800	Shanghai Pudong Development Bank	4,841,036
199,400	Haitong Securities	4,275,318
960,100	Bank of China	4,191,989
290,200	China Vanke	3,806,959
587,900	Bank of Communications	3,753,843
794,800	BOE Technology Group	3,676,701
371,900	China Shipbuilding Industry	3,638,645
691,200	Industrial & Commercial Bank of China	3,240,811
922,100	Agricultural Bank of China	3,233,701
255,300	Bank of Beijing	2,933,409
87,600	China Pacific Insurance	2,866,024
155,500	Suning Appliance	2,799,894
Largest sales		Proceeds RMB
4,188,405	Ping An Insurance	304,793,890
7,475,632	Citic Securities	227,866,611
13,222,600	China Merchants Bank	199,843,068
20,320,300	China Minsheng Banking	196,050,744
10,018,100	Shanghai Pudong Development Bank	150,663,935
9,264,900	Industrial Bank Company	141,769,857
5,747,500	Haitong Securities	125,522,287
17,132,800	Bank of Communications	109,534,465
8,451,000	China Vanke	109,053,733
26,864,900	Agricultural Bank of China	95,095,784
18,443,000	Industrial & Commercial Bank of China	87,205,910
2,557,258	China Pacific Insurance	83,349,233
1,852,000	Gree Electric Appliances	78,079,536
417,161	Kweichou Moutai	77,923,543
12,181,200	China State Construction Engineering	77,853,063
2,632,487	Inner Mongolia Yili Industrial Group	73,866,764
5,409,749	Ping An Bank	70,771,981
6,006,900	Daqin Railway	65,625,163
1,691,100	China Life Insurance	60,914,511
5,555,400	Bank of Beijing	58,971,790

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