



31 August 2017

- Value China A-Share ETF (the "Fund") is a physical index-tracking fund which aims to provide investment results, before fees and expenses, that closely correspond to the performance of the FTSE Value-Stocks China A-Share Index ("Index").
- The Fund invests directly in A-Shares included in the Index through the Renminbi Qualified Foreign Institutional Investors (RQFII) investment quota granted to the Manager and the Shanghai-Hong Kong Stock Connect. Investors will be subject to certain risks including repatriation risk, custodial risk, broker risk, regulatory risk and risks associated with the Manager's RQFII status. In addition, the RQFII policy and rules are relatively new and there may be uncertainty in implementation and such policy and rules are subject to change. All these may adversely impact the Fund.
- The Fund and its primary investments are denominated in RMB. RMB is currently not a freely convertible currency and is subject to foreign exchange control policies, as well as repatriation restrictions imposed by the PRC government. Investors whose base currencies of investments are not in RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB.
- The Fund is subject to emerging market risks. Generally, investments in emerging markets are subject to a greater risk of loss than investments in a developed market due to greater political, economic, taxation and regulatory uncertainty and risks linked to volatility and market liquidity etc.
- The Fund is also subject to concentration risk as a result of investing only in a single geographical region. Adverse developments in such region may affect the value of the underlying securities in which the Fund invests.
- The Fund has dual counter traded units which are traded and settled in both RMB and HKD. The nature of the dual counter may make investment in the units riskier than in single counter units or shares of an SEHK listed issuer. Investors without RMB accounts may buy and sell HKD traded units only.
- There is no assurance that Fund will pay dividends. The Manager may at its discretion pay dividends out of the capital of the Fund or pay dividend out of gross income while all or part of the fees and expenses of the Fund are charged to/paid out of the capital of the Fund. Dividends effectively paid out of capital amount to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Such distribution involving payment of dividends out of the capital may result in an immediate reduction of the Fund's net asset value per Unit.
- The Index may experience periods of volatility and decline and the price of units of the Fund is likely to vary or decline accordingly. As the Fund is not "actively managed", the Manager will not adopt a temporary defensive position against any market downturn. Investors may lose part or all of their investment.
- The units are traded on the Stock Exchange of Hong Kong Limited ("SEHK"). Trading prices of units on the SEHK are subject to market forces and the units may trade at a substantial premium/discount to the net asset value of the Fund.
- An affiliated company of the Manager and the Investment Adviser of the Fund assists with the compilation of the Index and accordingly potential conflicts of interests may arise.
- You should not make investment decision on the basis of this website alone. Please read the prospectus for details and risk factors.

Investment objective

To provide investment results (before fees and expenses) that closely correspond to the performance of the FTSE Value-Stocks China A-Share Index.

Fund performance update ¹

	The Fund ¹	FTSE Value-Stocks China A-Share Index
One month	+4.1%	+4.3%
Three months	+13.5%	+14.3%
Since launch (cumulative)	-0.5%	+3.3%

Portfolio characteristic

As at 31-8-2017	2017 ²
Price/earnings ratio	9.9 times
Price/book ratio	1.2 times
Dividend yield	2.8%

Recent distribution

Ex-dividend date	Payable date	Dividend (RMB per unit)	Yield (%) ³
4-12-2015	29-12-2015	0.13	1.9
6-12-2016	29-12-2016	0.18	2.9

Fund information

Fund price (NAV)	HK\$8.3081
Fund size	HK\$153.7 million
Underlying index	FTSE Value-Stocks China A-Share Index
Inception date	19 March 2015
Investment adviser	Sensible Asset Management Hong Kong Limited
Manager and RQFII holder	Value Partners Hong Kong Limited
Trustee and registrar	HSBC Institutional Trust Services (Asia) Limited
Custodian	The Hong Kong and Shanghai Banking Corporation Limited
PRC custodian	HSBC Bank (China) Company Limited
Auditor	Ernst & Young
Participating dealers	<ul style="list-style-type: none"> – BNP Paribas Securities Services – China International Capital Corporation Hong Kong Securities Limited – China Merchants Securities (HK) Co., Ltd. – Credit Suisse Securities (Hong Kong) Limited – Goldman Sachs (Asia) Securities Limited – Guotai Junan Securities (Hong Kong) Limited – Merrill Lynch Far East Limited – The Hong Kong and Shanghai Banking Corporation Limited
Market makers	<ul style="list-style-type: none"> – China Merchants Securities (HK) Co., Ltd. – Commerz Securities Hong Kong Limited – Guotai Junan Securities (Hong Kong) Limited – Haitong International Securities Company Limited – HSBC Securities Brokers (Asia) Limited
Exchange listing	The Stock Exchange of Hong Kong Limited – Main Board
Trading board lot size	HKD counter – 500 units RMB counter – 500 units
Bloomberg Index ticker	GPVP009 <Index>
Bloomberg ETF ticker	HKD counter – 03095 HK <Equity> RMB counter – 83095 HK <Equity>
Dividend policy ⁴	Aim at semi-annual distribution, subject to the Manager's discretion
Base currency	Renminbi
Trading currency	HKD counter – Hong Kong dollar RMB counter – Renminbi
Application unit size (only by or through Participating Dealers)	Minimum 500,000 units (or multiples thereof)
Management fee	0.10% per annum
Investment strategy	Full replication strategy

Awards

Value Partners

Best ETF Launch

Best Commodity ETF

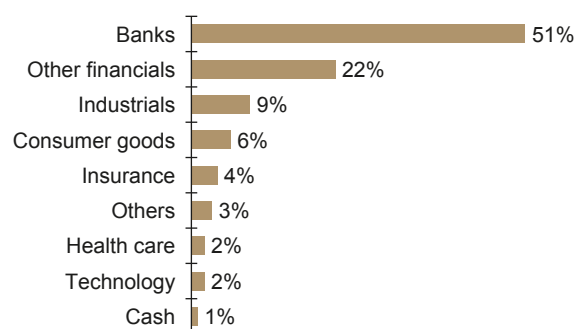
Best Smart Beta ETF

~ Asia Asset Management, ETFI Asia



31 August 2017

Portfolio composition			(Continued from left column)		
Name	Sector	%	Name	Sector	%
China Merchants Bank Co. Ltd.	Banks	10.2	Huayu Automotive Systems Co. Ltd.	Automobiles & parts	0.9
Industrial Bank Co. Ltd.	Banks	7.8	Avic Capital Co. Ltd.	Financial services	0.8
China Minsheng Banking Corp. Ltd.	Banks	6.3	Changjiang Securities Co. Ltd.	Financial services	0.8
Shanghai Pudong Development Bank Co. Ltd.	Banks	5.7	Chongqing Changan Automobile Co. Ltd.	Automobiles & parts	0.8
CITIC Securities Co. Ltd.	Financial services	4.6	Everbright Securities Co. Ltd.	Financial services	0.8
Agricultural Bank of China Ltd.	Banks	4.3	Shenzhen Overseas Chinese Town Co. Ltd.	Travel & leisure	0.8
Bank of Communications Co. Ltd.	Banks	4.2	Zhengzhou Yutong Bus Co. Ltd.	Automobiles & parts	0.8
China Pacific Insurance Group Co. Ltd.	Life insurance	3.1	Anxin Trust Co. Ltd.	Financial services	0.7
Haitong Securities Co. Ltd.	Financial services	3.0	Metallurgical Corp of China Ltd.	Construction & materials	0.7
Bank of China Ltd.	Banks	2.9	Shanghai Oriental Pearl Group Co. Ltd.	Leisure goods	0.7
CRRC Corp. Ltd.	Industrial engineering	2.7	Sichuan Chuantou Energy Co. Ltd.	Electricity	0.7
Ping An Bank Co. Ltd.	Banks	2.6	SooChow Securities Co. Ltd.	Financial services	0.7
Guotai Junan Securities Co. Ltd.	Financial services	2.3	Xinjiang Goldwind Science & Technology Co. Ltd.	Alternative energy	0.7
SAIC Motor Corp. Ltd.	Automobiles & parts	2.3	Aisino Corp.	Electronic & electrical equipment	0.6
China Construction Bank Corp.	Banks	2.0	China CITIC Bank Corp. Ltd.	Banks	0.6
Huatai Securities Co. Ltd.	Financial services	1.9	Guosen Securities Co. Ltd.	Financial services	0.6
China Everbright Bank Co. Ltd.	Banks	1.8	Shanghai International Port Group Co. Ltd.	Industrial transportation	0.6
Focus Media Information Technology Co. Ltd.	Technology, hardware & equipment	1.7	Shanghai Tunnel Engineering Co. Ltd.	Construction & materials	0.5
Kangmei Pharmaceutical Co. Ltd.	Pharmaceuticals & biotechnology	1.7			
Daqin Railway Co. Ltd.	Industrial transportation	1.6			
GF Securities Co. Ltd.	Financial services	1.5			
China Shenhua Energy Co. Ltd.	Mining	1.4			
Huaxia Bank Co. Ltd.	Banks	1.4			
Anhui Conch Cement Co. Ltd.	Construction & materials	1.3			
Bank of Nanjing Co. Ltd.	Banks	1.2			
China Merchants Securities Co. Ltd.	Financial services	1.1			
Industrial Securities Co. Ltd.	Financial services	1.1			
New China Life Insurance Co. Ltd.	Life insurance	1.1			
Shenwan Hongyuan Group Co. Ltd.	Financial services	1.1			
Founder Securities Co. Ltd.	Financial services	1.0			
Fuyao Glass Industry Group Co. Ltd.	Automobiles & parts	1.0			
Weichai Power Co. Ltd.	Industrial engineering	1.0			

Sector exposure ⁵

Fund information as of 31 August 2017. Source: HSBC Institutional Trust Services (Asia) Limited, Bloomberg and FTSE.

1. Performance will only be available 6 months after launch. Performance data is net of all fees. 2. The above profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 3. Yield is calculated based on the dividend per Unit divided by the ex-date NAV per Unit. It is estimated and for reference only and does not represent the performance of the Fund. All dollar amounts are in RMB unless otherwise stated. 4. There is no guarantee that such dividends will be made nor will there be a target level of dividend payout. 5. Classification is based on Industry Classification Benchmark (ICB). Due to rounding, percentage may not add up to 100%.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the prospectus for details and risk factors in particular those associated with investment in emerging markets and the arrangement in the event that the Fund is delisted. The Fund's prospectus is available and may be obtained from website. Investors should also note that the Fund is different from a typical retail investment fund, in particular, units in the Fund may only be created or redeemed directly by a participating dealer in large unit sizes.

Information in this report has been obtained from sources believed to be reliable but Sensible Asset Management Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties.

This document has not been reviewed by the Securities and Futures Commission. Issuer: Sensible Asset Management Hong Kong Limited.

The units of the Fund are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), the London Stock Exchange Plc (the "Exchange"), The Financial Times Limited ("FT") or Value Partners Index Services Limited ("VPISL") and neither FTSE nor the Exchange nor the FT nor VPISL make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Value-Stocks China A-Share Index (the "Index") and/or the figure at which the Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE and designed by VPISL. However, neither FTSE nor Exchange nor FT nor VPISL shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE nor the Exchange nor the FT nor VPISL shall be under any obligation to advise any person of any error therein.

"FTSE®", "FT-SE®" and "Footsie®" are trade marks of the Exchange and the FT and are used by FTSE under licence.