



VALUE GOLD ETF

Stock code: 03081 (HKD) | 83081 (RMB) | 09081 (USD)

2023 SEMI-ANNUAL REPORT

For the six months ended
30 September 2023



Sensible Asset Management Hong Kong Limited

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VALUE GOLD ETF

(A Hong Kong Unit Trust)

GENERAL INFORMATION

Manager

Sensible Asset Management Hong Kong Limited
43rd Floor, The Center
99 Queen's Road Central
Hong Kong

Sub-Manager

Value Partners Hong Kong Limited
43rd Floor, The Center
99 Queen's Road Central
Hong Kong

Director of the Manager

Mr. So Chun Ki Louis

Trustee and Registrar

HSBC Institutional Trust Services (Asia)
Limited
1 Queen's Road Central
Hong Kong

Custodian

HKIA Precious Metals Depository Limited
HKIA Tower
1 Sky Plaza Road
Hong Kong International Airport
Lantau
Hong Kong

Legal Counsel to the Manager

Simmons & Simmons
30/F, One Taikoo Place
979 King's Road
Hong Kong

Auditors

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

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GENERAL INFORMATION (Continued)

Main awards and achievements

Corporate awards (ETF)	
2018	<ul style="list-style-type: none"> • Benchmark Fund of the Year Awards 2018, Hong Kong Commodity ETF House: Best-In-Class – <i>Benchmark</i>
2017	<ul style="list-style-type: none"> • Benchmark Fund of the Year Awards 2017, Hong Kong House Award (ETF) – Commodity ETF (Outstanding Achiever) – <i>Benchmark</i>
2016	<ul style="list-style-type: none"> • ETF and Indexing Awards 2016 – Best ETF Launch – Best Commodity ETF – Best Smart Beta ETF – <i>Asia Asset Management & ETFI Asia</i>
Value Gold ETF	
2019	<ul style="list-style-type: none"> • Benchmark Fund of the Year Awards 2019, Hong Kong Quantitative Top Fund – Precious Metals Commodity Category (Best-in-Class) – <i>Benchmark</i>
2018	<ul style="list-style-type: none"> • Best ETF – Commodities and Specialty Category (Outstanding Performer), based on NAV tracking error – <i>Bloomberg Businessweek</i>
2017	<ul style="list-style-type: none"> • Best ETF – Commodities and Specialty Category (Outstanding Performer), based on NAV tracking error – <i>Bloomberg Businessweek</i>
2016	<ul style="list-style-type: none"> • Benchmark Fund of the Year Awards 2016, Hong Kong Top ETF (Commodities) – Precious Metals (Best-in-Class) – <i>Benchmark</i> • Best ETF – Commodities and Specialty Category (Best Performer), based on NAV tracking error – <i>Benchmark</i> • Best ETF – Commodities and Specialty Category (Outstanding Performer), based on NAV total return – <i>Benchmark</i>

VALUE GOLD ETF

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MANAGER'S REPORT

Value Gold ETF ("the Fund") is a fund constituted in the form of a unit trust established under Hong Kong law. The Fund is a "physical" ETF, meaning it will hold actual gold. Units in the listed class are listed on The Stock Exchange of Hong Kong Limited ("SEHK"). The Fund seeks to provide investment results, before fees and expenses that closely correspond to the performance of the London Bullion Markets Association ("LBMA") GoldPrice ("Benchmark").

As at 30 September 2023, the Net Asset Value ("NAV") per unit of the listed class was HK\$44.5837, and 37,500,000 units were outstanding. The NAV per unit of the unlisted Class A USD Unhedged Acc and Class A HKD Unhedged Acc was US\$10.6876 and HK\$10.7749, respectively, and 3,029,489.13 units were outstanding. The total size of the Fund was approximately HK\$1,743 million.

A summary of the performance of the Benchmark and the listed class is given below.

	From 1 Apr 2023 to 30 September 2023	2023 YTD (as at 30 September)	Since inception
LBMA Gold Price	-5.7%	+3.7%	+42.4%
Value Gold ETF	-5.9%	+3.4%	+34.7%

A summary of the performance of the unlisted classes is given below.

	From 1 Apr 2023 to 30 September 2023	2023 YTD (as at 30 September)	Since inception
Value Gold ETF Unlisted Class A Acc USD	-5.6%	+3.0%	+6.9%
Value Gold ETF Unlisted Class A Acc HKD	-5.9%	+3.4%	+7.8%

The difference in performance between the LBMA Gold Price and the Value Gold ETF is mainly attributed to fees and expenses. The historical tracking error for the NAV of the Fund against the LBMA Gold Price was at 2 basis points on an annualised basis since its inception on 29 October 2010.

All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in HKD, NAV to NAV with dividends reinvested, as at 30 September 2023. Performance data is net of all fees.

Investors should note that investment involve risk. The price of units may go down as well as up and past performance is not indicative of future results.

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 SEPTEMBER 2023

	30.9.2023 HK\$	31.3.2023 HK\$
ASSETS		
Commodities	1,741,908,253	1,862,124,973
Other receivables	-	2,477
Cash and cash equivalents	<u>2,131,252</u>	<u>4,008,926</u>
TOTAL ASSETS	<u>1,744,039,505</u>	<u>1,866,136,376</u>
LIABILITIES		
Amounts due to unitholders	-	421
Management fees payable	<u>1,184,933</u>	<u>605,971</u>
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)	<u>1,184,933</u>	<u>606,392</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>1,742,854,572</u>	<u>1,865,529,984</u>
	30.9.2023	31.3.2023
Listed Class of Units:		
Net asset value per unit based on 37,500,000 (31.3.2023: 37,800,000) units outstanding	<u>HK\$44.5837</u>	<u>HK\$47.3584</u>
Unlisted Class of Units:		
Net asset value per unit based on		
Class A HKD Acc Units 2,503,761 (31.3.2023: 2,503,761) units outstanding	<u>HK\$10.7749</u>	<u>HK\$11.4455</u>
Class A USD Acc Units 525,728 (31.3.2023: 525,717) units outstanding	<u>US\$10.6876</u>	<u>US\$11.3223</u>

Note: The semi-annual report has applied the same accounting policies and methods of computation as are applied in the annual report of the Fund for the year ended 31 March 2023.

VALUE GOLD ETF
(A Hong Kong Unit Trust)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	30.9.2023 HK\$	30.9.2022 HK\$
Interest income	19,672	1,875
Net losses from commodities	(106,171,623)	(241,786,396)
Other income	<u>128,561</u>	<u>27,027</u>
Net investment losses	<u>(106,023,390)</u>	<u>(241,757,494)</u>
Management fees ^{Note 1}	3,673,442	3,547,233
Transaction fees	75,065	7,571
Net foreign exchange losses	<u>12,093</u>	<u>1,914</u>
Operating expenses	<u>3,760,600</u>	<u>3,556,718</u>
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	<u>(109,783,990)</u>	<u>(245,314,212)</u>

Note 1 During the periods ended 30 September 2023 and 2022, other than management fees that paid to Manager, no other amounts paid to the Manager or their connected persons.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
(UNAUDITED)**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	30.9.2023
	<i>HK\$</i>
AT 1 APRIL 2023	1,865,529,984
Issue of redeemable units	28,191,388
Redemption of redeemable units	<u>(41,082,810)</u>
Net decrease from unit transactions	----- (12,891,422)
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>(109,783,990)</u>
AT 30 SEPTEMBER 2023	<u><u>1,742,854,572</u></u>

The movement of number of units in issue during the period was as follows:

	Number of units
	30.9.2023
Listed Class of Units:	
At the beginning of the period	37,800,000
Issue of redeemable units	600,000
Redemption of redeemable units	<u>(900,000)</u>
At the end of the period	<u><u>37,500,000</u></u>
Unlisted Class of Units:	
<i>Class A HKD Acc Units</i>	
At the beginning of the period	2,503,761
At the end of the period	<u><u>2,503,761</u></u>
<i>Class A USD Acc Units</i>	
At the beginning of the period	525,717
Issue of redeemable units	<u>11</u>
At the end of the period	<u><u>525,728</u></u>

VALUE GOLD ETF
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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
(UNAUDITED) (Continued)**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	30.9.2022
	<i>HK\$</i>
AT 1 APRIL 2022	1,885,781,195
Issue of redeemable units	4,046
Redemption of redeemable units	<u>(12,048,270)</u>
Net decrease from unit transactions	----- (12,044,224)
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>(245,314,212)</u>
AT 30 SEPTEMBER 2022	<u><u>1,628,422,759</u></u>

The movement of number of units in issue during the period was as follows:

	Number of units
	30.9.2022
Listed Class of Units:	
At the beginning of the period	39,300,000
Redemption of redeemable units	<u>(300,000)</u>
At the end of the period	<u><u>39,000,000</u></u>
Unlisted Class of Units:	
<i>Class A HKD Acc Units</i>	
At the beginning of the period	2,503,761
At the end of the period	<u><u>2,503,761</u></u>
<i>Class A USD Acc Units</i>	
At the beginning of the period	525,687
Issue of redeemable units	<u>46</u>
At the end of the period	<u><u>525,733</u></u>

STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	30.9.2023 <i>HK\$</i>	30.9.2022 <i>HK\$</i>
OPERATING ACTIVITIES		
Interest income received	22,149	1,420
Proceeds from sales of commodities	42,920,498	15,363,288
Purchase of commodities	(28,875,401)	–
Operating expenses paid	<u>(3,053,077)</u>	<u>(4,838,827)</u>
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	<u>11,014,169</u>	<u>10,525,881</u>
FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	28,191,388	4,046
Payment on redemption of redeemable units	<u>(41,083,231)</u>	<u>(12,048,270)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES	<u>(12,891,843)</u>	<u>(12,044,224)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,877,674)	(1,518,343)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>4,008,926</u>	<u>2,782,130</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>2,131,252</u></u>	<u><u>1,263,787</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at bank	<u><u>2,131,252</u></u>	<u><u>1,263,787</u></u>

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INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2023

	Holdings <i>Fine weight of grams</i>	Fair value <i>HK\$</i>	% of net assets
COMMODITIES			
Gold bullion	3,697,630	<u>1,741,908,253</u>	<u>99.95</u>
Total commodities		1,741,908,253	99.95
Cash and cash equivalents		2,131,252	0.12
Other net liabilities		<u>(1,184,933)</u>	<u>(0.07)</u>
Total net assets		<u>1,742,854,572</u>	<u>100.00</u>
Total investments, at cost		<u>1,437,850,179</u>	

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	% of net assets	
	30.9.2023	31.3.2023
COMMODITIES		
Gold bullion	<u>99.95</u>	<u>99.82</u>
Total commodities	99.95	99.82
Cash and cash equivalents	0.12	0.21
Other net liabilities	<u>(0.07)</u>	<u>(0.03)</u>
Total net assets	<u><u>100.00</u></u>	<u><u>100.00</u></u>

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PERFORMANCE RECORD (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

Comparison of the scheme performance and the Benchmark performance

The table below illustrates the comparison between the performance of the Benchmark and the listed class and unlisted classes during the following periods:

	From 1 April 2023 to 30 September 2023	From 1 April 2022 to 30 September 2022
LBMA Gold Price	-5.7%	-12.8%
Value Gold ETF - Listed Class	-5.9%	-13.0%
Value Gold ETF - Unlisted Class A HKD Acc	-5.9%	-13.0%
Value Gold ETF - Unlisted Class A USD Acc	-5.6%	-13.2%