

CSOP LEVERAGED AND INVERSE SERIES II

REPORTS AND FINANCIAL STATEMENTS

CSOP NASDAQ-100 INDEX DAILY (2X) LEVERAGED PRODUCT
(Stock Code: 7266)

CSOP GOLD FUTURES DAILY (2X) LEVERAGED PRODUCT
(Stock Code: 7299)

CSOP CSI 300 INDEX DAILY (2X) LEVERAGED PRODUCT
(Stock Code: 7233)

CSOP CSI 300 INDEX DAILY (-1X) INVERSE PRODUCT
(Stock Code: 7333)

CSOP FTSE CHINA A50 INDEX DAILY (2X) LEVERAGED PRODUCT
(Stock Code: 7248)

CSOP FTSE CHINA A50 INDEX DAILY (-1X) INVERSE PRODUCT
(Stock Code: 7348)

CSOP GOLD FUTURES DAILY (-1X) INVERSE PRODUCT
(Stock Code: 7374)

CSOP WTI CRUDE OIL FUTURES DAILY (-1X) INVERSE PRODUCT
(Stock Code: 7345)

FOR THE YEAR ENDED 31 DECEMBER 2023

CSOP CSI BROKERAGE INDEX DAILY (2X) LEVERAGED PRODUCT
(Stock code: 7252)

FOR THE PERIOD FROM 18 OCTOBER 2022 (DATE OF COMMENCEMENT OF
OPERATIONS) TO 31 DECEMBER 2023

(SUB-FUNDS OF CSOP LEVERAGED AND INVERSE SERIES II)

CSOP LEVERAGED AND INVERSE SERIES II

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CSOP LEVERAGED AND INVERSE SERIES II

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, CSOP Asset Management Limited, the Manager of CSOP Leveraged and Inverse Series II (the “Trust”), has, in all material respects, managed the Trust in accordance with the provisions of the Trust Deed dated 24 April 2020 as amended by the supplemental deeds on 24 April 2020, 19 May 2020, 10 July 2020, 23 December 2020, 20 September 2021, 15 October 2021 and 21 September 2022 (collectively, the “Trust Deed”).

- CSOP NASDAQ-100 Index Daily (2x) Leveraged Product
- CSOP Gold Futures Daily (2x) Leveraged Product
- CSOP CSI 300 Index Daily (2x) Leveraged Product
- CSOP CSI 300 Index Daily (-1x) Inverse Product
- CSOP FTSE China A50 Index Daily (2x) Leveraged Product
- CSOP FTSE China A50 Index Daily (-1x) Inverse Product
- CSOP Gold Futures Daily (-1x) Inverse Product
- CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

For the year ended 31 December 2023

- CSOP CSI Brokerage Index Daily (2x) Leveraged Product

For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023

Cititrust Limited (the “Trustee”)

29 April 2024

Independent auditor's report

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the "Sub-Funds") of CSOP Leveraged and Inverse Series II (the "Trust")

(An umbrella unit trust established under the laws of Hong Kong)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product and CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product for the year ended 31 December 2023 and CSOP CSI Brokerage Index Daily (2x) Leveraged Product for the period from 18 October 2022 (date of commencement of operations) to 31 December 2023 (collectively, the "Sub-Funds") set out on pages 16 to 140, which comprise the statement of net assets as at 31 December 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the year/period then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Funds as at 31 December 2023, and of its financial transactions and its cash flows for the year/period then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Sub-Funds in accordance with the *Code of Ethics for Professional Accountants* (the "Code") issued by the Hong Kong Institute of Certified Public Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

For CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product, we draw attention to note 2(a)(i) to the financial statements which describes that the financial statements for the year/period ended 31 December 2023 have not been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets at fair value through profit or loss were valued at US\$2,698,119, which represented 17.60% of the net asset value of the Sub-Fund. The financial asset comprised money market funds traded on the Hong Kong Stock Exchange, money market funds traded over-the-counter and futures contracts traded on Chicago Mercantile Exchange.</p> <p>We focused on this area because the financial assets at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund’s accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets to third-party sources at 31 December 2023.• Assessed the adequacy of disclosures relating to financial assets at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP Gold Futures Daily (2x) Leveraged Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at US\$36,677,617 and US\$18,750, respectively which represented 22.27% and 0.01% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded on the Hong Kong Stock Exchange, futures contracts traded on the New York Commodity Exchange and futures swap contracts traded over-the-counter. The financial liabilities comprised the future contracts traded on New York Commodity Exchange.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none"> • Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records. • Tested the design and operating effectiveness of financial instrument valuation controls. • Tested the valuation of the financial assets and financial liabilities at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets and financial liabilities to third-party sources at 31 December 2023. • For the futures swap contracts traded over-the-counter, we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs. • Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP CSI 300 Index Daily (2x) Leveraged Product

Key audit matter	How our audit addressed the key audit matter
<i>Existence and valuation of financial assets at fair value through profit or loss</i>	
<p>As at 31 December 2023, the financial assets at fair value through profit or loss were valued at RMB31,368,419 which represented 15.22% the net asset value of the Sub-Fund. The financial assets comprised money market funds traded on the Hong Kong Stock Exchange, forward contracts traded over-the-counter and total return swaps traded over-the-counter.</p> <p>We focused on this area because the financial assets at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets to third-party sources at 31 December 2023.• For the total return swaps and forward contracts traded over-the-counter, we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs.• Assessed the adequacy of disclosures relating to financial assets an at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP CSI 300 Index Daily (-1x) Inverse Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at RMB10,382,402 and RMB1,095,347 respectively, which represented 26.61% and 2.81% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded over-the-counter and forward contracts traded over-the-counter. The financial liabilities comprised total return swaps traded over-the-counter.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets to third-party sources at 31 December 2023.• For the total return swaps and forward contracts we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs.• Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at US\$1,390,238 and US\$55,758 respectively, which represented 42.29% and 1.70% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded on the Hong Kong Stock Exchange and total return swaps traded over-the-counter. The financial liabilities comprised total return swaps traded over-the-counter.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund’s accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets to third-party sources at 31 December 2023.• For the total return swaps traded over-the-counter we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs.• Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at US\$1,137,642 and US\$70,786 respectively, which represented 37.90% and 2.36% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded on the Hong Kong Stock Exchange and total return swaps traded over-the-counter. The financial liabilities comprised total return swaps traded over-the-counter.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13e to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets to third-party sources at 31 December 2023.• For the total return swaps traded over-the-counter, we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs.• Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP Gold Futures Daily (-1x) Inverse Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at US\$279,534 and US\$37,900 respectively, which represented 20.56% and 2.79% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded over-the-counter. The financial liabilities comprised future contracts traded on the New York Commodity Exchange.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets and financial liabilities at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets and financial liabilities to third-party sources at 31 December 2023.• Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

Key audit matter	How our audit addressed the key audit matter
<p><i>Existence and valuation of financial assets and financial liabilities at fair value through profit or loss</i></p> <p>As at 31 December 2023, the financial assets and financial liabilities at fair value through profit or loss were valued at US\$404,560 and US\$34,180 respectively, which represented 19.21% and 1.62% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded over-the-counter. The financial liabilities comprised futures contracts traded on the New York Mercantile Exchange.</p> <p>We focused on this area because the financial assets and financial liabilities at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets and financial liabilities at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets and financial liabilities at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets and financial liabilities to third-party sources at 31 December 2023.• Assessed the adequacy of disclosures relating to financial assets and financial liabilities at fair value through profit or loss in the financial statements.

Independent auditor’s report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the “Sub-Funds”) of CSOP Leveraged and Inverse Series II (the “Trust”)

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Key audit matters (continued)

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

Key audit matter	How our audit addressed the key audit matter
<i>Existence and valuation of financial assets at fair value through profit or loss</i>	
<p>As at 31 December 2023, the financial assets at fair value through profit or loss were valued at RMB2,209,442 which represented 21.32% of the net asset value of the Sub-Fund. The financial assets comprised money market funds traded over-the-counter and total return swaps traded over-the-counter.</p> <p>We focused on this area because the financial assets at fair value through profit or loss were significant to the trading strategy and performance of the Sub-Fund.</p> <p>Disclosures in respect of the financial assets at fair value through profit or loss are set out in the summary of significant accounting policies and notes 11, 13(b)(i) and 13(e) to the financial statements.</p>	<p>The procedures we performed to address the key audit matter included:</p> <ul style="list-style-type: none">• Obtained independent confirmations from the brokers and custodians of the investment portfolio held at 31 December 2023 and agreed the quantities held to the Sub-Fund's accounting records.• Tested the design and operating effectiveness of financial instrument valuation controls.• Tested the valuation of the financial assets at fair value through profit or loss that were quoted in active markets by independently agreeing the valuation of financial assets and financial liabilities to third-party sources at 31 December 2023.• For the total return swaps traded over-the-counter, we evaluated the valuation techniques applied and validated observable inputs to external market data, and reperformed the valuation based on the observable inputs.• Assessed the adequacy of disclosures relating to financial assets at fair value through profit or loss in the financial statements.

Independent auditor's report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the "Sub-Funds") of CSOP Leveraged and Inverse Series II (the "Trust")

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Information other than the financial statements and auditor's report thereon

The Manager and the Trustee of the Sub-Funds are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustee for the Financial Statements

The Manager and the Trustee of the Sub-Funds are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and the Trustee of the Sub-Funds are responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee of the Sub-Funds either intend to liquidate the Sub-Funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Sub-Funds are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 24 April 2020 as amended by the supplemental deeds dated 24 April 2020, 19 May 2020, 10 July 2020, 23 December 2020, 20 September 2021, 15 October 2021 and 21 September 2022 (collectively, the "Trust Deed") and Appendix E of the *Code on Unit Trusts and Mutual Funds* (the "SFC Code") issued by the Securities and Futures Commission of Hong Kong.

Independent auditor's report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the "Sub-Funds") of CSOP Leveraged and Inverse Series II (the "Trust")

(An umbrella unit trust established under the laws of Hong Kong)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- For CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product and CSOP CSI 300 Index Daily (2x) Leveraged Product, conclude on the appropriateness of the Manager and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.

Independent auditor's report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the "Sub-Funds") of CSOP Leveraged and Inverse Series II (the "Trust")

(An umbrella unit trust established under the laws of Hong Kong)

Auditor's responsibilities for the audit of the financial statements (continued)

- For CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product, conclude on the appropriateness of the Manager and the Trustee's use of the going concern basis of accounting. When such use is inappropriate and management uses an alternative basis of accounting, we conclude on the appropriateness of the Manager and the Trustee's use of the alternative basis of accounting. We also evaluate the adequacy of the disclosures describing the alternative basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report.

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

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

We also provide the Manager and the Trustee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Manager and the Trustee, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report (continued)

To the unitholders of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product , CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (collectively the "Sub-Funds") of CSOP Leveraged and Inverse Series II (the "Trust")

(An umbrella unit trust established under the laws of Hong Kong)

Report on matters under the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Christine Lin.

Certified Public Accountants

Hong Kong

29 April 2024

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF NET ASSETS

As at 31 December 2023

	Notes	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
		2023	2022	2023	2022	2023	2022
		US\$	US\$	US\$	US\$	RMB	RMB
ASSETS							
Financial assets at fair value through profit or loss	11	2,698,119	1,622,879	36,677,617	56,750,211	31,368,419	32,742,031
Interest receivable		130	–	4,156	3,858	–	–
Other receivables	5(j), 5(k)	1,516	2,581	28,919	36,768	36,285	44,172
Amounts due from broker	6	–	–	–	–	–	–
Margin accounts	6	2,721,905	3,743,624	36,019,808	37,230,118	92,448,794	92,671,062
Cash and cash equivalents	7	9,979,693	4,990,020	95,080,366	101,971,880	92,414,423	81,477,647
TOTAL ASSETS		<u>15,401,363</u>	<u>10,359,104</u>	<u>167,810,866</u>	<u>195,992,835</u>	<u>216,267,921</u>	<u>206,934,912</u>
LIABILITIES							
Financial liabilities at fair value through profit or loss	11	–	1,143,284	18,750	–	–	2,235,587
Interest payable from swap contracts		–	–	–	–	142,937	780,590
Amounts due to broker	6	–	–	–	–	–	–
Management fee payable	5(a)	56,495	21,046	641,260	774,460	926,614	887,043
Other payables and accruals		17,780	31,070	75,075	89,285	364,046	544,216
Cash collateral liabilities	5(l)	–	–	2,390,000	1,520,000	8,679,855	–
TOTAL LIABILITIES		<u>74,275</u>	<u>1,195,400</u>	<u>3,125,085</u>	<u>2,383,745</u>	<u>10,113,452</u>	<u>4,447,436</u>
EQUITY							
Net assets attributable to unitholders	3(a)	<u>15,327,088</u>	<u>9,163,704</u>	<u>164,685,781</u>	<u>193,609,090</u>	<u>206,154,469</u>	<u>202,487,476</u>
TOTAL LIABILITIES AND EQUITY		<u>15,401,363</u>	<u>10,359,104</u>	<u>167,810,866</u>	<u>195,992,835</u>	<u>216,267,921</u>	<u>206,934,912</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF NET ASSETS (continued)

As at 31 December 2023

	Notes	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
		2023 RMB	2022 RMB	2023 US\$	2022 US\$	2023 US\$	2022 US\$
ASSETS							
Financial assets at fair value through profit or loss	11	10,382,402	297,363	1,390,238	1,193,673	1,137,642	1,105,314
Interest receivable		–	–	–	–	–	–
Other receivables	5(j), 5(k)	437,141	15,601	5,320	25,183	6,256	6,465
Amounts due from broker	6	–	806	125,931	85,346	–	–
Margin accounts	6	8,752,551	10,413,933	401,453	311,509	206,321	110,598
Cash and cash equivalents	7	21,040,972	15,836,306	1,457,939	1,779,545	1,818,930	1,655,503
TOTAL ASSETS		<u>40,613,066</u>	<u>26,564,009</u>	<u>3,380,881</u>	<u>3,395,256</u>	<u>3,169,149</u>	<u>2,877,880</u>
LIABILITIES							
Financial liabilities at fair value through profit or loss	11	1,095,347	93,336	55,758	99,688	70,786	–
Interest payable from swap contracts		7,994	–	–	–	–	–
Amounts due to broker	6	9,450	–	–	–	59,737	43,483
Management fee payable	5(a)	145,166	293,785	18,707	7,123	18,309	18,983
Other payables and accruals		342,064	502,547	19,348	40,933	18,339	48,482
Cash collateral liabilities	5(l)	–	–	–	20,000	–	–
TOTAL LIABILITIES		<u>1,600,021</u>	<u>889,668</u>	<u>93,813</u>	<u>167,744</u>	<u>167,171</u>	<u>110,948</u>
EQUITY							
Net assets attributable to unitholders	3(a)	<u>39,013,045</u>	<u>25,674,341</u>	<u>3,287,068</u>	<u>3,227,512</u>	<u>3,001,978</u>	<u>2,766,932</u>
TOTAL LIABILITIES AND EQUITY		<u>40,613,066</u>	<u>26,564,009</u>	<u>3,380,881</u>	<u>3,395,256</u>	<u>3,169,149</u>	<u>2,877,880</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF NET ASSETS (continued)

As at 31 December 2023

	Notes	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
		2023	2022	2023	2022	2023
		US\$	US\$	US\$	US\$	RMB
ASSETS						
Financial assets at fair value through profit or loss	11	279,534	436,388	404,560	419,666	2,209,442
Interest receivable		–	–	–	–	–
Other receivables	5(j), 5(k)	34,638	35,932	39,109	37,874	475,315
Amounts due from broker	6	–	–	–	–	–
Margin accounts	6	226,904	383,945	374,557	516,958	5,011,772
Cash and cash equivalents	7	886,159	1,485,067	1,358,089	1,374,622	2,919,082
TOTAL ASSETS		<u>1,427,235</u>	<u>2,341,332</u>	<u>2,176,315</u>	<u>2,349,120</u>	<u>10,615,611</u>
LIABILITIES						
Financial liabilities at fair value through profit or loss	11	37,900	83,830	34,180	165,760	–
Interest payable from swap contracts		–	–	–	–	3,923
Amounts due to broker	6	–	–	–	–	–
Management fee payable	5(a)	8,923	2,422	10,079	6,973	7,738
Other payables and accruals		20,543	20,928	25,921	21,512	240,382
Cash collateral liabilities	5(l)	–	–	–	–	–
TOTAL LIABILITIES		<u>67,366</u>	<u>107,180</u>	<u>70,180</u>	<u>194,245</u>	<u>252,043</u>
EQUITY						
Net assets attributable to unitholders	3(a)	<u>1,359,869</u>	<u>2,234,152</u>	<u>2,106,135</u>	<u>2,154,875</u>	<u>10,363,568</u>
TOTAL LIABILITIES AND EQUITY		<u>1,427,235</u>	<u>2,341,332</u>	<u>2,176,315</u>	<u>2,349,120</u>	<u>10,615,611</u>

For and on behalf of

CSOP Asset Management Limited
as the Manager

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
		Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December
		2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB	2022 RMB
INCOME							
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss*							
	4	9,849,923	(2,929,720)	27,836,402	(2,287,299)	(85,233,414)	(135,143,477)
Interest income from bank deposits		150,794	24,971	1,528,094	317,625	185,665	57,152
Interest income from margin accounts	5(e)	–	–	53,955	21,108	137,426	80,921
Net foreign exchange gains/(losses)		–	–	–	–	3,257,921	7,301,984
Rebate income	5(j)	5,832	4,031	119,845	152,915	141,132	281,230
Other income	5(k)	–	–	–	–	–	–
		<u>10,006,549</u>	<u>(2,900,718)</u>	<u>29,538,296</u>	<u>(1,795,651)</u>	<u>(81,511,270)</u>	<u>(127,422,190)</u>
EXPENSES							
Management fee	5(a)	(177,971)	(90,971)	(2,706,009)	(2,766,117)	(3,458,901)	(3,395,209)
Collateral management fee	5(l)	–	–	(5,917)	(5,853)	(98,937)	(65,376)
Formation fee	5(c)	–	–	–	–	–	–
Audit fee	15	(8,532)	(2,465)	(51,776)	(51,624)	(102,782)	(95,279)
Bank charges	5(d)	(822)	(2,240)	(877)	(1,094)	(23,770)	(19,925)
Interest expense		–	(207)	–	(2,902)	–	–
Index licensing fee		(15,002)	(15,002)	(10,481)	(14,971)	(100,009)	(100,521)
Brokerage and transaction fee*	14	(2,746)	(2,929)	(444,147)	(93,988)	(624,060)	(13,848)
Interest on margin accounts	5(e)	–	(228)	(76,216)	(44,413)	(31,222)	(16,503)
Legal and other professional fee		–	–	(2,315)	–	(30,491)	–
Other operating expenses		(40,811)	(30,745)	(53,259)	(35,874)	(376,568)	(189,142)
TOTAL OPERATING EXPENSES		<u>(245,884)</u>	<u>(144,787)</u>	<u>(3,350,997)</u>	<u>(3,016,836)</u>	<u>(4,846,740)</u>	<u>(3,895,803)</u>
OPERATING PROFIT/(LOSS)		<u>9,760,665</u>	<u>(3,045,505)</u>	<u>26,187,299</u>	<u>(4,812,487)</u>	<u>(86,358,010)</u>	<u>(131,317,993)</u>
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		<u>9,760,665</u>	<u>(3,045,505)</u>	<u>26,187,299</u>	<u>(4,812,487)</u>	<u>(86,358,010)</u>	<u>(131,317,993)</u>

*During the year ended 31 December 2023 and 2022, Swap Fees are included in the Brokerage and transaction fee and Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss.

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the year ended 31 December 2023

	Notes	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
		Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December	Year ended 31 December
		2023 RMB	2022 RMB	2023 US\$	2022 US\$	2023 US\$	2022 US\$
INCOME							
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss*	4	2,221,994	22,830,993	(792,061)	(2,464,519)	338,712	2,273,764
Interest income from bank deposits		25,009	57,667	3,531	479	2,999	1,521
Interest income from margin accounts	5E	8,570	22,278	738	707	–	963
Net foreign exchange gains/(losses)		219,305	4,102,154	(14)	(1,167)	(12)	(1,708)
Rebate income	5(j)	15,844	182,385	3,930	7,470	3,520	16,299
Other income	5(k)	438,654	–	11,598	21,887	10,924	3,472
		<u>2,929,376</u>	<u>27,195,477</u>	<u>(772,278)</u>	<u>(2,435,143)</u>	<u>356,143</u>	<u>2,294,311</u>
EXPENSES							
Management fee	5(a)	(394,356)	(1,586,464)	(46,830)	(73,928)	(37,644)	(168,707)
Collateral management fee	5(l)	(80,139)	(50,129)	(7,013)	(9,315)	(6,959)	(8,956)
Formation fee	5(c)	–	–	–	–	–	–
Audit fee	15	(102,809)	(94,589)	(8,532)	(2,466)	(8,524)	(7,394)
Bank charges	5(d)	(17,348)	(15,746)	(918)	(1,758)	(670)	(1,191)
Interest expense		–	–	–	–	–	–
Index licensing fee		(100,000)	(100,000)	–	(15,002)	–	(15,002)
Brokerage and transaction fee*	14	(72,973)	(11,773)	(54,173)	(232)	(23,230)	(883)
Interest on margin accounts	5(e)	–	(195)	(868)	(1,286)	(228)	(515)
Legal and other professional fee		(30,491)	–	–	(1,750)	(3,160)	(1,750)
Other operating expenses		(303,774)	(183,060)	(43,674)	(32,930)	(40,682)	(32,901)
TOTAL OPERATING EXPENSES		<u>(1,101,890)</u>	<u>(2,041,956)</u>	<u>(162,008)</u>	<u>(138,667)</u>	<u>(121,097)</u>	<u>(237,299)</u>
OPERATING PROFIT/(LOSS)		<u>1,827,486</u>	<u>25,153,521</u>	<u>(934,286)</u>	<u>(2,573,810)</u>	<u>235,046</u>	<u>2,057,012</u>
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		<u>1,827,486</u>	<u>25,153,521</u>	<u>(934,286)</u>	<u>(2,573,810)</u>	<u>235,046</u>	<u>2,057,012</u>

*During the year ended 31 December 2023 and 2022, Swap Fees are included in the Brokerage and transaction fee and Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss.

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

As at 31 December 2023

	Notes	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
		Year ended 31 December 2023 US\$	For the period from 19 October 2021 (date of commencement of operations) to 31 December 2022 US\$	Year ended 31 December 2023 US\$	For the period from 30 November 2021 (date of commencement of operations) to 31 December 2022 US\$	For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023 RMB
INCOME						
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss*	4	(133,196)	(562,402)	276,039	(1,750,216)	1,005,063
Interest income from bank deposits		9,654	2,899	15,027	7,187	4,745
Interest income from margin accounts	5(e)	–	13	–	–	11,772
Net foreign exchange gains/(losses)		–	–	–	–	–
Rebate income	5(j)	1,191	3,296	1,186	3,076	13,615
Other income	5(k)	34,231	35,593	38,666	35,693	473,592
		<u>(88,120)</u>	<u>(520,601)</u>	<u>330,918</u>	<u>(1,704,260)</u>	<u>1,508,787</u>
EXPENSES						
Management fee	5(a)	(15,259)	(58,036)	(22,550)	(58,167)	(192,347)
Collateral management fee	5(l)	(600)	(2,283)	(600)	(650)	(30,973)
Formation fee	5(c)	–	(49,922)	–	(51,898)	(338,953)
Audit fee	15	(8,538)	(10,000)	(8,538)	(10,000)	(58,586)
Bank charges	5(d)	(710)	(1,090)	(965)	(2,136)	(32,366)
Interest expense		–	(114)	–	(421)	–
Index licensing fee		(4,566)	(5,773)	(9,800)	(12,410)	(124,960)
Brokerage and transaction fee*	14	(369)	(1,837)	(1,779)	(6,117)	(430,914)
Interest on margin accounts	5(e)	–	(853)	–	–	–
Legal and other professional fee		(2,315)	–	–	(2,500)	–
Other operating expenses		(33,366)	(37,301)	(41,956)	(30,572)	(277,771)
TOTAL OPERATING EXPENSES		<u>(65,723)</u>	<u>(167,209)</u>	<u>(86,188)</u>	<u>(174,871)</u>	<u>(1,486,870)</u>
OPERATING PROFIT/(LOSS)		<u>(153,843)</u>	<u>(687,810)</u>	<u>244,730</u>	<u>(1,879,131)</u>	<u>21,917</u>
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		<u>(153,843)</u>	<u>(687,810)</u>	<u>244,730</u>	<u>(1,879,131)</u>	<u>21,917</u>

*During the year/period ended 31 December 2023 and 2022, Swap Fees are included in the Brokerage and transaction fee and Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss.

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2023

	Notes	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
		Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$	Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$	Year ended 31 December 2023 RMB	Year ended 31 December 2022 RMB
Net assets attributable to unitholders at the beginning of the year/period		9,163,704	2,298,329	193,609,090	234,143,141	202,487,476	269,139,600
Issue of units		5,459,217	23,990,463	12,808,031	62,357,708	104,391,113	150,176,195
Redemption of units		(9,056,498)	(14,079,583)	(67,918,639)	(98,079,272)	(14,366,110)	(85,510,326)
Net issue of units		(3,597,281)	9,910,880	(55,110,608)	(35,721,564)	90,025,003	64,665,869
Profit/(Loss) and total comprehensive income for the year		9,760,665	(3,045,505)	26,187,299	(4,812,487)	(86,358,010)	(131,317,993)
Net assets attributable to unitholders at the end of the year/period		15,327,088	9,163,704	164,685,781	193,609,090	206,154,469	202,487,476
Number of units in issue at the beginning of the year/period		8,020,000	820,000	212,200,000	234,600,000	45,200,000	33,200,000
Issue of units	3(b)	4,000,000	16,000,000	14,400,000	69,600,000	27,200,000	27,200,000
Redemption of units	3(b)	(5,600,000)	(8,800,000)	(67,200,000)	(92,000,000)	(4,800,000)	(15,200,000)
Number of units in issue at the end of the year/period		6,420,000	8,020,000	159,400,000	212,200,000	67,600,000	45,200,000

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

For the year ended 31 December 2023

	Notes	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
		Year ended 31 December 2023	Year ended 31 December 2022	Year ended 31 December 2023	Year ended 31 December 2022	Year ended 31 December 2023	Year ended 31 December 2022
		RMB	RMB	US\$	US\$	US\$	US\$
Net assets attributable to unitholders at the beginning of the year/period		25,674,341	155,561,135	3,227,512	7,116,407	2,766,932	22,905,976
Issue of units		21,428,937	–	993,842	2,313,701	–	480,256
Redemption of units		(9,917,719)	(155,040,315)	–	(3,628,786)	–	(22,676,312)
Net issue of units		11,511,218	(155,040,315)	993,842	(1,315,085)	–	(22,196,056)
Profit/(Loss) and total comprehensive income for the year		1,827,486	25,153,521	(934,286)	(2,573,810)	235,046	2,057,012
Net assets attributable to unitholders at the end of the year/period		39,013,045	25,674,341	3,287,068	3,227,512	3,001,978	2,766,932
Number of units in issue at the beginning of the year/period		4,000,000	28,000,000	6,800,000	10,000,000	2,400,000	21,600,000
Issue of units	3(b)	3,200,000	–	2,400,000	3,600,000	–	400,000
Redemption of units	3(b)	(1,600,000)	(24,000,000)	–	(6,800,000)	–	(19,600,000)
Number of units in issue at the end of the year/period		5,600,000	4,000,000	9,200,000	6,800,000	2,400,000	2,400,000

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

As at 31 December 2023

	Notes	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
		Year ended 31 December 2023 US\$	For the period from 19 October 2021 (date of ommencement of operations) to 31 December 2022 US\$	Year ended 31 December 2023 US\$	For the period from 30 November 2021 (date of commencement of operations) to 31 December 2022 US\$	For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023 RMB
Net assets attributable to unitholders at the beginning of the year/period		2,234,152	–	2,154,875	–	–
Issue of units		735,451	12,816,738	1,189,013	10,863,524	57,007,727
Redemption of units		(1,455,891)	(9,894,776)	(1,482,483)	(6,829,518)	(46,666,076)
Net issue of units		(720,440)	2,921,962	(293,470)	4,034,006	10,341,651
Profit/(Loss) and total comprehensive income for the year		(153,843)	(687,810)	244,730	(1,879,131)	21,917
Net assets attributable to unitholders at the end of the year/period		<u>1,359,869</u>	<u>2,234,152</u>	<u>2,106,135</u>	<u>2,154,875</u>	<u>10,363,568</u>
Number of units in issue at the beginning of the year/period		2,400,000	–	4,000,000	–	–
Issue of units	3(b)	800,000	12,800,000	2,400,000	16,000,000	8,000,000
Redemption of units	3(b)	(1,600,000)	(10,400,000)	(2,400,000)	(12,000,000)	(6,400,000)
Number of units in issue at the end of the year/period		<u>1,600,000</u>	<u>2,400,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>1,600,000</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Notes	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	
		Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		9,760,665	(3,045,505)
Adjustments for:			
Interest paid on margin accounts		–	228
Interest income from bank deposits		(150,794)	(24,971)
Operating cash flows before movements in working capital		<u>9,609,871</u>	<u>(3,070,248)</u>
Increase in financial assets at fair value through profit or loss		(1,075,240)	(1,253,335)
Decrease in other receivables		1,065	67
Decrease/(increase) in margin accounts		1,021,719	(3,145,723)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(1,143,284)	1,143,284
Increase in management fee payable		35,449	21,046
(Decrease)/increase in other payables and accruals		(13,290)	16,732
Cash generated from/(used in) operations		<u>8,436,290</u>	<u>(6,288,177)</u>
Interest on bank deposits received		150,664	24,999
Interest paid on margin accounts		–	(228)
Net cash flows generated from/(used in) operating activities		<u>8,586,954</u>	<u>(6,263,406)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		5,459,217	23,990,463
Payments on redemption on units		(9,056,498)	(14,079,583)
Net cash flows (used in)/generated from financing activities		<u>(3,597,281)</u>	<u>9,910,880</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		4,989,673	3,647,474
Cash and cash equivalents at the beginning of the year		<u>4,990,020</u>	<u>1,342,546</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>9,979,693</u>	<u>4,990,020</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Term deposits with original maturity less than three months	7	275,050	–
Bank balances	7	<u>9,704,643</u>	<u>4,990,020</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>9,979,693</u>	<u>4,990,020</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP Gold Futures Daily (2x) Leveraged Product	
		Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		26,187,299	(4,812,487)
Adjustments for:			
Interest expenses on margin accounts		76,216	44,413
Interest income from bank deposits		(1,528,094)	(317,625)
Interest income from margin accounts		(53,955)	(21,108)
Operating cash flows before movements in working capital		<u>24,681,466</u>	<u>(5,106,807)</u>
Decrease/(increase) in financial assets at fair value through profit or loss		20,072,594	(1,089,981)
Decrease in other receivables		7,849	10,770
Decrease in margin accounts		1,210,310	20,353,065
Increase/(decrease) in financial liabilities at fair value through profit or loss		18,750	(6,646,874)
Decrease in management fee payable		(133,200)	(140,177)
Decrease in amounts due to broker		–	(12)
Increase in cash collateral liabilities		870,000	1,470,000
(Decrease)/increase in other payables and accruals		(14,210)	20,727
Cash generated from operations		<u>46,713,559</u>	<u>8,870,711</u>
Interest received on bank deposits		1,527,796	316,771
Interest paid on margin accounts		(22,261)	(23,305)
Net cash flows generated from operating activities		<u>48,219,094</u>	<u>9,164,177</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		12,808,031	62,357,708
Payments on redemption of units		(67,918,639)	(98,079,272)
Net cash used in financing activities		<u>(55,110,608)</u>	<u>(35,721,564)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(6,891,514)	(26,557,387)
Cash and cash equivalents at the beginning of the year		<u>101,971,880</u>	<u>128,529,267</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>95,080,366</u>	<u>101,971,880</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Term deposits with original maturity less than three months	7	8,800,000	8,681,206
Bank balances	7	86,280,366	93,290,674
Cash and cash equivalents as stated in the statement of cash flows		<u>95,080,366</u>	<u>101,971,880</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP CSI 300 Index Daily (2x) Leveraged Product	
		Year ended 31 December 2023 RMB	Year ended 31 December 2022 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		(86,358,010)	(131,317,993)
Adjustments for:			
Interest expenses on margin accounts		31,222	16,503
Interest income from bank deposits		(185,665)	(57,152)
Interest income from margin accounts		(137,426)	(80,921)
Operating cash flows before movements in working capital		<u>(86,649,879)</u>	<u>(131,439,563)</u>
Decrease in financial assets at fair value through profit or loss		1,373,612	95,107,599
Decrease in other receivables		7,887	90,809
Decrease/(increase) in margin accounts		222,268	(8,823,993)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(2,235,587)	1,947,620
(Decrease)/increase in interest payable from swap contracts		(637,653)	318,656
Increase/(decrease) in management fee payable		39,571	(257,254)
Increase/(decrease) in cash collateral liabilities		8,679,855	(3,350,416)
(Decrease)/increase in other payables and accruals		(180,170)	136,473
Cash used in operations		<u>(79,380,096)</u>	<u>(46,270,069)</u>
Interest received on bank deposits		185,665	57,152
Interest received on margin accounts		106,204	64,418
Net cash flows used in operating activities		<u>(79,088,227)</u>	<u>(46,148,499)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		104,391,113	150,176,195
Payments on redemption of units		(14,366,110)	(85,510,326)
Net cash flows generated from financing activities		<u>90,025,003</u>	<u>64,665,869</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		10,936,776	18,517,370
Cash and cash equivalents at the beginning of the year		<u>81,477,647</u>	<u>62,960,277</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>92,414,423</u>	<u>81,477,647</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>92,414,423</u>	<u>81,477,647</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>92,414,423</u>	<u>81,477,647</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP CSI 300 Index Daily (-1x) Inverse Product	
		Year ended 31 December 2023 RMB	Year ended 31 December 2022 RMB
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		1,827,486	25,153,521
Adjustments for:			
Interest expenses on margin accounts		–	195
Interest income from bank deposits		(25,009)	(57,667)
Interest income from margin accounts		(8,570)	(22,278)
Operating cash flows before movements in working capital		<u>1,793,907</u>	<u>25,073,771</u>
(Increase)/decrease in financial assets at fair value through profit or loss		(10,085,039)	70,206,063
(Increase)/decrease in other receivables		(421,540)	57,774
Decrease in margin accounts		1,661,382	21,917,912
Decrease/(increase) in amounts due from broker		806	(806)
Increase/(decrease) in financial liabilities at fair value through profit or loss		1,002,011	(1,951,800)
Increase/(decrease) in interest payable from swap contracts		7,994	(130,051)
Decrease in management fee payable		(148,619)	(437,387)
Increase/(decrease) in amounts due to broker		9,450	(17,419)
Decrease in cash collateral liabilities		–	(100,000)
(Decrease)/increase in other payables and accruals		(160,483)	123,529
Cash (used in)/generated from operations		<u>(6,340,131)</u>	<u>114,741,586</u>
Interest received on bank deposits		25,009	67,123
Interest received on margin accounts		8,570	22,083
Net cash flows (used in)/generated from operating activities		<u>(6,306,552)</u>	<u>114,830,792</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		21,428,937	2,200
Payments on redemption of units		(9,917,719)	(164,022,723)
Net cash flows generated from/(used in) financing activities		<u>11,511,218</u>	<u>(164,020,523)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		5,204,666	(49,189,731)
Cash and cash equivalents at the beginning of the year		<u>15,836,306</u>	<u>65,026,037</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u><u>21,040,972</u></u>	<u><u>15,836,306</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>21,040,972</u>	<u>15,836,306</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>21,040,972</u>	<u>15,836,306</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP FTSE China A50 Index Daily (2x) Leveraged Product	
		Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		(934,286)	(2,573,810)
Adjustments for:			
Interest expenses on margin accounts		868	1,286
Interest income from bank deposits		(3,531)	(479)
Interest income from margin accounts		(738)	(707)
Operating cash flows before movements in working capital		<u>(937,687)</u>	<u>(2,573,710)</u>
(Increase)/decrease in financial assets at fair value through profit or loss		(196,565)	2,302,834
Decrease/(increase) in other receivables		19,863	(21,824)
(Increase)/decrease in margin accounts		(89,944)	210,637
Decrease in financial liabilities at fair value through profit or loss		(43,930)	(60,389)
Increase in amounts due from broker		(40,585)	(85,346)
Increase/(decrease) in management fee payable		11,584	(22,302)
Decrease in amounts due to broker		–	(38,723)
(Decrease)/increase in cash collateral liabilities		(20,000)	20,000
(Decrease)/increase in other payables and accruals		(21,585)	14,322
Cash used in operations		<u>(1,318,849)</u>	<u>(254,501)</u>
Interest received on bank deposits		3,531	510
Interest paid on margin accounts		(130)	(579)
Net cash flows used in operating activities		<u>(1,315,448)</u>	<u>(254,570)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		993,842	2,313,701
Payments on redemption of units		–	(3,628,786)
Net cash flows generated from/(used in) financing activities		<u>993,842</u>	<u>(1,315,085)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(321,606)	(1,569,655)
Cash and cash equivalents at the beginning of the year		<u>1,779,545</u>	<u>3,349,200</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u><u>1,457,939</u></u>	<u><u>1,779,545</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>1,457,939</u>	<u>1,779,545</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>1,457,939</u>	<u>1,779,545</u>

The accompanying notes are an integral part of these financial statements

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
		Year ended 31 December 2023 US\$	Year ended 31 December 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		235,046	2,057,012
Adjustments for:			
Interest expenses on margin accounts		228	515
Interest income from bank deposits		(2,999)	(1,521)
Interest income from margin accounts		–	(963)
Operating cash flows before movements in working capital		<u>232,275</u>	<u>2,055,043</u>
(Increase)/decrease in financial assets at fair value through profit or loss		(32,328)	8,994,928
Decrease in other receivables		209	1,661
(Increase)/decrease in margin accounts		(95,723)	983,666
Increase in financial liabilities at fair value through profit or loss		70,786	–
Decrease in amounts due from broker		–	55,011
Increase in amounts due to broker		16,254	43,483
Decrease in management fee payable		(674)	(77,111)
Decrease in cash collateral liabilities		–	(160,000)
(Decrease)/increase in other payables and accruals		(30,143)	15,622
Cash generated from operations		<u>160,656</u>	<u>11,912,303</u>
Interest received on bank deposits		2,999	1,840
Interest (paid)/received on margin accounts		(228)	448
Net cash flows generated from operating activities		<u>163,427</u>	<u>11,914,591</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		–	480,256
Payments on redemption of units		–	(22,676,312)
Net cash flows used in financing activities		<u>–</u>	<u>(22,196,056)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		163,427	(10,281,465)
Cash and cash equivalents at the beginning of the year		<u>1,655,503</u>	<u>11,936,968</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>1,818,930</u>	<u>1,655,503</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>1,818,930</u>	<u>1,655,503</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>1,818,930</u>	<u>1,655,503</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	CSOP Gold Futures Daily (-1x) Inverse Product	For the period from 19 October 2021 (date of commencement of operations) to 31 December 2022
		Year ended 31 December 2023	US\$
		US\$	US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year/period		(153,843)	(687,810)
Adjustments for:			
Interest expenses on margin accounts		–	853
Interest income from bank deposits		(9,654)	(2,899)
Interest income from margin accounts		–	(13)
Operating cash flows before movements in working capital		<u>(163,497)</u>	<u>(689,869)</u>
Decrease/(increase) in financial assets at fair value through profit or loss		156,854	(436,388)
Decrease/(increase) in other receivables		1,294	(35,932)
Decrease/(increase) in margin accounts		157,041	(383,945)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(45,930)	83,830
Increase in management fee payable		6,501	2,422
(Decrease)/increase in other payables and accruals		<u>(385)</u>	<u>20,928</u>
Cash generated from/(used in) operations		111,878	(1,438,954)
Interest received on bank deposits		9,654	2,899
Interest paid on margin accounts		–	(840)
Net cash flows generated from/(used in) operating activities		<u>121,532</u>	<u>(1,436,895)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		735,451	12,816,738
Payments on redemption of units		<u>(1,455,891)</u>	<u>(9,894,776)</u>
Net cash flows (used in)/generated from financing activities		<u>(720,440)</u>	<u>2,921,962</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year/period		(598,908)	1,485,067
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD		<u>1,485,067</u>	<u>–</u>
		<u>886,159</u>	<u>1,485,067</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>886,159</u>	<u>1,485,067</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>886,159</u>	<u>1,485,067</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2023

	Notes	Year ended 31 December 2023 US\$	CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product For the period from 30 November 2021 (date of commencement of operations) to 31 December 2022 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year/period		244,730	(1,879,131)
Adjustment for:			
Interest income from bank deposits		(15,027)	(7,187)
Operating cash flows before movements in working capital		<u>229,703</u>	<u>(1,886,318)</u>
Decrease/(increase) in financial assets at fair value through profit or loss		15,106	(419,666)
Decrease/(increase) in margin accounts		142,401	(516,958)
Increase in other receivables		(1,235)	(37,874)
(Decrease)/increase in financial liabilities at fair value through profit or loss		(131,580)	165,760
Increase in management fee payable		3,106	6,973
Increase in other payables and accruals		4,409	21,512
Cash generated from/(used in) operations		<u>261,910</u>	<u>(2,666,571)</u>
Interest received on bank deposits		15,027	7,187
Net cash flows generated from/(used in) operating activities		<u>276,937</u>	<u>(2,659,384)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of units		1,189,013	10,863,524
Payments on redemption of units		(1,482,483)	(6,829,518)
Net cash flows (used in)/generated from financing activities		<u>(293,470)</u>	<u>4,034,006</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the year/period		1,374,622	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD		<u>1,358,089</u>	<u>1,374,622</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	7	<u>1,358,089</u>	<u>1,374,622</u>
Cash and cash equivalents as stated in the statement of cash flows		<u>1,358,089</u>	<u>1,374,622</u>

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

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF CASH FLOWS (continued)

For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023

	CSOP CSI Brokerage Index Daily (2x) Leveraged Product For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023 RMB
	Notes
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit/(loss) for the period	21,917
Adjustments for:	
Interest income from bank deposits	(4,745)
Interest income from margin accounts	(11,772)
Operating cash flows before movements in working capital	<u>5,400</u>
Increase in financial assets at fair value through profit or loss	(2,209,442)
Increase in other receivables	(475,315)
Increase in margin accounts	(5,011,772)
Increase in interest payable from swap contracts	3,923
Increase in management fee payable	7,738
Increase in other payables and accruals	240,382
Cash used in operations	<u>(7,439,086)</u>
Interest received on bank deposits	4,745
Interest received on margin accounts	11,772
Net cash flows used in operating activities	<u>(7,422,569)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of units	57,007,727
Payments on redemption of units	(46,666,076)
Net cash flows generated from financing activities	<u>10,341,651</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,919,082
Cash and cash equivalents at the beginning of the period	<u>—</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>2,919,082</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	
Bank balances	7 <u>2,919,082</u>
Cash and cash equivalents as stated in the statement of cash flows	<u><u>2,919,082</u></u>

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

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION

CSOP Leveraged and Inverse Series II (the “Trust”) is an umbrella unit trust governed by its trust deed dated 24 April 2020, as amended by the supplemental deeds on 24 April 2020, 19 May 2020, 10 July 2020, 23 December 2020, 20 September 2021, 15 October 2021 and 21 September 2022 (collectively, the “Trust Deed”) between CSOP Asset Management Limited (the “Manager”) and Cititrust Limited (the “Trustee”). It is authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance of Hong Kong (the “SFO”).

As of 31 December 2023, the Trust has nine sub-funds, each a separate sub-fund of the Trust, which are authorised by the Securities and Futures Commission of Hong Kong (the “SFC”) pursuant to section 104(1) of the SFO. The nine sub-funds, including CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product are referred to individually or collectively as the “Sub-Fund(s)”. The Sub-Funds are listed on the Stock Exchange of Hong Kong Limited (the “SEHK”) with details below:

<u>Name of Sub-Funds</u>	<u>Listing date on the SEHK</u>
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	15 May 2020
CSOP Gold Futures Daily (2x) Leveraged Product	5 June 2020
CSOP CSI 300 Index Daily (2x) Leveraged Product	27 July 2020
CSOP CSI 300 Index Daily (-1x) Inverse Product	27 July 2020
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	20 January 2021
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	20 January 2021
CSOP Gold Futures Daily (-1x) Inverse Product	20 October 2021
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product	1 December 2021
CSOP CSI Brokerage Index Daily (2x) Leveraged Product	19 October 2022

These financial statements only relate to CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product. The Manager is responsible for the preparation of the financial statements.

CSOP CSI Brokerage Index Daily (2x) Leveraged Product has adopted for the first time all applicable and effective IFRSs. The financial statements of CSOP CSI Brokerage Index Daily (2x) Leveraged Product cover the financial reporting period from 18 October 2022 (date of commencement of operations) to 31 December 2023 which was a period greater than one year.

Due to the fact that the comparative amounts of financial statements of CSOP Gold Futures Daily (-1x) Inverse Product and CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product presented covered for the period from their respective date of commencement of operations to 31 December 2022, the amount presented in financial statements of these Sub-Funds and related explanatory notes presented are not entirely comparable as the current period cover a period of twelve months.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION (CONTINUED)

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

The investment objective of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product (stock code: 7266) is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the daily performance of the NASDAQ-100 Index (the “Index”). To achieve the investment objective of the Sub-Fund, the Manager will adopt a futures-based replication strategy through investing directly in the nearest quarter E-Mini NASDAQ 100 Futures (“E-mini NASDAQ 100 Futures”) which are traded on the Chicago Mercantile Exchange (“CME”), subject to the rolling strategy discussed below, to obtain the required exposure to the Index.

As the Index is not a futures index, the Sub-Fund does not follow any predetermined roll-over schedule. The Manager will use its discretion to carry out the roll-over of the nearest quarter E-mini NASDAQ 100 Futures into the next quarter E-mini NASDAQ 100 Futures with the goal that, by one business day before the last trading day of the nearest quarter E-mini NASDAQ 100 Futures, all roll-over activities would have occurred. The roll will occur within a 8-calendar days period in the last calendar month of each quarter.

CSOP Gold Futures Daily (2x) Leveraged Product

The investment objective of CSOP Gold Futures Daily (2x) Leveraged Product (stock code: 7299) is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the daily performance of the Solactive Gold 1-Day Rolling Futures Index (the “Index”). To achieve the investment objective of the Sub-Fund, the Manager will use a combination of a futures-based replication strategy and a swap-based synthetic replication strategy. The Manager will adopt a futures-based replication strategy through investing directly in the Active Contracts of gold futures traded on the New York Commodity Exchange (COMEX) (“COMEX Gold Futures”) subject to the rolling strategy to obtain the required exposure to the Index and use a swap-based synthetic replication strategy by investing in swaps.

Rolling strategy is defined whereby the Manager will generally carry out the roll-over of the Active Contracts into Next Active Contracts according to the roll-over schedule in respect of the Index with the goal that, by one business day before the last trading day of the previous Active Contracts, all roll-over activities would have occurred in one Business Day. Under exceptional circumstances, the Manager will use its discretion to deviate from the roll-over schedule in the best interests of the Sub-Fund and the Unitholders.

CSOP CSI 300 Index Daily (2x) Leveraged Product

The investment objective of CSOP CSI 300 Index Daily (2x) Leveraged Product (stock code: 7233) is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the daily performance of the CSI 300 Index (the “Index”).

The Manager intends to adopt a swap-based synthetic replication strategy to achieve the investment objective of the Sub-Fund, pursuant to which the Sub-Fund will enter into more than one partially-funded swap (which are over-the counter financial derivative instruments entered into with more than one swap Counterparty) whereby the Sub-Fund will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin (“Initial Amount”) to the swap Counterparties which will be held by the custodian appointed by the Trustee in a segregated account and will only be transferred to the swap Counterparties when the Sub-Fund defaults and in return the swap counterparties will provide the Sub-Fund with an exposure to the Index (net of transaction costs).

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION (CONTINUED)

CSOP CSI 300 Index Daily (-1x) Inverse Product

The investment objective of CSOP CSI 300 Index Daily (-1x) Inverse Product (stock code: 7333) is to provide investment results that, before fees and expenses, closely correspond to inverse (-1x) the daily performance of the CSI 300 Index (the “Index”).

The Manager intends to adopt a swap-based synthetic replication strategy to achieve the investment objective of the Sub-fund, pursuant to which the Sub-Fund will enter into more than one partially-funded Swap (which are over-the counter financial derivative instruments entered into with more than one swap counterparty) whereby the Sub-Fund will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin (“Initial Amount”) to the Swap Counterparties which will be held by the custodian appointed by the Trustee in a segregated account and will only be transferred to the Swap Counterparties when the Sub-Fund defaults and in return the Swap Counterparties will provide the Sub-Fund with an exposure to the Index (net of transaction costs).

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

The investment objective of CSOP FTSE China A50 Index Daily (2x) Leveraged Product (stock code: 7248) is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the daily performance of the FTSE China A50 Index (the “Index”).

The Manager intends to adopt a Swap-based synthetic replication strategy to achieve the investment objective of the Sub-Fund, pursuant to which the Sub-Fund will enter into more than one partially-funded swap (which are over-the counter financial derivative instruments entered into with more than one swap counterparty) whereby the Sub-Fund will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin (“Initial Amount”) to the swap counterparties which will be held by the custodian appointed by the Trustee in a segregated account and will only be transferred to the swap counterparties when the Sub-Fund defaults and in return the swap counterparties will provide the Sub-Fund with an exposure to the Index (net of transaction costs).

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

The investment objective of CSOP FTSE China A50 Index Daily (-1x) Inverse Product (stock code: 7348) is to provide investment results that, before fees and expenses, closely correspond to the inverse (-1x) the daily performance of the FTSE China A50 Index (the “Index”).

The Manager intends to adopt a swap-based synthetic replication strategy to achieve the investment objective of the Sub-Fund, pursuant to which the Sub-Fund will enter into more than one partially-funded Swap (which are over-the counter financial derivative instruments entered into with more than one swap counterparty) whereby the Sub-Fund will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin (“Initial Amount”) to the swap counterparties which will be held by the custodian appointed by the Trustee in a segregated account and will only be transferred to the swap counterparties when the Sub-Fund defaults and in return the swap counterparties will provide the Sub-Fund with an exposure to the Index (net of transaction costs).

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION (CONTINUED)

CSOP Gold Futures Daily (-1x) Inverse Product

The investment objective of CSOP Gold Futures Daily (-1x) Inverse Product (stock code: 7374) is to provide investment results that, before fees and expenses, closely correspond to the inverse (-1x) of the daily performance of the Solactive Gold 1-Day Rolling Futures Index (the “Index”). The Index consists of only gold futures whose price movements may deviate significantly from the gold spot price. The Sub-Fund does not seek to deliver an inverse return of gold spot price.

To achieve the investment objective of the Sub-Fund, the Manager will use a combination of a futures-based replication strategy and a swap-based synthetic replication strategy. The Manager will adopt a futures-based replication strategy through investing directly in the Active Contracts of gold futures traded on the New York Commodity Exchange (COMEX) (“COMEX Gold Futures”) subject to the rolling strategy to obtain the required exposure to the Index and use a swap-based synthetic replication strategy by investing in swaps.

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

The investment objective of CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product (stock code: 7345) is to provide investment results that, before fees and expenses, closely correspond to the inverse (-1x) of the daily performance of the Solactive WTI 1-Day Rolling Futures Index (the “Index”). The Index consists of only crude oil futures whose price movements may deviate significantly from the WTI crude oil spot price. The Sub-Fund does not seek to deliver an inverse return of WTI crude oil spot price.

To achieve the investment objective of the Sub-Fund, the Manager will use a combination of a futures-based replication strategy and a swap-based synthetic replication strategy. The Manager will adopt a futures-based replication strategy through investing directly in the Active Contracts of West Texas Intermediate crude oil (“WTI crude oil”) (also known as Texas light sweet crude oil) futures traded on the New York Mercantile Exchange (NYMEX) (“WTI Futures Contracts”) subject to the rolling strategy subject to the rolling strategy to obtain the required exposure to the Index and use a swap-based synthetic replication strategy by investing in Swaps.

CSOP CSI BROKERAGE INDEX DAILY (2X) LEVERAGED PRODUCT

The investment objective of CSOP CSI Brokerage Index Daily (2x) Leveraged Product (stock code: 7252) is to provide investment results that, before fees and expenses, closely correspond to twice (2x) the Daily performance of the CSI All Share Investment Banking & Brokerage Index (the “Index”).

The Manager intends to adopt a Swap-based synthetic replication strategy to achieve the investment objective of the Product, pursuant to which the Product will enter into more than one partially-funded Swap (which are over-the-counter financial derivative instruments entered into with more than one Swap Counterparty) whereby the Product will provide a portion of the net proceeds from subscription from the issue of the Units as initial margin (“Initial Amount”) to the Swap Counterparties which will be held by the custodian appointed by the Trustee in segregated accounts and will only be transferred to the Swap Counterparties when the Product defaults and in return the Swap Counterparties will provide the Product with an exposure to the Index (net of transaction costs).

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. GENERAL INFORMATION (CONTINUED)

Pursuant to the announcement made on the SEHK on 19 April 2024 from CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product (the “Terminating Products”), the Manager has, by means of a resolution of the board of directors of the Manager dated 12 April 2024, decided to exercise its power under Clause 35.6(A) of the Trust Deed, and expected to seek termination of the Terminating Products with effect from 22 July 2024 (the “Termination Date”).

2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a)(i) Basis of preparation

The financial statements of the Sub-Funds have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the *Code on Unit Trusts and Mutual Funds* of the SFC (the “SFC Code”).

The financial statements have been prepared under the historical cost convention, except for financial assets and liabilities classified as at fair value through profit or loss (“FVPL”) that have been measured at fair value.

As disclosed in note 1 to the financial statements, in the opinion of the Manager and the Trustee, the going concern basis was no longer applicable for the year/period ended 31 December 2023 for the Terminating Products. Accordingly, the financial statements of the Terminating Products for the current year/period have been prepared on a liquidation basis.

All assets and liabilities of the Terminating Products have been measured at their estimated net realisable values and estimated settlement amounts, respectively, and no adjustments were required. The Manager will bear the unamortised preliminary expenses and all costs and expenses associated with the termination, deauthorization and delisting of the Terminating Products from the date of the Announcement up to and including the Termination Date.

Due to the change of basis of preparation in the current year, amounts presented on the financial statements of the Terminating Products and related notes for the year ended 31 December 2023 are not entirely comparable with amounts presented for the year ended 31 December 2022 which were extracted from the financial statements of the Terminating Products for the year ended 31 December 2022 that were prepared on a going concern basis.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The financial statements are presented in United States dollars (“US\$”) for CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product, CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and Renminbi (“RMB”) for CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product and CSOP CSI Brokerage Index Daily (2x) Leveraged Product. All values are rounded to the nearest US\$ and RMB except where otherwise indicated.

(a)(ii) Significant accounting judgements, estimates and assumptions

The preparation of financial statements, in conformity with IFRSs, requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts recognised in the financial statements and disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(a)(iii) Changes in accounting policy and disclosure

The Sub-Funds have adopted the following new and revised IFRS for the first time for the current year’s financial statements.

Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 1 and	Disclosure of Accounting Policies
IFRS Practice Statement 2	

Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 Making Materiality Judgements provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures.

The Sub-Funds have disclosed the material accounting policy information in Note 2 to the financial statements. The amendments did not have material impact on the measurement, recognition or presentation of any items in the Sub-Funds’ financial statements.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a)(iv) Issued but not yet effective IFRSs

The Sub-Funds have not early applied any of the new or amendments to IFRSs that have been issued but are not yet effective for the accounting year/period ended 31 December 2023 in these financial statements.

(b) Financial instruments

(i) ***Classification***

In accordance with IFRS 9, the Sub-Funds classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing in the near term;
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets

The Sub-Funds classify their financial assets as subsequently measured at amortised cost or measured at FVPL on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial assets

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. The Sub-Funds include in this category short-term non-financing receivables including interest receivable, other receivables, amounts due from broker, margin accounts and cash and cash equivalents.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(i) **Classification** (continued)

Financial assets measured at FVPL

A financial asset is measured at FVPL if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are SPPI on the principal amount outstanding;
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Sub-Funds include in this category investment funds and derivative contracts in an asset position held for trading.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities other than those measured at FVPL. The Sub-Funds include in this category interest payable from swap contracts, amounts due to broker, management fee payable, other payables and accruals, formation fee payable and cash collateral liabilities.

Financial liabilities measured at FVPL

This category includes derivative contracts in a liability position since they are classified as held for trading.

(ii) **Recognition**

The Sub-Funds recognise a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Purchases and sales of financial assets at FVPL are accounted for on the trade date basis.

(iii) **Initial measurement**

Financial assets at FVPL are recorded in the statement of net assets at fair value. All transaction fees for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified as at FVPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(iv) ***Subsequent measurement***

After initial measurement, the Sub-Funds measure financial instruments which are classified as at FVPL at fair value. Subsequent changes in the fair values of those financial instruments are recorded in “Net change in unrealised gain/loss on financial assets at FVPL”. Interest earned on these instruments is recorded separately in “interest income” in the statement of profit or loss and other comprehensive income.

Financial assets, other than those classified as at FVPL, are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the financial assets are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at FVPL, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Sub-Funds estimate cash flows considering all contractual terms of the financial instruments, but does not consider expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction fee and all other premiums or discounts.

(v) ***Derecognition***

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired, or where the Sub-Funds have transferred their rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either the Sub-Funds have transferred substantially all the risks and rewards of the asset or the Sub-Funds have neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the asset.

When the Sub-Funds have transferred their rights to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Funds’ continuing involvement in the asset. In that case, the Sub-Funds also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Funds have retained. The Sub-Funds derecognise a financial liability when the obligation under the liability is discharged or cancelled, or expires.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

Fair value measurement

The Sub-Funds measure their investments in financial instruments at fair value at the end of each reporting period.

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Sub-Funds.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments that are listed or traded on an exchange is based on quoted last traded market prices, that are within the bid-ask spread.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Funds determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Derivative financial instruments

Derivative financial instruments are recorded on a mark-to-market basis. Fair values are determined by using quoted market prices for futures contracts or calculated by reference to changes in specified prices of an underlying asset or otherwise a determined notional amount for swap agreements. All derivatives are carried as assets when amounts are receivable by the Sub-Funds and as liabilities when amounts are payable by the Sub-Funds.

Unrealised gains and losses arising from changes in fair value, and realised gains and losses are recognised in profit or loss.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Revenue recognition

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

Other income is recognised when it is probable that the economic benefits will flow to the Sub-funds and the other income can be reliably measured. Other income is recognised when the Sub-funds' right to receive payment has been established.

(d) Expenses

Expenses are recognised on an accrual basis.

(e) Cash and cash equivalents

Cash and cash equivalents in the statement of net assets comprise short-term deposits in banks which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, with original maturities of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

(f) Redeemable units

Redeemable units are classified as an equity instrument when:

- i. The redeemable units entitle the holder to a pro-rata share of the Sub-Funds' net assets in the event of the Sub-Funds' liquidation;
- ii. The redeemable units are in the class of instruments that is subordinate to all other classes of instruments;
- iii. All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features;
- iv. The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro-rata share of the Sub-Funds' net assets; or
- v. The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds over the life of the instrument.

In addition to the redeemable units having all the above features, the Sub-Funds must have no other financial instrument or contract that has:

- i. Total cash flows based substantially on profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds; and
- ii. The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Redeemable units (continued)

The Sub-Funds' redeemable units meet the definition of puttable instruments classified as equity instruments under the revised IAS 32 and are classified as equity.

The Sub-Funds continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Funds will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Funds will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions. Upon issuance of redeemable units, the consideration received is included in equity.

Transaction costs incurred by the Sub-Funds in issuing its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

The Sub-Funds' own equity instruments which are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in profit or loss on the purchase, sale, issuance or cancellation of the Sub-Funds' own equity instruments.

Redeemable units can be redeemed in cash equal to a proportionate share of the Sub-Funds' net asset value. The Sub-Funds' net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units of the Sub-Funds.

(g) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Manager, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

(h) Margin accounts and amounts due to broker

Margin accounts represent cash deposits held with brokers as collateral against open futures contracts and maintained for Swap Counterparties as collateral against open future swap contracts.

Amounts due to broker is a sum payable for securities purchased (in a regular way transaction) that have been contracted for, but not yet delivered, on the reporting date.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of financial assets

For financial assets measured at amortised cost, impairment allowances are recognised under the general approach where expected credit losses are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, the Sub-Funds are required to provide for credit losses that result from possible default events within the next 12 months (stage 1). For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure irrespective of the timing of the default (stage 2).

The Sub-Funds consider a default has occurred when a financial asset is more than 90 days past due unless the Sub-Funds have reasonable and supportable information to demonstrate that a more appropriate default criterion should be applied.

(j) Net change in unrealised gains or losses on financial assets/financial liabilities at FVPL

This item includes changes in the fair value of financial assets/financial liabilities as at FVPL.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of prior period unrealised gains and losses for financial instruments which were realised in the reporting period.

(k) Net realised gains or losses on disposal of financial assets/ financial liabilities at FVPL

Realised gains and losses on disposal of financial assets/financial liabilities classified as at FVPL are calculated using the first-in-first-out method for derivative financial instruments and weighted average method for investment funds.

(l) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of net assets if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(m) Taxes

The Sub-funds are exempt from all forms of taxation in Hong Kong, including income, capital gains and withholding taxes. However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted from the source of the income. The Sub-Funds present the withholding tax separately from the gross investment income in profit or loss. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Distributions to unitholders

Distributions are at the discretion of the Manager. A distribution to the Sub-Funds' unitholders is accounted for as a deduction from net assets attributable to unitholders. A proposed distribution is recognised as a liability in the year in which it is approved by the Manager. No distribution was paid out of or effectively out of the Sub-Funds' capital.

(o) Formation fee

The formation fee is recognised as an expense in the year in which it is incurred.

(p) Transaction fees

Transaction fees are costs incurred to acquire financial assets/financial liabilities at FVPL. They include fees and commissions paid to agents, brokers and dealers. Transaction fees, when incurred, are immediately recognised in profit or loss as an expense.

(q) Related parties

A party is considered to be related to the Sub-Funds if:

- (a) the party is a person or a close member of that person's family and that person
- (i) has control or joint control over the Sub-Funds;
 - (ii) has significant influence over the Sub-Funds; or
 - (iii) is a member of the key management personnel of the Sub-Funds or of a parent of the Sub-Funds;

or

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Sub-Funds are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Funds are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Funds or an entity related to the Sub-Funds;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Sub-Funds or the parent of the Sub-Funds.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Foreign currency translations

Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign currency translation gains and losses on financial instruments classified as at FVPL are included in profit or loss.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS

(a) Net assets attributable to unitholders

The creation and redemption of units of the Sub-Funds can only be facilitated by or through participating dealers. Investors other than the participating dealers make a request to create or redeem units through a participating dealer, and if the investor is a retail investor, such request must be made through a stockbroker which has opened an account with a participating dealer. Units are created or redeemed at a minimum of 800,000 units for CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (2x) Leveraged Product, CSOP CSI 300 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product and CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product and 400,000 units for CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product and CSOP CSI brokerage index daily (2x) leveraged product or in multiples thereof for the respective Sub-Fund.

The Trustee shall receive subscription proceeds from the participating dealers for the creation of units and pay redemption proceeds for the redemption of units to the relevant participating dealer in such form and manner as prescribed by the Trust Deed. Subscriptions and redemptions of units during the year are shown on the statement of changes in net assets attributable to unitholders.

As stated in note 2(f), units of the Sub-Funds, which are represented by assets less liabilities, are classified as equity and accounted for in accordance with IFRSs (the "Accounting NAV"). For the purpose of determining the net asset value per unit for subscriptions and redemptions and for various fee calculations (the "Dealing NAV"), the Administrator calculates the Dealing NAV in accordance with the provisions of the Trust Deed, which may be different from the accounting policies under IFRSs.

Reconciliation between the Accounting NAV and Dealing NAV

According to the prospectus of the Sub-Funds, the formation fee is amortised over the first five financial periods of the Sub-Funds. However, with respect to the Sub-Funds for the purpose of financial statement preparation in compliance with IFRSs, its accounting policy is to expense the formation fee in profit or loss as incurred.

As of 31 December 2023, the formation fee for establishing the Sub-Funds and the remaining amortisation periods as set out below:

	Formation fee for establishing Sub-Funds	Remaining amortisation periods
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$72,225	1 years
CSOP Gold Futures Daily (2x) Leveraged Product	US\$136,005	1 years
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB1,592,225	1.5 years
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB1,600,642	1.5 years
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$52,465	2 years
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$52,621	2 years
CSOP Gold Futures Daily (-1x) Inverse Product	US\$49,922	3 years
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product	US\$51,898	3 years
CSOP CSI Brokerage Index Daily (2x) Leveraged Product	RMB338,953	4 years

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(a) Net assets attributable to unitholders (continued)

The difference between the Accounting NAV reported in the statement of net assets and the Dealing NAV as at 31 December 2023 and 2022 is reconciled as set out below:

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	15,327,088	9,163,704
Adjustment for the formation fee	18,220	31,437
Dealing NAV	<u>15,345,308</u>	<u>9,195,141</u>
	CSOP Gold Futures Daily (2x) Leveraged Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	164,685,781	193,609,090
Adjustment for the formation fee	37,417	63,506
Dealing NAV	<u>164,723,198</u>	<u>193,672,596</u>
	CSOP CSI 300 Index Daily (2x) Leveraged Product	
	2023	2022
	RMB	RMB
Accounting NAV as reported in the statement of net assets	206,154,469	202,487,476
Adjustment for the formation fee	513,199	840,107
Dealing NAV	<u>206,667,668</u>	<u>203,327,583</u>
	CSOP CSI 300 Index Daily (-1x) Inverse Product	
	2023	2022
	RMB	RMB
Accounting NAV as reported in the statement of net assets	39,013,045	25,674,341
Adjustment for the formation fee	517,609	847,325
Dealing NAV	<u>39,530,654</u>	<u>26,521,666</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(a) Net assets attributable to unitholders (continued)

	CSOP FTSE China A50 Index Daily (2x) Leveraged Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	3,287,068	3,227,512
Adjustment for the formation fee	18,076	26,876
Dealing NAV	<u>3,305,144</u>	<u>3,254,388</u>
	CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	3,001,978	2,766,932
Adjustment for the formation fee	18,158	26,995
Dealing NAV	<u>3,020,136</u>	<u>2,793,927</u>
	CSOP Gold Futures Daily (-1x) Inverse Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	1,359,869	2,234,152
Adjustment for the formation fee	23,887	32,410
Dealing NAV	<u>1,383,756</u>	<u>2,266,562</u>
	CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product	
	2023	2022
	US\$	US\$
Accounting NAV as reported in the statement of net assets	2,106,135	2,154,875
Adjustment for the formation fee	26,858	36,063
Dealing NAV	<u>2,132,993</u>	<u>2,190,938</u>
	CSOP CSI Brokerage Index Daily (2x) Leveraged Product	
	2023	
	RMB	
Accounting NAV as reported in the statement of net assets	10,363,568	
Adjustment for the formation fee	231,481	
Dealing NAV	<u>10,595,049</u>	

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(b) Movement of units

The table below summarises the movement of units for the year ended 31 December 2023 and 2022, and the Accounting NAV per unit and the Dealing NAV per unit of the Sub-Funds as at 31 December 2023 and 2022.

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
	Number of units		Number of units		Number of units	
	2023	2022	2023	2022	2023	2022
Units in issue at beginning of year	8,020,000	820,000	212,200,000	234,600,000	45,200,000	33,200,000
Issued during the year	4,000,000	16,000,000	14,400,000	69,600,000	27,200,000	27,200,000
Redeemed during the year	(5,600,000)	(8,800,000)	(67,200,000)	(92,000,000)	(4,800,000)	(15,200,000)
Units in issue at end of year	<u>6,420,000</u>	<u>8,020,000</u>	<u>159,400,000</u>	<u>212,200,000</u>	<u>67,600,000</u>	<u>45,200,000</u>
	Net assets attributable to unitholders		Net assets attributable to unitholders		Net assets attributable to unitholders	
	2023	2022	2023	2022	2023	2022
	US\$	US\$	US\$	US\$	RMB	RMB
Accounting NAV per unit at end of year	2.3874	1.1426	1.0332	0.9124	3.0496	4.4798
Dealing NAV per unit at end of year	2.3902	1.1465	1.0334	0.9127	3.0572	4.4984

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(b) Movement of units (continued)

	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
	Number of units		Number of units		Number of units	
	2023	2022	2023	2022	2023	2022
Units in issue at beginning of year	4,000,000	28,000,000	6,800,000	10,000,000	2,400,000	21,600,000
Issued during the year	3,200,000	–	2,400,000	3,600,000	–	400,000
Redeemed during the year	(1,600,000)	(24,000,000)	–	(6,800,000)	–	(19,600,000)
Units in issue at end of year	<u>5,600,000</u>	<u>4,000,000</u>	<u>9,200,000</u>	<u>6,800,000</u>	<u>2,400,000</u>	<u>2,400,000</u>
	Net assets attributable to unitholders		Net assets attributable to unitholders		Net assets attributable to unitholders	
	2023	2022	2023	2022	2023	2022
	RMB	RMB	US\$	US\$	US\$	US\$
Accounting NAV per unit at end of year	6.9666	6.4186	0.3573	0.4746	1.2508	1.1529
Dealing NAV per unit at end of year	7.0590	6.6304	0.3593	0.4786	1.2584	1.1641

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND MOVEMENT OF UNITS (CONTINUED)

(c) Movement of units (continued)

	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
	Number of units		Number of units		Number of units
	2023	2022 ¹	2023	2022 ²	2023 ³
Units in issue at beginning of year	2,400,000	–	4,000,000	–	–
Issued during the year	800,000	12,800,000	2,400,000	16,000,000	8,000,000
Redeemed during the year	(1,600,000)	(10,400,000)	(2,400,000)	(12,000,000)	(6,400,000)
Units in issue at end of year	<u>1,600,000</u>	<u>2,400,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>1,600,000</u>
	Net assets attributable to unitholders		Net assets attributable to unitholders		Net assets attributable to unitholders
	2023	2022	2023	2022	2023
	US\$	US\$	US\$	US\$	RMB
Accounting NAV per unit at end of year	0.8499	0.9309	0.5265	0.5387	6.4772
Dealing NAV per unit at end of year	0.8648	0.9444	0.5332	0.5477	6.6219

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. NET LOSSES ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The following is a breakdown of the net losses on financial assets and financial liabilities at FVPL:

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
	2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB	2022 RMB
Net realised gains/(losses) on sale of financial assets and financial liabilities at FVPL	7,631,399	(1,752,031)	30,567,966	(18,138,098)	(98,055,794)	(128,876,992)
Net change in unrealised gains/(losses) on financial assets and financial liabilities at FVPL	<u>2,218,524</u>	<u>(1,177,689)</u>	<u>(2,731,564)</u>	<u>15,850,799</u>	<u>12,822,380</u>	<u>(6,266,485)</u>
	<u>9,849,923</u>	<u>(2,929,720)</u>	<u>27,836,402</u>	<u>(2,287,299)</u>	<u>(85,233,414)</u>	<u>(135,143,477)</u>
	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
	2023 RMB	2022 RMB	2023 US\$	2022 US\$	2023 US\$	2022 US\$
Net realised gains/(losses) on sale of financial assets and financial liabilities at FVPL	3,149,347	19,590,630	(1,032,556)	(2,551,370)	377,170	2,413,059
Net change in unrealised gains/(losses) on financial assets and financial liabilities at FVPL	<u>(927,353)</u>	<u>3,240,363</u>	<u>240,495</u>	<u>86,851</u>	<u>(38,458)</u>	<u>(139,295)</u>
	<u>2,221,994</u>	<u>22,830,993</u>	<u>(792,061)</u>	<u>(2,464,519)</u>	<u>338,712</u>	<u>2,273,764</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. NET LOSSES ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The following is a breakdown of the net losses on financial assets and financial liabilities at FVPL:

	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily(-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
	2023 US\$	2022 ¹ US\$	2023 US\$	2022 ² US\$	2023 ³ RMB
Net realised gains/(losses) on sale of financial assets and financial liabilities at FVPL	(183,189)	(485,043)	129,209	(1,589,122)	494,934
Net change in unrealised gains/(losses) on financial assets and financial liabilities at FVPL	<u>49,993</u>	<u>(77,359)</u>	<u>146,830</u>	<u>(161,094)</u>	<u>510,129</u>
	<u>(133,196)</u>	<u>(562,402)</u>	<u>276,039</u>	<u>(1,750,216)</u>	<u>1,005,063</u>

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS

Related parties are those as defined in note 2(q). Related parties of the Sub-Funds also include the Manager and the Trustee of the Sub-Funds and their connected persons. Connected persons of the Manager and the Trustee are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Funds and its related parties, including the Manager and the Trustee and their connected persons were carried out in the normal course of business and on normal commercial terms.

To the best of the Manager's knowledge, the Sub-Funds does not have any other transactions with its related parties, including the Manager and the Trustee and their connected persons except for those disclosed below.

(a) Management fee

CSOP Asset Management Limited (the "Manager") is entitled to receive a management fee, calculated at an annual rate of the net asset value of the Sub-Funds and is accrued daily and calculated as at each dealing day and payable monthly in arrears with no fixed terms.

	<u>Maximum rate of the net asset value in %</u>	<u>Annual rate of the net asset value in %</u>
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	3%	1.50%
CSOP Gold Futures Daily (2x) Leveraged Product	3%	1.50%
CSOP CSI 300 Index Daily (2x) Leveraged Product	3%	1.60%
CSOP CSI 300 Index Daily (-1x) Inverse Product	3%	1.60%
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	3%	1.60%
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	3%	1.60%
CSOP Gold Futures Daily (-1x) Inverse Product ¹	3%	1.60%
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	3%	1.60%
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	3%	1.60%

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(a) Management fee (continued)

The management fee for the year/period ended 31 December 2023 and management fee payable to the Manager as at 31 December 2023 are as follows:

	<u>Management fee</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$177,971	US\$90,971
CSOP Gold Futures Daily (2x) Leveraged Product	US\$2,706,009	US\$2,766,117
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB3,458,901	RMB3,395,209
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB394,356	RMB1,586,464
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$46,830	US\$73,928
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$37,644	US\$168,707
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$15,259	US\$58,036
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$22,550	US\$58,167
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB192,347	N/A

	<u>Management fee payable</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$56,495	US\$21,046
CSOP Gold Futures Daily (2x) Leveraged Product	US\$641,260	US\$774,460
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB926,614	RMB887,043
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB145,166	RMB293,785
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$18,707	US\$7,123
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$18,309	US\$18,983
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$8,923	US\$2,422
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$10,079	US\$6,973
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB7,738	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

(b) Custodian, fund administration and trustee fees

The Trustee fee and Registrar's fee are included in the management fee and the Manager will pay the fees of the Trustee and Registrar out of the management fee. Refer to Note 5(a).

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS
(CONTINUED)

(c) Formation fee

The formation fee incurred establishing the Sub-Funds for the year/period ended 31 December 2023 as follow:

	<u>Formation fee</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (-1x) Inverse Product	–	–
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	–	–
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	–	–
CSOP Gold Futures Daily (-1x) Inverse Product ¹	–	US\$49,922
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	US\$51,898
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB338,953	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

The Sub-Funds have no formation fee payable as at 31 December 2023 (2022:Nil).

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS
(CONTINUED)

(d) Cash and cash equivalents, interest income, and bank charges

As at 31 December 2023, part of the interest-bearing bank balances were held with Citibank, Hong Kong, a related company of the Trustee. Refer to note 7 for details of cash and cash equivalents.

During the year/period ended 31 December 2023, the interest income earned from the bank balances maintained with Citibank, Hong Kong and the bank charges are as follow:

	<u>Interest income earned</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$42	US\$14
CSOP Gold Futures Daily (2x) Leveraged Product	US\$721,155	US\$126,422
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB18,727	RMB16,711
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB2,686	RMB7,431
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$21	US\$13
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$13	US\$20
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$9	US\$42
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$11	US\$26
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB4,745	N/A
	<u>Bank charges</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$822	US\$2,149
CSOP Gold Futures Daily (2x) Leveraged Product	US\$844	US\$976
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB23,770	RMB19,925
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB17,128	RMB15,746
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$886	US\$1,694
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$638	US\$1,127
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$678	US\$1,090
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$908	US\$2,136
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB32,366	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(e) Margin accounts and interest expense

As at 31 December 2023, margin accounts being held with Citigroup Global Markets Limited, a related company of the Trustee, which are pledged as collateral against open futures contracts and future swap contracts are as follow:

	<u>Margin accounts</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	US\$26,489,404	US\$23,998,566
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB49,737,727	RMB51,136,187
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB3,545,345	RMB5,215,167
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$401,453	US\$311,509
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$206,321	US\$110,598
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$14	US\$14
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	–	N/A

During the year/period ended 31 December 2023, the interest income earned and interest expense payable to Citigroup Global Markets Limited are as follow:

	<u>Interest income</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	US\$53,955	US\$21,108
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB61,233	RMB23,674
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB130	RMB5,600
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$2	US\$110
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	–	US\$26
CSOP Gold Futures Daily (-1x) Inverse Product ¹	–	US\$13
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	–	N/A

	<u>Interest expense</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	US\$228
CSOP Gold Futures Daily (2x) Leveraged Product	US\$76,217	US\$31,820
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB30,995	RMB16,503
CSOP CSI 300 Index Daily (-1x) Inverse Product	–	RMB195
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	–	US\$11
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	–	US\$149
CSOP Gold Futures Daily (-1x) Inverse Product ¹	–	US\$850
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	–	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(f) Holdings of units

As at 31 December 2023, Citibank, N.A., the Trustee's affiliate, held the following units of the Sub-funds, as a market intermediary.

	2023 Units	2022 Units
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	1,239,100	998,600
CSOP Gold Futures Daily (2x) Leveraged Product	5,470,731	8,175,801
CSOP CSI 300 Index Daily (2x) Leveraged Product	4,390,100	4,483,901
CSOP CSI 300 Index Daily (-1x) Inverse Product	555,801	656,601
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	169,900	143,300
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	100	1,800
CSOP Gold Futures Daily (-1x) Inverse Product ¹	–	800,000
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	–	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

(g) Investments in other collective investment funds managed by the Manager

As at 31 December 2023, the Sub-Funds invested in an investment fund managed by the Manager and the details are as follows:

As at 31 December 2023

	Units	Fair value
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	7,000	US\$771,417
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	852,578	US\$939,626
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	275,799	US\$30,393,712
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u>		
- CSOP RMB Money Market ETF	120,000	RMB19,554,000
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u>		
- CSOP RMB Money Market ETF- (Unlisted Share Class A)	662,613	RMB7,213,204
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	389,046	RMB3,039,703
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	5,000	US\$701,230
- CSOP US Dollar Money Market ETF	5,000	US\$550,750
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	4,000	US\$560,984
- CSOP US Dollar Money Market ETF	5,000	US\$550,750

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS
(CONTINUED)

(g) Investments in other collective investment funds managed by the Manager (continued)

As at 31 December 2023 (continued)

	Units	Fair value
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	253,637	US\$279,534
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	367,081	US\$404,560
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>		
- CSOP RMB Money Market ETF (Unlisted Share Class A)	157,708	RMB1,716,807

As at 31 December 2022

	Units	Fair value
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	7,000	US\$731,680
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	852,578	US\$891,199
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	409,827	US\$42,837,454
- CSOP US Dollar Money Market Fund	3,557,479	US\$3,605,149
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u>		
- CSOP RMB Money Market ETF	120,000	RMB19,158,000
- CSOP US Dollar Money Market ETF	18,000	RMB13,066,515
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	5,000	US\$671,673
- CSOP US Dollar Money Market ETF	5,000	US\$522,000
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	4,000	US\$537,338
- CSOP US Dollar Money Market ETF	5,000	US\$522,000
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF	3,000	US\$313,577
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	117,488	US\$122,811
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	401,479	US\$419,666

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(h) Brokerage fees

The Sub-Funds utilise the trading services of brokers who are related to the Trustee and the Manager in the purchases and sales of investments.

For the year/period ended 31 December 2023, brokerage fees through Citigroup Global Markets Limited and Citibank, N.A., Hong Kong, the connected person of the Trustee are shown below:

	Aggregate value of purchases and sales of securities	Total commission paid	% of the Sub- Funds' total transactions during the year/period %	Average commission rate %
<u>CSOP NASDAQ-100 Index Daily (2x)</u>				
<u>Leveraged Product</u>				
31 December 2023				
Citibank, N.A., Hong Kong	–	–	–	–
31 December 2022				
Citibank, N.A., Hong Kong	US\$877,000	–	0.34%	0.00%
<u>CSOP Gold Futures Daily (2x) Leveraged</u>				
<u>Product</u>				
31 December 2023				
Citibank, N.A., Hong Kong	US\$92,765,799	–	1.37%	0.00%
Citigroup Global Markets Limited	US\$5,480,669,601	US\$29,924	80.94%	0.00%
31 December 2022				
Citibank, N.A., Hong Kong	US\$91,731,477	US\$3,518	1.35%	0.00%
Citigroup Global Markets Limited	US\$5,011,625,696	–	73.94%	0.00%
<u>CSOP CSI 300 Index Daily (2x) Leveraged</u>				
<u>Product</u>				
31 December 2023				
Citigroup Global Markets Limited	RMB49,888,291,120	–	55.55%	0.00%
31 December 2022				
Citigroup Global Markets Limited	RMB57,861,987,339	–	66.29%	0.00%
<u>CSOP CSI 300 Index Daily (-1x) Inverse</u>				
<u>Product</u>				
31 December 2023				
Citibank, N.A., Hong Kong	RMB5,256,233	–	0.09%	0.00%
Citigroup Global Markets Limited	RMB3,477,706,114	–	58.06%	0.00%
31 December 2022				
Citibank, N.A., Hong Kong	–	–	–	–
Citigroup Global Markets Limited	RMB15,138,985,508	–	67.86%	0.00%
<u>CSOP FTSE China A50 Index Daily (2x)</u>				
<u>Leveraged Product</u>				
31 December 2023				
Citigroup Global Markets Limited	US\$778,478,716	–	79.40%	0.00%

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(h) Brokerage fees (continued)

	Aggregate value of purchases and sales of securities	Total commission paid	% of the Sub- Funds' total transactions during the year/period %	Average commission rate %
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product (continued)</u>				
31 December 2022				
Citigroup Global Markets Limited	US\$1,001,247,498	–	78.61%	0.00%
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>				
31 December 2023				
Citigroup Global Markets Limited	US\$335,878,997	–	78.16%	0.00%
31 December 2022				
Citigroup Global Markets Limited	US\$1,159,475,310	–	79.42%	0.00%
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>				
31 December 2023				
Citibank, N.A., Hong Kong	US\$147,000	–	0.75%	0.00%
Citigroup Global Markets Limited	–	–	–	–
31 December 2022				
Citibank, N.A., Hong Kong	US\$4,848,000	–	4.28%	0.00%
Citigroup Global Markets Limited	US\$41,684,000	–	36.80%	0.00%
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>				
31 December 2023				
Citibank, N.A., Hong Kong	US\$209,015	–	0.34%	0.00%
31 December 2022				
Citibank, N.A., Hong Kong	US\$2,044,000	–	1.30%	0.00%
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>				
31 December 2023				
Citigroup Global Markets Limited	RMB22,930,561	–	0.23%	0.00%

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(i) Investments held by the Trustee's affiliates

The investments deposited with Citibank, N.A., Hong Kong and Citigroup Global Markets Ltd, Trustee's affiliates as at 31 December 2023 are summarised below:

	Note	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
		2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB	2022 RMB
<u>Financial assets valued at fair value through profit or loss</u>							
Citibank, N.A., Hong Kong	11	1,711,043	1,622,879	30,393,712	46,442,603	20,204,353	32,224,515
Citigroup Global Markets Ltd	11	–	–	6,283,905	9,173,008	5,869,863	517,516
<u>Financial liabilities valued at fair value through profit or loss</u>							
Citibank, N.A., Hong Kong	11	–	–	–	–	–	–
Citigroup Global Markets Ltd	11	–	–	–	–	–	(1,337,413)
	Note	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (1x) Inverse Product	
		2023 RMB	2022 RMB	2023 US\$	2022 US\$	2023 US\$	2022 US\$
<u>Financial assets valued at fair value through profit or loss</u>							
Citibank, N.A., Hong Kong	11	10,382,402	–	1,251,980	1,193,673	1,111,734	1,059,338
Citigroup Global Markets Ltd	11	–	194,786	138,258	–	–	670
<u>Financial liabilities valued at fair value through profit or loss</u>							
Citibank, N.A., Hong Kong	11	–	(93,336)	–	–	–	–
Citigroup Global Markets Ltd	11	(587,473)	–	–	(7,660)	(70,786)	–

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(i) Investments held by the Trustee's affiliates (continued)

The investments deposited with Citibank, N.A., Hong Kong and Citigroup Global Markets Ltd, Trustee's affiliates as at 31 December 2023 are summarised below:

	Note	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
		2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB
<u>Financial assets valued at fair value through profit or loss</u>						
Citibank, N.A., Hong Kong	11	279,534	436,388	404,560	419,666	1,716,807
Citigroup Global Markets Ltd	11	–	–	–	–	–
<u>Financial liabilities valued at fair value through profit or loss</u>						
Citibank, N.A., Hong Kong	11	–	–	–	–	–
Citigroup Global Markets Ltd	11	–	–	–	–	–

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(j) Rebate income

Rebate income pertains to the management fee rebate income from Investments in other collective investment funds managed by CSOP Asset Management Limited for the year/period ended 31 December 2023, which is the common Manager of the Sub-Funds as stated in note 5(g). According to Chapter 7.11C of the SFC Code, where a scheme invests in any underlying schemes managed by the same management company or its connected persons, all initial charges and redemption charges on the underlying schemes must be waived. The Manager did not incur any initial and redemption charges on the Sub-Funds for the year/period ended 31 December 2023 and 2022.

As of 31 December 2023, the rebate income and rebate receivable from the Manager for the Sub-Funds is interest-free, unsecured and receivable less than 1 month are as follows:

	<u>Rebate income</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$5,832	US\$4,031
CSOP Gold Futures Daily (2x) Leveraged Product	US\$119,845	US\$152,915
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB141,132	RMB281,230
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB15,844	RMB182,385
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$3,930	US\$7,470
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$3,520	US\$16,299
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$1,191	US\$3,296
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$1,186	US\$3,076
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB13,615	N/A
	<u>Rebate receivable</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$1,516	US\$1,424
CSOP Gold Futures Daily (2x) Leveraged Product	US\$28,919	US\$36,768
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB36,285	RMB44,172
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB4,497	RMB15,601
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$886	US\$1,045
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$798	US\$1,250
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$248	US\$339
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$300	US\$563
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB1,723	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

CSOP LEVERAGED AND INVERSE SERIES II

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(k) Other income

Other income pertains to the amount reimbursed from the Manager to the Sub-Funds for the portion of ongoing expense in excess of the rate below of the net asset value of the Sub-Funds are as follows:

	<u>Maximum rate of the net asset value in %</u>
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	3.00%
CSOP Gold Futures Daily (2x) Leveraged Product	1.58%
CSOP CSI 300 Index Daily (2x) Leveraged Product	1.92%
CSOP CSI 300 Index Daily (-1x) Inverse Product	3.00%
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	3.00%
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	3.00%
CSOP Gold Futures Daily (-1x) Inverse Product ¹	3.00%
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	3.00%
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	2.00%

	<u>Reimbursed from Manager</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB438,654	–
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$4,487	US\$21,887
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$5,589	US\$3,472
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$34,231	US\$35,593
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$38,666	US\$35,693
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB473,592	N/A

As of 31 December 2023, the amount reimbursed receivable for the Sub-Funds is receivable from the Manager is interest-free, unsecured and receivable less than 1 month are as follows:

	<u>Reimbursed receivable</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	US\$1,157
CSOP Gold Futures Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (2x) Leveraged Product	–	–
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB432,643	–
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$4,434	US\$22,394
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$5,457	US\$3,472
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$34,390	US\$35,593
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$38,809	US\$35,693
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB473,592	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

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5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(1) Cash collateral liabilities and collateral management fee

As at 31 December 2023, cash collateral liabilities held by Citibank, N.A., Hong Kong Branch, an Trustee's affiliate are as follows:

	<u>Cash collateral liabilities</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	US\$2,390,000	US\$1,520,000
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB8,679,855	–
CSOP CSI 300 Index Daily (-1x) Inverse Product	–	–
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	–	US\$20,000
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	–	–
CSOP Gold Futures Daily (-1x) Inverse Product ¹	–	–
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	–	N/A

During the year/period ended 31 December 2023, the collateral management fee payable to Cititrust Limited (“the Trustee”) are as follows:

	<u>Collateral management fee</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	–	–
CSOP Gold Futures Daily (2x) Leveraged Product	US\$5,917	US\$5,853
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB98,937	RMB65,376
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB80,139	RMB50,129
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$7,013	US\$9,315
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$6,959	US\$8,956
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$600	US\$2,283
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$600	US\$650
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB30,973	N/A

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CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

5. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND ITS CONNECTED PERSONS (CONTINUED)

(m) Other operating expenses

The Sub-Funds paid Citibank, N.A., Hong Kong Branch, a Trustee's affiliate, as the administrator, financial statement preparation fee and out-of-pocket expenses for the year/period ended 31 December 2023 included in other operating expenses in the statement of profit or loss and other comprehensive income are as follow:

	<u>Financial statement preparation fee</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$7,479	US\$7,500
CSOP Gold Futures Daily (2x) Leveraged Product	US\$7,500	US\$6,270
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB52,500	RMB13,075
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB52,500	RMB13,075
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$7,500	US\$7,913
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$7,500	US\$7,913
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$7,500	US\$7,499
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$7,500	US\$7,500
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB53,400	N/A
	<u>Out-of-pocket expenses</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$6,782	US\$435
CSOP Gold Futures Daily (2x) Leveraged Product	US\$17,065	US\$1,559
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB140,733	RMB21,391
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB67,940	RMB13,009
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$10,027	US\$1,650
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$8,595	US\$1,551
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$3,792	US\$732
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$7,834	US\$225
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB28,476	N/A

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CSOP LEVERAGED AND INVERSE SERIES II

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31 December 2023

6. MARGIN ACCOUNTS/AMOUNTS DUE FROM/(TO) BROKER

	<u>Margin accounts</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$2,721,905	US\$3,743,624
CSOP Gold Futures Daily (2x) Leveraged Product	US\$36,019,808	US\$37,230,118
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB92,448,794	RMB92,671,062
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB8,752,551	RMB10,413,933
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$401,453	US\$311,509
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$206,321	US\$110,598
CSOP Gold Futures Daily (-1x) Inverse Product	US\$226,904	US\$383,945
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product	US\$374,557	US\$516,958
CSOP CSI Brokerage Index Daily (2x) Leveraged Product	RMB5,011,772	N/A

As at 31 December 2023, margin account maintained are pledged as collateral against open futures contracts and future swap contracts. Refer to 5(e) for related balances and transactions with connected parties.

		<u>Amounts due from/(to) brokers</u>	
	Note	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		–	–
CSOP Gold Futures Daily (2x) Leveraged Product		–	–
CSOP CSI 300 Index Daily (2x) Leveraged Product		–	–
CSOP CSI 300 Index Daily (-1x) Inverse Product	(a)	RMB(9,450)	RMB806
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	(b)	US\$125,931	US\$85,346
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	(a)	US\$(59,737)	US\$(43,483)
CSOP Gold Futures Daily (-1x) Inverse Product		–	–
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		–	–
CSOP CSI Brokerage Index Daily (2x) Leveraged Product		–	N/A

Note:

- (a) As at 31 December 2023, the amounts due to broker represents payable for swap settlement but not yet settled on the reporting date. The balance is repayable less than 1 month.
- (b) As at 31 December 2023, the amount due from brokers represents receivable for swap settlement not yet settled on the reporting date. The balance is receivable less than 1 month.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

7. CASH AND CASH EQUIVALENTS

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
	2023	2022	2023	2022	2023	2022
	US\$	US\$	US\$	US\$	RMB	RMB
Term deposits at banks with original maturity less than three months						
- Bank of Shanghai (Hong Kong) Ltd	275,050	–	8,800,000	8,681,206	–	–
Bank balances						
- Citibank, Hong Kong	2,021,034	741,989	21,037,771	20,296,695	25,352,316	23,078,909
- China Everbright Bank Co., Ltd	2,135,436	957,000	17,829,198	19,898,000	22,959,568	22,633,644
- CMB Wing Lung Bank Ltd	1,863,936	989,936	16,471,904	16,249,936	18,798,995	27,034,718
- Industrial and Commercial Bank of China	2,058,221	1,222,537	15,010,019	21,305,969	25,303,544	8,730,376
- United Overseas Bank	1,626,016	1,078,558	15,931,474	15,540,074	–	–
	<u>9,704,643</u>	<u>4,990,020</u>	<u>86,280,366</u>	<u>93,290,674</u>	<u>92,414,423</u>	<u>81,477,647</u>
Total cash and cash equivalents	<u>9,979,693</u>	<u>4,990,020</u>	<u>95,080,366</u>	<u>101,971,880</u>	<u>92,414,423</u>	<u>81,477,647</u>
	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
	2023	2022	2023	2022	2023	2022
	RMB	RMB	US\$	US\$	US\$	US\$
Term deposits at banks with original maturity less than three months						
- Bank of Shanghai (Hong Kong) Ltd	–	–	–	–	–	–
Bank balances						
- Citibank, Hong Kong	5,019,681	3,676,713	450,484	386,109	414,025	321,553
- China Everbright Bank Co., Ltd	4,989,177	3,857,964	229,964	437,015	392,049	364,168
- CMB Wing Lung Bank Ltd	5,501,332	4,227,566	270,904	300,936	339,905	334,936
- Industrial and Commercial Bank of China	5,530,782	4,074,063	265,147	375,328	377,387	334,631
- United Overseas Bank	–	–	241,440	280,157	295,564	300,215
	<u>21,040,972</u>	<u>15,836,306</u>	<u>1,457,939</u>	<u>1,779,545</u>	<u>1,818,930</u>	<u>1,655,503</u>
Total cash and cash equivalents	<u>21,040,972</u>	<u>15,836,306</u>	<u>1,457,939</u>	<u>1,779,545</u>	<u>1,818,930</u>	<u>1,655,503</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

7. CASH AND CASH EQUIVALENTS (CONTINUED)

	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
	2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB
Term deposits at banks with original maturity less than three months					
- Bank of Shanghai (Hong Kong) Ltd	-	-	-	-	-
Bank balances					
- Citibank, Hong Kong	150,799	233,944	278,867	181,337	1,185,082
- China Everbright Bank Co., Ltd	184,089	318,000	255,729	307,000	883,000
- CMB Wing Lung Bank Ltd	179,968	306,000	287,968	306,000	-
- Industrial and Commercial Bank of China	179,000	307,000	250,000	301,000	851,000
- United Overseas Bank	192,303	320,123	285,525	279,285	-
	<u>886,159</u>	<u>1,485,067</u>	<u>1,358,089</u>	<u>1,374,622</u>	<u>2,919,082</u>
Total cash and cash equivalents	<u>886,159</u>	<u>1,485,067</u>	<u>1,358,089</u>	<u>1,374,622</u>	<u>2,919,082</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

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8. SOFT COMMISSION ARRANGEMENTS

The Manager may effect transactions, provided that any such transaction is consistent with standards of “best execution”, by or through the agency of another person for the account of the Sub-Funds with whom the Manager or any of its connected persons has an arrangement under which that party will from time to time provide to or procure for the Manager or any of its connected persons goods, services or other benefits (such as advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Sub-Funds as a whole and may contribute to an improvement in the performance of the Sub-Funds. For the avoidance of doubt, such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees’ salaries or direct money payments. During the year/period ended 31 December 2023 and 2022, the Manager has not participated in any soft commission arrangements in respect of any transactions for the account of each of the Sub-Fund.

9. TAXATION

No provision for Hong Kong profits tax has been made for the Sub-Funds as they are authorised as collective investment schemes under section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempt from Hong Kong profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

10. DISTRIBUTIONS TO UNITHOLDERS

The Manager may in its absolute discretion distribute income to unitholders annually (usually in December of each financial year) or determine that no distribution shall be made in any financial year. Distributions may not be paid if the cost of the Sub-Funds’ operations is higher than the yield from management of the Sub-Funds’ cash and holdings of investments. The Sub-Funds did not make any distribution for the year/period ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

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11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product		CSOP Gold Futures Daily (2x) Leveraged Product		CSOP CSI 300 Index Daily (2x) Leveraged Product	
	2023	2022	2023	2022	2023	2022
	US\$	US\$	US\$	US\$	RMB	RMB
Financial assets at fair value through profit or loss						
Investment funds (note 13(b)(i))	1,711,043	1,622,879	30,393,712	46,442,603	19,554,000	32,224,515
Futures contracts (i)	987,076	–	4,777,155	8,017,040	–	–
Futures swap contracts (i)	–	–	1,506,750	2,290,568	–	–
Total return swaps (ii)	–	–	–	–	11,164,066	–
Forward exchange contracts (iii)	–	–	–	–	650,353	517,516
	<u>2,698,119</u>	<u>1,622,879</u>	<u>36,677,617</u>	<u>56,750,211</u>	<u>31,368,419</u>	<u>32,742,031</u>
Financial liabilities at fair value through profit or loss						
Futures contracts (i)	–	(1,143,284)	(18,750)	–	–	–
Total return swaps (ii)	–	–	–	–	–	(2,235,587)
Forward exchange contracts (iii)	–	–	–	–	–	–
	<u>–</u>	<u>(1,143,284)</u>	<u>(18,750)</u>	<u>–</u>	<u>–</u>	<u>(2,235,587)</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	CSOP CSI 300 Index Daily (-1x) Inverse Product		CSOP FTSE China A50 Index Daily (2x) Leveraged Product		CSOP FTSE China A50 Index Daily (-1x) Inverse Product	
	2023	2022	2023	2022	2023	2022
	RMB	RMB	US\$	US\$	US\$	US\$
Financial assets at fair value through profit or loss						
Investment funds (note 13(b)(i))	10,252,907	–	1,251,980	1,193,673	1,111,734	1,059,338
Futures contracts (i)	–	–	–	–	–	–
Future swap contracts (i)	–	–	–	–	–	–
Total return swaps (ii)	–	109,763	138,258	–	25,908	45,976
Forward exchange contracts (iii)	129,495	187,600	–	–	–	–
	<u>10,382,402</u>	<u>297,363</u>	<u>1,390,238</u>	<u>1,193,673</u>	<u>1,137,642</u>	<u>1,105,314</u>
Financial liabilities at fair value through profit or loss						
Futures contracts (i)	–	–	–	–	–	–
Total return swaps (ii)	(1,095,347)	–	(55,758)	(99,688)	(70,786)	–
Forward exchange contracts (iii)	–	(93,336)	–	–	–	–
	<u>(1,095,347)</u>	<u>(93,336)</u>	<u>(55,758)</u>	<u>(99,688)</u>	<u>(70,786)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	CSOP Gold Futures Daily (-1x) Inverse Product		CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product		CSOP CSI Brokerage Index Daily (2x) Leveraged Product
	2023 US\$	2022 US\$	2023 US\$	2022 US\$	2023 RMB
Financial assets at fair value through profit or loss					
Investment funds (note 13(b)(i))	279,534	436,388	404,560	419,666	1,716,807
Futures contracts (i)	–	–	–	–	–
Future swap contracts (i)	–	–	–	–	–
Total return swaps (ii)	–	–	–	–	492,635
Forward exchange contracts (iii)	–	–	–	–	–
	<u>279,534</u>	<u>436,388</u>	<u>404,560</u>	<u>419,666</u>	<u>2,209,442</u>
Financial liabilities at fair value through profit or loss					
Futures contracts (i)	(37,900)	(83,830)	(34,180)	(165,760)	–
Total return swaps (ii)	–	–	–	–	–
Forward exchange contracts (iii)	–	–	–	–	–
	<u>(37,900)</u>	<u>(83,830)</u>	<u>(34,180)</u>	<u>(165,760)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) *Futures contracts and future swap contracts*

Futures contracts and future swap contracts are commitments to make or take future delivery of various commodities, currencies or financial instruments at a specified time and place. These commitments can be discharged by making or taking delivery of an approved grade of commodity, currency and financial instrument by cash settlement or by making an offsetting sale or purchase of an equivalent futures contract or future swap contracts on the same (or a linked) exchange prior to the designated date of delivery.

The following futures contracts and future swap contracts were unsettled at the date of the statement of net assets:

As at 31 December 2023

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Long	NASDAQ 100 Index	15 March 2024	89	29,314,335	987,076

CSOP Gold Futures Daily (2x) Leveraged Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Long	Solactive Gold 1-Day Rolling Futures Index	27 February 2024	800	160,966,844	4,777,155
Futures swaps	Long	Solactive Gold 1-Day Rolling Futures Index	27 February 2024	750	153,878,250	1,506,750
Index futures	Long	Solactive Gold 1-Day Rolling Futures Index	27 February 2024	40	8,275,630	(18,750)

CSOP Gold Futures Daily (-1x) Inverse Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Short	Solactive Gold 1-Day Rolling Futures Index	27 February 2024	6	(1,205,180)	(37,900)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Short	Solactive WTI 1-Day Rolling Futures Index	22 January 2024	29	(2,043,670)	(34,180)

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(i) *Futures contracts and future swap contracts* (continued)

As at 31 December 2022

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Long	NASDAQ 100 Index	17 March 2023	83	19,440,219	(1,143,284)

CSOP Gold Futures Daily (2x) Leveraged Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Long	Solactive Gold 1-Day Rolling Futures Index	24 February 2023	1,000	175,737,560	6,882,440
Index futures	Long	Solactive Gold 1-Day Rolling Futures Index	24 February 2023	372	66,797,020	1,134,600
Futures swaps	Long	Solactive Gold 1-Day Rolling Futures Index	24 February 2023	750	134,674,433	2,290,568

CSOP Gold Futures Daily (-1x) Inverse Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Short	Solactive Gold 1-Day Rolling Futures Index	24 February 2023	12	(2,107,610)	(83,830)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

Type of contract	Position	Underlying investment	Expiration date	Contracts	Nominal amount US\$	Fair value US\$
Index futures	Short	Solactive WTI 1-Day Rolling Futures Index	20 January 2023	27	(2,001,179)	(165,760)

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) *Total return swaps*

The following total return swaps were unsettled at the date of the statement of net assets:

As at 31 December 2023

CSOP CSI 300 Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount RMB	Fair value RMB
Total return swap	Long	HSBC Hong Kong Citigroup	CSI 300 Index	12 December 2024	5,500	18,349,980	521,125
Total return swap	Long	Global Markets Limited	CSI 300 Index	15 July 2024	64,464	215,313,211	5,869,863
Total return swap	Long	CICC Financial Trading Limited	CSI 300 Index	29 May 2024	50,374	168,065,658	4,773,078

CSOP CSI 300 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount RMB	Fair value RMB
Total return swap	Short	CICC Financial Trading Limited	CSI 300 Index	29 May 2024	4,860	16,214,696	(460,499)
Total return swap	Short	HSBC Hong Kong Citigroup	CSI 300 Index	12 December 2024	500	1,668,180	(47,375)
Total return swap	Short	Global Markets Limited	CSI 300 Index	15 July 2024	6,198	20,678,547	(587,473)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount US\$	Fair value US\$
Total return swap	Long	Citigroup Global Markets Limited	FTSE China A50 Index	30 January 2024	375	4,175,585	138,258
Total return swap	Long	Societe Generale	FTSE China A50 Index	30 January 2024	198	2,333,467	(55,758)

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) *Total return swaps* (continued)

As at 31 December 2023 (continued)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount US\$	Fair value US\$
Total return swap	Short	Societe Generale Citigroup	FTSE China A50 Index	30 January 2024	92	1,084,237	25,908
Total return swap	Short	Global Markets Limited	FTSE China A50 Index	30 January 2024	172	1,907,830	(70,786)

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount RMB	Fair value RMB
Total return swap	Long	CICC Financial Trading Limited	CSI All Share Investment Banking & Brokerage Index	16 October 2024	32,418	20,688,961	492,635

As at 31 December 2022

CSOP CSI 300 Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount RMB	Fair value RMB
Total return swap	Long	CICC Financial Trading Limited	CSI 300 Index	30 May 2023	42,493	165,404,552	(887,379)
Total return swap	Long	HSBC Hong Kong Citigroup	CSI 300 Index	12 December 2023	500	1,946,610	(10,795)
Total return swap	Long	Global Markets Limited	CSI 300 Index	14 July 2023	62,194	242,129,570	(1,337,413)

CSOP CSI 300 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount RMB	Fair value RMB
Total return swap	Short	CICC Financial Trading Limited	CSI 300 Index	30 May 2023	4,251	16,550,081	91,782
Total return swap	Short	HSBC Hong Kong Citigroup	CSI 300 Index	12 December 2023	500	1,946,610	10,795
Total return swap	Short	Global Markets Limited	CSI 300 Index	14 July 2023	2,103	8,149,225	7,186

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(ii) *Total return swaps* (continued)

As at 31 December 2022 (continued)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount US\$	Fair value US\$
Total return swap	Long	Societe Generale Citigroup	FTSE China A50 Index	30 January 2023	260	3,473,096	(92,028)
Total return swap	Long	Global Markets Limited	FTSE China A50 Index	30 January 2023	241	3,141,650	(7,660)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying investment	Expiration date	Contracts	Notional amount US\$	Fair value US\$
Total return swap	Short	Citigroup Global Markets Limited	FTSE China A50 Index	30 January 2023	86	1,119,023	670
Total return swap	Short	Societe Generale	FTSE China A50 Index	30 January 2023	128	1,709,832	45,306

(iii) *Forward Exchange Contracts*

The following forward Exchange contracts were unsettled at the date of the statement of net assets:

As at 31 December 2023

CSOP CSI 300 Index Daily (2x) Leveraged Product

Type of contract	Position	Counterparty	Underlying index	Expiration date	Nominal amount RMB	Fair value RMB
Forward exchange contracts	Long	Citibank, N.A., Hong Kong	Currency	31 January 2024	80,506,850	650,353

CSOP CSI 300 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying index	Expiration date	Nominal amount RMB	Fair value RMB
Forward exchange contracts	Long	Citibank, N.A., Hong Kong	Currency	31 January 2024	16,030,125	129,495

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

11. FINANCIAL ASSETS/FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(iii) Forward Exchange Contracts (continued)

As at 31 December 2022

Type of contract	Position	Counterparty	Underlying index	Expiration date	Nominal amount RMB	Fair value RMB
Forward exchange contracts	Long	Citibank, N.A., Hong Kong	Currency	31 January 2023	111,483,200	517,516

CSOP CSI 300 Index Daily (-1x) Inverse Product

Type of contract	Position	Counterparty	Underlying index	Expiration date	Nominal amount RMB	Fair value RMB
Forward exchange contracts	Long	Citibank, N.A., Hong Kong	Currency	31 January 2023	40,412,660	187,600
Forward exchange contracts	Long	Citibank, N.A., Hong Kong	Currency	31 January 2023	3,800,000	(93,336)

12. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

According to Chapter 7.1 and 7.1A of the SFC Code, the aggregate value of the Sub-funds' investments in, or exposure to, any single entity or entities within the same group, through the following may not exceed 10% or 20% of its total net asset value respectively:

- investments in securities issued by that entity;
- exposure to that entity through underlying assets of financial derivative instruments; and
- net counterparty exposure to that entity arising from transactions of over-the-counter financial derivative instruments.

Notwithstanding above limitation from Chapter 7.1, Chapter 8.6 (h) states that more than 10% of NAV of the Sub-funds may be invested in constituent securities issued by a single entity provided that:

- the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the index; and
- the index fund's holding of any such constituent securities may not exceed their respective weightings in the index, except where weightings are exceeded as a result of changes in the composition of the index and the excess is only transitional and temporary in nature.

However, according to Chapter 8.6 (h)(a)(ii), the above Chapter 8.6 (h)(i) and (ii) do not apply as the strategy to hold securities from single issuer for more than 10% of NAV is clearly disclosed in the prospectus of the Sub-funds provide, thus requirement from Chapter 7.1 is exempted.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

12. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (CONTINUED)

The following are the securities that individually accounted for more than 10% of the NAV of the Sub-Funds as at 31 December 2023.

As at 31 December 2023

	Fair value	% of net assets
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	US\$30,393,712	18.46
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u>		
- CSOP RMB Money Market ETF - (Unlisted Share Class A)	RMB7,213,204	18.49
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	US\$701,230	21.33
- CSOP US Dollar Money Market ETF	US\$550,750	16.75
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	US\$560,984	18.69
- CSOP US Dollar Money Market ETF	US\$550,750	18.35
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF - (Unlisted Share Class A)	US\$279,534	20.56
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF - (Unlisted Share Class A)	US\$404,560	19.21
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>		
- CSOP RMB Money Market ETF - (Unlisted Share Class A)	RMB1,716,807	16.57

As at 31 December 2022

	Fair value	% of net assets
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
- CSOP US Dollar Money Market ETF	US\$42,837,454	22.13
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	US\$671,673	20.81
- CSOP US Dollar Money Market ETF	US\$522,000	16.17
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
- CSOP Hong Kong Dollar Money Market ETF	US\$537,338	19.42
- CSOP US Dollar Money Market ETF	US\$522,000	18.87
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF	US\$313,577	14.04
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
- CSOP US Dollar Money Market ETF - (Unlisted Share Class A)	US\$419,666	19.48

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Strategy in using financial instruments

Investment objective and investment policies

The investment objective of the Sub-Funds are to provide investment results that, before fees and expenses, closely correspond to the daily performance of the relevant index. Refer to note 1 for details.

The Sub-Funds themselves are subject to various risks. The main risks associated with the investments, assets and liabilities of the Sub-Funds are set out below:

(b) Market risk

(i) *Market price risk*

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Sub-Funds are designated to track the performance of the relevant index, and therefore the exposures to market risk in the Sub-Funds will be substantially the same as the tracked index. The Manager manages the Sub-Funds' exposure to market risk by ensuring that the key characteristics of the portfolio, are closely aligned with the characteristics of the tracked index.

The Sub-Funds' financial assets and financial liabilities at FVPL were concentrated in the following countries/jurisdictions:

	CSOP NASDAQ-100 Index Daily (2x) Leveraged Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP US Dollar Money Market ETF	771,417	5.03	731,680	7.98
CSOP US Dollar Money Market ETF - (Unlisted Share Class A)	939,626	6.13	891,199	9.73
<u>Index futures</u>				
The United States of America	987,076	6.44	–	–
Total financial assets at FVPL	<u>2,698,119</u>	<u>17.60</u>	<u>1,622,879</u>	<u>17.71</u>
<u>Index futures</u>				
The United States of America	–	–	(1,143,284)	(12.48)
Total financial liabilities at FVPL	<u>–</u>	<u>–</u>	<u>(1,143,284)</u>	<u>(12.48)</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) Market price risk (continued)

	CSOP Gold Futures Daily (2x) Leveraged Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP US Dollar Money Market ETF	30,393,712	18.46	42,837,454	22.13
CSOP US Dollar Money Market Fund	–	–	3,605,149	1.86
<u>Index futures</u>				
The United States of America	4,777,155	2.90	8,017,040	4.14
<u>Futures swaps</u>				
The United States of America	1,506,750	0.91	2,290,568	1.18
Total financial assets at FVPL	<u>36,677,617</u>	<u>22.27</u>	<u>56,750,211</u>	<u>29.31</u>
<u>Index futures</u>				
The United States of America	(18,750)	(0.01)	–	–
Total financial liabilities at FVPL	<u>(18,750)</u>	<u>(0.01)</u>	<u>–</u>	<u>–</u>
	CSOP CSI 300 Index Daily (2x) Leveraged Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value RMB	% of net asset value	Fair value RMB	% of net asset value
<u>Investment funds</u>				
CSOP RMB Money Market ETF	19,554,000	9.48	19,158,000	9.46
CSOP US Dollar Money Market ETF	–	–	13,066,515	6.45
<u>Total return swaps</u>				
China	11,164,066	5.42	–	–
<u>Forward contracts</u>				
Hong Kong	650,353	0.32	517,516	0.26
Total financial assets at FVPL	<u>31,368,419</u>	<u>15.22</u>	<u>32,742,031</u>	<u>16.17</u>
<u>Total return swaps</u>				
China	–	–	(2,235,587)	(1.10)
Total financial liabilities at FVPL	<u>–</u>	<u>–</u>	<u>(2,235,587)</u>	<u>(1.10)</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) Market price risk (continued)

	CSOP CSI 300 Index Daily (-1x) Inverse Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value RMB	% of net asset value	Fair value RMB	% of net asset value
<u>Investment funds</u>				
CSOP RMB Money Market ETF- (Unlisted Share Class A)	7,213,204	18.49	–	–
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	3,039,703	7.79	–	–
<u>Forward contracts</u>				
Hong Kong	129,495	0.33	187,600	0.73
<u>Total return swaps</u>				
China	–	–	109,763	0.43
Total financial assets at FVPL	<u>10,382,402</u>	<u>26.61</u>	<u>297,363</u>	<u>1.16</u>
<u>Forward contracts</u>				
Hong Kong	–	–	(93,336)	(0.36)
<u>Total return swaps</u>				
China	(1,095,347)	(2.81)	–	–
Total financial liabilities at FVPL	<u>(1,095,347)</u>	<u>(2.81)</u>	<u>(93,336)</u>	<u>(0.36)</u>
	CSOP FTSE China A50 Index Daily (2x) Leveraged Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP Hong Kong Dollar Money Market ETF	701,230	21.33	671,673	20.81
CSOP US Dollar Money Market ETF	550,750	16.75	522,000	16.17
<u>Total return swaps</u>				
China	138,258	4.21	–	–
Total financial assets at FVPL	<u>1,390,238</u>	<u>42.29</u>	<u>1,193,673</u>	<u>36.98</u>
<u>Total return swaps</u>				
China	(55,758)	(1.70)	(99,688)	(3.09)
Total financial liabilities at FVPL	<u>(55,758)</u>	<u>(1.70)</u>	<u>(99,688)</u>	<u>(3.09)</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) Market price risk (continued)

	CSOP FTSE China A50 Index Daily (-1x) Inverse Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP Hong Kong Dollar Money Market ETF	560,984	18.69	537,338	19.42
CSOP US Dollar Money Market ETF	550,750	18.35	522,000	18.87
<u>Total return swaps</u>				
China	25,908	0.86	45,976	1.66
Total financial assets at FVPL	<u>1,137,642</u>	<u>37.90</u>	<u>1,105,314</u>	<u>39.95</u>
<u>Total return swaps</u>				
China	(70,786)	(2.36)	–	–
Total financial liabilities at FVPL	<u>(70,786)</u>	<u>(2.36)</u>	<u>–</u>	<u>–</u>
	CSOP Gold Futures Daily (-1x) Inverse Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	279,534	20.56	436,388	19.53
Total financial assets at FVPL	<u>279,534</u>	<u>20.56</u>	<u>436,388</u>	<u>19.53</u>
<u>Index futures</u>				
The United States of America	(37,900)	(2.79)	(83,830)	(3.75)
Total financial liabilities at FVPL	<u>(37,900)</u>	<u>(2.79)</u>	<u>(83,830)</u>	<u>(3.75)</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) Market price risk (continued)

	CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product			
	As at 31 December 2023		As at 31 December 2022	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
<u>Investment funds</u>				
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)	404,560	19.21	419,666	19.48
Total financial assets at FVPL	<u>404,560</u>	<u>19.21</u>	<u>419,666</u>	<u>19.48</u>
<u>Index futures</u>				
The United States of America	(34,180)	(1.62)	(165,760)	(7.69)
Total financial liabilities at FVPL	<u>(34,180)</u>	<u>(1.62)</u>	<u>(165,760)</u>	<u>(7.69)</u>

	CSOP CSI Brokerage Index Daily (2x) Leveraged Product As at 31 December 2023	
	Fair value RMB	% of net asset value
	<u>Investment funds</u>	
CSOP RMB Money Market ETF- (Unlisted Share Class A)	1,716,807	16.57
<u>Total return swaps</u>		
China	492,635	4.75
Total financial assets at FVPL	<u>2,209,442</u>	<u>21.32</u>

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

As at 31 December 2023, if the tracked index increases by the following sensitivity threshold with all other variables held constant, this would increase the net asset value by the amount stated below. Conversely, if the tracked index decreases by the same sensitivity threshold, this would decrease the net asset value by approximately equal amounts.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) *Market price risk* (continued)

As at 31 December 2023

	Sensitivity threshold in %	Impact
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u> NASDAQ-100 Index	54%	US\$16,494,000
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u> Solactive Gold 1-Day Rolling Futures Index	7%	US\$23,900,000
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u> CSI 300 Index	11%	RMB46,914,000
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u> CSI 300 Index	11%	RMB8,878,000
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u> FTSE China A50 Index	12%	US\$759,000
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u> FTSE China A50 Index	12%	US\$693,000
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u> Solactive Gold 1-Day Rolling Futures Index	7%	US\$198,000
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u> Solactive WTI 1-Day Rolling Futures Index	9%	US\$186,000
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u> CSI All Share Investment Banking & Brokerage Index	6%	RMB1,212,000

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(i) Market price risk (continued)

Sensitivity analysis in the event of a possible change in the tracked index by sensitivity threshold as estimated by the Manager (continued)

As at 31 December 2022

	Sensitivity threshold in %	Impact
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u> NASDAQ-100 Index	33%	US\$6,043,000
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u> Solactive Gold 1-Day Rolling Futures Index	3%	US\$10,571,000
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u> CSI 300 Index	22%	RMB87,596,000
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u> CSI 300 Index	22%	RMB5,553,000
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u> FTSE China A50 Index	17%	US\$1,108,000
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u> FTSE China A50 Index	17%	US\$475,000
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u> Solactive Gold 1-Day Rolling Futures Index	3%	US\$61,000
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u> Solactive WTI 1-Day Rolling Futures Index	43%	US\$926,000

The Manager has used the view of what would be a “reasonable shift” in each key market to estimate the change for use in the market sensitivity analysis above. The disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in the market index % are revised annually depending on the Manager’s current view of market volatility and other relevant factors.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(ii) *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

As at 31 December 2023, except for money market funds, bank balances and margin accounts subject to floating interest rates, the majority of the Sub-Funds' financial assets and financial liabilities are non-interest bearing. If the interest rates had been higher or lower with all variables held constant, net assets attributable to unitholders would have been higher or lower. The Manager considers the interest arising from bank balances and margin accounts is immaterial.

(iii) *Currency risk*

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

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product, CSOP Gold Futures Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (2x) Leveraged Product, CSOP FTSE China A50 Index Daily (-1x) Inverse Product, CSOP Gold Futures Daily (-1x) Inverse Product and CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product hold assets and liabilities denominated in United States dollars, which is also the functional currency. The Manager considers that there is no material currency risk to these Sub-Funds.

CSOP CSI Brokerage Index Daily (2x) Leveraged Product hold assets and liabilities denominated in Renminbi ("RMB"), which is also the functional currency. The Manager considers that there is no material currency risk to this Sub-Fund.

The functional currency of CSOP CSI 300 Index Daily (2x) Leveraged Product and CSOP CSI 300 Index Daily (-1x) Inverse Product is Renminbi ("RMB"). These Sub-Funds are exposed to currency risk primarily through recognised assets or liabilities that are denominated in United States dollars ("US\$") and Hong Kong dollars ("HKD"), where fluctuations in the relevant exchange rates may have an impact on the income and value of these Sub-Funds. The Manager may seek to minimise exposure to foreign currency fluctuation to the extent practicable.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Market risk (continued)

(iii) Currency risk (continued)

The following table details the exposure to currency risk of CSOP CSI 300 Index Daily (2x) Leveraged Product and CSOP CSI 300 Index Daily (-1x) Inverse Product at the end of the reporting period.

	CSOP CSI 300 Index Daily (2x) Leveraged Product	
	2023	2022
	RMB	RMB
Net assets exposed to US\$	5,584,676	6,876,421
Net assets exposed to HKD	8,963	8,806
	CSOP CSI 300 Index Daily (-1x) Inverse Product	
	2023	2022
	RMB	RMB
Net assets exposed to US\$	855,538	1,109,967
Net assets exposed to HKD	305	300

As at 31 December 2023, if US\$ and HKD strengthens/weakens against RMB by 5% with all other variables being constant, the total comprehensive income for the year of CSOP CSI 300 Index Daily (2x) Leveraged Product and CSOP CSI 300 Index Daily (-1x) Inverse Product would have been increased/decreased as follow:

	2023	2022
	RMB	RMB
CSOP CSI 300 Index Daily (2x) Leveraged Product	279,682	344,262
CSOP CSI 300 Index Daily (-1x) Inverse Product	42,792	55,513

(c) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due.

The Sub-Funds' financial assets which are potentially subject to credit risk consist principally of securities and cash and cash equivalents. The Sub-Funds limit their exposure to credit risk by transacting with well-established broker-dealers and banks with high credit ratings.

All transactions in securities are settled or paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

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13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

Financial assets subject to IFRS 9's impairment requirements

The Sub-Funds' financial assets subject to the ECL model within IFRS 9 are interest receivable, other receivables, amount due from participating dealers, amount due from broker, margin accounts and cash and cash equivalents. At 31 December 2023, the total amount of these financial assets for the Sub-Funds are stated below, on which no loss allowance had been provided. No assets are considered impaired and no amounts have been written off during the year/period.

	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$12,703,244	US\$8,736,225
CSOP Gold Futures Daily (2x) Leveraged Product	US\$131,133,249	US\$139,242,624
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB184,899,502	RMB174,192,881
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB30,230,664	RMB26,266,646
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$1,990,643	US\$2,201,583
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$2,031,507	US\$1,772,566
CSOP Gold Futures Daily (-1x) Inverse Product	US\$1,147,701	US\$1,904,944
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product	US\$1,771,755	US\$1,929,454
CSOP CSI Brokerage Index Daily (2x) Leveraged Product	RMB8,406,169	N/A

For financial assets measured at amortised cost, the Sub-Funds apply the general approach for impairment, and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. The financial assets therefore are still classified as stage 1 and presented in gross carrying amount.

Financial assets not subject to IFRS 9's impairment requirements

The Sub-Funds are exposed to credit risk on fund investments and derivative financial instruments. They are not subject to IFRS 9's impairment requirements as they are measured at FVPL. The carrying value of these assets, under IFRS 9 represents the Sub-Funds' maximum exposure to credit risk on financial instruments not subject to IFRS 9's impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)

The tables below summarise the Sub-Funds' assets placed with banks and brokers and the credit ratings of these banks and brokers are at or above investment grade as at 31 December 2023 and 2022:

As at 31 December 2023

	CSOP NASDAQ- 100 Index Daily (2x) Leveraged Product 2023 US\$	CSOP Gold Futures Daily (2x) Leveraged Product 2023 US\$	CSOP CSI 300 Index Daily (2x) Leveraged Product 2023 RMB	CSOP CSI 300 Index Daily (-1x) Inverse Product 2023 RMB	CSOP FTSE China A50 Index Daily (2x) Leveraged Product 2023 US\$	CSOP FTSE China A50 Index Daily (- 1x) Inverse Product 2023 US\$	CSOP Gold Futures Daily (-1x) Inverse Product 2023 US\$	CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product 2023 US\$	CSOP CSI Brokerage Index Daily (2x) Leveraged Product 2023 RMB
<u>Financial assets at FVPL</u>									
BNP Paribas MLA	987,076	–	–	–	–	–	–	–	–
CICC Financial Trading Limited	–	–	4,773,078	–	–	–	–	–	492,635
Citibank, N.A., Hong Kong	1,711,043	30,393,712	20,204,353	10,382,402	1,251,980	1,111,734	279,534	404,560	1,716,807
Citigroup Global Markets Limited	–	6,283,905	5,869,863	–	138,258	–	–	–	–
HSBC Hong Kong	–	–	521,125	–	–	–	–	–	–
Societe Generale SA-Paris	–	–	–	–	–	25,908	–	–	–
<u>Bank balances and margin accounts</u>									
BNP Paribas MLA	2,721,905	9,530,404	–	–	–	–	226,889	374,557	–
China Everbright Bank Co., Ltd	2,135,436	17,829,198	22,959,568	4,989,177	229,963	392,049	184,090	255,729	883,000
CICC Financial Trading Limited	–	–	42,711,067	5,207,206	–	–	–	–	5,011,772
Citibank, N.A., Hong Kong	2,021,034	21,037,771	25,352,316	5,019,681	450,484	414,025	150,799	278,867	1,185,082
Citigroup Global Markets Limited	–	26,489,404	49,737,726	3,545,345	401,453	206,321	14	–	–
CMB Wing Lung Bank Ltd	1,863,936	16,471,904	18,798,996	5,501,332	270,904	339,904	179,968	287,968	–
Industrial and Commercial Bank of China	2,058,221	15,010,019	25,303,544	5,530,782	265,148	377,388	179,000	250,000	851,000
United Overseas Bank	1,626,016	15,931,474	–	–	241,440	295,564	192,303	285,525	–
<u>Term deposits</u>									
Bank of Shanghai (Hong Kong) Ltd	275,050	8,800,000	–	–	–	–	–	–	–

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (continued)
As at 31 December 2022

	CSOP NASDAQ- 100 Index Daily (2x) Leveraged Product 2022 US\$	CSOP Gold Futures Daily (2x) Leveraged Product 2022 US\$	CSOP CSI 300 Index Daily (2x) Leveraged Product 2022 RMB	CSOP CSI 300 Index Daily (-1x) Inverse Product 2022 RMB	CSOP FTSE China A50 Index Daily (2x) Leveraged Product 2022 US\$	CSOP FTSE China A50 Index Daily (- 1x) Inverse Product 2022 US\$	CSOP Gold Futures Daily (-1x) Inverse Product 2022 US\$	CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product 2022 US\$
<u>Financial assets at FVPL</u>								
BNP Paribas MLA	–	1,134,600	–	–	–	–	–	–
CICC Financial Trading Limited	–	–	–	91,782	–	–	–	–
Citibank, N.A., Hong Kong	1,622,879	46,442,603	33,224,515	–	1,193,673	1,059,338	436,388	419,666
Citigroup Global Markets Limited	–	9,173,008	517,516	194,786	–	670	–	–
HSBC Hong Kong	–	–	–	10,795	–	–	–	–
Societe Generale SA-Paris	–	–	–	–	–	45,306	–	–
<u>Bank balances and margin accounts</u>								
BNP Paribas MLA	3,743,624	13,231,552	–	–	–	–	383,931	516,958
China Everbright Bank Co., Ltd	957,000	19,898,000	22,633,644	3,857,964	437,014	364,168	318,000	307,000
CICC Financial Trading Limited	–	–	41,534,875	5,198,766	–	–	–	–
Citibank, N.A., Hong Kong	741,989	20,296,695	23,078,909	3,676,713	386,109	321,553	233,944	181,337
Citigroup Global Markets Limited	–	23,998,567	51,136,187	5,215,167	311,509	110,598	14	–
CMB Wing Lung Bank Ltd	989,936	16,249,936	27,034,718	4,227,565	300,936	334,936	306,000	306,000
Industrial and Commercial Bank of China	1,222,537	21,305,969	8,730,376	4,074,064	375,329	334,632	307,000	301,000
United Overseas Bank	1,078,558	15,540,073	–	–	280,157	300,214	320,123	279,285
<u>Term deposits</u>								
Bank of Shanghai (Hong Kong) Ltd	–	8,681,206	–	–	–	–	–	–

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in settling a liability, including a redemption request. The Sub-Funds' majority securities are considered readily realisable, as they are traded in an active market and can be readily disposed of. It is the intent of the Manager to monitor the Sub-Funds' liquidity position on a daily basis. The following table illustrates the expected liquidity of financial assets held and gives the contractual undiscounted cash-flow projection of the Sub-Funds' financial liabilities as at 31 December 2023 and 2022. The Sub-Funds manage their liquidity risk by investing in securities that they expect to be able to liquidate within 12 months or less. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,711,043	987,076	–	–	2,698,119
Interest receivable	–	130	–	–	–	130
Other receivables	–	1,516	–	–	–	1,516
Margin accounts	2,721,905	–	–	–	–	2,721,905
Cash and cash equivalents	9,979,693	–	–	–	–	9,979,693
Total	12,701,598	1,712,689	987,076	–	–	15,401,363
Financial liabilities						
Management fee payable	–	56,495	–	–	–	56,495
Other payables and accruals	–	17,780	–	–	–	17,780
Total	–	74,275	–	–	–	74,275

As at 31 December 2023, there were 3 major unitholders respectively held 29%, 19% and 17% of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,622,879	–	–	–	1,622,879
Other receivables	–	2,581	–	–	–	2,581
Margin accounts	3,743,624	–	–	–	–	3,743,624
Cash and cash equivalents	4,990,020	–	–	–	–	4,990,020
Total	<u>8,733,644</u>	<u>1,625,460</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>10,359,104</u>
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	1,143,284	–	–	1,143,284
Management fee payable	–	21,046	–	–	–	21,046
Other payables and accruals	–	31,070	–	–	–	31,070
Total	<u>–</u>	<u>52,116</u>	<u>1,143,284</u>	<u>–</u>	<u>–</u>	<u>1,195,400</u>

As at 31 December 2022, there were 3 major unitholders respectively held 14%, 12% and 12% of CSOP NASDAQ-100 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP Gold Futures Daily (2x) Leveraged Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	30,393,712	6,283,905	–	–	36,677,617
Interest receivable	–	4,156	–	–	–	4,156
Other receivables	–	28,919	–	–	–	28,919
Margin accounts	36,019,808	–	–	–	–	36,019,808
Cash and cash equivalents	95,080,366	–	–	–	–	95,080,366
Total	<u>131,100,174</u>	<u>30,426,787</u>	<u>6,283,905</u>	<u>–</u>	<u>–</u>	<u>167,810,866</u>
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	18,750	–	–	18,750
Management fee payable	–	641,260	–	–	–	641,260
Other payables and accruals	–	75,075	–	–	–	75,075
Cash collateral liabilities	2,390,000	–	–	–	–	2,390,000
Total	<u>2,390,000</u>	<u>716,335</u>	<u>18,750</u>	<u>–</u>	<u>–</u>	<u>3,125,085</u>

As at 31 December 2023, there were 2 major unitholders respectively held 18% and 18% of CSOP Gold Futures Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP Gold Futures Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	46,442,603	10,307,608	–	–	56,750,211
Interest receivable	–	3,858	–	–	–	3,858
Other receivables	–	36,768	–	–	–	36,768
Margin accounts	37,230,118	–	–	–	–	37,230,118
Cash and cash equivalents	101,971,880	–	–	–	–	101,971,880
Total	<u>139,201,998</u>	<u>46,483,229</u>	<u>10,307,608</u>	<u>–</u>	<u>–</u>	<u>195,992,835</u>
Financial liabilities						
Management fee payable	–	774,460	–	–	–	774,460
Cash collateral liabilities	1,520,000	–	–	–	–	1,520,000
Other payables and accruals	–	89,285	–	–	–	89,285
Total	<u>1,520,000</u>	<u>863,745</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,383,745</u>

As at 31 December 2022, there were 2 major unitholders respectively held 17% and 16% of CSOP Gold Futures Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP CSI 300 Index Daily (2x) Leveraged Product

As at 31 December 2023

	On demand RMB	Less than 1 month RMB	1 to 3 months RMB	3 to 12 months RMB	More than 12 months RMB	Total RMB
Financial assets						
Financial assets at fair value through profit or loss	–	19,554,000	650,353	11,164,066	–	31,368,419
Other receivables	–	36,285	–	–	–	36,285
Margin accounts	92,448,794	–	–	–	–	92,448,794
Cash and cash equivalents	92,414,423	–	–	–	–	92,414,423
Total	184,863,217	19,590,285	650,353	11,164,066	–	216,267,921
Financial liabilities						
Interest payable from future swap contracts	–	142,937	–	–	–	142,937
Management fee payable	–	926,614	–	–	–	926,614
Cash collateral liabilities	8,679,855	–	–	–	–	8,679,855
Other payables and accruals	–	364,046	–	–	–	364,046
Total	8,679,855	1,433,597	–	–	–	10,113,452

As at 31 December 2023, there were 1 major unitholder respectively held 21% of CSOP CSI 300 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP CSI 300 Index Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	On demand RMB	Less than 1 month RMB	1 to 3 months RMB	3 to 12 months RMB	More than 12 months RMB	Total RMB
Financial assets						
Financial assets at fair value through profit or loss	–	32,224,515	517,516	–	–	32,742,031
Other receivables	–	44,172	–	–	–	44,172
Margin accounts	92,671,062	–	–	–	–	92,671,062
Cash and cash equivalents	81,477,647	–	–	–	–	81,477,647
Total	174,148,709	32,268,687	517,516	–	–	206,934,912
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	–	2,235,587	–	2,235,587
Interest payable from future swap contracts	–	780,590	–	–	–	780,590
Management fee payable	–	887,043	–	–	–	887,043
Other payables and accruals	–	544,216	–	–	–	544,216
Total	–	2,211,849	–	2,235,587	–	4,447,436

As at 31 December 2022, there were 2 major unitholders respectively held 15% and 10% of CSOP CSI 300 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP CSI 300 Index Daily (-1x) Inverse Product

As at 31 December 2023

	On demand RMB	Less than 1 month RMB	1 to 3 months RMB	3 to 12 months RMB	More than 12 months RMB	Total RMB
Financial assets						
Financial assets at fair value through profit or loss	–	10,252,907	129,495	–	–	10,382,402
Other receivables	–	437,141	–	–	–	437,141
Margin accounts	8,752,551	–	–	–	–	8,752,551
Cash and cash equivalents	21,040,972	–	–	–	–	21,040,972
Total	29,793,523	10,690,048	129,495	–	–	40,613,066
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	–	1,095,347	–	1,095,347
Interest payable from swap contracts	–	7,994	–	–	–	7,994
Amounts due to a broker	–	9,450	–	–	–	9,450
Management fee payable	–	145,166	–	–	–	145,166
Other payables and accruals	–	342,064	–	–	–	342,064
Total	–	504,674	–	1,095,347	–	1,600,021

As at 31 December 2023, there were 2 major unitholders respectively held 61% and 19% of CSOP CSI 300 Index Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP CSI 300 Index Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	On demand RMB	Less than 1 month RMB	1 to 3 months RMB	3 to 12 months RMB	More than 12 months RMB	Total RMB
Financial assets						
Financial assets at fair value through profit or loss	–	–	187,600	109,763	–	297,363
Other receivables	–	15,601	–	–	–	15,601
Amounts due from broker	–	806	–	–	–	806
Margin accounts	10,413,933	–	–	–	–	10,413,933
Cash and cash equivalents	15,836,306	–	–	–	–	15,836,306
Total	<u>26,250,239</u>	<u>16,407</u>	<u>187,600</u>	<u>109,763</u>	<u>–</u>	<u>26,564,009</u>
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	93,336	–	–	93,336
Management fee payable	–	293,785	–	–	–	293,785
Other payables and accruals	–	502,547	–	–	–	502,547
Total	<u>–</u>	<u>796,332</u>	<u>93,336</u>	<u>–</u>	<u>–</u>	<u>889,668</u>

As at 31 December 2022, there were 3 major unitholders respectively held 34%, 27% and 16% of CSOP CSI 300 Index Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,251,980	138,258	–	–	1,390,238
Other receivables	–	5,320	–	–	–	5,320
Amounts due from broker	–	125,931	–	–	–	125,931
Margin accounts	401,453	–	–	–	–	401,453
Cash and cash equivalents	1,457,939	–	–	–	–	1,457,939
Total	1,859,392	1,383,231	138,258	–	–	3,380,881
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	55,758	–	–	55,758
Management fee payable	–	18,707	–	–	–	18,707
Other payables and accruals	–	19,348	–	–	–	19,348
Total	–	38,055	55,758	–	–	93,813

As at 31 December 2023, there were 2 major unitholders respectively held 25% and 12% of CSOP FTSE China A50 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,193,673	–	–	–	1,193,673
Other receivables	–	25,183	–	–	–	25,183
Amounts due from broker	–	85,346	–	–	–	85,346
Margin accounts	311,509	–	–	–	–	311,509
Cash and cash equivalents	1,779,545	–	–	–	–	1,779,545
Total	2,091,054	1,304,202	–	–	–	3,395,256
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	99,688	–	–	99,688
Management fee payable	–	7,123	–	–	–	7,123
Other payables and accruals	–	40,933	–	–	–	40,933
Cash collateral liabilities	–	20,000	–	–	–	20,000
Total	–	68,056	99,688	–	–	167,744

As at 31 December 2022, there were 4 major unitholders respectively held 14%, 14%, 12% and 11% of CSOP FTSE China A50 Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,111,734	25,908	–	–	1,137,642
Other receivables	–	6,256	–	–	–	6,256
Margin accounts	206,321	–	–	–	–	206,321
Cash and cash equivalents	1,818,930	–	–	–	–	1,818,930
Total	2,025,251	1,117,990	25,908	–	–	3,169,149
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	70,786	–	–	70,786
Amounts due to broker	–	59,737	–	–	–	59,737
Management fee payable	–	18,309	–	–	–	18,309
Other payables and accruals	–	18,339	–	–	–	18,339
Total	–	96,385	70,786	–	–	167,171

As at 31 December 2023, there were 2 major unitholders respectively held 59% and 33% of CSOP FTSE China A50 Index Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,059,338	45,976	–	–	1,105,314
Other receivables	–	6,465	–	–	–	6,465
Margin accounts	110,598	–	–	–	–	110,598
Cash and cash equivalents	1,655,503	–	–	–	–	1,655,503
Total	1,766,101	1,065,803	45,976	–	–	2,877,880
Financial liabilities						
Amounts due to broker	–	43,483	–	–	–	43,483
Management fee payable	–	18,983	–	–	–	18,983
Other payables and accruals	–	48,482	–	–	–	48,482
Total	–	110,948	–	–	–	110,948

As at 31 December 2022, there were 2 major unitholders respectively held 59% and 31% of CSOP FTSE China A50 Index Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP Gold Futures Daily (-1x) Inverse Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	279,534	–	–	–	279,534
Other receivables	–	34,638	–	–	–	34,638
Margin accounts	226,904	–	–	–	–	226,904
Cash and cash equivalents	886,159	–	–	–	–	886,159
Total	1,113,063	314,172	–	–	–	1,427,235
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	37,900	–	–	37,900
Management fee payable	–	8,923	–	–	–	8,923
Other payables and accruals	–	20,543	–	–	–	20,543
Total	–	29,466	37,900	–	–	67,366

As at 31 December 2023, there were 3 major unitholders respectively held 50%, 15% and 11% of CSOP Gold Futures Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP Gold Futures Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	436,388	–	–	–	436,388
Other receivables	–	35,932	–	–	–	35,932
Margin accounts	383,945	–	–	–	–	383,945
Cash and cash equivalents	1,485,067	–	–	–	–	1,485,067
Total	1,869,012	472,320	–	–	–	2,341,332
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	–	83,830	–	–	83,830
Management fee payable	–	2,422	–	–	–	2,422
Other payables and accruals	–	20,928	–	–	–	20,928
Total	–	23,350	83,830	–	–	107,180

As at 31 December 2022, there were 3 major unitholders respectively held 42%, 33% and 18% of CSOP Gold Futures Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	404,560	–	–	–	404,560
Other receivables	–	39,109	–	–	–	39,109
Margin accounts	374,557	–	–	–	–	374,557
Cash and cash equivalents	1,358,089	–	–	–	–	1,358,089
Total	<u>1,732,646</u>	<u>443,669</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,176,315</u>
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	34,180	–	–	–	34,180
Management fee payable	–	10,079	–	–	–	10,079
Other payables and accruals	–	25,921	–	–	–	25,921
Total	<u>–</u>	<u>70,180</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>70,180</u>

As at 31 December 2023, there were 3 major unitholders respectively held 48%, 14% and 10% of CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

As at 31 December 2022

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	419,666	–	–	–	419,666
Other receivables	–	37,874	–	–	–	37,874
Margin accounts	516,958	–	–	–	–	516,958
Cash and cash equivalents	1,374,622	–	–	–	–	1,374,622
Total	<u>1,891,580</u>	<u>457,540</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,349,120</u>
Financial liabilities						
Financial liabilities at fair value through profit or loss	–	165,760	–	–	–	165,760
Management fee payable	–	6,973	–	–	–	6,973
Other payables and accruals	–	21,512	–	–	–	21,512
Total	<u>–</u>	<u>194,245</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>194,245</u>

As at 31 December 2022, there were 4 major unitholders respectively held 18%, 15%, 13% and 12% of CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (continued)

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

As at 31 December 2023

	On demand US\$	Less than 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	More than 12 months US\$	Total US\$
Financial assets						
Financial assets at fair value through profit or loss	–	1,716,807	–	492,635	–	2,209,442
Other receivables	–	475,315	–	–	–	475,315
Margin accounts	5,011,772	–	–	–	–	5,011,772
Cash and cash equivalents	2,919,082	–	–	–	–	2,919,082
Total	<u>7,930,854</u>	<u>2,192,122</u>	<u>–</u>	<u>492,635</u>	<u>–</u>	<u>10,615,611</u>
Financial liabilities						
Interest payable from swap contracts	–	3,923	–	–	–	3,923
Management fee payable	–	7,738	–	–	–	7,738
Other payables and accruals	–	240,382	–	–	–	240,382
Total	<u>–</u>	<u>252,043</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>252,043</u>

As at 31 December 2023, there were 3 major unitholders respectively held 31%, 20% and 17% of CSOP CSI Brokerage Index Daily (2x) Leveraged Product's total net assets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation

The fair values of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. The Sub-Funds use the last traded market prices as its fair valuation inputs for financial assets.

An active market is a market in which transactions for the assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

A financial instrument is regarded as quoted in an active market if 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.

IFRS 13 requires the Sub-Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. 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 assets or liabilities.

The determination of what constitutes "observable" requires significant judgement by the Sub-Funds. The Sub-Funds consider observable data to be the 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 markets.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

Financial assets carried at fair value

The following tables analyse the fair value hierarchy within the Sub-Funds' financial assets measured at fair value:

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investments funds	771,417	939,626	–	1,711,043
Future contracts	987,076	–	–	987,076
	<u>1,758,493</u>	<u>939,626</u>	<u>–</u>	<u>2,698,119</u>
<u>As at 31 December 2022</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investments funds	731,680	891,199	–	1,622,879
	<u>731,680</u>	<u>891,199</u>	<u>–</u>	<u>1,622,879</u>
Financial liabilities at FVPL:				
Futures contracts	1,143,284	–	–	1,143,284
	<u>1,143,284</u>	<u>–</u>	<u>–</u>	<u>1,143,284</u>

There were no transfers between levels during the years ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)
Financial assets carried at fair value (continued)

CSOP Gold Futures Daily (2x) Leveraged Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	30,393,712	–	–	30,393,712
Futures contracts	4,777,155	–	–	4,777,155
Futures swap contracts	–	1,506,750	–	1,506,750
	<u>35,170,867</u>	<u>1,506,750</u>	<u>–</u>	<u>36,677,617</u>
Financial liabilities at FVPL:				
Futures contracts	18,750	–	–	18,750
	<u>18,750</u>	<u>–</u>	<u>–</u>	<u>18,750</u>
<u>As at 31 December 2022</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	42,837,454	3,605,149	–	46,442,603
Futures contracts	8,017,040	–	–	8,017,040
Futures swap contracts	–	2,290,568	–	2,290,568
	<u>50,854,494</u>	<u>5,895,717</u>	<u>–</u>	<u>56,750,211</u>

There were no transfers between levels during the years ended 31 December 2023 and 2022.

CSOP CSI 300 Index Daily (2x) Leveraged Product

<u>As at 31 December 2023</u>	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Financial assets at FVPL:				
Investment funds	19,554,000	–	–	19,554,000
Forward contracts	–	650,353	–	650,353
Total return swaps	–	11,164,066	–	11,164,066
	<u>19,554,000</u>	<u>11,814,419</u>	<u>–</u>	<u>31,368,419</u>
<u>As at 31 December 2022</u>	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Financial assets at FVPL:				
Investment funds	32,224,515	–	–	32,224,515
Forward contracts	–	517,516	–	517,516
	<u>32,224,515</u>	<u>517,516</u>	<u>–</u>	<u>32,742,031</u>
Financial liabilities at FVPL:				
Total return swaps	–	2,235,587	–	2,235,587
	<u>–</u>	<u>2,235,587</u>	<u>–</u>	<u>2,235,587</u>

There were no transfers between levels during the years ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

Financial assets carried at fair value (continued)

CSOP CSI 300 Index Daily (-1x) Inverse Product

<u>As at 31 December 2023</u>	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Financial assets at FVPL:				
Investment funds	–	10,252,907	–	10,252,907
Forward contracts	–	129,495	–	129,495
	<u>–</u>	<u>10,382,402</u>	<u>–</u>	<u>10,382,402</u>
Financial liabilities at FVPL:				
Total return swaps	–	1,095,347	–	1,095,347
	<u>–</u>	<u>1,095,347</u>	<u>–</u>	<u>1,095,347</u>
<u>As at 31 December 2022</u>	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Financial assets at FVPL:				
Forward contracts	–	187,600	–	187,600
Total return swaps	–	109,763	–	109,763
	<u>–</u>	<u>297,363</u>	<u>–</u>	<u>297,363</u>
Financial liabilities at FVPL:				
Forward contracts	–	93,336	–	93,336
	<u>–</u>	<u>93,336</u>	<u>–</u>	<u>93,336</u>

There were no transfers between levels during the years ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (e) Fair value estimation (continued)
Financial assets carried at fair value (continued)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	1,251,980	–	–	1,251,980
Total return swaps	–	138,258	–	138,258
	<u>1,251,980</u>	<u>138,258</u>	<u>–</u>	<u>1,390,238</u>
Financial liabilities at FVPL:				
Total return swaps	–	55,758	–	55,758
	<u>–</u>	<u>55,758</u>	<u>–</u>	<u>55,758</u>
<u>As at 31 December 2022</u>				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	1,193,673	–	–	1,193,673
	<u>1,193,673</u>	<u>–</u>	<u>–</u>	<u>1,193,673</u>
Financial liabilities at FVPL:				
Total return swaps	–	99,688	–	99,688
	<u>–</u>	<u>99,688</u>	<u>–</u>	<u>99,688</u>

There were no transfers between levels during the year ended 31 December 2023 and 2022.

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	1,111,734	–	–	1,111,734
Total return swaps	–	25,908	–	25,908
	<u>1,111,734</u>	<u>25,908</u>	<u>–</u>	<u>1,137,642</u>
Financial liabilities at FVPL:				
Total return swaps	–	70,786	–	70,786
	<u>–</u>	<u>70,786</u>	<u>–</u>	<u>70,786</u>
<u>As at 31 December 2022</u>				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	1,059,338	–	–	1,059,338
Total return swaps	–	45,976	–	45,976
	<u>1,059,338</u>	<u>45,976</u>	<u>–</u>	<u>1,105,314</u>

There were no transfers between levels during the year ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (e) Fair value estimation (continued)
Financial assets carried at fair value (continued)

CSOP Gold Futures Daily (-1x) Inverse Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	–	279,534	–	279,534
	<u>–</u>	<u>279,534</u>	<u>–</u>	<u>279,534</u>
Financial liabilities at FVPL:				
Futures contracts	37,900	–	–	37,900
	<u>37,900</u>	<u>–</u>	<u>–</u>	<u>37,900</u>
<u>As at 31 December 2022</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	313,577	122,811	–	436,388
	<u>313,577</u>	<u>122,811</u>	<u>–</u>	<u>436,388</u>
Financial liabilities at FVPL:				
Futures contracts	83,830	–	–	83,830
	<u>83,830</u>	<u>–</u>	<u>–</u>	<u>83,830</u>

There were no transfers between levels during the year/period ended 31 December 2023 and 2022.

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

<u>As at 31 December 2023</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	–	404,560	–	404,560
	<u>–</u>	<u>404,560</u>	<u>–</u>	<u>404,560</u>
Financial liabilities at FVPL:				
Futures contracts	34,180	–	–	34,180
	<u>34,180</u>	<u>–</u>	<u>–</u>	<u>34,180</u>
<u>As at 31 December 2022</u>	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVPL:				
Investment funds	–	419,666	–	419,666
	<u>–</u>	<u>419,666</u>	<u>–</u>	<u>419,666</u>
Financial liabilities at FVPL:				
Futures contracts	165,760	–	–	165,760
	<u>165,760</u>	<u>–</u>	<u>–</u>	<u>165,760</u>

There were no transfers between levels during the year/period ended 31 December 2023 and 2022.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (e) Fair value estimation (continued)
Financial assets carried at fair value (continued)

CSOP CSI Brokerage Index Daily (2x) Leveraged Product				
<u>As at 31 December 2023</u>	Level 1	Level 2	Level 3	Total
	RMB	RMB	RMB	RMB
Financial assets at FVPL:				
Investment funds	–	1,716,807	–	1,716,807
Total return swaps	–	492,635	–	492,635
	<u>–</u>	<u>2,209,442</u>	<u>–</u>	<u>2,209,442</u>

There were no transfers between levels during the period ended 31 December 2023.

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include listed units of investment funds and futures contracts. The Sub-Funds do not adjust the quoted price for these instruments.

Financial instruments that are traded in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2, include forward contracts, future swap contracts and total return swaps and unlisted units of listed investment funds.

Investments classified within Level 3 have significant unobservable inputs, as they are traded infrequently.

Other financial assets and financial liabilities

The Manager has assessed that the carrying values of interest receivable, other receivables, amounts due from participating dealers, amounts due from broker, margin accounts, cash and cash equivalents, interest payable from future swap contracts, amounts due to participating dealers, amounts due to broker, management fee payable, other payables and accruals, formation fee payable and cash collateral liabilities approximate to their fair values largely due to the short term maturities of these instruments.

- (f) Capital risk management

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds' objective is to provide investment results that correspond generally to the performance of the Index.

The Manager may:

- redeem and issue new units in accordance with the constitutive documents of the Sub-Funds;
- exercise discretion when determining the amount of distributions of the Sub-Funds to the unitholders; and
- suspend the creation and redemption of units under certain circumstances stipulated in the Trust Deed.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

The Sub-Funds present the fair value of their derivative assets and liabilities on a gross basis, no such assets or liabilities have been offset in the statement of net assets. Certain derivative financial instruments are subject to enforceable master netting arrangements.

The arrangements allow for offsetting following an event of default, but not in the ordinary course of business, and the Sub-Funds do not intend to settle these transactions on a net basis or settle the assets and liabilities on a simultaneous basis.

The tables below set out the carrying amounts of recognised financial assets and liabilities that are subject to the above arrangement, together with collateral held or pledged against these assets and liabilities as at 31 December 2023 and 2022:

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

As at 31 December 2023

	Gross amounts of recognised financial assets	Gross amounts of recognised financial assets set-off in the statement of net assets	Net amounts of financial assets presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
Financial assets						
Future contracts	987,076	–	987,076	–	–	987,076
Margin accounts	2,721,905	–	2,721,905	–	–	2,721,905
Total	<u>3,708,981</u>	<u>–</u>	<u>3,708,981</u>	<u>–</u>	<u>–</u>	<u>3,708,981</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

As at 31 December 2022

	Gross amounts of recognised financial assets US\$	Gross amounts of recognised financial assets set-off in the statement of net assets US\$	Net amounts of financial assets presented in the statement of net assets US\$	Related amounts not set-off in the statement of net assets		Net amounts US\$
				Financial instruments US\$	Cash collateral received US\$	
Financial assets						
Margin accounts	3,743,624	–	3,743,624	(1,143,284)	–	2,600,340
Total	<u>3,743,624</u>	<u>–</u>	<u>3,743,624</u>	<u>(1,143,284)</u>	<u>–</u>	<u>2,600,340</u>
Financial liabilities						
Futures contracts	1,143,284	–	1,143,284	(1,143,284)	–	–
Total	<u>1,143,284</u>	<u>–</u>	<u>1,143,284</u>	<u>(1,143,284)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP Gold Futures Daily (2x) Leveraged Product
As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets US\$	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets US\$	Net amounts of financial assets/liabilities presented in the statement of net assets US\$	Related amounts not set-off in the statement of net assets		Net amounts US\$
	US\$	US\$	US\$	Financial instruments US\$	Cash collateral received US\$	US\$
Financial assets						
Futures contracts	4,777,155	–	4,777,155	–	–	4,777,155
Futures swap contracts	1,506,750	–	1,506,750	–	–	1,506,750
Margin accounts	36,019,808	–	36,019,808	(18,750)	(2,390,000)	33,611,058
Total	<u>42,303,713</u>	<u>–</u>	<u>42,303,713</u>	<u>(18,750)</u>	<u>(2,390,000)</u>	<u>39,894,963</u>
Financial liabilities						
Future contracts	18,750	–	18,750	(18,750)	–	–
Cash collateral liabilities	2,390,000	–	2,390,000	–	(2,390,000)	–
Total	<u>2,408,750</u>	<u>–</u>	<u>2,408,750</u>	<u>(18,750)</u>	<u>(2,390,000)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP Gold Futures Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
Financial assets						
Futures contracts	8,017,040	–	8,017,040	–	–	8,017,040
Futures swap contracts	2,290,568	–	2,290,568	–	(1,520,000)	770,568
Margin accounts	37,230,118	–	37,230,118	–	–	37,230,118
Total	<u>47,537,726</u>	<u>–</u>	<u>47,537,726</u>	<u>–</u>	<u>(1,520,000)</u>	<u>46,017,726</u>
Financial liabilities						
Cash collateral liabilities	1,520,000	–	1,520,000	–	(1,520,000)	–
Total	<u>1,520,000</u>	<u>–</u>	<u>1,520,000</u>	<u>–</u>	<u>(1,520,000)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP CSI 300 Index Daily (2x) Leveraged Product
As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities RMB	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Related amounts not set-off in the statement of net assets		Net amounts RMB
				Financial instruments RMB	Cash collateral received RMB	
Financial assets						
Forward contracts	650,353	–	650,353	–	–	650,353
Total return swaps	11,164,066	–	11,164,066	–	–	11,164,066
Margin accounts	92,448,794	–	92,448,794	–	(8,679,855)	83,768,939
Total	<u>104,263,213</u>	<u>–</u>	<u>104,263,213</u>	<u>–</u>	<u>(8,679,855)</u>	<u>95,583,358</u>
Financial liabilities						
Cash collateral liabilities	8,679,855	–	8,679,855	–	(8,679,855)	–
Total	<u>8,679,855</u>	<u>–</u>	<u>8,679,855</u>	<u>–</u>	<u>(8,679,855)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP CSI 300 Index Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Related amounts not set-off in the statement of net assets		Net amounts RMB
				Financial instruments RMB	Cash collateral received RMB	
Financial assets						
Forward contracts	517,516	–	517,516	–	–	517,516
Margin accounts	92,671,062	–	92,671,062	(2,235,587)	–	90,435,475
Total	<u>93,188,578</u>	<u>–</u>	<u>93,188,578</u>	<u>(2,235,587)</u>	<u>–</u>	<u>90,952,991</u>
Financial liabilities						
Total return swaps	2,235,587	–	2,235,587	(2,235,587)	–	–
Total	<u>2,235,587</u>	<u>–</u>	<u>2,235,587</u>	<u>(2,235,587)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP CSI 300 Index Daily (-1x) Inverse Product

As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities RMB	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Related amounts not set-off in the statement of net assets		Net amounts RMB
				Financial instruments RMB	Cash collateral received RMB	
Financial assets						
Forward contracts	129,495	–	129,495	–	–	129,495
Margin accounts	8,752,551	–	8,752,551	(1,095,347)	(9,450)	7,647,754
Total	<u>8,882,046</u>	<u>–</u>	<u>8,882,046</u>	<u>(1,095,347)</u>	<u>(9,450)</u>	<u>7,777,249</u>
Financial liabilities						
Total return swaps	1,095,347	–	1,095,347	(1,095,347)	–	–
Amounts due to a broker	9,450	–	9,450	–	(9,450)	–
Total	<u>1,104,797</u>	<u>–</u>	<u>1,104,797</u>	<u>(1,095,347)</u>	<u>(9,450)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP CSI 300 Index Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Related amounts not set-off in the statement of net assets		Net amounts RMB
				Financial instruments RMB	Cash collateral received RMB	
Financial assets						
Forward contracts	187,600	–	187,600	(93,336)	–	94,264
Total return swaps	109,763	–	109,763	–	–	109,763
Amounts due from broker	806	–	806	–	–	806
Margin accounts	10,413,933	–	10,413,933	–	–	10,413,933
Total	10,712,102	–	10,712,102	(93,336)	–	10,618,766
Financial liabilities						
Forward contracts	93,336	–	93,336	(93,336)	–	–
Total	93,336	–	93,336	(93,336)	–	–

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Gross amounts of recognised financial assets/liabilities	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
Financial assets						
Total return swaps	138,258	–	138,258	–	–	138,258
Amounts due from broker	125,931	–	125,931	–	–	125,931
Margin accounts	401,453	–	401,453	(55,758)	–	345,695
Total	<u>665,642</u>	<u>–</u>	<u>665,642</u>	<u>(55,758)</u>	<u>–</u>	<u>609,884</u>
Financial liabilities						
Total return swaps	55,758	–	55,758	(55,758)	–	–
Total	<u>55,758</u>	<u>–</u>	<u>55,758</u>	<u>(55,758)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP FTSE China A50 Index Daily (2x) Leveraged Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Gross amounts of recognised financial assets/liabilities	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
Financial assets						
Amounts due from broker	85,346	–	85,346	–	–	85,346
Margin accounts	311,509	–	311,509	(99,688)	(20,000)	191,821
Total	<u>396,855</u>	<u>–</u>	<u>396,855</u>	<u>(99,688)</u>	<u>(20,000)</u>	<u>277,167</u>
Financial liabilities						
Total return swaps	99,688	–	99,688	(99,688)	–	–
Cash collateral liabilities	20,000	–	20,000	–	(20,000)	–
Total	<u>119,688</u>	<u>–</u>	<u>119,688</u>	<u>(99,688)</u>	<u>(20,000)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	US\$	Financial instruments US\$	Cash collateral received US\$	US\$
Financial assets							
Total return swaps	25,908	–	25,908	–	–	–	25,908
Margin accounts	206,321	–	206,321	(70,786)	(59,737)	–	75,798
Total	<u>232,229</u>	<u>–</u>	<u>232,229</u>	<u>(70,786)</u>	<u>(59,737)</u>	<u>–</u>	<u>101,706</u>
Financial liabilities							
Total return swaps	70,786	–	70,786	(70,786)	–	–	–
Amounts due to broker	59,737	–	59,737	–	(59,737)	–	–
Total	<u>130,523</u>	<u>–</u>	<u>130,523</u>	<u>(70,786)</u>	<u>(59,737)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP FTSE China A50 Index Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Gross amounts of recognised financial assets/liabilities	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
	US\$	US\$	US\$	US\$	US\$	US\$
Financial assets						
Total return swaps	45,976	–	45,976	–	–	45,976
Margin accounts	110,598	–	110,598	–	(43,483)	67,115
Total	<u>156,574</u>	<u>–</u>	<u>156,574</u>	<u>–</u>	<u>(43,483)</u>	<u>113,091</u>
Financial liabilities						
Amounts due to broker	43,483	–	43,483	–	(43,483)	–
Total	<u>43,483</u>	<u>–</u>	<u>43,483</u>	<u>–</u>	<u>(43,483)</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP Gold Futures Daily (-1x) Inverse Product
As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities US\$	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets US\$	Net amounts of financial assets/liabilities presented in the statement of net assets US\$	Related amounts not set-off in the statement of net assets		Net amounts US\$
				Financial instruments US\$	Cash collateral received US\$	
Financial assets						
Margin accounts	226,904	–	226,904	(37,900)	–	189,004
Total	<u>226,904</u>	<u>–</u>	<u>226,904</u>	<u>(37,900)</u>	<u>–</u>	<u>189,004</u>
Financial liabilities						
Future contracts	37,900	–	37,900	(37,900)	–	–
Total	<u>37,900</u>	<u>–</u>	<u>37,900</u>	<u>(37,900)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP Gold Futures Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	US\$	Financial instruments	Cash collateral received	US\$
					US\$	US\$	
Financial assets							
Margin accounts	383,945	–	–	383,945	(83,830)	–	300,115
Total	<u>383,945</u>	<u>–</u>	<u>–</u>	<u>383,945</u>	<u>(83,830)</u>	<u>–</u>	<u>300,115</u>
Financial liabilities							
Future contracts	83,830	–	–	83,830	(83,830)	–	–
Total	<u>83,830</u>	<u>–</u>	<u>–</u>	<u>83,830</u>	<u>(83,830)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets	Net amounts of financial assets/liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amounts
	US\$	US\$	US\$	US\$	Financial instruments US\$	Cash collateral received US\$	US\$
Financial assets							
Margin accounts	374,557	–	374,557	(34,180)	–		340,377
Total	<u>374,557</u>	<u>–</u>	<u>374,557</u>	<u>(34,180)</u>	<u>–</u>		<u>340,377</u>
Financial liabilities							
Future contracts	34,180	–	34,180	(34,180)	–		–
Total	<u>34,180</u>	<u>–</u>	<u>34,180</u>	<u>(34,180)</u>	<u>–</u>		<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product (continued)

As at 31 December 2022

	Gross amounts of recognised financial assets/liabilities US\$	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets US\$	Net amounts of financial assets/liabilities presented in the statement of net assets US\$	Related amounts not set-off in the statement of net assets		Net amounts US\$
				Financial instruments US\$	Cash collateral received US\$	
Financial assets						
Margin accounts	516,958	–	516,958	(165,760)	–	351,198
Total	<u>516,958</u>	<u>–</u>	<u>516,958</u>	<u>(165,760)</u>	<u>–</u>	<u>351,198</u>
Financial liabilities						
Future contracts	165,760	–	165,760	(165,760)	–	–
Total	<u>165,760</u>	<u>–</u>	<u>165,760</u>	<u>(165,760)</u>	<u>–</u>	<u>–</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

As at 31 December 2023

	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Gross amounts of recognised financial assets/liabilities set-off in the statement of net assets RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Related amounts not set-off in the statement of net assets		Net amounts RMB
	Gross amounts of recognised financial assets/liabilities RMB	Gross amounts of recognised financial assets/liabilities RMB	Net amounts of financial assets/liabilities presented in the statement of net assets RMB	Financial instruments RMB	Cash collateral received RMB	Net amounts RMB
Financial assets						
Total return swaps	492,635	–	492,635	–	–	492,635
Margin accounts	5,011,772	–	5,011,772	–	–	5,011,772
Total	<u>5,504,407</u>	<u>–</u>	<u>5,504,407</u>	<u>–</u>	<u>–</u>	<u>5,504,407</u>

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

14. BROKERAGE AND TRANSACTION FEE

Broker commission pertain to the broker commission for every transaction made through the broker at the average market rate based on the transaction value. Transaction fees pertain to fees such as trading fee and transaction levy for every transaction made on the exchange.

15. AUDIT FEE

The audit fee of the Sub-Funds for the year/period ended 31 December 2023 are as follows:

	<u>Audit fee</u>	
	2023	2022
CSOP NASDAQ-100 Index Daily (2x) Leveraged Product	US\$8,532	US\$2,465
CSOP Gold Futures Daily (2x) Leveraged Product	US\$51,776	US\$51,624
CSOP CSI 300 Index Daily (2x) Leveraged Product	RMB102,782	RMB95,279
CSOP CSI 300 Index Daily (-1x) Inverse Product	RMB102,809	RMB94,589
CSOP FTSE China A50 Index Daily (2x) Leveraged Product	US\$8,532	US\$2,466
CSOP FTSE China A50 Index Daily (-1x) Inverse Product	US\$8,524	US\$7,394
CSOP Gold Futures Daily (-1x) Inverse Product ¹	US\$8,538	US\$10,000
CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product ²	US\$8,538	US\$10,000
CSOP CSI Brokerage Index Daily (2x) Leveraged Product ³	RMB58,586	N/A

¹The financial period 2022 refer to the period from 19 October 2021 (date of commencement of operations) to 31 December 2022.

²The financial period 2022 refer to the period from 30 November 2021 (date of commencement of operations) to 31 December 2022.

³The financial period 2023 refer to the period from 18 October 2022 (date of commencement of operations) to 31 December 2023.

The amount was borne by the Sub-Funds. There was no non-audit services provided to the Sub-Funds by the auditor for the year ended 31 December 2023 (2022: Nil).

16. SEGMENT INFORMATION

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

The Manager considers that each Sub-Fund has a single operating segment which is investing in securities to achieve the investment objectives of the Sub-Funds. The objective of the Sub-Funds are to provide investment results that, before deduction of fees and expenses, closely correspond to the daily performance of the Index.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the statement of net assets and the statement of profit or loss and other comprehensive income.

The Sub-Funds are domiciled in Hong Kong. The majority of the Sub-Funds' income is derived from investments in securities of the tracked Index.

The Sub-Funds have no assets and no liabilities classified as non-current.

CSOP LEVERAGED AND INVERSE SERIES II

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Manager and the Trustee on 29 April 2024.

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED)

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

As at 31 December 2023

				Holdings Units	Market value US\$	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
CSOP US Dollar Money Market ETF				7,000	771,417	5.03
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)				852,578	939,626	6.13
					<u>1,711,043</u>	<u>11.16</u>
					Market value US\$	% of net assets
	Underlying assets	Counterparty	Expiration date	Contracts		
<u>Futures contracts</u>						
The United States of America						
NASDAQ 100 E-MINI 15/03/2024				NASDAQ 100 Index	BNP PARIBAS MLA	15 March 2024
				89	987,076	6.44
					<u>987,076</u>	<u>6.44</u>
Total investments, at fair value					<u>2,698,119</u>	<u>17.60</u>
Total investments, at cost					<u>1,595,607</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP Gold Futures Daily (2x) Leveraged Product

As at 31 December 2023

				Holdings Units	Market value US\$	% of net assets	
<u>Financial assets at fair value through profit or loss</u>							
<u>Listed investment funds</u>							
Hong Kong							
CSOP US Dollar Money Market ETF				275,799	30,393,712	18.46	
					<u>30,393,712</u>	<u>18.46</u>	
		Underlying assets	Counterparty	Expiration date	Contracts	Market value US\$	% of net assets
<u>Futures contracts</u>							
The United States of America							
GOLD 100 OZ FUTURE 27/02/2024		Solactive Gold 1-Day Rolling Futures Index	Citigroup Global Markets Limited	27 February 2024	800	4,777,155	2.90
					<u>4,777,155</u>	<u>2.90</u>	
<u>Futures swap contracts</u>							
The United States of America							
GOLD 100 OZ FUTURE 27/02/2024		Solactive Gold 1-Day Rolling Futures Index	Citigroup Global Markets Limited	27 February 2024	750	1,506,750	0.91
					<u>1,506,750</u>	<u>0.91</u>	
<u>Financial liabilities at fair value through profit or loss</u>							
		Underlying assets	Counterparty	Expiration date	Contracts	Market value US\$	% of net assets
<u>Futures contracts</u>							
The United States of America							
GOLD 100 OZ FUTURE 27/02/2024		Solactive Gold 1-Day Rolling Futures Index	BNP PARIBAS MLA	27 February 2024	40	(18,750)	(0.01)
					<u>(18,750)</u>	<u>(0.01)</u>	
Total investments, at fair value						<u>36,658,867</u>	<u>22.26</u>
Total investments, at cost						<u>28,399,891</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP CSI 300 Index Daily (2x) Leveraged Product

As at 31 December 2023

					Holdings Units	Fair value RMB	% of net assets
<u>Financial assets at fair value through profit or loss</u>							
<u>Listed investment funds</u>							
Hong Kong							
CSOP RMB Money Market ETF					120,000	19,554,000	9.48
						19,554,000	9.48
Expiration date	Position	Underlying assets	Counterparty	Notional amount	Fair value RMB	% of net assets	
<u>Forward contracts</u>							
Buy Renminbi/ Sell United States Dollars	31 January 2024	Long	Currency	Citibank, N.A., Hong Kong	80,506,850	650,353	0.32
						650,353	0.32
	Position	Underlying assets	Counterparty	Contracts	Fair value RMB	% of net assets	
<u>Total return swaps contracts</u>							
Total Return Swap (CICC)	Long	CSI 300 Index	CICC Financial Trading Limited	50,374	4,773,078	2.32	
Total Return Swap (HSBC)	Long	CSI 300 Index	HSBC Hong Kong	5,500	521,125	0.25	
Total Return Swap (CGML)	Long	CSI 300 Index	Citigroup Global Markets Limited	64,464	5,869,863	2.85	
						11,164,066	5.42
Total investments, at fair value						31,368,419	15.22
Total investments, at cost						18,619,337	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP CSI 300 Index Daily (-1x) Inverse Product

As at 31 December 2023

					Holdings Units	Market value RMB	% of net assets
<u>Financial assets at fair value through profit or loss</u>							
<u>Listed investment funds</u>							
Hong Kong							
CSOP RMB Money Market ETF- (Unlisted Share Class A)					662,613	7,213,204	18.49
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)					389,046	3,039,703	7.79
						<u>10,252,907</u>	<u>26.28</u>
	Expiration date	Position	Underlying assets	Counterparty	Notional amount	Fair value RMB	% of net assets
<u>Forward contracts</u>							
Buy Renminbi/ Sell United States Dollars	31 January 2024	Long	Currency	Citibank, N.A., Hong Kong	16,030,125	129,495	0.33
						<u>129,495</u>	<u>0.33</u>
<u>Financial liabilities at fair value through profit or loss</u>							
		Position	Underlying assets	Counterparty	Contracts	Fair value RMB	% of net assets
<u>Total return swaps contracts</u>							
Total Return Swap (CICC)		Short	CSI 300 Index	CICC Financial Trading Limited	(4,860)	(460,499)	(1.18)
Total Return Swap (HSBC)		Short	CSI 300 Index	HSBC Hong Kong	(500)	(47,375)	(0.12)
Total Return Swap (CGML)		Short	CSI 300 Index	Citigroup Global Markets Limited	(6,198)	(587,473)	(1.51)
						<u>(1,095,347)</u>	<u>(2.81)</u>
Total investments, at fair value						<u>9,287,055</u>	<u>23.80</u>
Total investments, at cost						<u>10,010,381</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

As at 31 December 2023

				Holdings Units	Fair value US\$	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
				5,000	701,230	21.33
				5,000	550,750	16.75
					<u>1,251,980</u>	<u>38.08</u>
	Position	Underlying assets	Counterparty	Contracts	Fair value US\$	% of net assets
<u>Total return swaps contracts</u>						
Total Return Swap (CGML)	Long	FTSE China A50 Index	Citigroup Global Markets Limited	375	138,258	4.21
					<u>138,258</u>	<u>4.21</u>
<u>Financial liabilities at fair value through profit or loss</u>						
	Position	Underlying assets	Counterparty	Contracts	Fair value US\$	% of net assets
<u>Total return swaps contracts</u>						
Total Return Swap (SocGen)	Long	FTSE China A50 Index	Societe Generale	198	(55,758)	(1.70)
					<u>(55,758)</u>	<u>(1.70)</u>
Total investments, at fair value					<u>1,334,480</u>	<u>40.59</u>
Total investments, at cost					<u>1,180,031</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

As at 31 December 2023

				Holdings Units	Fair value US\$	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
CSOP Hong Kong Dollar Money Market ETF				4,000	560,984	18.69
CSOP US Dollar Money Market ETF				5,000	550,750	18.35
					<u>1,111,734</u>	<u>37.04</u>
	Position	Underlying assets	Counterparty	Contracts	Fair value US\$	% of net assets
<u>Total return swaps contracts</u>						
Total Return Swap (SocGen)	Short	FTSE China A50 Index	Societe Generale	(92)	25,908	0.86
					<u>25,908</u>	<u>0.86</u>
<u>Financial liabilities at fair value through profit or loss</u>						
	Position	Underlying assets	Counterparty	Contracts	Fair value US\$	% of net assets
<u>Total return swaps contracts</u>						
Total Return Swap (CGML)	Short	FTSE China A50 Index	Citigroup Global Markets Limited	(172)	(70,786)	(2.36)
					<u>(70,786)</u>	<u>(2.36)</u>
Total investments, at fair value					<u>1,066,856</u>	<u>35.54</u>
Total investments, at cost					<u>1,046,660</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP Gold Futures Daily (-1x) Inverse Product

As at 31 December 2023

				Holdings Units	Market value US\$	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)				253,637	279,534	20.56
					<u>279,534</u>	<u>20.56</u>
	Underlying assets	Counterparty	Expiration date	Contracts	Market value US\$	% of net assets
<u>Financial liabilities at fair value through profit or loss</u>						
<u>Futures contracts</u>						
The United States of America						
GOLD 100 OZ FUTURE 27/02/2024	Solactive Gold 1-Day Rolling Futures Index	BNP Paribas MLA	27 February 2024	(6)	(37,900)	(2.79)
					<u>(37,900)</u>	<u>(2.79)</u>
Total investments, at fair value					<u>241,634</u>	<u>17.77</u>
Total investments, at cost					<u>269,000</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

As at 31 December 2023

				Holdings Units	Market value US\$	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
CSOP US Dollar Money Market ETF- (Unlisted Share Class A)				367,081	404,560	19.21
					<u>404,560</u>	<u>19.21</u>
	Underlying assets	Counterparty	Expiration date	Contracts	Market value US\$	% of net assets
<u>Financial liabilities at fair value through profit or loss</u>						
<u>Futures contracts</u>						
The United States of America						
WTI CRUDE FUTURE 22/01/2024	Solactive WTI 1-Day Rolling Futures Index	BNP PARIBAS MLA	22 January 2024	(29)	(34,180)	(1.62)
					<u>(34,180)</u>	<u>(1.62)</u>
Total investments, at fair value					<u>370,380</u>	<u>17.59</u>
Total investments, at cost					<u>384,644</u>	

CSOP LEVERAGED AND INVERSE SERIES II

INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP CSI BROKERAGE INDEX DAILY (2X) LEVERAGED PRODUCT

As at 31 December 2023

				Holdings Units	Market value RMB	% of net assets
<u>Financial assets at fair value through profit or loss</u>						
<u>Listed investment funds</u>						
Hong Kong						
CSOP RMB Money Market ETF						
(Unlisted Share Class A)						
				157,708	1,716,807	16.57
					<u>1,716,807</u>	<u>16.57</u>
	Position	Underlying assets	Counterparty	Contracts	Fair value RMB	% of net assets
<u>Total return swaps contracts</u>						
		CSI All Share Investment Banking & Brokerage Index	CICC Financial Trading Limited	32,418	492,635	4.75
Total Return Swap (CICC)	Long				<u>492,635</u>	<u>4.75</u>
Total investments, at fair value					<u>2,209,442</u>	<u>21.32</u>
Total investments, at cost					<u>1,699,313</u>	

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	11.16	17.71
Futures contracts		
The United States of America	6.44	–
<u>Financial liabilities at fair value through profit or loss</u>		
Futures contracts		
The United States of America	–	(12.48)
Total investments and derivative financial instruments	<u>17.60</u>	<u>5.23</u>
Other net assets	82.40	94.77
Total net assets	<u>100.00</u>	<u>100.00</u>

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP Gold Futures Daily (2x) Leveraged Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	18.46	22.13
Unlisted investment funds		
Singapore	–	1.86
Futures contracts		
The United States of America	2.90	4.14
Futures swap contracts		
The United States of America	0.91	1.18
<u>Financial liabilities at fair value through profit or loss</u>		
Futures contracts		
The United States of America	(0.01)	–
Total investments and derivative financial instruments	22.26	29.31
Other net assets	77.74	70.69
Total net assets	100.00	100.00

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP CSI 300 Index Daily (2x) Leveraged Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	9.48	15.91
Forward contracts		
Hong Kong	0.32	0.26
Total return swaps contracts		
China	5.42	–
<u>Financial liabilities at fair value through profit or loss</u>		
Total return swaps contracts		
China	–	(1.10)
Total investments and derivative financial instruments	<u>15.22</u>	<u>15.07</u>
Other net assets	84.78	84.93
Total net assets	<u><u>100.00</u></u>	<u><u>100.00</u></u>

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP CSI 300 Index Daily (-1x) Inverse Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	26.28	–
Total return swaps contracts		
China	–	0.43
Forward contracts		
Hong Kong	0.33	0.73
<u>Financial liabilities at fair value through profit or loss</u>		
Total return swaps contracts		
China	(2.81)	–
Forward contracts		
Hong Kong	–	(0.36)
Total investments and derivative financial instruments	23.80	0.80
Other net assets	76.20	99.20
Total net assets	100.00	100.00

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP FTSE China A50 Index Daily (2x) Leveraged Product**

For the year ended 31 December 2023

	% of net assets	
	2022	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	38.08	36.98
Total return swaps contracts		
China	4.21	–
<u>Financial liabilities at fair value through profit or loss</u>		
Total return swaps contracts		
China	(1.70)	(3.09)
Total investments and derivative financial instruments	40.59	33.89
Other net assets	59.41	66.11
Total net assets	100.00	100.00

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP FTSE China A50 Index Daily (-1x) Inverse Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	37.04	38.29
Total return swaps contracts		
China	0.86	1.66
<u>Financial liabilities at fair value through profit or loss</u>		
Total return swaps contracts		
China	(2.36)	–
Total investments and derivative financial instruments	35.54	39.95
Other net assets	64.46	60.05
Total net assets	100.00	100.00

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP Gold Futures Daily (-1x) Inverse Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	20.56	19.53
<u>Financial liabilities at fair value through profit or loss</u>		
Futures contracts		
The United States of America	(2.79)	(3.75)
Total investments and derivative financial instruments	<u>17.77</u>	<u>15.78</u>
Other net assets	82.23	84.22
Total net assets	<u>100.00</u>	<u>100.00</u>

CSOP LEVERAGED AND INVERSE SERIES II**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)****CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product**

For the year ended 31 December 2023

	% of net assets	
	2023	2022
<u>Financial assets at fair value through profit or loss</u>		
Listed investment funds		
Hong Kong	19.21	19.48
<u>Financial liabilities at fair value through profit or loss</u>		
Futures contracts		
The United States of America	(1.62)	(7.69)
Total investments and derivative financial instruments	17.59	11.79
Other net assets	82.41	88.21
Total net assets	100.00	100.00

CSOP LEVERAGED AND INVERSE SERIES II

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023

	% of net assets 2023
<u>Financial assets at fair value through profit or loss</u>	
Listed investment funds	
Hong Kong	16.57
Total return swaps contracts	
China	4.75
Total investments and derivative financial instruments	<u>21.32</u>
Other net assets	78.68
Total net assets	<u><u>100.00</u></u>

CSOP LEVERAGED AND INVERSE SERIES II

HOLDINGS OF COLLATERAL (UNAUDITED)

CSOP Gold Futures Daily (2x) Leveraged Product

As at 31 December 2023

Collateral provider	Nature of the collateral	Credit rating	Rating agencies	Maturity tenor	Currency denomination	% of net asset value covered by collateral	Value of the collateral
						%	US\$
Citigroup Global Markets Limited	Cash	N/A	N/A	N/A	US\$	1.45	2,390,000
							<u>2,390,000</u>

Custody/safe-keeping arrangement

Amount of collateral received/held 31 December 2023 US\$	Proportion of collateral posted by the sub-fund 31 December 2023 %
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Custodians of collateral

Pooled accounts

Citibank, N.A, Hong Kong Branch	2,390,000	100.00
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CSOP LEVERAGED AND INVERSE SERIES II

HOLDINGS OF COLLATERAL (UNAUDITED) (CONTINUED)

CSOP CSI 300 Index Daily (2x) Leveraged Product

As at 31 December 2023

Collateral provider	Nature of the collateral	Credit rating	Rating agencies	Maturity tenor	Currency denomination	% of net asset value covered by collateral	Value of the collateral
						%	RMB
CICC Financial Trading Limited	Cash	N/A	N/A	N/A	CNH	1.94	4,000,000
Citigroup Global Markets Limited	Cash	N/A	N/A	N/A	US\$	2.27	4,679,855
							<u>8,679,855</u>

Custody/safe-keeping arrangement

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

Pooled accounts

Citibank, N.A, Hong Kong Branch	8,679,855	100.00
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CSOP LEVERAGED AND INVERSE SERIES II

PERFORMANCE RECORD (UNAUDITED)

NET ASSET VALUE

	Dealing net asset value	Dealing net asset value per unit
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u>		
As at 31 December 2023	US\$15,345,308	US\$2.3902
As at 31 December 2022	US\$9,195,141	US\$1.1465
As at 31 December 2021	US\$2,342,980	US\$2.8573
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
As at 31 December 2023	US\$164,723,198	US\$1.0334
As at 31 December 2022	US\$193,672,596	US\$0.9127
As at 31 December 2021	US\$234,232,737	US\$0.9984
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u>		
As at 31 December 2023	RMB206,667,668	RMB3.0572
As at 31 December 2022	RMB203,327,583	RMB4.4984
As at 31 December 2021	RMB270,294,903	RMB8.1414
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u>		
As at 31 December 2023	RMB39,530,654	RMB7.0590
As at 31 December 2022	RMB26,521,666	RMB6.6304
As at 31 December 2021	RMB156,724,855	RMB5.5973
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
As at 31 December 2023	US\$3,305,144	US\$0.3593
As at 31 December 2022	US\$3,254,388	US\$0.4786
As at 31 December 2021	US\$7,152,083	US\$0.7152
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
As at 31 December 2023	US\$3,020,136	US\$1.2584
As at 31 December 2022	US\$2,793,927	US\$1.1641
As at 31 December 2021	US\$22,941,808	US\$1.0621
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
As at 31 December 2023	US\$1,383,756	US\$0.8648
As at 31 December 2022	US\$2,266,562	US\$0.9444
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
As at 31 December 2023	US\$2,132,993	US\$0.5332
As at 31 December 2022	US\$2,190,938	US\$0.5477
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>		
As at 31 December 2023	RMB10,595,049	RMB6.6219

CSOP LEVERAGED AND INVERSE SERIES II

PERFORMANCE RECORD (UNAUDITED) (CONTINUED)

HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT

	Highest issue price per unit	Lowest redemption price per unit
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	US\$2.4178	US\$1.1056
For the year ended 31 December 2022	US\$2.9130	US\$1.0963
For the year ended 31 December 2021	US\$2.9812	US\$1.7155
For the period from 14 May 2020 (date of commencement of operations) to 31 December 2020	US\$1.9056	US\$0.9971
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	US\$1.1094	US\$0.8282
For the year ended 31 December 2022	US\$1.2333	US\$0.7441
For the year ended 31 December 2021	US\$1.2035	US\$0.8759
For the period from 4 June 2020 (date of commencement of operations) to 31 December 2021	US\$1.3874	US\$0.9527
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	RMB5.2272	RMB2.8331
For the year ended 31 December 2022	RMB8.1407	RMB3.8067
For the period from 24 July 2020 (date of commencement of operations) to 31 December 2021	RMB11.5661	RMB7.0000
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	RMB7.3627	RMB6.0609
For the year ended 31 December 2022	RMB7.4369	RMB5.5967
For the period from 24 July 2020 (date of commencement of operations) to 31 December 2021	RMB7.0000	RMB5.1118
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	US\$0.5574	US\$0.3325
For the year ended 31 December 2022	US\$0.7151	US\$0.3611
For the period from 19 January 2021 (date of commencement of operations) to 31 December 2021	US\$1.2386	US\$0.6419
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	US\$1.3114	US\$1.0735
For the year ended 31 December 2022	US\$1.3629	US\$1.0471
For the period from 19 January 2021 (date of commencement of operations) to 31 December 2021	US\$1.1510	US\$0.8901
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	US\$0.9716	US\$0.8525
For the period from 19 October 2021 (date of commencement of operations) to 31 December 2022	US\$1.0517	US\$0.8579

CSOP LEVERAGED AND INVERSE SERIES II

PERFORMANCE RECORD (UNAUDITED) (CONTINUED)

HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT (CONTINUED)

	Highest issue price per unit	Lowest redemption price per unit
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	US\$0.6432	US\$0.4338
For the period from 30 November 2021 (date of commencement of operations) to 31 December 2022	US\$1.0071	US\$0.4333
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>		
For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023	RMB9.9431	RMB6.2621

CSOP LEVERAGED AND INVERSE SERIES II

PERFORMANCE RECORD (UNAUDITED) (CONTINUED)

COMPARISON OF THE SCHEME PERFORMANCE AND THE ACTUAL INDEX PERFORMANCE

The table below illustrates the comparison between the Sub-Funds' performance (market-to-market) and that of the Index:

	Sub-Fund performance %	Index performance %
<u>CSOP NASDAQ-100 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	108.94	53.81
For the year ended 31 December 2022	(59.23)	(32.97)
For the year ended 31 December 2021	49.99	26.63
For the period from 14 May 2020 (date of commencement of operations) to 31 December 2020	90.41	41.51
<u>CSOP Gold Futures Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	13.24	7.25
For the year ended 31 December 2022	(8.59)	(2.73)
For the year ended 31 December 2021	(11.85)	(4.26)
For the period from 4 June 2020 (date of commencement of operations) to 31 December 2021	18.90	10.67
<u>CSOP CSI 300 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	(31.93)	(11.38)
For the year ended 31 December 2022	(44.74)	(21.63)
For the period from 24 July 2020 (date of commencement of operations) to 31 December 2021	5.35	9.65
<u>CSOP CSI 300 Index Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	8.54	(11.38)
For the year ended 31 December 2022	15.53	(21.63)
For the period from 24 July 2020 (date of commencement of operations) to 31 December 2021	(20.63)	9.65
<u>CSOP FTSE China A50 Index Daily (2x) Leveraged Product</u>		
For the year ended 31 December 2023	(24.72)	(11.54)
For the year ended 31 December 2022	(33.31)	(17.16)
For the period from 19 January 2021 (date of commencement of operations) to 31 December 2021	(28.84)	(14.53)
<u>CSOP FTSE China A50 Index Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	8.49	(11.54)
For the year ended 31 December 2022	8.71	(17.16)
For the period from 19 January 2021 (date of commencement of operations) to 31 December 2021	6.05	(14.53)
<u>CSOP Gold Futures Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	(8.70)	7.25
For the period from 19 October 2021 (date of commencement of operations) to 31 December 2022	(6.90)	0.31

CSOP LEVERAGED AND INVERSE SERIES II

PERFORMANCE RECORD (UNAUDITED) (CONTINUED)

COMPARISON OF THE SCHEME PERFORMANCE AND THE ACTUAL INDEX PERFORMANCE (CONTINUED)

	Sub-Fund performance %	Index performance %
<u>CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product</u>		
For the year ended 31 December 2023	(2.26)	8.83
For the period from 30 November 2021 (date of commencement of operations) to 31 December 2022	(46.12)	42.95
<u>CSOP CSI Brokerage Index Daily (2x) Leveraged Product</u>		
For the period from 18 October 2022 (date of commencement of operations) to 31 December 2023	(7.28)	5.85

CSOP LEVERAGED AND INVERSE SERIES II

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

CSOP NASDAQ-100 Index Daily (2x) Leveraged Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Futures Contracts	31 December 2023	200.22%	194.40%	198.45%	200.22%	194.40%	198.45%
Futures Contracts	31 December 2022	200.14%	183.16%	196.29%	200.14%	183.16%	196.29%
Futures Contracts	31 December 2021	198.71%	183.65%	192.18%	198.71%	183.65%	192.18%

CSOP Gold Futures Daily (2x) Leveraged Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Futures Contracts and futures swap contracts	31 December 2023	200.33%	199.51%	199.94%	200.33%	199.51%	199.94%
Futures Contracts and futures swap contracts	31 December 2022	200.68%	196.53%	199.78%	200.68%	196.53%	199.78%
Futures Contracts and futures swap contracts	31 December 2021	200.09%	199.31%	199.67%	200.09%	199.31%	199.67%

CSOP CSI 300 Index Daily (2x) Leveraged Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Total return Swap future contracts and forward contracts	31 December 2023	200.77%	199.61%	200.10%	200.77%	199.61%	200.10%
Total return Swap future contracts and forward contracts	31 December 2022	200.81%	199.11%	199.93%	200.81%	199.11%	199.93%
Total return Swap future contracts and forward contracts	31 December 2021	200.13%	199.18%	199.72%	200.13%	199.18%	199.72%

CSOP CSI 300 Index Daily (-1x) Inverse Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Total return Swap future contracts and forward contracts	31 December 2023	-99.55%	-100.55%	-100.04%	-99.55%	-100.55%	-100.04%
Total return Swap future contracts and forward contracts	31 December 2022	-99.30%	-100.69%	-99.95%	-99.30%	-100.69%	-99.95%
Total return Swap future contracts and forward contracts	31 December 2021	-99.54%	-100.33%	-99.89%	-99.54%	-100.33%	-99.89%

CSOP LEVERAGED AND INVERSE SERIES II

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED) (CONTINUED)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Total return Swap future contracts	31 December 2023	200.75%	199.24%	200.00%	200.75%	199.24%	200.00%
Total return Swap future contracts	31 December 2022	200.75%	198.79%	199.83%	200.75%	198.79%	199.83%
Total return Swap future contracts	31 December 2021	201.97%	195.32%	199.63%	201.97%	195.32%	199.63%

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Total return Swap future contracts	31 December 2023	-99.40%	-100.73%	-100.04%	-99.40%	-100.73%	-100.04%
Total return Swap future contracts	31 December 2022	-99.16%	-100.71%	-99.94%	-99.16%	-100.71%	-99.94%
Total return Swap future contracts	31 December 2021	-99.21%	-104.64%	-99.89%	-99.21%	-104.64%	-99.89%

CSOP Gold Futures Daily (-1x) Inverse Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Futures Contracts	31 December 2023	-78.14%	-100.08%	-92.20%	-78.14%	-100.08%	-92.20%
Futures Contracts	31 December 2022	-87.14%	-104.67%	-96.22%	-87.14%	-104.67%	-96.22%

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

	Financial year/period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Futures Contracts	31 December 2023	-93.33%	-102.69%	-97.85%	-93.33%	-102.69%	-97.85%
Futures Contracts	31 December 2022	-94.73%	-103.33%	-98.50%	-94.73%	-103.33%	-98.50%

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

	Financial period ended	Gross exposure			Net exposure		
		Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
Total return Swap future contracts	31 December 2023	201.49%	198.42%	200.04%	201.49%	198.42%	200.04%

CSOP LEVERAGED AND INVERSE SERIES II

DETAILS IN RESPECT OF SWAP FEES FOR FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

CSOP Gold Futures Daily (2x) Leveraged Product

The Sub-Fund will bear the swap fees, which include all costs associated with swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparties based on the actual market circumstances on a case-by-case basis. The swap fees represent a variable spread (which can be positive or negative) plus SOFR which reflects the brokerage commission and the swap counterparties' cost of financing the underlying hedge.

The Sub-Fund shall bear the swap fees (including any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such swaps). Swap fees are accrued daily and spread out over the month. No unwinding fee is payable for the swap transactions.

For the year ended 31 December 2023, swap fees of the Sub-Fund was US\$354,035* (2022: US\$ Nil).

CSOP CSI 300 Index Daily (2x) Leveraged Product

The Sub-Fund will bear the swap fees, which includes all costs associated with swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparties based on the actual market circumstances on a case-by-case basis. The swap fees represent a variable spread (which can be positive or negative) plus SHIBOR which reflects the brokerage commission and the swap counterparties' cost of financing the underlying hedge.

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

For the year ended 31 December 2023, swap fees of the Sub-Fund was RMB23,196,725* (2022: RMB12,551,769*).

CSOP CSI 300 Index Daily (-1x) Inverse Product

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

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

For the year ended 31 December 2023, swap fees of the Sub-Fund was RMB185,601* (2022: RMB2,569,641*).

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

CSOP LEVERAGED AND INVERSE SERIES II

DETAILS IN RESPECT OF SWAP FEES FOR FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED) (CONTINUED)

CSOP FTSE China A50 Index Daily (2x) Leveraged Product

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

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

For the year ended 31 December 2023, swap fees of the Sub-Fund was US\$54,173* (2022: US\$ Nil).

CSOP FTSE China A50 Index Daily (-1x) Inverse Product

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

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

For the year ended 31 December 2023, swap fees of the Sub-Fund was US\$23,230* (2022: US\$ Nil).

CSOP Gold Futures Daily (-1x) Inverse Product

The Sub-Fund will bear the swap fees, which includes all costs associated with Swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparties based on the actual market circumstances on a case-by-case basis. The swap fees represent a variable spread (which can be positive or negative) plus SOFR which reflects the brokerage commission and the swap counterparties' cost of financing the underlying hedge.

The Sub-Fund shall bear the swap fees (including any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such swaps). Swap fees are accrued daily and spread out over the month. No unwinding fee is payable for the swap transactions.

The Sub-Fund did not enter into any swap transactions during the year ended 31 December 2023. For the year ended 31 December 2023, swap fees of the Sub-Fund was US\$ Nil (2022: US\$ Nil).

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

CSOP LEVERAGED AND INVERSE SERIES II

DETAILS IN RESPECT OF SWAP FEES FOR FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

CSOP WTI Crude Oil Futures Daily (-1x) Inverse Product

The Sub-Fund will bear the swap fees, which includes all costs associated with Swap transactions and are subject to the discussion and consensus between the Manager and the swap counterparties based on the actual market circumstances on a case-by-case basis. The swap fees represent a variable spread (which can be positive or negative) plus SOFR which reflects the brokerage commission and the swap counterparties cost of financing the underlying hedge.

The Sub-Fund shall bear the swap fees (including any costs associated with the entering into, or unwinding or maintenance of, any hedging arrangements in respect of such swaps). Swap fees are accrued daily and spread out over the month. No unwinding fee is payable for the swap transactions.

The Sub-Fund did not enter into any swap transactions during the year ended 31 December 2023 and 31 December 2022. For the year ended 31 December 2023, swap fees of the Sub-Fund was US\$ Nil (2022: US\$ Nil).

CSOP CSI Brokerage Index Daily (2x) Leveraged Product

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

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

For the year period 31 December 2023, swap fees of the Sub-Fund was RMB1,231,603*.

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

CSOP LEVERAGED AND INVERSE SERIES II

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