



Source CSOP Markets plc
Interim report and unaudited financial statements

For the financial period ended 30 June 2019



Contents

Organisation	2
General Information	3
Investment Manager's Report	5
Financial Statements of the Company	
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares	9
Statement of Cash Flows	9
Notes to the Financial Statements	10
Schedule of Investments	23
Schedule of Material Portfolio Changes	25

Organisation

Interim Report and Unaudited Financial Statements 2019

Registered Office of the Company
32 Molesworth Street
Dublin 2
Ireland

Manager
Invesco Investment Management
Limited
Central Quay Riverside IV
Sir John Rogerson's Quay
Dublin 2
Ireland

Administrator
HSBC Securities Services (Ireland)
DAC
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)**
Helen Lingli Zhou (Hong Kong)
(resigned 28 February 2019)*
Michelle Wong (Hong Kong)
(appointed on 9 April 2019)*
Choe Yong Ng (Hong Kong)

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

Secretary
MFD Secretaries Limited
32 Molesworth Street
Dublin 2
Ireland

Promoter
Invesco UK Services Limited
Perpetual Park,
Perpetual Park Drive,
Henley-on-Thames,
Oxfordshire, RG9 1 HH,
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 Depositary**
Clifford Chance, Hong Kong
28th Floor Jardine House
One Connaught Place
Hong Kong

Depositary[^]
HSBC France, Dublin Branch
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Registrar
Capita Registrars
24 Beckenham Road
Beckenham
Kent, BR3 4TU
United Kingdom

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
5 Broadgate
London, EC2M 2QS
United Kingdom

Registered no. of Company: 536094

** Non-executive Directors*

*** Independent non-executive Directors*

*[^] HSBC Institutional Trust Services (Ireland) DAC
has changed to HSBC France, Dublin Branch on 1
April 2019.*

General Information

Interim Report and Unaudited Financial Statements 2019

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 "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations").

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 each Fund are set out in a separate Supplement. Redeemable Shares or Shares (these terms are used interchangeably throughout the financial statements) of more than one Class may be issued in relation to each 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 each Fund.

CSOP Source FTSE China A50 UCITS ETF is in existence as at 30 June 2019.

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 was not launched as at 30 June 2019.

Except where otherwise stated or the context requires, capitalised terms have the meaning given to them in the Prospectus of the Company dated 25 May 2018.

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 Price Return Index (the "Reference Index").

The Reference Index is a free float-adjusted market capitalisation weighted index compiled and published by FTSE Russell. 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 A50 Price Return Index. The Reference Index is a subset of the FTSE China A Free Index Series. The Reference Index is a price return index which means that it does not include the reinvestment of dividends from the Index Securities that are net of withholding tax. 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.

The Fund will invest on a long-only basis.

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

Interim Report and Unaudited Financial Statements 2019

Investment objective and policy (continued)

The Shares of this Fund are fully 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 2019, the Company had one active Fund:

	Launch date	Functional currency
CSOP Source FTSE China A50 UCITS ETF	7 January 2014	RMB

As at 30 June 2019, the listing details of the Fund are:

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

*Fund is admitted to trading on the exchange.

Investment Manager's Report

Interim Report and Unaudited Financial Statements 2019

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 corresponds to the performance of the Reference Index, namely, FTSE China A50 Price Return Index.

Benchmark index

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

The performance of the Fund from launch date to 30 June 2019:

			Total net asset value	Net asset value per share	Return since launch	Tracking difference since launch	Return since 31/12/2018	Tracking difference since 31/12/2018	Realised Tracking Error p.a. since 31/12/2018	Expected Tracking Error p.a. since 31/12/2018
Currency	Launch date		30/06/19	30/06/19	(%) Fund	(%) Index	(%) Fund	(%) Index	(%) Index	(%) Index
CSOP Source FTSE China A50 UCITS ETF	RMB	07/01/14	185,786,066	155.83	68.04%	15.43%	31.86%	1.03%	0.63%	2.00%

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.

Interim Report and Unaudited Financial Statements 2019

Fund review (continued)

1) A-Share Market Update

We argued the fundamentals of China's onshore market had U-turned in the last quarter of 2018, especially from end of November. Investors finally agreed with our unconventional call to long China stocks in December 2018. The first quarter of 2019 saw the major A-share market indices rallying more than 30%, which made China onshore stock market the best performing one globally. The trigger for the jaw-dropping rally was mainly attributed to the aggressive monetary loosening policies by China's central bank. And it was conveniently coincided with the dovish tone from the US Federal Reserve Chairman Mr. Powell.

When making the unconventional call at the end of 2018, we argued the fundamentals had U-turned and advised investors to accumulate A-share quality names, especially those sub-sector leaders on weakness. This strategy paid off decently in the first half of 2019. Let us review the three subtle changes noticed in the last quarter of 2018 that laid the foundation of our bullish call. First the Chinese authorities paused the controversial "de-leverage policy" and secretly allowed the corporates and individuals to put on more leverage. Second the policy makers announced several supporting measures for private sector, including the fee-reduction, tax-cut and the financial support for stock-pledge. Third the tit-for-tat strategy against the US was replaced with the active negotiation way to solve the trade dispute. Therefore all three headwinds were reversed.

On January 4, 2019, Premier Li Keqiang paid a visit to Bank of China, Industrial Bank of China and China Construction Bank. He vowed to provide more proactive macro stimulus policies to support the economy, with tools including the required reserve ratio (RRR) cut and tax/fee reduction. Soon the People's Bank of China echoed Premier Li's assurance with a 100bps RRR cut. The aggregate social financing for the month of January alone turned out to be RMB 4.6 trillion, dwarfing the RMB 4 trillion stimulus package announced during the global financial crisis in November 2008. The aggressive liquidity injection by China's central bank was conveniently coincided with the dovish tone by its US counterpart. Thanks to the two central banks' joint efforts, a party across the world began.

Unfortunately many domestic institutional and retail investors missed the party. According to the official data, 87% of the public mutual funds saw their equity exposure below 90% by the end of the first quarter in 2019. On the other hand, the enthusiasm by the retail investors, measured by the weekly new securities accounts opening, only picked up in late February. The more the market rallied, the more skeptical minds were convinced. At the beginning the year, the market consensus was still extremely bearish. However by the end of the first half, even the shoeshine boy would recommend stocks to you. As Henrik Ibsen used to remind us: the majority is always wrong.

CSOP Asset Management Limited
Date: 13 August 2019

Financial Statements of the Company

Interim Report and Unaudited Financial Statements 2019

Statement of comprehensive income

CSOP Source FTSE China
A50 UCITS ETF

For the six months ended 30 June 2019	Notes	Financial Period ended 30 June 2019* RMB	Financial Period ended 30 June 2018* RMB
Income			
Interest income	1(L)	2,825	4,179
Dividend income	1(M)	2,657,794	1,607,268
Net gain/(loss) on financial assets at fair value through profit or loss	3	40,715,168	(16,385,948)
Other income	1(O)	247,396	22,558
Total investment income/(expense)		43,623,183	(14,751,943)
Expenses			
Operating expenses	1(E)	(697,055)	(785,769)
Profit/(loss) for the financial period before tax		42,926,128	(15,537,712)
Non reclaimable withholding tax	11	(267,087)	(161,371)
Profit/(loss) for the financial period		42,659,041	(15,699,083)
Increase/(decrease) in Net Assets Attributable to Holders of Redeemable Shares		42,659,041	(15,699,083)

*The amounts shown also represent Company total amounts.

There are no recognised gains or losses arising in the financial period other than the increase/(decrease) 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 on pages 10 to 22 form an integral part of the Financial Statements.

Interim Report and Unaudited Financial Statements 2019

Statement of financial position		CSOP Source FTSE China A50 UCITS ETF	
As at 30 June 2019	Notes	As at 30 June 2019* RMB	As at 31 December 2018* RMB
Current Assets			
Assets at fair value through profit or loss			
Financial assets at fair value through profit or loss	1(C), 2(G)	184,563,226	98,074,408
Loans and receivables			
Cash and cash equivalents	1(F), 7	1,231,477	543,911
Clearing reserve	7	42,000	42,000
Debtors		300,436	-
Total Current Assets		186,137,139	98,660,319
Current Liabilities			
Other financial liabilities			
Creditors (amounts falling due within one year)	9	351,073	(172,005)
Total Current Liabilities (excluding Net Assets Attributable to Holders of Redeemable Shares)		351,073	(172,005)
Net Assets Attributable to Holders of Redeemable Shares		185,786,066	98,488,314

*The amounts shown also represent Company total amounts.

The accompanying notes on pages 10 to 22 form an integral part of the Financial Statements.

Interim Report and Unaudited Financial Statements 2019

Statement of changes in net assets attributable to holders of redeemable shares

CSOP Source FTSE China
A50 UCITS ETF

For the six months ended 30 June 2019	Financial Period ended 30 June 2019* RMB	Financial Period ended 30 June 2018* RMB
Net Assets Attributable to Holders of Redeemable Shares at the beginning of the financial period	98,488,314	146,425,340
Increase/(decrease) in Net Assets Attributable to Holders of Redeemable Shares	42,659,041	(15,699,083)
Proceeds from redeemable participating shares issued	76,262,461	-
Redemption of redeemable participating shares	(31,623,750)	(7,519,413)
Net Assets Attributable to Holders of Redeemable Shares	185,786,066	123,206,844

Statement of cash flows

For the six months ended 30 June 2019	Notes	Financial Period ended 30 June 2019* RMB	Financial Period ended 30 June 2018* RMB
Cash flows from operating activities			
Proceeds from sale of investments		35,389,029	21,950,320
Purchase of investments		(81,162,680)	(18,999,952)
Dividend income received	1(M)	2,357,358	1,484,976
Interest income received	1(L)	2,825	4,179
Other income received		247,396	22,558
Operating expenses paid		(548,030)	(890,696)
Non reclaimable withholding tax paid		(237,043)	(149,142)
Net cash (outflow)/inflow from operating activities		(43,951,145)	3,422,243
Cash flows from financing activities			
Proceeds from issue of Redeemable Shares		76,262,461	-
Payments of redemptions of Redeemable Shares		(31,623,750)	(7,519,413)
Net cash inflow/(outflow) from financing activities		44,638,711	(7,519,413)
Net increase/(decrease) in cash and cash equivalents		687,566	(4,097,170)
Cash and cash equivalents at beginning of the financial period		543,911	5,005,713
Cash and cash equivalents at the end of the financial period	7	1,231,477	908,543

*The amounts shown also represent Company total amounts.

The accompanying notes on pages 10 to 22 form an integral part of the Financial Statements.

Interim Report and Unaudited Financial Statements 2019

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 the UCITS Regulations and the Central Bank UCITS 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 financial 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).

The accounting policies are consistent with the prior financial period and comparative information has been included in accordance with IFRS. With the exception of the below, the same accounting policies and methods of computation are followed in these interim report and unaudited financial statements as compared with the year ended 31 December 2018 audited set of financial statements prepared under IFRS.

(ii) New Accounting Pronouncements effective from 1 January 2019

There are no standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on 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 7.6633 (30 June 2018: RMB 7.6952). Exchange gains and losses arising from these transactions are included in net (loss)/gain 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

IFRS 9 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 IFRS 9.

- (a) The Company classifies its investments based on both the Company'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 Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

As such, the Company classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

(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. Transaction costs are expensed as incurred in the statement of comprehensive income

Interim Report and Unaudited Financial Statements 2019

1. Significant accounting policies (continued)

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

(ii) Recognition, derecognition and measurement (continued)

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 the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. The Company uses the First in - first out method to determine the realised gains and losses on derecognition.

Subsequent to initial recognition, all assets within the scope of IFRS 9 are measured at:

- (a) amortised cost
- (b) fair value through other comprehensive income (FVTOCI); or
- (c) fair value through profit or loss (FVTPL).

The FVTOCI classification is mandatory for certain debt instrument assets unless the option to FVTPL ('the fair value option') is taken. Whilst for equity investments, the FVTOCI classification is an election. The requirements for reclassifying gains or losses recognised in other comprehensive income (OCI) are different for debt and equity investments.

Investments in equity instruments designated at FVTOCI where only dividend income is recognised in profit or loss with all other gains and losses recognised in OCI and there is no reclassification on derecognition.

Valuation of investments

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 investments 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 mid market price for financial assets and financial liabilities as at the Statement of financial position date.

Realised gains or losses on disposal of investments during the financial period and unrealised gains and losses on valuation of investments held at the financial period end are included in the Statements of comprehensive income, within net (loss)/gain on financial assets at fair value through profit or loss.

(iii) Impairment

IFRS 9 eliminates impairment assessment requirements for investments in equity instruments because they now can only be measured at FVPL or FVOCI without recycling of fair value changes to profit and loss.

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(O).

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.

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, all other fees and expenses incurred by the Fund including those payable to the Investment Manager, the Administrator, the Depositary, 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 2019, cash in the Fund was held on deposit with an affiliate of the Depositary, 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.

Interim Report and Unaudited Financial Statements 2019

1. Significant accounting policies (continued)

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 mid market 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) Segment reporting

Operating Segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocation of resources and assessing the performance of the operating segment has been identified as the Board of Directors. The Board of Directors make the strategic resource allocations on behalf of the Company. The Fund is managed as one operating segment.

J) Valuation point

The valuation used for the purposes of the Financial Statements is that of 30 June 2019.

K) Distributions

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

L) 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.

M) Dividend income

In the financial period ended 30 June 2019, 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 financial period's dividend income are disclosed in the Fund's Financial Statements.

N) 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 financial period are detailed in Note 5.

O) Subscriptions and Redemptions fee income

Subscriptions and Redemptions fee are incurred on each Share by Shareholders (which accordingly will not be incurred by the Company on behalf of the Fund and will not affect the Net Asset Value of the Fund). The Subscription charge is deducted from the investment amount received from an investor for subscription for Shares. Similarly, a Redemption charge is charged to a redeeming investor. Subscriptions and redemptions fees are included in other income in the Statement of Comprehensive Income. Subscriptions and redemptions fees charged to the investors during the financial period are detailed in Note 4.

P) 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. On 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. There was no Capital Gains Tax which relates to the financial period pre 17 November 2014 payable at the financial period end (31 December 2018: nil).

Interim Report and Unaudited Financial Statements 2019

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, Credit Risk and Liquidity 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 Price Return 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 on pages 14 to 17.

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 Price Return Index 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 Price Return 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 Fund's investment objectives and restrictions, and the Fund's 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.

Interim Report and Unaudited Financial Statements 2019

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 2019 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 A A50 Price Return 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.

(iii) (a) 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 Reference Index is based on the movement over the financial period ended 30 June 2019. These movements may be different from the long term volatility of the index.

As detailed in the following tables, the decrease in the index (FTSE China A50 Price Return Index) at 30 June 2019, 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 2019	Index close at 30 June 2019	Index close assuming a 1% downward movement	Monetary impact of a 1% downward movement of the index RMB
185,786,066	13,589.98	13,454.08	1,850,429.22

Number of index units as of 31 December 2018	Index close at 31 December 2018	Index close assuming a 1% downward movement	Monetary impact of a 1% downward movement of the index RMB
98,488,314	10,387.55	10,283.67	980,943.60

If the Benchmark Index, at 30 June 2019, 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 1,850,429 (31 December 2018: RMB 980,943.60).

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 financial period.

Interim Report and Unaudited Financial Statements 2019

2. Financial risks (continued)

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

The Company's Depositary is HSBC France, Dublin Branch (the "Depositary"). HSBC Bank plc holds the cash balances of the Company on behalf of the Depositary.

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

In accordance with usual banking practice, the Depositary'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 Depositary.

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

HSBC Institutional Trust Services (Ireland) DAC is a wholly owned subsidiary of HSBC Holdings Plc. As at 30 June 2019 HSBC Holdings Plc had a long term rating from Standard & Poor of A (31 December 2018: A).

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

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

The Company is exposed to credit risk through the use of a Depositary, Sub-Depositary 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.

D) 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 financial 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.

Interim Report and Unaudited Financial Statements 2019

2. Financial risks (continued)

D) Liquidity risk (continued)

As at 30 June 2019	Less than 7 days RMB	7 days to 1 month RMB	1 - 3 months RMB	More than 3 months RMB	Total RMB
Creditors	-	351,073	-	-	351,073
Net assets attributable to holders of Redeemable Shares	185,786,066	-	-	-	185,786,066
Total financial liabilities	185,786,066	351,073	-	-	186,137,139
As at 31 December 2018	Less than 7 days RMB	7 days to 1 month RMB	1 - 3 months RMB	More than 3 months RMB	Total RMB
Creditors	-	172,005	-	-	172,005
Net assets attributable to holders of Redeemable Shares	98,488,314	-	-	-	98,488,314
Total financial liabilities	98,488,314	172,005	-	-	98,660,319

E) 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.

F) 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.

G) Fair value information

IFRS 13 Fair Value Measurement 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.

Interim Report and Unaudited Financial Statements 2019

2. Financial risks (continued)

G) Fair value information (continued)

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 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 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 mid-market prices at the close of trading on the financial 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 approximates their fair value.

The tables 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 2019	Level 1	Level 2	Level 3
Assets			
Financial assets held for trading:			
- Equity securities	184,563,226	-	-
Total assets	184,563,226	-	-

As at 31 December 2018	Level 1	Level 2	Level 3
Assets			
Financial assets held for trading:			
- Equity securities	98,074,408	-	-
Total assets	98,074,408	-	-

There were no level 3 investments held by the Company at the financial period ended 30 June 2019.

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.

3. Net gains/(losses) on financial assets at fair value through profit or loss

	Financial period ended 30 June 2019 RMB	Financial year ended 31 December 2018 RMB
Realised gains on sale of investments	4,152,649	1,402,884
Unrealised appreciation/(depreciation) on investments	36,562,519	(29,243,775)
	40,715,168	(27,840,891)

Interim Report and Unaudited Financial Statements 2019

4. Other income

	Financial period ended 30 June 2019 RMB	Financial period ended 30 June 2018 RMB
Subscriptions and redemptions fee income	247,396	22,558
	247,396	22,558

Subscription and redemption fees will be incurred on each share by shareholders and will not be incurred by the Company on behalf of the Fund and will not affect the Net Asset Value of the Fund. The total subscription charge and primary market transaction charge charged to a subscribing investor will not exceed 5% and the total redemption charge and primary market transaction charge charged to a redeeming investor will not exceed 3%.

5. Operating expenses

	Financial period ended 30 June 2019 RMB	Financial period ended 30 June 2018 RMB
Management fees	568,274	651,785
Transaction costs	128,625	54,712
Administration fees	-	59,090
Depository fees	-	11,818
Other operating expenses	156	8,364
	697,055	785,769

Prior to 1 June 2018, Administration and Depository fees were charged directly to the Fund. Effective from 1 June 2018, the Manager pays out of its fees (and not out of the assets of the Fund) the fees and expenses of the Administration and Depository.

All other expenses are paid by the Manager or the Promoter as at the financial period ended 30 June 2019. These expenses include Directors fees and expenses of RMB 89,753 (30 June 2018: RMB 106,802) and Legal fees of RMB 14,016 (30 June 2018: RMB 581,143).

6. 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.

Up until 1 June 2018 the management fee was 0.99%. Effective from 1 June 2018 the management fee was reduced to 0.65%.

Prior to 1 June 2018, Administration and Depository fees were charged directly to the Fund. Effective from 1 June 2018, the Manager pays out of its fees (and not out of the assets of the Fund) the fees and expenses of the Administration and Depository.

The Manager pays the fees and expenses (and not out of the assets of the Fund) of the Investment Manager, Directors and ordinary fees, expenses and costs incurred by the Fund that include setting up costs and other administrative expenses.

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	0.65%

* 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 Depository'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.

7. Cash and cash equivalents*

	As at 30 June 2019 RMB	As at 31 December 2018 RMB
HSBC Bank plc	1,231,477	543,911
	1,231,477	543,911

*Cash held is unsegregated.

Interim Report and Unaudited Financial Statements 2019

7. Cash and cash equivalents (continued)

Under the Investment Regulations, the Company is subject to the Renminbi Qualified Foreign Institutional Investor ("RQFII") programme. As a result it is required to hold on deposit a minimum clearing reserve. This amount is calculated as a percentage of the China RQFII Quota, as determined by the China Securities Depository & Clearing Corporation Limited ("CSDCC") Shanghai and Shenzhen branches. As at 30 June 2019, this clearing reserve, held in HSBC Shanghai, amounted to RMB 42,000 (31 December 2018: RMB 42,000).

8. Debtors

	As at 30 June 2019 RMB	As at 31 December 2018 RMB
Dividend income receivable	300,436	-
	300,436	-

9. Creditors (amounts falling due within one year)

	As at 30 June 2019 RMB	As at 31 December 2018 RMB
Management fees	323,763	174,738
Administration fees	(2,830)	(2,830)
Trustee fees	97	97
Irrecoverable Tax on Dividend Payable	30,043	-
	351,073	172,005

All other expenses payable are paid by the Manager. Included in these are Directors fees and expenses payable of RMB 5,041 (31 December 2018: RMB 39,564) and Legal fees payable of RMB Nil (31 December 2018: RMB Nil).

10. Related and connected persons disclosure

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The following are related parties:

- The Manager, Invesco Investment Management Limited.
- The Promoter, Invesco UK Services Limited.
- Mr. Mike Kirby is the Managing Principal at KB Associates. KB Associates is a firm which provides consultancy, MLRO and company secretarial services.
- The Investment Manager, CSOP Asset Management Limited.

Manager

The Company has appointed Invesco Investment Management Limited to act as Manager to the Company and each Fund. The Manager forms part of the Invesco group of companies, the parent of which is Invesco Limited, a US publicly traded company listed on the New York Stock Exchange with ticker IVZ.

The Funds accrued RMB 568,274 (30 June 2018: RMB 651,785) to the Manager during the financial period to 30 June 2019; of which RMB 323,763 (31 December 2017: RMB 174,738) was outstanding at 30 June 2019.

Directors

The amount paid to Directors in the financial period ended 30 June 2019 by the Manager and the amounts outstanding at 30 June 2019 and 31 December 2018 are disclosed in Note 5 (Operating Expenses) and Note 9 (Creditors) respectively.

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

The Fund accrued RMB 89,753 (30 June 2018: RMB 106,802) to the Directors during the financial period to 30 June 2019; of which RMB 38,631 (31 December 2018: RMB 39,564) was outstanding at 30 June 2019.

Interim Report and Unaudited Financial Statements 2019

10. Related and connected persons disclosure (continued)

Directors (continued)

The Fund accrued RMB 76,633 (30 June 2018: RMB 77,354) to KB Associates for consultancy services during the financial period to 30 June 2019; of which RMB 38,317 (31 December 2018: RMB 39,455) was outstanding at 30 June 2019. These fees are presented exclusive of VAT and paid by the Manager.

Choe Yong Ng is a director of the Company and is the Chief Operating Officer of the Investment Manager.

Helen Lingli Zhou was a Director of the Company.

Michelle Wong is a Director of the Company.

Details of the Management fees are disclosed in Note 5, Note 6 and Note 9.

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 2019 (2018: None).

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 accrued or paid to the Authorised Participants during the financial period ended 30 June 2019.

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 2019, there are 2 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.

Transactions with connected persons

Any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or subdelegate ("connected persons") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the Shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

11. 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

Interim Report and Unaudited Financial Statements 2019

11. Taxation (continued)

- 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.

12. 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	Financial period ended 30 June 2019	Financial year ended 31 December 2018	Financial period ended 30 June 2018
Number of Class A Accumulating Redeemable Shares			
Shares Issued and Fully Paid			
Balance at beginning of financial period/year	833,452	990,956	990,956
Issued during financial period/year	575,500	-	-
Redeemed during financial period/year	(216,718)	(157,504)	(46,000)
Total number of Class A Accumulating Redeemable Shares in issue at end of financial period/year	1,192,234	833,452	944,956

	As at 30 June 2019	As at 31 December 2018	As at 30 June 2018
	RMB	RMB	RMB
Total Net Asset Value			
Class A Accumulating Redeemable Shares	185,786,066	98,488,314	123,206,844
Dealing Net Asset Value per Redeemable Share			
Class A Accumulating Redeemable Shares	155.83	118.17	130.38

13. 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 financial period.

14. Segregation of liability

Under the provisions of the Companies Act 2014 (as amended), the Directors shall maintain for each Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Fund. The Shareholders shall only be entitled to the assets and profits of that Fund in which they participate. The Company shall be considered one single legal entity. With regard to third parties, in particular towards the Company's creditors, the Company shall be responsible for all liabilities incurred by a Fund exclusively based on the assets of this relevant Fund. Among the Shareholders, the liabilities of each Fund shall only be incurred to the respective Fund. While the provisions of the Companies Act 2014 (as amended) provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the Company may not be exposed to the liabilities of other Funds of the Company.

As at the date of the Financial Statements, the Directors are not aware of any existing or contingent liability.

Interim Report and Unaudited Financial Statements 2019

15. 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 financial period ended 30 June 2019. The comparative figures disclosed in the Statement of Financial Position and related notes are those of 31 December 2018 throughout.

16. 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.

All revenues are derived from financial assets and are attributable to a country based on the domicile of the issuer of the instrument. The Schedule of Investments discloses the investments of the Fund at their fair value by their respective country of origin. The table below shows the breakdown of the interest income and dividend income.

As at 30 June 2019	Country	Currency	Dividend Income	Interest Income
Financial period ended 30 June 2019	China	RMB	2,657,794	2,825
Financial period ended 30 June 2018	China	RMB	1,607,268	4,179

17. Significant events during the financial period

The office of the Manager changed from 32 Molesworth Street, Dublin 2, Ireland to Central Quay Riverside IV, Sir John Rogerson's Quay, Dublin 2, Ireland.

Helen Lingli Zhou resigned as Director of the Company effective from 28 February 2019.

Effective 1 April 2019 the Depositary merged into HSBC France and its business will operate from a Dublin branch of HSBC France (HSBC France, Dublin Branch).

Michelle Wong was appointed on 9 April 2019 as a non-executive director.

18. Events since the financial period end

There were no other subsequent events requiring recognition or disclosure in the Financial Statements.

19. Approval of financial statements

The Financial Statements were approved by the Board on 13 August 2019.

Interim Report and Unaudited Financial Statements 2019

Schedule of investments

As at 30 June 2019

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 2018.

Holdings	Financial assets at fair value through profit or loss	Fair value RMB	% of net assets	Holdings	Financial assets at fair value through profit or loss	Fair value RMB	% of net assets
	Equities: 99.34% (2018: 99.61%)				Health Care: 0.35% (2018: Nil)		
	China: 99.34% (2018: 99.61%)			4,000	Shenzhen Mindray Bio-Medical Electronics Co Ltd	652,800	0.35
	Auto Manufacturers: 1.23% (2018: 1.66%)				Home Improvements: 2.87% (2018: 3.32%)		
89,630	SAIC Motor Corporation	2,285,565	1.23	102,847	Midea Group	5,333,645	2.87
	Banks: 35.30% (2018: 38.67%)				Insurance: 17.54% (2018: 14.82%)		
1,267,510	Agricultural Bank of China	4,563,036	2.46	48,275	China Life Insurance	1,367,148	0.74
420,269	Bank of Beijing	2,483,790	1.34	83,185	China Pacific Insurance	3,037,084	1.63
697,369	Bank of China	2,608,160	1.40	21,652	New China Life Insurance	1,191,509	0.64
662,357	Bank of Communications	4,053,625	2.18	304,632	Ping An Insurance	26,993,442	14.53
90,127	China CITIC Bank	538,058	0.29		Investment Services: 1.08% (2018: 1.16%)		
297,822	China Construction Bank	2,215,796	1.19	109,400	Guotai Junan Securities	2,007,490	1.08
461,069	China Everbright Bank	1,756,673	0.95		Oil & Gas: 1.43% (2018: 1.78%)		
389,024	China Merchants Bank	13,997,084	7.53	316,173	China Petroleum & Chemical	1,729,466	0.93
914,997	China Minsheng Banking	5,810,231	3.13	133,957	Petro China Company	921,624	0.50
257,183	CITIC Securities	6,123,527	3.30		Pharmacies & Drug Stores: 2.39% (2018: 2.05%)		
713,700	Industrial & Commercial Bank of China	4,203,693	2.26	67,332	Jiangsu Hengrui Medicine	4,443,912	2.39
458,362	Industrial Bank	8,383,441	4.51		Real Estate: 3.20% (2018: 3.54%)		
238,639	Ping An Bank	3,288,445	1.77	214,000	China Vanke	5,951,340	3.20
475,921	Shanghai Pudong Development Bank	5,558,757	2.99		Real Estate Holding & Development: 2.32% (2018: 2.67%)		
	Beverages: 11.45% (2018: 8.04%)			68,000	China Merchants Shekou Industrial Zone	1,421,200	0.77
14,641	Kweichow Moutai	14,406,744	7.75	226,800	Poly Real Estate Group	2,893,968	1.56
58,203	Wuliangye Yibin	6,865,044	3.70		Renewable Energy: 0.27% (2018: 0.37%)		
	Building Materials: 2.35% (2018: 2.70%)			7,300	Contemporary Amperex Technology Co Ltd	502,824	0.27
57,200	Anhui Conch Cement	2,373,800	1.28		Software: 0.24% (2018: 0.30%)		
246,400	CSR	1,993,376	1.07	37,000	Foxconn Industrial Internet	445,850	0.24
	Coal: 0.72% (2018: 0.82%)				Steel-Producers: 0.61% (2018: 0.78%)		
65,522	China Shenhua Energy	1,335,338	0.72	173,800	Baoshan Iron & Steel	1,129,700	0.61
	Consumer Electronics: 1.39% (2018: 1.65%)				Telecommunications: 0.84% (2018: 0.90%)		
93,662	Hangzhou Hikvision	2,583,198	1.39	251,900	China United Network Communications	1,551,704	0.84
	Consumer Products: 0.27% (2018: Nil)				Transport Support Services: 0.80% (2018: 0.89%)		
14,100	Wens Foodstuffs Group Co Ltd	505,626	0.27	23,500	SF Holding Co Ltd	798,060	0.43
	Distillers & Vintners: 0.96% (2018: 0.96%)			99,791	Shanghai International Port	680,575	0.37
14,600	Jiangsu Yanghe Brewery	1,774,776	0.96		Total China	184,563,226	99.34
	Electric: 5.43% (2018: 4.93%)				Total Equities	184,563,226	99.34
130,980	China Yangtze Power	2,344,542	1.26				
140,800	Gree Electric Appliances	7,744,000	4.17				
	Electrical Equipment: 0.15% (2018: 0.19%)						
13,100	360 Security Technology Inc	280,078	0.15				
	Engineering & Construction: 2.67% (2018: 4.33%)						
46,661	China Communications Construction	528,203	0.28				
125,600	China Railway Construction Corp Ltd	1,249,720	0.67				
555,660	China State Construction Engineering	3,195,045	1.72				
	Food: 3.47% (2018: 3.04%)						
8,900	Foshan Haitian Flavouring & Food	934,500	0.50				
165,400	Inner Mongolia Yili Industrial Group	5,526,014	2.97				

Interim Report and Unaudited Financial Statements 2019

Schedule of investments (continued)

As at 30 June 2019

Transferable Securities admitted to an Official Stock Exchange Listing or traded on a Regulated Market.

	Fair value RMB	% of net assets
Total value of investments	184,563,226	99.34
Cash and cash equivalents*	1,273,477	0.69
Other net liabilities	(50,637)	(0.03)
Net assets attributable to holders of redeemable participating shares	185,786,066	100.00

**All cash holdings are held with HSBC Bank plc.*

	% of Total Assets
Analysis of Total Assets	
Transferable securities admitted to official stock exchange listing	99.15
Cash and cash equivalents	0.68
Clearing reserve	0.02
Debtors	0.15
	100.00

Schedules of Material Portfolio Changes

Interim Report and Unaudited Financial Statements 2019

CSOP Source FTSE China A50 UCITS ETF

Purchases	Cost RMB
150,500 Ping An Insurance	9,790,493
192,100 China Merchants Bank	5,600,488
7,251 Kweichow Moutai	5,186,353
226,400 Industrial Bank Company	3,792,592
69,500 Gree Electric Appliances	2,942,679
105,700 China Vanke	2,847,149
451,900 China Minsheng Banking	2,765,508
60,800 Midea Group	2,687,421
127,100 Citic Securities	2,598,638
235,100 Shanghai Pudong Development Bank	2,559,033
625,900 Agricultural Bank of China	2,297,863
81,900 Inner Mongolia Yili Industrial Group	2,092,396
327,200 Bank of Communications	2,022,422
352,400 Industrial & Commercial Bank of China	1,947,938
28,703 Wuliangye Yibin	1,873,643
28,000 Jiangsu Hengrui Medicine	1,785,313
274,400 China State Construction Engineering	1,656,534
47,100 Hangzhou Hikvision	1,500,931
112,400 Poly Real Estate Group	1,443,712
117,900 Ping An Bank	1,331,805
41,000 China Pacific Insurance	1,285,313
344,400 Bank of China	1,271,221
207,700 Bank Of Beijing	1,255,343
44,300 SAIC Motor Corporation	1,166,706
121,700 CRRC Corporation	1,113,062
64,700 China Yangtze Power	1,045,495
147,000 China Constructions Bank	1,007,526
53,900 Guotai Junan Securities	976,683
28,200 Anhui Conch Cement	937,310
227,700 China Everbright Bank	926,272
156,200 China Petroleum and Chemical Corporation	887,834
72,800 Bank of Shanghai	851,859

The Statement of Significant Purchases and Sales reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the financial period. At a minimum the largest 20 purchases and largest 20 sales must be given. The full listing of the portfolio changes for the period is available, upon request, at no extra cost from the Administrator

Interim Report and Unaudited Financial Statements 2019

CSOP Source FTSE China A50 UCITS ETF (continued)

Sales	Proceeds RMB
54,000 Ping An Insurance	(4,196,815)
46,700 Midea Group	(2,331,476)
68,900 China Merchants Bank	(2,315,961)
2,600 Kweichou Moutai	(2,294,246)
175,886 Bank of Shanghai	(2,063,127)
81,200 Industrial Bank Company	(1,458,828)
189,800 China Railway Group	(1,378,578)
24,900 Gree Electric Appliances	(1,348,772)
10,300 Wuliangye Yibin	(1,058,267)
37,900 China Vanke	(1,027,985)
162,000 China Minsheng Banking	(988,847)
84,300 Shanghai Pudong Development Bank	(938,171)
45,600 CITIC Securities	(921,971)
29,200 Inner Mongolia Yili Industrial Group	(877,608)
224,400 Agricultural Bank of China	(822,850)
12,000 Jiangsu Hengrui Medicine	(738,938)
126,300 Industrial & Commercial Bank of China	(708,531)
117,300 Bank of Communications	(699,632)
98,500 China State Construction Engineering	(545,814)
42,300 Ping An Bank	(521,827)
40,000 Poly Real Estate Group	(493,950)
14,700 China Pacific Insurance	(484,507)
123,500 Bank of China	(470,328)
74,500 Bank Of Beijing	(437,132)
16,600 Hangzhou Hikvision	(425,196)
10,100 Anhui Conch Cement	(395,959)
15,900 SAIC Motor Corporation	(390,998)
23,200 China Yangtze Power	(390,238)
52,700 China Constructions Bank	(366,344)

The Statement of Significant Purchases and Sales reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the financial period. At a minimum the largest 20 purchases and largest 20 sales must be given. The full listing of the portfolio changes for the period is available, upon request, at no extra cost from the Administrator

Further information

Telephone +44 20 3370 1100

Email invest@invesco.com

etf.invesco.com

32 Molesworth Street, Dublin 2, Ireland