



VALUE CHINA A-SHARE ETF

Stock code: 03095 (HKD) | 83095 (RMB)

A Sub-fund of Value ETFs Trust

SEMI-ANNUAL REPORT 2015

For the period from 20 March 2015 (commencement date) to 30 September 2015



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In the event of inconsistency, the English text of this Semi-Annual Report shall prevail over the Chinese text. This report shall not constitute an offer to sell or a solicitation of an offer to buy shares in any of the funds. Subscriptions are to be made only on the basis of the information contained in the prospectus, as supplemented by the latest semi-annual and annual reports.

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VALUE CHINA A-SHARE ETF

A Sub-fund of Value ETFs Trust
(a Hong Kong Umbrella Unit Trust)

GENERAL INFORMATION

Manager and RQFII Holder

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

Investment Advisor

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

Directors of Manager and RQFII Holder

Dato' Cheah Cheng Hye
Mr Ho Man Kei, Norman
Mr So Chun Ki Louis

Directors of the Investment Advisor

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

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

PRC Custodian

HSBC Bank (China) Company Limited
33/F, HSBC Building
Shanghai IFC
8 Century Avenue
Pudong
Shanghai 200120
China

Legal Advisor

Simmons & Simmons
13th Floor, One Pacific Place
88 Queensway
Hong Kong

Auditor

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

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GENERAL INFORMATION (Continued)

Recent awards and achievements

Corporate awards		
2014	•	Fund of the Year Awards 2014 Investor Education (ETF) – Outstanding Achiever – <i>Benchmark Magazine</i>
2012	•	2012 The Asset Triple A Investment Awards Highly Commended ETF House for Hong Kong – <i>The Asset</i>

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MANAGER'S REPORT

Value China A-Share ETF ("the Fund") is an index-tracking exchange traded fund whose units are listed and traded on the Stock Exchange of Hong Kong Limited ("SEHK"). The Fund aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE Value-Stocks China A-Share Index ("the Index") by holding a portfolio of the constituent stocks of the Index. The Index comprises 50 value stocks amongst Chinese companies' shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange.

As at 30 September 2015, the Net Asset Value ("NAV") per unit of the Fund was CNH5.9562, and 22,500,000 units were outstanding. The total size of the Fund was approximately CNH134 million.

A summary of the performance of Index and the Fund is given below.

Total Return in CNH	From 1 Apr 2015 to	
	30 Sep 2015	Since Inception
FTSE Value-Stocks China A-Share Index	-19.8%	-15.7%
Value China A-Share ETF	-19.1%	-15.0%

The difference in performance between the FTSE Value-Stocks China A-Share Index and the Value China A-Share ETF is mainly attributed to fees and expenses, and security misweightings.

Value Partners Hong Kong Limited

20 November 2015

All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in CNH, NAV to NAV with dividends reinvested, as at 30 September 2015. Performance data is net of all fees.

Past performance is not indicative of future results.

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 SEPTEMBER 2015

30.9.2015

CNH

Assets

Financial assets at fair value through profit or loss	133,734,135
Prepayments	634,331
Cash and cash equivalents	<u>1,124,991</u>

Total assets	<u>135,493,457</u>
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Liabilities

Management fees payable	82,400
Trustee and registrar fees payable	77,139
Audit fees payable	52,068
Other payables	<u>1,266,320</u>

Total liabilities	<u>1,477,927</u>
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Total equity	<u><u>134,015,530</u></u>
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Represented by:

Net assets attributable to unitholders	<u><u>134,015,530</u></u>
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Net asset value per unit based on 22,500,000 units outstanding	<u><u>5.9562</u></u>
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VALUE CHINA A-SHARE ETF

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INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2015

	Holdings	Fair value CNH	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Listed equity securities			
<i>China</i>			
Agricultural Bank of China Ltd	2,003,300	6,069,999	4.53
Bank of China Ltd	1,316,100	4,895,892	3.65
Bank of Communications Co Ltd	958,200	5,825,856	4.35
Bank of Ningbo Co Ltd	70,800	795,792	0.59
Baoshan Iron and Steel Co Ltd	215,041	1,202,079	0.90
Changjiang Securities Co Ltd	158,900	1,473,003	1.10
China Construction Bank Co Ltd	514,000	2,662,520	1.99
China Everbright Bank Co Ltd	803,400	3,117,192	2.33
China Life Insurance Co Ltd	94,500	2,412,585	1.80
China Merchants Securities Co Ltd	82,500	1,322,475	0.99
China Minsheng Banking Co Ltd	1,325,236	11,198,244	8.36
China Petroleum and Chemical Corp	596,600	2,827,884	2.11
China Railway Construction Co Ltd	156,700	2,123,285	1.58
China Railway Group Ltd	317,200	3,470,168	2.59
China Shenhua Energy Co Ltd	112,300	1,624,981	1.21
China Yangtze Power Co Ltd	175,600	2,586,588	1.93
CITIC Securities Co Ltd	441,200	5,991,496	4.47
DHC Software Co Ltd	42,800	750,712	0.56
Gemdale Corp	220,800	2,634,144	1.97
GF Securities Co Ltd	131,004	1,716,152	1.28
Guangxi Wuzhou Zhongheng Group Co Ltd	146,100	729,039	0.54
Guosen Securities Co Ltd	69,808	1,032,460	0.77
Guoyuan Securities Co Ltd	51,387	824,247	0.62
Haitong Securities Co Ltd	340,400	4,340,100	3.24
Heilan Home Co Ltd	78,900	1,110,912	0.83
Hua Xia Bank Co Ltd	200,210	2,024,123	1.51
Huatai Securities Co Ltd	130,200	1,812,384	1.35
Industrial Bank Co Ltd	594,986	8,662,996	6.46
Industrial Securities Co Ltd	165,190	1,293,438	0.96
Kangmei Pharmaceutical Co Ltd	159,880	2,161,578	1.61

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30 SEPTEMBER 2015

	Holdings	Fair value CNH	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>China (Continued)</i>			
Luzhou Laojiao Co Ltd	36,400	747,656	0.56
New Hope Liuhe Co Ltd	52,300	993,177	0.74
Offshore Oil Engineering Co Ltd	97,800	885,090	0.66
Ping An Insurance (Group) Co of China, Ltd	450,800	13,460,888	10.04
SAIC Motor Corp Ltd	131,460	2,208,528	1.65
Shanghai Fosun Pharmaceutical (Group) Co Ltd	54,000	1,183,680	0.88
Shanghai Pharmaceuticals Holding Co Ltd	42,800	746,432	0.56
Shanghai Pudong Development Bank Co Ltd	561,162	9,332,124	6.96
Shanghai Tunnel Engineering Co Ltd	87,600	1,014,408	0.76
Shanghai Yuyuan Tourist Mart Co Ltd	49,800	771,402	0.58
Shenergy Company Ltd	119,000	854,420	0.64
Shenzhen Overseas Chinese Town Co Ltd	177,600	1,262,736	0.94
Sichuan Chuantou Energy Co Ltd	124,842	1,290,867	0.96
TCL Corp	408,700	1,540,799	1.15
Tebian Electric Apparatus Stock Co Ltd	147,500	1,554,650	1.16
The Pacific Securities Co Ltd	114,300	762,381	0.57
Weichai Power Co Ltd	92,656	788,503	0.59
Xiamen CD Inc	74,800	1,309,748	0.98
Xinjiang Goldwind Science and Technology Co Ltd	81,200	1,097,012	0.82
Youngor Group Co Ltd	79,500	968,310	0.72
Zhejiang Longsheng Group Co Ltd	127,500	1,206,150	0.90
Zhejiang Zheneng Electric Power Co Ltd	146,600	1,062,850	0.79
Total financial assets at fair value through profit or loss		133,734,135	99.79
Cash and cash equivalents		1,124,991	0.84
Other net liabilities		(843,596)	(0.63)
Total net assets		<u>134,015,530</u>	<u>100.00</u>
Total investments, at cost		<u>169,363,720</u>	

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

% of net assets
30.9.2015

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed equity securities

China	99.79
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Total financial assets at fair value through profit or loss

99.79

Cash and cash equivalents

0.84

Other net liabilities

(0.63)

Total net assets

100.00