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The Manager accepts full responsibility for the accuracy of the information contained in this announcement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief at the date hereof, there are no other facts the omission of which would make any statement misleading and that opinions expressed in this announcement have been arrived at after due and careful consideration.

Investments involve risks, including the loss of principal. You are advised to consider your investment objectives and circumstances in determining the suitability of an investment in the Trust. An investment in the Trust may not be suitable for everyone.

SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.



VALUE CHINA ETF

*(A Hong Kong unit trust authorised under Section 104 of the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong)
(the “Trust”)*

Stock Code: 3046

ANNOUNCEMENT

Updated Disclosures on Liquidity Risk Management and Automatic Exchange of Financial Account Information

This announcement is important and requires your immediate attention. If you are in any doubt about the contents of this announcement, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser for independent professional advice.

All capitalised terms in this announcement shall have the same meaning as in the Prospectus of the Trust dated 25 February 2011 (as amended or supplemented) unless otherwise stated.

Dear Unitholders,

A. Updated disclosures regarding liquidity risk management

Pursuant to the Circular to Management Companies of SFC-authorized Funds on Liquidity Risk Management issued by the SFC on 4 July 2016, the Prospectus has been updated to include disclosure on the Manager's liquidity risk management policies and procedures.

B. Automatic exchange of financial account information

The Inland Revenue (Amendment) (No.3) Ordinance (the "Ordinance") came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("AEOI"). The AEOI requires financial institutions ("FIs") in Hong Kong to collect certain required information relating to non-Hong Kong tax residents holding financial accounts with the FIs, and report such information to the Hong Kong Inland Revenue Department ("IRD") for the purpose of AEOI exchange. Generally, the information will be reported and automatically exchanged in respect of account holders that are tax residents in an AEOI partner jurisdiction(s) with which Hong Kong has a Competent Authority Agreement ("CAA") in force; however, the Trust and/or its agents may further collect information relating to residents of other jurisdictions.

The Trust is required to comply with the requirements of the Ordinance, which means that the Trust and/or its agents shall collect and provide to the IRD the required information relating to Unitholders and prospective investors.

For further information, please refer to the Prospectus including the section headed "Automatic Exchange of Financial Account Information". Each Unitholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Trust.

The Prospectus of the Trust has been revised by way of an addendum to reflect the above updates. A copy of the Addendum to the Prospectus is available on the Manager's website www.valueetf.com.hk (this website has not been reviewed by the SFC) and the SEHK website www.hkex.com.hk.

If you have any queries concerning the above, please contact the Manager at (852) 2143 0688 during office hours which are from 9:00 a.m. to 6:00 p.m.

The Manager accepts responsibility for the information contained in this announcement as being accurate at the date hereof.

Sensible Asset Management Hong Kong Limited
16 January 2017