



VALUE GOLD ETF (3081 HK)

SEMI-ANNUAL REPORT 2012

For the six months ended 30 September 2012

Sensible Asset Management Hong Kong Limited

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In the event of inconsistency, the English text of this Semi-Annual Report shall prevail over the Chinese text.

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GENERAL INFORMATION

Investment Manager

Sensible Asset Management Hong Kong Limited
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

Sub-investment Manager

Value Partners Hong Kong Limited
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

Directors of the Investment Manager

Mr Chow Wai Chiu William
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 Advisor

Simmons & Simmons
13/F, One Pacific Place
88 Queensway
Hong Kong

Auditor

KPMG
8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

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GENERAL INFORMATION (Continued)

Recent awards and achievements

Corporate awards	
2012	<ul style="list-style-type: none"> 2012 The Asset Triple A Investment Awards Highly Commended ETF House for Hong Kong – <i>The Asset</i>
Value Gold ETF (3081 HK)	
2012	<ul style="list-style-type: none"> Best of the Best Awards 2011 Best of the Best Regional Awards - Best Performing Small ETF – <i>Asia Asset Management</i>
2011	<ul style="list-style-type: none"> 2010 Best of the Best Awards Best of the Best Awards - Hong Kong - Best New ETF category – <i>Asia Asset Management</i>

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 Fund are listed on The Stock Exchange of Hong Kong Limited. The Fund seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the London Gold Morning Fixing Price.

As at 30 September 2012, the Net Asset Value ("NAV") per unit of the Fund was HKD44.0217, and 27,000,000 units were outstanding. The total size of the Fund was approximately HKD1,189 million.

A summary of the performance of the Value Gold ETF is given below.

Total Return in HKD	From 1 Apr to 30 Sep 2012	2012 YTD (as at 30 Sep)	2011	Since inception
London Gold Morning Fixing	7.1%	12.9%	11.6%	34.2%
Value Gold ETF	6.9%	12.5%	11.1%	33.1%

The difference in performance between the London Gold Morning Fixing 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 London Gold Morning Fixing Price was at 4 basis points on an annualized basis since its inception on 29 October 2010.

Sensible Asset Management Hong Kong Limited

20 November 2012

MANAGER'S REPORT (Continued)

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 2012. 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. Investors should read the prospectus for details and risk factors in the event that the Fund is de-listed. 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 size.

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2012 (UNAUDITED)

	30.9.2012	31.3.2012
	<i>HK\$</i>	<i>HK\$</i>
Assets		
Commodity	1,188,494,220	1,112,137,483
Cash and cash equivalents	423,873	751,883
Prepayment	<u>63,399</u>	<u>–</u>
Total assets	<u>1,188,981,492</u>	<u>1,112,889,366</u>
Liabilities		
Manager's fees payable	133,296	137,814
Trustee and registrar fees payable	130,659	264,324
Audit fee payable	49,589	100,000
Custodian fee payable	72,365	73,736
Other payables	<u>10,000</u>	<u>29,449</u>
Total liabilities	<u>395,909</u>	<u>605,323</u>
Total equity	<u>1,188,585,583</u>	<u>1,112,284,043</u>
Net asset value per unit based on 27,000,000 (31.3.2012: 27,000,000) units outstanding	<u>44.0217</u>	<u>41.1957</u>

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2012

	Holdings <i>Fine weight gram</i>	Fair value <i>HK\$</i>	% of net assets
COMMODITY			
Gold bullion	2,676,732.30	<u>1,188,494,220</u>	<u>99.99</u>
Total commodity		1,188,494,220	99.99
Cash and cash equivalents		423,873	0.04
Other net liabilities		<u>(332,510)</u>	<u>(0.03)</u>
Total net assets		<u><u>1,188,585,583</u></u>	<u><u>100.00</u></u>
Total investments, at cost		<u><u>1,004,101,950</u></u>	

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012 (UNAUDITED)

	% of net assets	
	30.9.2012	31.3.2012
COMMODITY		
Gold bullion	<u>99.99</u>	<u>99.99</u>
Cash and cash equivalents	0.04	0.06
Other net liabilities	<u>(0.03)</u>	<u>(0.05)</u>
Total net assets	<u>100.00</u>	<u>100.00</u>