

XIE Shares Thailand (SET50) ETF*
(*This is a synthetic ETF) (Stock Code: 3069)
a sub-fund of the XIE Shares Trust I* (*This is a synthetic ETF)

Unaudited Interim Report

For the period from 1st January 2016
to 30th June 2016

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MANAGEMENT AND ADMINISTRATION

Manager and Listing Agent

Enhanced Investment Products Limited
337 New Henry House
10 Ice House Street
Central
Hong Kong

Directors of the Manager

BLAND Tobias Christopher James
BEATTIE Nigel John
GLADSTONE Xenophon Thomas
LAU Che Loon David

Trustee

Cititrust Limited
50/F, Champion Tower¹
Three Garden Road
Central
Hong Kong

Administrator

Cititrust, N.A.
50/F, Champion Tower¹
Three Garden Road
Central
Hong Kong

Participating Dealers

BNP Paribas Securities Services (operating through its Hong Kong branch)
Citigroup Global Markets Asia Limited
J.P. Morgan Broking (Hong Kong) Limited
Nomura International (Hong Kong) Limited
RBS Asia Limited
Standard Chartered Bank (Hong Kong) Limited

Market Makers

BNP Paribas Securities (Asia) Limited
Commerzbank AG

Registrar

Computershare Hong Kong Investor
Services Limited
46/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Service Agent

HK Conversion Agency Services Limited
1/F One & Two Exchange Square
8 Connaught Place
Central
Hong Kong

Legal Counsel to the Manager

Simmons & Simmons
13/F, One Pacific Place
88 Queensway
Hong Kong

Auditor

PricewaterhouseCoopers
22/F Prince's Building
10 Chater Road
Central
Hong Kong

Custodian

Citibank, N.A.
50/F, Champion Tower¹
Three Garden Road
Central
Hong Kong

¹Prior to 28 June 2016, Champion Tower was known as Citibank Tower.

Any opinion contained in this Interim Report (if any) reflects the Manager's view as at the date of this report and is subject to amendment(s) without notice. The information contained in this Interim Report does not constitute recommendation or investment advice. Investors should refer to the Prospectus of the XIE Shares Trust I for further details (including but not limited to risk factors, fees and charges and other important information) which is available from the website www.xieshares.com.

Issued by Enhanced Investment Products Limited, the Manager of the XIE Shares Thailand (SET50) ETF* (*This is a synthetic ETF).

STATEMENT OF FINANCIAL POSITION

as at 30th June 2016

	30th June 2016 HKD (UNAUDITED)	31st December 2015 HKD (AUDITED)
ASSETS		
Investments in listed securities	6,665,416	6,908,894
Investments in derivative instruments	210,124	136,276
Cash and cash equivalents	2,080,710	676,966
Receivable due from swap counterparties	-	697,512
TOTAL ASSETS	8,956,250	8,419,648
LIABILITIES		
Investments in derivative instruments	102,297	812,109
Payable due to swap counterparties	77,584	-
Amounts due to brokers	26,011	25,985
Management fee payable	2,780	2,565
Other payables	74,601	99,513
TOTAL LIABILITIES	283,273	940,172
EQUITY		
Net assets attributable to unitholders	8,672,977	7,479,476
Number of units outstanding	1,000,000	1,000,000
Net asset value per unit	8.6730	7.4795

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30th June 2016

	Period from 1st January 2016 to 30th June 2016 HKD (UNAUDITED)	Period from 1st January 2015 to 30th June 2015 HKD (UNAUDITED)
INCOME		
Dividend income	54,149	399,672
Interest income	336	1,331
Net gain/(loss) on investments	1,200,175	(1,459,093)
Net foreign exchange gain/(loss)	6,159	(4,446)
Total net income/(loss)	1,260,819	(1,062,536)
OPERATING EXPENSES		
Management fees	16,036	78,722
Audit fees	(3,987)	37,266
Interest expense	228	1,627
Bank charges	1,250	2,117
Other operating expenses	47,868	57,892
Total operating expenses	61,395	177,624
Operating profit/(loss)	1,199,424	(1,240,160)
Profit/(loss) before taxation	1,199,424	(1,240,160)
Dividend withholding tax	5,923	15,777
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	1,193,501	(1,255,937)

**STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO UNITHOLDERS**

for the period ended 30th June 2016

	Period from 1st January 2016 to 30th June 2016 HKD (UNAUDITED)	Period from 1st January 2015 to 30th June 2015 HKD (UNAUDITED)
Balance at the beginning of the period	7,479,476	25,113,280
Proceeds on issue of units	-	15,399,300
Net increase from unit transactions	-	15,399,300
Total comprehensive income/(loss) for the period	1,193,501	(1,255,937)
Balance at the end of the period	<u>8,672,977</u>	<u>39,256,643</u>

STATEMENT OF CASH FLOWS
for the period ended 30th June 2016

	Period from 1st January 2016 to 30th June 2016 HKD (UNAUDITED)	Period from 1st January 2015 to 30th June 2015 HKD (UNAUDITED)
OPERATING ACTIVITIES		
Payments for purchase of investments	(6,453,027)	(14,255,650)
Proceeds from sale of investments	7,113,046	586,542
Dividends received	54,149	390,728
Interest received	336	1,331
Management fee paid	(15,821)	(76,596)
Dividend withholding tax paid	(5,923)	(15,777)
Interest expense paid	(228)	(1,627)
Net receipts from/(payments to) swap counterparties	775,096	(2,333,016)
Other receipts and payments	(70,043)	(130,400)
Cash generated from/(used in) operating activities	1,397,585	(15,834,465)
FINANCING ACTIVITIES		
Proceeds from issue of units	-	15,399,300
Cash flows generated from financing activities	-	15,399,300
Net increase/(decrease) in cash and cash equivalents	1,397,585	(435,165)
Cash and cash equivalents at beginning of period	676,966	4,706,515
Net foreign exchange gain/(loss)	6,159	(4,446)
Cash and cash equivalents at end of period	2,080,710	4,266,904
Analysis of balances of cash and cash equivalents		
Cash and cash equivalents	2,080,710	4,266,904

INVESTMENT PORTFOLIO (UNAUDITED)

as at 30th June 2016

Investments

Listed equities

	Holdings	Fair value HKD ¹	% of net assets
Japan			
AJINOMOTO CO INC	1,000	181,944	2.10%
ASAHI GROUP HOLDINGS LTD	500	125,001	1.44%
ASTELLAS PHARMA INC	1,800	217,788	2.51%
BRIDGESTONE CORP	700	173,043	2.00%
CANON INC	1,500	330,369	3.81%
CHUGAI PHARMACEUTICAL CO LTD	800	219,906	2.54%
DAIKIN INDUSTRIES LTD	400	257,535	2.97%
DENTSU INC	300	108,214	1.25%
EISAI CO LTD	400	172,053	1.98%
FANUC CORP	300	375,118	4.33%
FAST RETAILING CO LTD	100	206,445	2.38%
FUJI HEAVY INDUSTRIES LTD	700	184,107	2.12%
HONDA MOTOR CO LTD	1,400	272,349	3.14%
JAPAN TOBACCO INC	1,100	341,300	3.94%
KAO CORP	500	224,178	2.58%
KDDI CORP	1,700	400,194	4.61%
KIRIN HOLDINGS CO LTD	1,200	156,354	1.80%
KYOCERA CORP	400	146,463	1.69%
MITSUBISHI CORP	1,600	216,336	2.49%
NTT DATA CORP	300	109,575	1.26%
OLYMPUS CORP	400	114,793	1.32%
PANASONIC CORP	2,600	173,217	2.00%
SECOM CO LTD	200	114,233	1.32%
SEVEN & I HOLDINGS CO LTD	1,000	323,733	3.73%
SHIN-ETSU CHEMICAL CO LTD	500	225,426	2.60%
SOFTBANK GROUP CORP	900	393,993	4.54%
SUMITOMO REALTY & DEVELOPMENT CO LTD	1,000	208,298	2.40%
SUZUKI MOTOR CORP	600	124,933	1.44%
TAKEDA PHARMACEUTICAL CO LTD	900	301,092	3.47%
TOYOTA MOTOR CORP	700	267,426	3.10%
Total investments in listed Japanese securities at fair value		<u>6,665,416</u>	<u>76.86%</u>
Total investments in securities at fair value		<u>6,665,416</u>	<u>76.86%</u>
		Fair value HKD²	% of net assets
Index swaps issued by			
BNP PARIBAS		(102,269)	-1.18%
Total investment in index swaps at fair value		<u>(102,269)</u>	<u>-1.18%</u>
		Fair value HKD²	% of net assets
Equity Swaps Issued by			
BNP PARIBAS		210,096	2.42%
Total investment in equity swaps at fair value		<u>210,096</u>	<u>2.42%</u>
Total investments		<u>6,773,243</u>	<u>78.10%</u>
Other net assets		<u>1,899,734</u>	<u>21.90%</u>
Net assets attributable to unitholders at 30th June 2016		<u>8,672,977</u>	<u>100.00%</u>
Total investments, at cost		<u>6,453,027</u>	

¹ Exchange rate as at 30th June 2016

HKD/JPY 13.223849

HKD/USD 0.128900

² excludes cash margins deposited with swap counterparties

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

for the period ended 30th June 2016

	Holdings as at 1st January 2016	Additions	Corporate action	Disposals	Holdings as at 30th June 2016
Investments - listed equities					
AJINOMOTO CO INC	1,000	1,000	-	(1,000)	1,000
ASAHI GROUP HOLDINGS LTD	600	500	-	(600)	500
ASTELLAS PHARMA INC	800	1,800	-	(800)	1,800
BRIDGESTONE CORP	-	700	-	-	700
CANON INC	500	1,500	-	(500)	1,500
CHUGAI PHARMACEUTICAL CO LTD	200	800	-	(200)	800
DAIKIN INDUSTRIES LTD	1,200	400	-	(1,200)	400
DENTSU INC	100	300	-	(100)	300
EISAI CO LTD	100	400	-	(100)	400
FANUC CORP	400	300	-	(400)	300
FAST RETAILING CO LTD	100	100	-	(100)	100
FUJI HEAVY INDUSTRIES LTD	300	700	-	(300)	700
HONDA MOTOR CO LTD	2,000	1,400	-	(2,000)	1,400
JAPAN TOBACCO INC	300	1,100	-	(300)	1,100
KAO CORP	200	500	-	(200)	500
KDDI CORP	3,300	1,700	-	(3,300)	1,700
KIRIN HOLDINGS CO LTD	600	1,200	-	(600)	1,200
KYOCERA CORP	1,700	400	-	(1,700)	400
MITSUBISHI CORP	1,500	1,600	-	(1,500)	1,600
NITTO DENKO CORP	200	-	-	(200)	-
NTT DATA CORP	300	300	-	(300)	300
OLYMPUS CORP	300	400	-	(300)	400
PANASONIC CORP	1,000	2,600	-	(1,000)	2,600
SECOM CO LTD	100	200	-	(100)	200
SEVEN & I HOLDINGS CO LTD	200	1,000	-	(200)	1,000
SHIN-ETSU CHEMICAL CO LTD	600	500	-	(600)	500
SOFTBANK GROUP CORP	1,500	900	-	(1,500)	900
SUMITOMO REALTY & DEVELOPMENT CO LTD	300	1,000	-	(300)	1,000
SUZUKI MOTOR CORP	2,700	600	-	(2,700)	600
TAKEDA PHARMACEUTICAL CO LTD	300	900	-	(300)	900
TERUMO CORP	200	-	-	(200)	-
TOKYO ELECTRON LTD	100	-	-	(100)	-
TOYOTA MOTOR CORP	200	700	-	(200)	700
			Fair value as at 1st January 2016 HKD	Fair value change HKD	Fair value as at 30th June 2016 HKD
Swaps issued by					
BNP PARIBAS			-	107,827	107,827
STANDARD CHARTERED BANK			(675,833)	675,833	-

PERFORMANCE RECORD (UNAUDITED)

Highest and lowest net asset value per unit

	Lowest HKD	Highest HKD
Period ended 30th June 2016	<u>7.0775</u>	<u>8.8377</u>

Net asset value attributable to unitholders

	HKD
As at 30th June 2016	<u>8,672,977</u>

Net asset value per unit

	HKD
As at 30th June 2016	<u>8.6730</u>

During the period, the SET50 Index increased by 16.87%, while the net asset value per unit of XIE Shares Thailand (SET50) ETF* (*This is a synthetic ETF) increased by 14.81%^(a).

The following lists the constituent securities that individually accounted for more than 10% of the SET50 Index as at 30th June 2016 and its weighting of the SET50 Index as at 30th June 2016:

Constituent securities	Respective weighting in SET50 Index
PTT PCL ^(b)	<u>10.14%</u>

^(a) This is the return of XIE Shares Thailand (SET50) ETF*(*This is a synthetic ETF) (net of fees and expenses) from 1st January 2016 to 30th June 2016.

^(b) XIE Shares Thailand (SET50) ETF*(*This is a synthetic ETF) did not hold the constituent securities as at 30th June 2016.