



★★★★
Morningstar Rating™¹
As at 30-04-2017

CIES Eligible ²

28 April 2017

- Value China ETF (the "Fund") is an index-tracking fund listed on the Stock Exchange of Hong Kong Limited ("SEHK") which aims to provide investment results that closely correspond to the performance of the FTSE Value-Stocks China Index ("Index").
- The Fund invests in emerging market and is 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.
- 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.
- There is no assurance that the 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.
- 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 Sub-Manager 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 material alone. Please read the prospectus for details and risk factors.

Investment objective

To track the performance of the FTSE Value-Stocks China Index, an index of 25 quality value stocks amongst liquid and tradable Chinese companies' shares listed in Hong Kong including H-shares, Red chips and P chip (defined as Hong Kong Exchange listed companies which derive 50% or more of their sales revenue or operating assets from mainland China).

Fund performance update ³

	The Fund	FTSE Value-Stocks China Index
One month	-0.9%	-0.8%
Three months	+6.9%	+7.3%
Year-to-date	+11.5%	+12.2%
One year	+22.2%	+25.2%
Since launch (cumulative)	+36.0%	+56.8%

Annual return since launch ³

	The Fund	FTSE Value-Stocks China Index
2009 (Since launch)	-0.4%	-0.3%
2010	+11.7%	+13.5%
2011	-16.7%	-15.2%
2012	+22.5%	+25.8%
2013	-3.4%	-1.4%
2014	+20.7%	+23.8%
2015	-9.1%	-8.5%
2016	+1.3%	+3.7%
2017 (YTD)	+11.5%	+12.2%

Fund information

Fund price (NAV)	HK\$37.98
Fund size	HK\$121.5 million
Underlying index	FTSE Value-Stocks China Index
Inception date	10 December 2009
Manager	Sensible Asset Management Hong Kong Limited
Sub-Manager	Value Partners Hong Kong Limited
Trustee and registrar	HSBC Institutional Trust Services (Asia) Limited
Auditor	Ernst & Young
Participating dealers	<ul style="list-style-type: none"> - BNP Paribas Securities Services - BOCI Securities Ltd. - Chief Securities Limited - Credit Suisse Securities (Hong Kong) Limited - Daiwa Capital Markets Hong Kong Limited - Goldman Sachs (Asia) Securities Limited - Macquarie Bank Limited - Merrill Lynch Far East Limited - Nomura International (Hong Kong) Limited - Philip Securities (Hong Kong) Limited - SG Securities (HK) Limited - Sinopac Securities (Asia) Limited
Market makers	<ul style="list-style-type: none"> - BNP Paribas Securities (Asia) Ltd. - BOCI Securities Ltd. - CITIC Securities Brokerage (HK) Ltd. - Commerz Securities Hong Kong Ltd. - Credit Suisse Securities (Hong Kong) Limited - LT Securities Limited - Merrill Lynch Far East Limited
Exchange listing	The Stock Exchange of Hong Kong Limited – Main Board
Trading board lot size	100 units
Bloomberg Index ticker	TGPVP002 <Index>
Bloomberg ETF ticker	3046 HK <Equity>
Dividend policy ⁴	Aim at semi-annual distribution, subject to the Manager's discretion
Base currency	HK dollar
Application unit size (only by or through Participating Dealers)	Minimum 200,000 units (or multiples thereof)
Management fee	0.70% per annum
Investment strategy	Full replication strategy



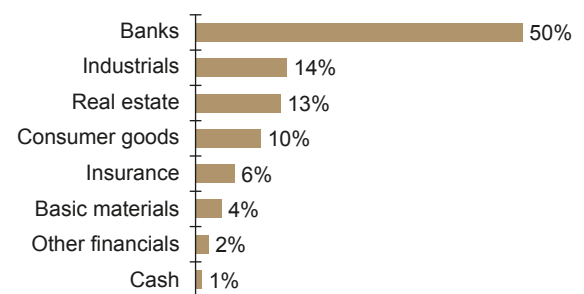
28 April 2017

Portfolio composition		
Name	Sector	%
Bank of China Ltd.	Banks	15.2
Agricultural Bank of China Ltd.	Banks	9.6
China Overseas Land & Investment Ltd.	Real estate investment & services	9.0
China Merchants Bank Co. Ltd.	Banks	8.0
PICC Property & Casualty Co. Ltd.	Nonlife insurance	6.0
Citic Pacific Ltd.	General industrials	5.8
China Minsheng Banking Corp. Ltd.	Banks	5.2
Bank of Communications Co. Ltd.	Banks	5.0
China Communications Construction Co. Ltd.	Construction & materials	4.9
China Citic Bank Corp. Ltd.	Banks	4.3
Guangzhou Automobile Group Co. Ltd.	Automobiles & parts	2.8
China Vanke Co. Ltd.	Real estate investment & services	2.7
Great Wall Motor Co. Ltd.	Automobiles & parts	2.7
Dongfeng Motor Group Co. Ltd.	Automobiles & parts	2.5
Beijing Enterprises Holdings Ltd.	General industrials	2.0
Kingboard Chemical Holdings Ltd.	Chemicals	2.0
China Everbright Ltd.	Financial services	1.6
Sinopec Shanghai Petrochemical Co. Ltd.	Chemicals	1.6
Chongqing Rural Commercial Bank Co. Ltd.	Banks	1.5
Xinyi Glass Holdings Co. Ltd.	Automobiles & parts	1.4
China Everbright Bank Co. Ltd.	Banks	1.2
Shanghai Industrial Holdings Ltd.	General industrials	1.2
Sino-Ocean Land Holdings Ltd.	Real estate investment & services	1.2
BAIC Motor Corp. Ltd.	Automobiles & parts	1.1
Lee & Man Paper Manufacturing Ltd.	Forestry & paper	0.9

Recent distribution			
Ex-dividend date	Payable date	Dividend (HK\$ per unit)	Yield (%) ⁵
3-12-2010	28-12-2010	1.33	3.3
2-12-2011	28-12-2011	1.13	3.4
4-12-2012	28-12-2012	1.45	4.2
4-12-2013	27-12-2013	1.41	3.8
4-12-2014	29-12-2014	2.17	5.6
4-12-2015	29-12-2015	1.59	4.6
6-12-2016	29-12-2016	1.38	3.9

Portfolio characteristic	
As at 28-4-2017	2017 ⁶
Price/earnings ratio	6.3 times
Price/book ratio	0.8 times
Dividend yield	4.4%

Sector exposure ⁷



Awards

- Value Partners
- Best ETF Launch
- Best Commodity ETF
- Best Smart Beta ETF

~ Asia Asset Management, ETFI Asia



Fund information as of 28 April 2017. Source: HSBC Institutional Trust Services (Asia) Limited, Bloomberg and FTSE.

1. © 2017 Morningstar, Inc. All Rights Reserved. 2. Value China ETF is one of the eligible collective investment schemes for the purpose of the Hong Kong Capital Investment Entrant Scheme (CIES). The CIES was suspended by the Hong Kong Government with effect from 15 January 2015 until further notice. 3. Fund performance, in HKD, NAV to NAV, with dividends reinvested and performance data is net of all fees. 4. There is no guarantee that such dividends will be made nor will there be a target level of dividend payout. 5. 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 HKD unless otherwise stated. 6. 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. 7. Classification is based on Industry Classification Benchmark (ICB). Due to rounding, percentages shown 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 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.