

MULTI UNITS LUXEMBOURG

Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 115.129

Unaudited semi annual report
as at June 30, 2020

No subscriptions can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus and the Key Investor Information Document ("KIID"), accompanied by a copy of the latest annual report including the audited financial statements and a copy of the latest semi-annual report, if published thereafter.

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Organisation and Administration

Registered Office

28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Promoter

Société Générale
29, boulevard Haussmann,
F-75009 Paris
France

Board of Directors

Chairman:

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1, rue des Foyers,
L- 1537 Luxembourg
Grand Duchy of Luxembourg

Directors:

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Lyxor International Asset Management S.A.S.
17, cours Valmy,
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France

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Grand Duchy of Luxembourg

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France

Martin RAUSCH
Commerz Funds Solutions S.A.
22, boulevard Royal,
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Management Company

Lyxor International Asset Management S.A.S.
Tour Société Générale,
17, cours Valmy,
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France

Depositary and Paying Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
11, avenue Emile Reuter,
L-2420 Luxembourg
Grand Duchy of Luxembourg

Administrative, Corporate and Domiciliary Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
Operational center
28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Registrar and Transfer Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator,
L-2182 Luxembourg
Grand Duchy of Luxembourg

Legal advisor

Arendt & Medernach S.A.
41A, avenue JF Kennedy,
L-2082 Luxembourg
Grand Duchy of Luxembourg

General information on the Fund

MULTI UNITS LUXEMBOURG (the “Fund”) has been incorporated on March 29, 2006 under Luxembourg laws as a Société d’Investissement à Capital Variable (“SICAV”) for an unlimited period of time. The Fund is governed by the provisions of Part I of the amended Luxembourg Law of December 17, 2010 relating to Undertakings for Collective Investment.

The Articles of Incorporation were deposited with the Register of Commerce and Companies of Luxembourg and have been published in the Mémorial C, Recueil des Sociétés et Associations (the “Mémorial”) on April 14, 2006. The Articles of Incorporation have been amended for the last time on January 28, 2014 and were published in the Mémorial on April 4, 2014.

The Fund is registered with the Register of Commerce and Companies of Luxembourg under number B 115.129.

The Fund aims to provide investors with professionally managed Sub-Funds investing in a wide range of transferable securities and money market instruments in order to achieve an optimum return from capital invested while reducing investment risk through diversification.

In addition, the Fund aims to provide investors with professionally managed index Sub-Funds whose objective is to replicate the composition of a certain financial index recognised by the Luxembourg supervisory authority.

As at June 30, 2020, 2 Sub-Funds are available to investors:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The investment objective of the Sub-Fund MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF (the “Sub-Fund”) is to track both the upward and the downward evolution of the Hang Seng China Enterprises Index Net Total Return index (the “Index”) denominated in Hong Kong dollars, and representative of the major Chinese equities known as “H-shares”, while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”). The anticipated level of the Tracking Error under normal market conditions is expected to be up to 2.00%.

The investment objective of the Sub-Fund MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF (the “Sub-Fund”) is to track both the upward and the downward evolution of the MSCI AC Asia Pacific-ex Japan Net Total Return index (the “Index”) denominated in US Dollars and representative of the overall performance of large-cap and mid-cap stocks across main Asian Pacific excluding Japan, while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”). The anticipated level of the Tracking Error under normal market conditions is expected to be up to 2.00%.

Information to the Shareholders

The Annual General Meeting of the Shareholders is held at the registered office of the Fund in Luxembourg each year on the first Friday of April at 10 a.m. (Luxembourg time) or, if any such day is not a business day, on the next following business day.

Notices of all general meetings are sent by mail to all registered Shareholders at their registered address at least 8 days prior to such meeting. Such notice will indicate the time and place of such meeting and the conditions of admission thereto, will contain the agenda and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majority at such meeting.

Audited annual reports and unaudited semi-annual reports are made available for public inspection at each of the registered offices of the Fund and the Administrative Agent within four, respectively two months following the relevant accounting period, and the latest Annual Report shall be available at least fifteen days before the annual general meeting.

The financial period of the Fund ends on December 31 of each year.

The list of changes in the portfolio for the period ended June 30, 2020 is available, free of charge, at the registered office of the Fund.

Statement of Net Assets

(expressed in the Sub-Fund's currency)

	Notes	MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF EUR	MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF EUR	Combined EUR
ASSETS				
Securities portfolio at cost		348 245 477	488 138 416	836 383 893
Net unrealised profit/ (loss)		(22 973 585)	(18 149 723)	(41 123 308)
Securities portfolio at market value	2.2	325 271 892	469 988 693	795 260 585
Cash at bank		-	5 532 326	5 532 326
Receivable for securities sold		4 693 678	2 743 933	7 437 611
Receivable on swaps		-	83 341	83 341
Dividends receivable, net		1 057 843	503 037	1 560 880
		331 023 413	478 851 330	809 874 743
LIABILITIES				
Payable for securities purchased		4 570 752	11 867 643	16 438 395
Payable on swaps		1 180 769	3 005 007	1 824 238
Management fees payable	3	192 998	247 590	440 588
Swaps at market value	2.4, 6	834 816	2 118 198	2 953 014
		6 779 335	11 228 424	18 007 759
TOTAL NET ASSETS		324 244 078	467 622 906	791 866 984

Statistical information

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

	Currency	30/06/20	31/12/19	31/12/18
Class Acc				
Number of shares		2 223 145	3 144 635	-
Net asset value per share	EUR	134.3492	151.1279	-
Class USD				
Number of shares		1 901 544	7 403 544	-
Net asset value per share	USD	15.1006	16.9767	-
Total Net Assets	EUR	324 244 078	587 214 114	

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

	Currency	30/06/20	31/12/19	31/12/18
Class Acc				
Number of shares		8 287 441	6 688 111	-
Net asset value per share	EUR	53.7082	57.4508	-
Class Dist				
Number of shares		4 192 818	3 990 818	-
Net asset value per share	USD	6.0321	6.4488	-
Total Net Assets	EUR	467 622 906	407 165 472	

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Schedule of Investments

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market					
Shares					
5 308	ALPHABET CLASS - A	USD	6 163 101	6 701 696	2.07
2 147	ALPHABET INC	USD	2 653 263	2 702 240	0.83
131 029	ALTRIA GROUP INC	USD	4 570 752	4 578 986	1.41
4 742	AMAZON.COM INC	USD	11 071 769	11 647 887	3.59
17 695	APPLE INC	USD	5 067 267	5 747 350	1.77
5 237	AUTODESK INC	USD	941 622	1 115 290	0.34
819 705	AXA SA	EUR	17 533 490	15 256 349	4.71
56 665	BERKSHIRE HATHAWAY INC - B	USD	9 212 511	9 006 160	2.78
22 836	BIOGEN INC	USD	6 120 353	5 439 854	1.68
405 804	BNP PARIBAS SA	EUR	19 255 400	14 353 287	4.43
78 921	BOEING CO	USD	13 083 052	12 880 042	3.97
4 439	BROADCOM INC	USD	1 218 169	1 247 378	0.38
88 521	CADENCE DESIGN SYSTEMS INC	USD	7 395 226	7 563 082	2.33
452 631	CIE DE SAINT-GOBAIN	EUR	14 914 191	14 506 824	4.47
6 261	DAVITA INC	USD	507 625	441 166	0.14
162 048	ELECTRICITE DE FRANCE SA	EUR	2 051 755	1 330 414	0.41
438 367	ENGIE SA	EUR	5 810 555	4 822 037	1.49
11 752	ESSILORLUXOTTICA SA	EUR	1 259 227	1 342 666	0.41
108 495	EXXON MOBIL CORP	USD	4 530 659	4 319 901	1.33
13 830	FACEBOOK INC	USD	2 641 999	2 796 045	0.86
12 375	FIRST SOLAR INC	USD	566 540	545 397	0.17
120 847	INTEL CORP	USD	6 632 275	6 437 498	1.99
79 574	LVMH MOET HENNESSY LOUIS VUITTON SE	EUR	23 629 499	31 073 647	9.59
57 206	MICROSOFT CORP	USD	9 603 566	10 365 484	3.20
3 697	MOHAWK INDUSTRIES INC	USD	424 766	334 957	0.10
1 381	NETFLIX INC	USD	432 057	559 507	0.17
15 368	NVIDIA CORP	USD	4 999 163	5 198 288	1.60
1 314 811	ORANGE SA	EUR	17 940 596	13 996 163	4.32
34 001	PEPSICO INC	USD	3 980 282	4 003 893	1.23
87 157	PFIZER INC	USD	2 988 933	2 537 536	0.78
53 719	PROCTER & GAMBLE CO	USD	5 833 871	5 718 898	1.76
255 856	RENAULT SA	EUR	15 333 450	5 777 228	1.78
266 299	SANOFI	EUR	19 466 457	24 140 004	7.45
118 147	SISTEMA PJSFC - GDR REG	USD	408 750	498 613	0.15
857 017	TOTAL SA	EUR	42 623 741	29 117 153	8.99
546	VERISIGN INC	USD	98 929	100 547	0.03
13 080	VERTEX PHARMACEUTICALS INC	USD	2 555 573	3 380 897	1.04
380 057	VINCI SA	EUR	31 187 477	31 164 674	9.62
642 087	VIVENDI SA	EUR	15 390 825	14 665 267	4.52
39 472	WALMART INC	USD	4 505 103	4 209 550	1.30
89 521	WELLS FARGO & CO	USD	2 049 266	2 040 456	0.63

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Schedule of Investments (continued)

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market (continued)					
Shares (continued)					
31 341	ZILLOW GROUP INC	USD	1 592 372	1 607 581	0.50
Total Shares			348 245 477	325 271 892	100.32
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			348 245 477	325 271 892	100.32
Total Investments			348 245 477	325 271 892	100.32

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Economic and Geographical Classification of Investments

Economic classification	%	Geographical classification	%
Construction and Materials	14.10	France	62.17
Pharmaceuticals and Biotechnology	10.95	United States of America	38.00
Oil, Gas and Coal	10.31	Russia	0.15
Software and Computer Services	9.67		
Personal Goods	9.58		100.32
Telecommunications Service Providers	9.01		
Non-life Insurance	7.48		
Technology Hardware and Equipment	5.75		
Banks	5.06		
Retailers	4.89		
Aerospace and Defense	3.97		
Automobiles and Parts	1.78		
Personal Care, Drug and Grocery Stores	1.76		
Gas, Water and Multi-utilities	1.49		
Tobacco	1.41		
Beverages	1.23		
Real Estate Investment and Services	0.50		
Electricity	0.41		
Medical Equipment and Services	0.41		
Alternative Energy	0.17		
Investment Banking and Brokerage Services	0.15		
Health Care Providers	0.14		
Household Goods and Home Construction	0.10		
	100.32		

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Schedule of Investments

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market					
Shares					
10 179	ABBVIE INC	USD	826 544	889 796	0.19
21 153	ADOBE INC	USD	8 242 568	8 198 471	1.75
13 788	ALPHABET CLASS - A	USD	16 851 791	17 408 248	3.72
3 666	ALPHABET INC	USD	4 634 690	4 614 071	0.99
605 096	ALTRIA GROUP INC	USD	21 060 466	21 145 900	4.52
1 910	AMAZON.COM INC	USD	4 591 485	4 691 578	1.00
89 787	AMERICAN WATER WORKS CO INC	USD	9 666 067	10 285 354	2.20
16 146	ANRITSU CORP	JPY	315 941	340 586	0.07
17 145	APPLE INC	USD	4 900 463	5 568 709	1.19
16 427	AUTODESK INC	USD	2 643 667	3 498 352	0.75
320 455	AXA SA	EUR	6 854 532	5 964 308	1.28
42 290	BCE INC	CAD	1 562 293	1 565 262	0.33
142 961	BERKSHIRE HATHAWAY INC - B	USD	24 689 670	22 721 781	4.86
5 977	BIOGEN INC	USD	1 555 637	1 423 805	0.30
340 885	BNP PARIBAS SA	EUR	16 174 993	12 057 102	2.58
11 682	BOSTON SCIENTIFIC CORP	USD	461 418	365 183	0.08
11 187	CBRE GROUP INC	USD	643 189	450 408	0.10
254 233	CIE DE SAINT-GOBAIN	EUR	8 376 977	8 148 168	1.74
23 174	CITIGROUP INC	USD	1 076 639	1 054 348	0.23
88 069	COMMONWEALTH BANK OF AUSTRALIA	AUD	3 728 025	3 747 778	0.80
39 142	COSTCO WHOLESALE CORP	USD	10 697 895	10 566 929	2.26
18 081	CSL LTD	AUD	3 234 559	3 181 050	0.68
7 927	DISCOVERY COMMUNICATIONS INC - C	USD	186 300	135 934	0.03
10 036	DOMINION ENERGY INC	USD	767 286	725 391	0.16
305 073	ENGIE SA	EUR	4 043 743	3 355 803	0.72
504 967	EXELON CORP	USD	17 459 324	16 315 944	3.49
57 273	FACEBOOK INC	USD	10 157 857	11 579 023	2.48
5 560	FAST RETAILING CO LTD	JPY	2 946 469	2 831 138	0.61
2 191	F5 NETWORKS INC	USD	306 215	272 092	0.06
251	GARTNER INC	USD	35 855	27 115	0.01
8 133	GILEAD SCIENCES INC	USD	540 053	557 141	0.12
17 535	HEALTHCARE REALTY TRUST INC	USD	504 165	457 285	0.10
21 842	HEALTHPEAK PROPERTIES INC	USD	554 918	535 962	0.11
7 827	HOME DEPOT INC	USD	1 708 536	1 745 752	0.37
230 471	INTEL CORP	USD	12 653 184	12 277 149	2.63
2 026	IPG PHOTONICS CORP	USD	247 756	289 320	0.06
332 252	KDDI CORP	JPY	8 831 491	8 867 654	1.90
7 095	KEYSIGHT TECHNOLOGIES INC	USD	640 523	636 633	0.14
9 937	KRAFT HEINZ CO	USD	271 455	282 145	0.06
6 102	KURITA WATER INDUSTRIES LTD	JPY	152 665	150 622	0.03
7 236	LIVE NATION ENTERTAINMENT INC	USD	428 189	285 600	0.06
86 635	LVMH MOET HENNESSY LOUIS VUITTON SE	EUR	25 726 263	33 830 969	7.22
317 779	MERCK & CO INC	USD	21 625 006	21 879 402	4.68
269 786	MICRON TECHNOLOGY INC	USD	12 469 760	12 375 350	2.65

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Schedule of Investments (continued)

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market (continued)					
Shares (continued)					
2 974 791	NETFLIX INC	USD	821 122	1 176 140	0.25
94 042	NEXTERA ENERGY INC	USD	21 578 447	20 109 573	4.30
78 064	PEPSICO INC	USD	8 768 739	9 192 668	1.97
185 687	PFIZER INC	USD	6 012 112	5 406 192	1.16
108 527	PROCTER & GAMBLE CO	USD	11 922 161	11 553 731	2.47
243 986	RENAULT SA	EUR	14 622 081	5 509 204	1.18
351	ROCHE HOLDING AG	CHF	110 064	108 293	0.02
6 935	ROHM CO LTD	JPY	423 424	408 645	0.09
3 816 886	SCENTRE GROUP	AUD	5 108 152	5 077 326	1.09
11 113	SEGA SAMMY HOLDINGS INC	JPY	123 735	118 310	0.03
13 210	SEIKO EPSON CORP	JPY	145 661	134 421	0.03
823	SHIMAMURA CO LTD	JPY	51 136	49 582	0.01
937 617	SOFTBANK GROUP CORP	JPY	41 891 369	42 171 895	9.01
770 728	SUMITOMO MITSUI FINANCIAL GROUP INC	JPY	19 378 511	19 285 525	4.12
68 497	TJX COS INC	USD	3 144 699	3 083 478	0.66
506 043	TOTAL SA	EUR	25 168 049	17 192 811	3.68
2 818	TOYOTA MOTOR CORP	JPY	159 986	157 260	0.03
87 258	UNITEDHEALTH GROUP INC	USD	22 887 049	22 914 791	4.89
1 683	VERISIGN INC	USD	315 639	309 927	0.07
127 142	VINCI SA	EUR	10 433 273	10 425 644	2.23
311 351	VIVENDI SA	EUR	7 463 083	7 111 257	1.52
8 550	XYLEM INC/NY	USD	509 006	494 509	0.11
22 620	YAMAZAKI BAKING CO LTD	JPY	344 991	346 475	0.07
Total Shares			488 138 416	469 988 693	100.51
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			488 138 416	469 988 693	100.51
Total Investments			488 138 416	469 988 693	100.51

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Economic and Geographical Classification of Investments

Economic classification	%	Geographical classification	%
Telecommunications Service Providers	13.06	United States of America	57.21
Banks	9.94	France	22.16
Software and Computer Services	9.75	Japan	18.22
Electricity	7.94	Australia	2.57
Personal Goods	7.23	Canada	0.33
Pharmaceuticals and Biotechnology	7.15	Switzerland	0.02
Technology Hardware and Equipment	6.58		
Non-life Insurance	6.13		100.51
Retailers	4.91		
Health Care Providers	4.90		
Tobacco	4.52		
Construction and Materials	3.97		
Oil, Gas and Coal	3.68		
Gas, Water and Multi-utilities	2.92		
Personal Care, Drug and Grocery Stores	2.47		
Beverages	1.97		
Real Estate Investment Trusts	1.30		
Automobiles and Parts	1.21		
Electronic and Electrical Equipment	0.20		
Industrial Engineering	0.14		
Food Producers	0.13		
Telecommunications Equipment	0.13		
Real Estate Investment and Services	0.10		
Medical Equipment and Services	0.08		
Travel and Leisure	0.06		
Leisure Goods	0.03		
Industrial Support Services	0.01		
	100.51		

Notes to the financial statements

1 - General

MULTI UNITS LUXEMBOURG (the “Fund”) was incorporated on March 29, 2006 under Luxembourg laws as a *Société d’Investissement à Capital Variable* (“SICAV”) for an unlimited period of time. The Fund is governed by the Provisions of Part I of the Luxembourg law of December 17, 2010, as amended relating to Undertakings for Collective Investment.

As at June 30, 2020, 2 Sub-Funds are available to investors:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Within each Sub-Fund, the Fund may create different Classes of Shares which are entitled to regular dividend payments (“Distribution Shares”) or with earnings reinvested (“Capitalisation Shares”), or which differ also by the targeted investors, their reference currencies, their currency hedging policy, by the management fees or the subscription/redemption fees.

Capitalisation and distribution shares have been issued during the period ended June 30, 2020.

The amounts invested in the several Classes of Shares of one Sub-Fund are themselves invested in a common underlying portfolio of investments within the Sub-Fund, although the Net Asset Value per share of each Class of Shares may differ as a result of either the distribution policy, the *taxe d’abonnement* and/or the management fees and/or the subscription and redemption fees for each Class.

Sub-Funds	Class of shares	ISIN Code	Distribution Capitalisation
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	LU1900068914	Capitalisation
	Class USD	LU1900069136	Capitalisation
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	LU1900068328	Capitalisation
	Class Dist	LU1900068674	Capitalisation

The following Sub-Funds are listed in NYSE Euronext Paris Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in Deutsche Boerse Frankfurt Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in Borsa Italiana Milan Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Fund is listed in SIX Swiss Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Fund is listed in London Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Fund is listed in SGX Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Notes to the financial statements (continued)

2 - Significant accounting policies

2.1 Presentation of financial statements

The financial statements are prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment.

2.2 Valuation of investment in securities

2.2.1 Securities listed on a recognised stock exchange or dealt in on any other regulated market that operates regularly, is recognised and is open to the public, are valued at their last available closing prices, or, in the event that there should be several such markets, on the basis of their last available closing prices on the main market for the relevant security.

2.2.2 In the event that the last available closing price does not, in the opinion of the Board of Directors, truly reflect the fair market value of such securities, the value is defined by the Board of Directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith.

2.2.3 Securities not listed or traded on a stock exchange or not dealt in on another regulated market are valued on the basis of the probable sales proceeds determined prudently and in good faith by the Board of Directors.

2.2.4 Securities not listed or traded on a stock exchange or not dealt in on another regulated market are valued at their face value with interest accrued.

2.2.5 In case of short term instruments which have a maturity of less than 90 days, the value of the instrument based on the net acquisition cost, is gradually adjusted to the repurchase price thereof. In the event of the material changes in market conditions, the valuation basis of the investment is adjusted to the new market yields.

2.2.6 Investments in open-ended UCIs are valued on the basis of the last available net asset value of the units or shares of such UCIs.

2.2.7 All other securities and other assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

2.2.8 The Fund may more specifically enter into securities lending transactions provided that the following rules are complied with in addition to the abovementioned conditions:

- The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;
- The Fund may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction;
- The Fund may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.
- The Fund and the Management Company have appointed the Securities Lending Agent. The Securities Lending Agent has been authorised (i) to enter into securities lending transactions including but not limited to Global Master Securities Lending Agreements ("GMSLA"), and /or any other internationally recognized master agreement) on behalf of the Fund and (ii) to invest any cash received/held on behalf of the Fund as collateral pursuant to such securities lending transactions, in accordance with and within the limits set forth in the agency securities lending agreement, the rules set out in the Prospectus and the applicable regulations.

Any income generated by securities lending transactions (reduced by any applicable direct or indirect operational costs and fees arising there from and paid to the Securities Lending Agent and, as the case may be, to the Management Company) will be payable to the relevant Sub-Fund. As these direct and indirect operational costs do not increase the costs of running the Sub-Fund, they have been excluded from the ongoing charges. For the avoidance of doubt securities lending transaction will be limited to Sub-Fund applying Direct Replication investment policy.

2.3 Valuation of Futures

The value of financial derivative instruments traded on exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these financial derivative instruments on exchanges and Regulated Markets on which the particular financial derivative instruments are traded by the Fund;

Notes to the financial statements (continued)

provided that if financial derivative instruments could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the value of such financial derivative instruments shall be such value as the Directors may deem fair and reasonable. The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Fund.

2.4 Valuation of total return swaps

Swaps linked to indexes or financial instruments are valued at their market value, net present value of future cash flows, based on the applicable index or financial instrument, in accordance with the procedure laid down by the Board of Directors.

2.5 Net realised gains or losses resulting from investments

The realised gains or losses resulting from the sales of investments are calculated on an average cost basis.

2.6 Foreign exchange translation

The accounts of each Sub-Fund are maintained in the reference currency of the Sub-Fund and the financial statements are expressed in that currency.

The acquisition cost of securities expressed in a currency other than the reference currency is translated into the reference currency at the exchange rates prevailing on the date of purchase.

Income and expenses expressed in other currencies than the reference currency are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in other currencies than the reference currency are converted at exchange rates ruling at the period end.

2.7 Forward foreign exchange contracts

Forward foreign exchange contracts are disclosed in the Statement of Net Assets under the item "Net unrealised profit/loss on forward foreign exchange contracts".

2.8 Combined financial statements

The combined Statement of Net Assets represents the total of the Statements of Net Assets Assets of the individual Sub-Funds, converted in Euro, based on exchange rates applicable at period end.

2.9 Income

Dividends are credited to income on the date upon which the relevant securities are first listed as ex-dividend. Interest income is accrued on a daily basis.

2.10 Formation expenses

The formation expenses of the Fund are borne by the Management Company.

3 - Management fees

Following a Main Delegation Agreement dated March 29, 2006, as amended, Lyxor Asset Management Luxembourg S.A. was appointed as Management Company of the Sub-Funds.

Following a Novation Agreement dated February 28, 2014, Lyxor International Asset Management S.A.S was appointed as Management Company of the Sub-Funds.

A management fee is payable monthly in arrears to the Management Company in compensation for its services. Such fee was payable monthly and is set for the period under review at the following rates of the Net Asset Value (inclusive of VAT):

Sub-Fund	Share Management Class	Management fee
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	0.65%
	Class USD	0.65%

Notes to the financial statements (continued)

Sub-Fund	Share Class	Management fee
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	0.60%
	Class Dist	0.60%

4 - Depositary, Administrative, Registrar Agent and other fees

As Administrative, Corporate and Domiciliary Agent, Société Générale Luxembourg is entitled to receive fees and commissions for its services rendered to the Sub-Funds. Such fees are payable by the Management Company out of the Total Fee it receives to cover structural costs.

As Depositary, Société Générale Luxembourg is entitled to receive a fee for its services rendered to the Sub-Fund. Such fee is payable by the Management Company out of the Total Fee it receives from the Fund.

As Registrar and Transfer Agent, Société Générale Luxembourg is entitled to receive fees and commissions for its services rendered to the Sub-Fund. Such fees are payable by the Management Company out of the Total Fee it receives from the Fund.

5 - Taxation

The amended Law of December 17, 2010 lays down that Sub-Funds of umbrella UCI established under the Law of December 20, 2002 are exempted of the *taxe d'abonnement* if they comply with following conditions stated in the article 175 e):

- whose securities are listed or dealt in on a stock exchange or another market which is regulated, operates regularly and is recognised and open to the public;
- whose exclusive object is to replicate the performance of one or several indices.

Considering that all classes of shares of all Sub-Funds of the Fund described in the Prospectus comply with the conditions required by the article 175 e) of the amended Law of December 17, 2010, the Board of Directors decided, by a Circular Resolution dated December 31, 2010, that all Sub-Funds and their classes of shares are exempted of the *taxe d'abonnement* as from January 1, 2011.

The Fund is not liable to any Luxembourg tax other than a once-and-for-all tax of EUR 1250 that was paid upon incorporation.

Investment income from dividends and interest received by the Fund may be subject to withholding taxes at varying rates. Such withholding taxes are usually not recoverable.

6 - Total return swap agreements

The total return swaps entered into by the Sub-Funds are governed by the Master Index Swap Confirmation Agreement dated as of November 13, 2014, signed between Société Générale and Lyxor International Asset Management on behalf of the Sub-Funds, (the "Master Agreement").

The terms and conditions of the swap transactions are detailed for each swap transaction in appendices to this Master Agreement.

Under the Master Agreement, the Sub-Fund pays to Société Générale an amount reflecting the performance of the basket of securities (including income received) held by the Sub-Fund, and receives an amount reflecting the performance of an index (see below the index for each Sub-Fund).

The performance difference between the two legs is adjusted by (i) the difference of repo rate between the basket of securities held by the Sub-Fund and the index components, (ii) the difference between the index components dividend level in the index methodology and their market price, and (iii) pricing parameters linked to the index replication.

The market value of those swaps, used only for index replication purpose are booked in the caption "Swap at market value" of the Statement of Net Assets.

The counterparty of the total return swaps is Société Générale (France) for all the Sub-Funds.

As at June 30, 2020, the Company holds the following Total Return Swaps, with the safekeeping of collateral received by the collective investment undertaking as part of Total Return Swaps.

Notes to the financial statements (continued)

According to the prospectus, Investment Grade is defined BB- or above from Fitch and S&P, and Ba3 or above from Moody's. All the bonds received in collateral are Investment Grade.

As at June 30, 2020, the collateral fully covered the market value of the total return swaps:

Lines captioned "basket of securities" in the tables below should be read in accordance with the swap details presented per Sub-fund and do not have to be considered as swap positions.

6.1 MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Maturity Date	Contract	Underlying	Currency	Nominal	Market Value (expressed in EUR)
18-12-20	Index swap	Hang Seng China Ente NR	EUR	328 298 737	324 437 077
18-12-20	Index swap	Basket of securities	EUR	-	(325 271 893)
					(834 416)

6.2 MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Maturity Date	Contract	Underlying	Currency	Nominal	Market Value (expressed in EUR)
18-12-20	Index swap	MSCI AC Daily TR Net Asia Ex Japan	EUR	432 915 291	467 870 495
18-12-20	Index swap	Basket of securities	EUR	-	(469 988 693)
					(2 118 198)

Data on reuse of collateral

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

7 - Exchange rates

The following exchange rates have been used for the preparation of these financial statements:

As at June 30, 2020:

1 EUR =	1.63130	AUD	1 EUR =	1.52975	CAD
1 EUR =	1.06425	CHF	1 EUR =	26.64250	CZK
1 EUR =	7.45315	DKK	1 EUR =	0.90900	GBP
1 EUR =	8.70495	HKD	1 EUR =	354.44000	HUF
1 EUR =	3.88715	ILS	1 EUR =	121.17105	JPY
1 EUR =	25.95260	MXN	1 EUR =	10.83500	NOK
1 EUR =	1.74470	NZD	1 EUR =	4.44280	PLN
1 EUR =	10.46400	SEK	1 EUR =	1.56685	SGD
1 EUR =	1.12315	USD			

8 - Note COVID-19

Since the year end we have seen the development of the coronavirus covid-19 outbreak initially in China and now reaching most continents. At present it is no possible to assess the detailed impact, of this emerging risk, on the companies in our portfolio but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the last few weeks. The Board and Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the companies in our portfolio.

Tracking Error

Calculation methodology: Tracking error has been calculated over a period of 52 weeks.

Sub-Fund	Share Class	TE 1 Year
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	0.039%
	Class USD	0.040%
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	0.029%
	Class Dist	0.031%

SFT Regulation

Total return swaps

Following the Regulation 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions, please find below details about total return swaps for the period ending June 30, 2020:

	MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF
Amount of Total Return Swaps expressed in absolute amount (in the currency of the sub-fund) *	324 244 074	467 622 906
Proportion of AUM	100%	100%

Maturity tenor of the Performance Swaps broken down in the following maturity buckets

Less than one day	-	-
One day to one week	-	-
One week to one month	-	-
One month to three months	-	-
Three months to one year	324 244 074	467 622 906
Above one year	-	-
Open maturity	-	-
Total	324 244 074	467 622 906

Counterparty

Name of counterparty	Société Générale	Société Générale
Country of domicile of the counterparty	France	France
Gross volume of outstanding transactions	see note 6	see note 6

Data on Collateral

Type of collateral

Cash	-	-
Securities	-	-

Quality of collateral

Rating	-	-
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Maturity tenor of the collateral broken down in the following maturity buckets (in sub-fund's currency)

Less than one day	-	-
One day to one week	-	-
One week to one month	-	-
One month to three months	-	-
Three months to one year	-	-
Above one year	-	-
Open maturity	-	-
Total	-	-

Safekeeping of collateral received by the fund as part of total return swap

Name of custodian	-	-
Cash	-	-
Securities	-	-
Proportion of collateral granted	-	-

The settlement and clearing of all swaps transactions are bilateral.

Returns and costs incurred from total return swaps transactions during the period ended June 30, 2020 are included in the valuation of the swaps.

* The amount of assets engaged in total return swaps is equal to the market value of the basket of securities engaged in total return swaps at the period ended, increased by the marked-to-market value of the TRS at the period ended.

MULTI UNITS LUXEMBOURG

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