

**IMPORTANT: THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

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Sensible Asset Management Hong Kong Limited (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 Value Gold ETF (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 GOLD 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**”)*

**HKD Counter Stock Code: 03081**

**RMB Counter Stock Code: 83081**

**USD Counter Stock Code: 09081**

### **Announcement**

**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 1 January 2020 (as amended or supplemented) unless otherwise stated.**

Dear Unitholders,

We, the Manager of the Trust, wish to inform you that with effect from 30 April 2020 (the “**Effective Date**”) the fee structure of the Trust will be changed such that the Trust will adopt a single management fee structure whereby a single flat fee will be charged to cover all of the Trust’s fees, costs and expenses, including Trustee’s fee and Custodian’s fee. The ongoing charges of the Trust will also be adjusted from the Effective Date such that it will be equal to the amount of the single management fee which is capped at a maximum of 0.40% of the average Net Asset Value of the Trust.

#### **A. Single Management Fee**

Currently, the fees and other expenses and costs associated with the Trust’s ongoing operations such as the Manager’s fee, the Trustee’s fee and the Custodian’s fee are payable as separate items by the Trust. The annualised figure calculated based on the expenses for the interim period ended 30 September 2019 amounted to 0.42% of the Net Asset Value of the Trust.

With effect from the Effective Date, the Trust will employ a single management fee structure, with the Trust paying all of its fees, costs and expenses as a single flat fee (the “**Management Fee**”). Fees and expenses taken into account in determining the Management Fee include, but are not limited to, the Manager’s fee, Trustee’s fee, Registrar’s fees, Custodian’s fee, fees of the Service Agent, fees and expenses of the auditors, ordinary out-of-pocket expenses incurred by the Manager or the Trustee. The Management Fee will not include brokerage and transaction costs, fees and extraordinary items such as litigation expenses.

As a result of the changes to the fee structure of the Trust as explained above, from the Effective Date, the Management Fee will be increased from the current rate of 0.10% to 0.40% per year of the Net Asset Value of the Trust. The Management Fee will be accrued daily and calculated as at each Dealing Day and payable monthly in arrears. This fee is payable out of the Trust Fund. No fees are payable out of the Trust Fund to the Sub-Manager.

Notwithstanding the above, from the Effective Date the Manager may continue to pay a distribution fee to any distributor or sub-distributors of the Trust out of the management fees it receives from the Trust. A distributor may re-allocate an amount of the distribution fee to the sub-distributors.

For the avoidance of doubt, the maximum rate of Management Fee remains to be 1% per year of the Net Asset Value of the Trust (the “**Maximum Level**”). The Management Fee may be increased up to the Maximum Level on one month’s notice to Unitholders (or such shorter period as approved by the SFC). Any increase of the Maximum Level will be subject to the SFC’s prior approval and not less than one month’s notice to the Unitholders.

#### **B. Ongoing charges**

Currently, no cap is imposed on the ongoing charges of the Trust. With effective from the Effective Date, the ongoing charges of the Trust will be capped at a maximum of 0.40% per year of the Net Asset Value of the Trust such that it will be equal to the amount of the Management Fee and is accrued daily and calculated as at each Dealing Day. It is payable out of the Trust monthly in arrears. Any ongoing expenses exceeding 0.40% of the average Net Asset Value of the Trust (but excluding any brokerage and transaction costs, fees and extraordinary items such as litigation expenses) will be borne by the Manager and will not be charged to the Trust.

#### **C. Implications of Changes**

Save as disclosed in this notice, the changes set out above will not result in any material change to the investment objective and risk profile of the Trust. These changes will also not result in a change in the manner in which the Trust currently operates or is being managed.

The updated Prospectus (including the Product Key Facts Statement) of the Trust will be available from the Effective Date on the Manager's website <https://www.valueetf.com.hk/eng/> (this website has not been reviewed by the SFC) and the SEHK website [www.hkex.com.hk](http://www.hkex.com.hk). If you have any queries concerning the above, please contact the Manager at (852) 2143 0628 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 notice as being accurate at the date hereof.

**Sensible Asset Management Hong Kong Limited**

30 March 2020