



恒生投資

HANG SENG INVESTMENT

**恒生中國企業指數上市基金**

**恒生富時中國50指數上市基金**

**HANG SENG CHINA ENTERPRISES INDEX ETF**

**HANG SENG FTSE CHINA 50 INDEX ETF**

**年度財務報告 ANNUAL FINANCIAL REPORT**

**2017**

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# 年度財務報告2017

## Annual Financial Report 2017

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### 恒生投資指數基金系列 Hang Seng Investment Index Funds Series

恒生中國企業指數上市基金<sup>#</sup>（「中國企業上市基金」）

Hang Seng China Enterprises Index ETF<sup>#</sup> (the "China Enterprises ETF")

### 恒生投資指數基金系列III Hang Seng Investment Index Funds Series III

恒生富時中國50指數上市基金（「富時中國50上市基金」）

Hang Seng FTSE China 50 Index ETF (the "FTSE China 50 ETF")

<sup>#</sup> 於2018年3月5日前稱為恒生H股指數上市基金。

<sup>#</sup> Known as Hang Seng H-Share Index ETF before 5 March 2018.

本年度財務報告為中英文本。如有歧義，以英文本為準。

The annual financial report is presented in English and Chinese. In case of discrepancy, the original version in English shall prevail.

# 業績表

## Performance Table

|                                |          | 價格記錄<br>Price Record  |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |  |  |  |
|--------------------------------|----------|---|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|--|--|--|
|                                |          | 2017  |                     | 2016                   |                     | 2015                   |                     | 2014                   |                     | 2013                   |                     | 2012                   |                     |                        |  |  |  |
|                                |          | 最高<br>認購價   | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           |                        |  |  |  |
| 貨幣                             | Currency | Highest<br>Offer Price  | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price |                        |  |  |  |
| 中國企業上市基金 China Enterprises ETF | 港元 HKD   | 120.94  | 95.21               | 102.47                 | 75.67               | 148.92                 | 93.12               | 121.42                 | 92.44               | 122.21                 | 90.75               | 118.25                 | 91.85               |                        |  |  |  |
| 富時中國50上市基金 FTSE China 50 ETF   | 港元 HKD   | 212.02  | 157.45              | 172.37                 | 127.60              | 231.13                 | 149.80              | 187.33                 | 145.95              | 184.58                 | 140.27              | 179.45                 | 143.13              |                        |  |  |  |
|                                |          | 2011  |                     | 2010                   |                     | 2009                   |                     | 2008                   |                     | 2007                   |                     |                        |                     |                        |  |  |  |
|                                |          | 最高<br>認購價   | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           | 最高<br>認購價              | 最低<br>贖回價           |                        |  |  |  |
| 貨幣                             | Currency | Highest<br>Offer Price  | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price | Highest<br>Offer Price | Lowest<br>Bid Price |                        |  |  |  |
| 中國企業上市基金 China Enterprises ETF | 港元 HKD   |   |                     | 137.10                 | 82.15               | 143.21                 | 108.15              | 138.12                 | 65.85               | 161.67                 | 50.32               | 204.94                 | 85.48               |                        |  |  |  |
| 富時中國50上市基金 FTSE China 50 ETF   | 港元 HKD   |   |                     | 204.74                 | 129.47              | 212.64                 | 163.50              | 202.19                 | 105.00              | 255.38                 | 85.03               | 312.24                 | 138.99              |                        |  |  |  |
|                                |          | 每單位資產淨值<br>Net Asset Value Per Unit                           |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |  |  |  |
|                                |          | 2017年12月31日   |                     |                        |                     | 2016年12月31日            |                     |                        |                     | 2015年12月31日            |                     |                        |                     | 2014年12月31日            |  |  |  |
| 貨幣                             | Currency | As at 31 December 2017  |                     |                        |                     | As at 31 December 2016 |                     |                        |                     | As at 31 December 2015 |                     |                        |                     | As at 31 December 2014 |  |  |  |
| 中國企業上市基金 China Enterprises ETF | 港元 HKD   | 118.34  |                     |                        |                     | 94.75                  |                     |                        |                     | 97.39                  |                     |                        |                     | 120.76                 |  |  |  |
| 富時中國50上市基金 FTSE China 50 ETF   | 港元 HKD   | 207.56  |                     |                        |                     | 156.99                 |                     |                        |                     | 158.01                 |                     |                        |                     | 183.04                 |  |  |  |
|                                |          | 屬於單位持有人之總資產淨值<br>Total Net Assets Attributable to Unitholders |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |                     |                        |  |  |  |
|                                |          | 2017年12月31日   |                     |                        |                     | 2016年12月31日            |                     |                        |                     | 2015年12月31日            |                     |                        |                     | 2014年12月31日            |  |  |  |
| 貨幣                             | Currency | As at 31 December 2017  |                     |                        |                     | As at 31 December 2016 |                     |                        |                     | As at 31 December 2015 |                     |                        |                     | As at 31 December 2014 |  |  |  |
| 中國企業上市基金 China Enterprises ETF | 港元 HKD   | 41,921,830,288  |                     |                        |                     | 44,813,104,572         |                     |                        |                     | 48,635,256,059         |                     |                        |                     | 21,410,228,598         |  |  |  |
| 富時中國50上市基金 FTSE China 50 ETF   | 港元 HKD   | 166,265,967   |                     |                        |                     | 134,762,776            |                     |                        |                     | 154,464,590            |                     |                        |                     | 181,402,057            |  |  |  |

# 受託人報告

## Trustee's Report

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致中國企業上市基金及富時中國50上市基金單位持有人

吾等謹此確認，吾等認為基金經理，即恒生投資管理有限公司於截至2017年12月31日止之年度內，在各重要方面均已分別根據2003年11月18日及2005年6月1日訂立，並經修訂的《信託契約》條文管理中國企業上市基金及富時中國50上市基金。

HSBC Provident Fund Trustee (Hong Kong) Limited  
2018年4月27日

To the unitholders of China Enterprises Index ETF and FTSE China 50 ETF

We hereby confirm that, in our opinion, the Manager, Hang Seng Investment Management Limited has, in all material respects, managed the China Enterprises ETF and FTSE China 50 ETF in accordance with the provisions of the Trust Deeds dated 18 November 2003 and 1 June 2005 respectively, as amended, for the year ended 31 December 2017.

HSBC Provident Fund Trustee (Hong Kong) Limited  
27 April 2018

# 獨立核數師報告

致恒生中國企業指數上市基金及恒生富時中國50指數上市基金的單位持有人

## 對財務報表的審計進行報告

意見

本核數師（以下簡稱「我們」）已審計列載於第15至34頁的恒生中國企業指數上市基金及恒生富時中國50指數上市基金（以下簡稱「基金」）的財務報表，此財務報表包括於二零一七年十二月三十一日的資產負債表與截至該日止年度的全面收入表、權益變動表、現金流量表和收益分派表，以及財務報表附註，包括主要會計政策概要。

我們認為，該等財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了基金於二零一七年十二月三十一日的財務狀況及截至該日止年度的財務交易及現金流量。

## 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於基金，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期財務報表的審計最為重要的事項。這些事項是在我們審計整體財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

| 投資估值  |   |
|---|---|
| 請參閱財務報表附註13及第20頁的附註2(f)(iv)的會計政策。   |   |
| 關鍵審計事項  | 我們的審計如何處理該事項  |
| <p>截至二零一七年十二月三十一日，投資組合分別佔恒生中國企業指數上市基金及恒生富時中國50指數上市基金資產總值98.28%及97.65%，為帶動基金投資回報的主要因素。</p> <p>截至二零一七年十二月三十一日，由恒生富時中國50指數上市基金持有的一隻已停牌股票的賬面價值已撇減至零。有關公平價值的估計是由基金的基金經理及受託人於年終日按照市場情況和該隻已停牌股票的信息作出。由於當中涉及重大判斷，該隻已停牌股票所採用的估值不一定可反映其公平價值。</p> <p>我們把投資估值列為關鍵審計事項，因為其對基金的財務報表具有重要性，而且投資組合於年終日的價值是基金的關鍵績效指標。</p> | <p>我們就投資估值的審計程序包括以下程序：</p> <ul style="list-style-type: none"><li>• 將基金採用的價格和從獨立定價來源獲得的價格互相比較，從而評估投資組合中的所有股票（該隻已停牌股票除外）於年終日的估值是否在買賣差價內；及</li><li>• 參考業界做法，評估基金的基金經理及受託人對已停牌股票採用的估值方法及假設。</li></ul> |

## 財務報表及其核數師報告以外的信息

基金的基金經理及受託人需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括財務報表及我們的核數師報告。

我們對財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 基金的基金經理及受託人就財務報表須承擔的責任

基金的基金經理及受託人須負責根據香港會計師公會頒布的《香港財務報告準則》擬備真實而中肯的財務報表，並對其認為為使財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備財務報表時，基金的基金經理及受託人負責評估基金持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非基金的基金經理及受託人有意將基金清盤或停止經營，或別無其他實際的替代方案。

此外，基金的基金經理及受託人必須確保本財務報表已按照《信託契約》（恒生中國企業指數上市基金的《信託契約》於二零一一年一月十四日、二零一四年十一月十三日及二零一七年十一月二十八日作出修訂，而恒生富時中國50指數上市基金的《信託契約》則於二零一一年一月十四日、二零一五年七月七日及二零一七年十一月二十八日作出修訂，統稱「《信託契約》」）的相關條文，以及由香港證券及期貨事務監察委員會頒布的《單位信託及互惠基金守則》（「《證監會守則》」）附錄E的相關披露條文妥當編備。

## 獨立核數師報告(續)

### 核數師就審計財務報表承擔的責任

我們的目標是對財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體單位持有人報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。此外，我們必須評估基金的財務報表是否在所有重大方面均按照《信託契約》的相關條文及《證監會守則》附錄E的相關披露條文妥當編備。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對基金內部控制的有效性發表意見。
- 評價基金的基金經理及受託人所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對基金經理及受託人採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對基金的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致基金不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及財務報表是否中肯反映交易和事項。

除其他事項外，我們與基金的基金經理及受託人溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向基金的基金經理及受託人提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與基金的基金經理及受託人溝通的事項中，我們確定哪些事項對本期財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

### 就《信託契約》的相關條文及《證監會守則》附錄E的相關披露條文之下的事項作出報告

我們認為，本財務報表在所有重大方面均按照《信託契約》的相關條文及《證監會守則》附錄E的相關披露條文妥當編備。

出具本獨立核數師報告的審計項目合夥人是徐明慧。

畢馬威會計師事務所  
執業會計師  
香港中環  
遮打道十號  
太子大廈八樓  
2018年4月27日

# Independent Auditor's Report

To the Unitholders of Hang Seng China Enterprises Index ETF and Hang Seng FTSE China 50 Index ETF

## Report on the Audit of Financial Statements

### Opinion

We have audited the financial statements of Hang Seng China Enterprises Index ETF and Hang Seng FTSE China 50 Index ETF ("the Funds") set out on pages 15 to 34, which comprise the statement of assets and liabilities as at 31 December 2017, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the distribution statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial disposition of the Funds as at 31 December 2017 and of their financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Funds in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Valuation of investments  |  |
|---|--|
| Refer to note 13 to the financial statements and the accounting policies in note 2(f)(iv) on page 29.   |  |
| The Key Audit Matter  | How the matter was addressed in our audit  |
| <p>As at 31 December 2017 the investment portfolio represented 98.28% and 97.65% of the total assets of Hang Seng China Enterprises Index ETF and Hang Seng FTSE China 50 Index ETF respectively and is the key driver of the Funds' investment returns.</p> <p>As at 31 December 2017 the carrying value of a suspended equity held by Hang Seng FTSE China 50 Index ETF had been written down to zero. Fair value estimates were made by the Manager and the Trustee of the Funds at the year end date based on market conditions and information about the suspended equity which involved significant judgement. There is a risk that the valuation adopted for the suspended equity may not be reflective of its fair value.</p> <p>We identified the valuation of investments as a key audit matter because of its significance in the context of the Funds' financial statements and because the values of the investment portfolios at the year end date are key performance indicators of the Funds.</p> | <p>Our audit procedures to assess the valuation of investments included the following:</p> <ul style="list-style-type: none"><li>• assessing whether the valuations of all equities in the investment portfolios (other than the suspended equity) at the year end date were within the market bid-ask spreads by comparing the prices adopted by the Funds with the prices obtained from independent pricing sources; and</li><li>• assessing the valuation methodology and the assumptions adopted by the Manager and the Trustee of the Funds for the suspended equity with reference to industry practice.</li></ul> |

### Information Other than the Financial Statements and Auditor's Report Thereon

The Manager and the Trustee of the Funds are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Manager and the Trustee of the Funds for the Financial Statements

The Manager and the Trustee of the Funds are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and for such internal control as the Manager and the Trustee of the Funds determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



## ***Independent Auditor's Report (continued)***

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### Responsibilities of the Manager and the Trustee of the Funds for the Financial Statements (continued)

In preparing the financial statements, the Manager and the Trustee of the Funds are responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee of the Funds either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Funds are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deeds, as amended on 14 January 2011, 13 November 2014 and 28 November 2017 for Hang Seng China Enterprises Index ETF and 14 January 2011, 7 July 2015 and 28 November 2017 for Hang Seng FTSE China 50 Index ETF ("the Trust Deeds"), and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Funds have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deeds and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee of the Funds.
- Conclude on the appropriateness of the Manager's and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee of the Funds regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager and the Trustee of the Funds with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Manager and the Trustee of the Funds, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on matters under the relevant provisions of the Trust Deeds and the relevant disclosure provisions of Appendix E of the SFC Code**

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deeds and the relevant disclosure provisions of Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Chui Ming Wai, Vivian.

KPMG  
Certified Public Accountants  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
27 April 2018

# 投資組合

## Investment Portfolio

2017年12月31日 as at 31 December 2017

|   |   | 中國企業上市基金<br>China Enterprises ETF |                                     | 佔屬於單位持有人的<br>總資產淨值百分比<br>% of Total Net<br>Assets Attributable<br>to Unitholders |
|---|---|-----------------------------------|-------------------------------------|--|
|   |   | 單位數目<br>Holdings                  | 市值<br>(港元)<br>Market Value<br>(HKD) |  |
| <b>香港上市投資</b><br>Hong Kong Listed Investments                     |   |                                   |                                     |  |
| <b>香港股票</b><br>Hong Kong Equities                                 |   |                                   |                                     |  |
| <b>消費品製造</b><br>Consumer Goods                                    |   |                                   |                                     |  |
| 比亞迪   | BYD                                     | 8,778,893                         | 597,842,613                         | 1.42%  |
| 東風汽車  | Dongfeng Motor                          | 37,184,686                        | 351,767,130                         | 0.84%  |
| 長城汽車  | Great Wall Motor                        | 42,483,616                        | 380,228,363                         | 0.91%  |
| 廣州汽車  | Guangzhou Automobile Group              | 28,819,940                        | 533,745,289                         | 1.27%  |
| 國藥控股  | Sinopharm                               | 16,349,150                        | 552,601,270                         | 1.32%  |
|   |   |                                   | 2,416,184,665                       | 5.76%  |
| <b>消費者服務</b><br>Consumer Services                                 |   |                                   |                                     |  |
| 中國國際航空  | Air China                               | 28,143,232                        | 266,797,839                         | 0.64%  |
| <b>能源</b><br>Energy   |   |                                   |                                     |  |
| 中國石油化工  | China Petroleum & Chemical              | 349,697,619                       | 2,003,767,357                       | 4.78%  |
| 中國神華能源  | China Shenhua Energy                    | 46,582,391                        | 943,293,418                         | 2.25%  |
| 中國石油天然氣   | PetroChina                              | 289,190,870                       | 1,576,090,241                       | 3.76%  |
|   |   |                                   | 4,523,151,016                       | 10.79%   |
| <b>金融</b><br>Financials   |   |                                   |                                     |  |
| 中國農業銀行  | Agricultural Bank of China              | 379,186,379                       | 1,380,238,420                       | 3.29%  |
| 中國銀行  | Bank of China                           | 1,088,849,486                     | 4,181,182,026                       | 9.97%  |
| 交通銀行  | Bank of Communications                  | 119,972,105                       | 695,838,209                         | 1.66%  |
| 中國信達資產管理  | China Cinda Asset Management            | 120,876,780                       | 345,707,591                         | 0.83%  |
| 中信銀行  | China CITIC Bank                        | 132,586,775                       | 649,675,198                         | 1.55%  |
| 中國建設銀行  | China Construction Bank                 | 605,550,377                       | 4,359,962,714                       | 10.41%   |
| 中國銀河證券  | China Galaxy Securities                 | 48,060,649                        | 276,829,338                         | 0.66%  |
| 中國人壽保險  | China Life Insurance                    | 101,991,615                       | 2,503,894,148                       | 5.97%  |
| 招商銀行  | China Merchants Bank                    | 53,486,017                        | 1,663,415,129                       | 3.97%  |
| 中國民生銀行  | China Minsheng Banking                  | 85,531,347                        | 669,710,447                         | 1.60%  |
| 中國太平洋保險   | China Pacific Insurance                 | 32,333,781                        | 1,214,133,477                       | 2.90%  |
| 中信證券  | CITIC Securities                        | 26,543,934                        | 427,888,216                         | 1.02%  |
| 廣發證券  | GF Securities                           | 20,993,304                        | 330,014,739                         | 0.79%  |
| 海通證券  | Haitong Securities                      | 44,396,270                        | 503,453,702                         | 1.20%  |
| 華泰證券  | Huatai Securities                       | 22,383,780                        | 348,291,617                         | 0.83%  |
| 中國工商銀行  | Industrial and Commercial Bank of China | 679,397,724                       | 4,273,411,684                       | 10.19%   |
| 新華人壽保險  | New China Life Insurance                | 10,630,613                        | 567,674,734                         | 1.35%  |
| 中國人民保險  | People's Insurance Company              | 101,665,451                       | 391,411,986                         | 0.93%  |
| 中國財險  | PICC Property & Casualty                | 63,044,521                        | 946,928,705                         | 2.26%  |
| 中國平安保險  | Ping An Insurance                       | 51,235,814                        | 4,168,033,469                       | 9.94%  |
| 中國郵政儲蓄銀行  | Postal Savings Bank of China            | 81,647,106                        | 331,487,250                         | 0.79%  |
|   |   |                                   | 30,229,182,799                      | 72.11%   |
| <b>工業</b><br>Industrials  |   |                                   |                                     |  |
| 中國中車  | CRR Corporation                         | 59,911,771                        | 500,862,405                         | 1.20%  |
| 株州南車時代電氣  | Zhuzhou CSR Times Electric              | 7,127,022                         | 362,409,069                         | 0.86%  |
|   |   |                                   | 863,271,474                         | 2.06%  |
| <b>地產建築</b><br>Properties & Construction                          |   |                                   |                                     |  |
| 安徽海螺水泥  | Anhui Conch Cement                      | 16,922,682                        | 621,908,563                         | 1.48%  |
| 中國交通建設  | China Communications Construction       | 60,685,601                        | 538,888,137                         | 1.29%  |
| 中國中鐵  | China Railway                           | 54,785,687                        | 316,661,271                         | 0.76%  |
| 中國鐵建  | China Railway Construction              | 27,035,578                        | 244,942,337                         | 0.58%  |
| 萬科企業  | China Vanke                             | 18,023,088                        | 562,320,346                         | 1.34%  |
|   |   |                                   | 2,284,720,654                       | 5.45%  |
| <b>電訊</b><br>Telecommunications                                   |   |                                   |                                     |  |
| 中國電信  | China Telecom                           | 180,699,177                       | 672,200,939                         | 1.60%  |
| <b>公用事業</b><br>Utilities  |   |                                   |                                     |  |
| 中國廣核電力  | CGN Power                               | 145,362,287                       | 308,168,048                         | 0.73%  |
| 華能國際電力  | Huaneng Power International             | 57,983,951                        | 284,121,360                         | 0.68%  |
|   |   |                                   | 592,289,408                         | 1.41%  |
| <b>總投資市值 Total Investments</b>                                    |   |                                   | 41,847,798,794                      | 99.82%   |
| <i>(總投資成本 Total cost of investments - HKD 38,701,734,663 港元)</i>  |   |                                   |                                     |  |
| <b>其他資產淨值 Other Net Assets</b>                                    |   |                                   | 74,031,494                          | 0.18%  |
| <b>屬於單位持有人的總資產淨值 Total Net Assets Attributable to Unitholders</b> |   |                                   | 41,921,830,288                      | 100.00%  |

# 投資組合 (續)

## Investment Portfolio (continued)

2017年12月31日 as at 31 December 2017

|  |   | 富時中國50上市基金<br>FTSE China 50 ETF |                                     | 佔屬於單位持有人的<br>總資產淨值百分比<br>% of Total Net<br>Assets Attributable<br>to Unitholders |
|--|---|---------------------------------|-------------------------------------|--|
| 香港上市投資<br>Hong Kong Listed Investments |   | 單位數目<br>Holdings                | 市值<br>(港元)<br>Market Value<br>(HKD) |  |
| <b>香港股票</b>                            | <b>Hong Kong Equities</b>               |                                 |                                     |  |
| <b>基礎材料</b>                            | <b>Basic Materials</b>                  |                                 |                                     |  |
| 中國神華能源                                 | China Shenhua Energy                    | 130,256                         | 2,637,684                           | 1.59%  |
| 復星國際                                   | Fosun International                     | 86,412                          | 1,496,656                           | 0.90%  |
|  |   |                                 | 4,134,340                           | 2.49%  |
| <b>消費品製造</b>                           | <b>Consumer Goods</b>                   |                                 |                                     |  |
| 比亞迪                                    | BYD                                     | 26,374                          | 1,796,070                           | 1.08%  |
| 吉利汽車                                   | Geely Automobile                        | 185,000                         | 5,013,500                           | 3.01%  |
| 廣州汽車                                   | Guangzhou Automobile                    | 85,920                          | 1,591,238                           | 0.96%  |
|  |   |                                 | 8,400,808                           | 5.05%  |
| <b>消費者服務</b>                           | <b>Consumer Services</b>                |                                 |                                     |  |
| 中國國際航空                                 | Air China                               | 69,688                          | 660,642                             | 0.40%  |
| <b>金融</b>                              | <b>Financials</b>                       |                                 |                                     |  |
| 中國農業銀行                                 | Agricultural Bank of China              | 981,786                         | 3,573,701                           | 2.15%  |
| 中國銀行                                   | Bank of China                           | 1,910,237                       | 7,335,310                           | 4.41%  |
| 交通銀行                                   | Bank of Communications                  | 299,433                         | 1,736,711                           | 1.04%  |
| 中國信達資產管理                               | China Cinda Asset Management            | 362,718                         | 1,037,373                           | 0.62%  |
| 中信銀行                                   | China CITIC Bank                        | 317,625                         | 1,556,363                           | 0.94%  |
| 中國建設銀行                                 | China Construction Bank                 | 2,161,476                       | 15,562,627                          | 9.36%  |
| 中國光大銀行                                 | China Everbright Bank                   | 123,984                         | 452,542                             | 0.27%  |
| 中國光大集團                                 | China Everbright Group                  | 112,000                         | 3,018,400                           | 1.82%  |
| 中國銀河證券                                 | China Galaxy Securities                 | 142,000                         | 817,920                             | 0.49%  |
| 中國華融                                   | China Huarong Asset Management          | 372,530                         | 1,374,636                           | 0.83%  |
| 中國人壽保險                                 | China Life Insurance                    | 244,247                         | 5,996,264                           | 3.61%  |
| 招商銀行                                   | China Merchants Bank                    | 145,479                         | 4,524,397                           | 2.72%  |
| 中國民生銀行                                 | China Minsheng Banking                  | 203,685                         | 1,594,854                           | 0.96%  |
| 中國海外發展                                 | China Overseas Land & Investment        | 147,501                         | 3,709,650                           | 2.23%  |
| 中國太平洋保險                                | China Pacific Insurance                 | 99,167                          | 3,723,721                           | 2.24%  |
| 華潤置地                                   | China Resources Land                    | 101,911                         | 2,343,953                           | 1.41%  |
| 萬科企業                                   | China Vanke                             | 50,511                          | 1,575,943                           | 0.95%  |
| 中信證券                                   | CITIC Securities                        | 87,146                          | 1,404,794                           | 0.84%  |
| 碧桂園                                    | Country Garden                          | 203,491                         | 3,032,016                           | 1.82%  |
| 廣發證券                                   | GF Securities                           | 59,347                          | 932,935                             | 0.56%  |
| 國泰君安                                   | Guotai Junan Securities                 | 32,200                          | 560,280                             | 0.34%  |
| 海通證券                                   | Haitong Securities                      | 130,872                         | 1,484,088                           | 0.89%  |
| 華泰證券                                   | Huatai Securities                       | 66,171                          | 1,029,621                           | 0.62%  |
| 中國工商銀行                                 | Industrial and Commercial Bank of China | 2,016,455                       | 12,683,502                          | 7.63%  |
| 新華人壽保險                                 | New China Life Insurance                | 33,536                          | 1,790,822                           | 1.08%  |
| 中國人民保險                                 | People's Insurance                      | 325,831                         | 1,254,449                           | 0.75%  |
| 中國財險                                   | PICC Property & Casualty                | 170,084                         | 2,554,662                           | 1.54%  |
| 中國平安保險                                 | Ping An Insurance                       | 125,855                         | 10,238,304                          | 6.16%  |
| 中國郵政儲蓄銀行                               | Postal Savings Bank of China            | 225,000                         | 913,500                             | 0.55%  |
|  |   |                                 | 97,813,338                          | 58.83%   |
| <b>工業</b>                              | <b>Industrials</b>                      |                                 |                                     |  |
| 安徽海螺水泥                                 | Anhui Conch Cement                      | 45,207                          | 1,661,357                           | 1.00%  |
| 中國交通建設                                 | China Communications Construction       | 169,835                         | 1,508,135                           | 0.91%  |
| 中國中鐵                                   | China Railway                           | 146,563                         | 847,134                             | 0.51%  |
| 中國鐵建                                   | China Railway Construction              | 72,395                          | 655,899                             | 0.39%  |
| 中國中信                                   | CITIC                                   | 188,477                         | 2,126,021                           | 1.28%  |
| 中國中車                                   | CRRC Corporation                        | 154,336                         | 1,290,249                           | 0.78%  |
| 中國中冶                                   | Metallurgical Corporation of China      | 109,924                         | 252,825                             | 0.15%  |
|  |   |                                 | 8,341,620                           | 5.02%  |
| <b>石油及天然氣</b>                          | <b>Oil &amp; Gas</b>                    |                                 |                                     |  |
| 中國石油化工                                 | China Petroleum & Chemical              | 980,489                         | 5,618,202                           | 3.38%  |
| 中國海洋石油                                 | CNOOC                                   | 557,098                         | 6,250,639                           | 3.76%  |
| 漢能薄膜發電                                 | Hanergy Thin Film Power                 | 500,000                         | -                                   | 0.00%  |
| 中國石油天然氣                                | PetroChina                              | 799,509                         | 4,357,324                           | 2.62%  |
|  |   |                                 | 16,226,165                          | 9.76%  |
| <b>科技</b>                              | <b>Technology</b>                       |                                 |                                     |  |
| 騰訊控股                                   | Tencent Holdings                        | 36,584                          | 14,853,104                          | 8.93%  |
| 中興通訊                                   | ZTE                                     | 29,000                          | 851,150                             | 0.51%  |
|  |   |                                 | 15,704,254                          | 9.44%  |

投資組合 (續)

Investment Portfolio (continued)

2017年12月31日 as at 31 December 2017

|  |                    | 富時中國50上市基金<br>FTSE China 50 ETF |                                     | 佔屬於單位持有人的<br>總資產淨值百分比<br>% of Total Net<br>Assets Attributable<br>to Unitholders |
|--|--------------------|---------------------------------|-------------------------------------|--|
|  |                    | 單位數目<br>Holdings                | 市值<br>(港元)<br>Market Value<br>(HKD) |  |
| 香港上市投資<br>Hong Kong Listed Investments                     |                    |                                 |                                     |  |
| 香港股票   | Hong Kong Equities |                                 |                                     |  |
| 電信服務   | Telecommunications |                                 |                                     |  |
| 中國移動   | China Mobile       | 133,945                         | 10,615,141                          | 6.38%  |
| 中國電信   | China Telecom      | 533,562                         | 1,984,851                           | 1.19%  |
| 中國聯通   | China Unicom       | 210,213                         | 2,219,849                           | 1.34%  |
|  |                    |                                 | 14,819,841                          | 8.91%  |
| 總投資市值 Total Investments                                    |                    |                                 | 166,101,008                         | 99.90%   |
| (總投資成本 Total cost of investments - HKD 146,053,162 港元)     |                    |                                 |                                     |  |
| 其他資產淨值 Other Net Assets                                    |                    |                                 | 164,959                             | 0.10%  |
| 屬於單位持有人的總資產淨值 Total Net Assets Attributable to Unitholders |                    |                                 | 166,265,967                         | 100.00%  |

# 投資組合變動表

## Statement of Movements in Portfolio Holdings

截至2017年12月31日年度 for the year ended 31 December 2017

|   |   | 中國企業上市基金<br>China Enterprises ETF                 |                 |                 |  |
|---|---|---|-----------------|-----------------|--|
|   |   | 單位數目<br>2017年1月1日<br>Holdings as at<br>1 Jan 2017 | 增加<br>Additions | 減少<br>Disposals | 單位數目<br>2017年12月31日<br>Holdings as at<br>31 Dec 2017 |
| <b>香港上市投資</b><br>Hong Kong Listed Investments |   |   |                 |                 |  |
| <b>香港股票</b><br>Hong Kong Equities             |   |   |                 |                 |  |
| <b>消費品製造</b><br>Consumer Goods                |   |   |                 |                 |  |
| 比亞迪   | BYD                                     | 11,438,670  | 6,086,757       | 8,746,534       | 8,778,893  |
| 東風汽車  | Dongfeng Motor                          | 48,451,578  | 25,782,610      | 37,049,502      | 37,184,686   |
| 長城汽車  | Great Wall Motor                        | 55,354,271  | 29,438,945      | 42,309,600      | 42,483,616   |
| 廣州汽車  | Guangzhou Automobile Group              | -   | 30,959,445      | 2,139,505       | 28,819,940   |
| 國藥控股  | Sinopharm                               | 21,302,140  | 11,331,039      | 16,284,029      | 16,349,150   |
| 青島啤酒  | Tsingtao Brewery                        | 6,432,268   | 449,130         | 6,881,398       | -  |
| <b>消費者服務</b><br>Consumer Services             |   |   |                 |                 |  |
| 中國國際航空  | Air China                               | 36,668,680  | 19,519,716      | 28,045,164      | 28,143,232   |
| <b>能源</b><br>Energy                           |   |   |                 |                 |  |
| 中國石油化工  | China Petroleum & Chemical              | 455,639,938                                       | 242,316,417     | 348,258,736     | 349,697,619  |
| 中國神華能源  | China Shenhua Energy                    | 60,695,076  | 32,280,267      | 46,392,952      | 46,582,391   |
| 中國石油天然氣                                       | PetroChina                              | 376,803,586                                       | 200,393,376     | 288,006,092     | 289,190,870  |
| <b>金融</b><br>Financials                       |   |   |                 |                 |  |
| 中國農業銀行  | Agricultural Bank of China              | 439,167,329                                       | 299,468,471     | 359,449,421     | 379,186,379  |
| 中國銀行  | Bank of China                           | 1,338,013,377                                     | 824,474,355     | 1,073,638,246   | 1,088,849,486  |
| 交通銀行  | Bank of Communications                  | 156,318,629                                       | 83,132,406      | 119,478,930     | 119,972,105  |
| 中國信達資產管理                                      | China Cinda Asset Management            | 166,583,959                                       | 83,678,169      | 129,385,348     | 120,876,780  |
| 中信銀行  | China CITIC Bank                        | 146,178,381                                       | 111,763,343     | 125,354,949     | 132,586,775  |
| 中國建設銀行  | China Construction Bank                 | 805,562,048                                       | 423,862,834     | 623,874,505     | 605,550,377  |
| 中國銀河證券  | China Galaxy Securities                 | 62,621,176  | 33,305,152      | 47,865,679      | 48,060,649   |
| 中國人壽保險  | China Life Insurance                    | 132,890,220                                       | 70,676,612      | 101,575,217     | 101,991,615  |
| 招商銀行  | China Merchants Bank                    | 69,689,866  | 37,063,059      | 53,266,908      | 53,486,017   |
| 中國民生銀行  | China Minsheng Banking                  | 111,443,535                                       | 60,929,372      | 86,841,560      | 85,531,347   |
| 中國太平洋保險                                       | China Pacific Insurance                 | 42,129,095  | 24,803,330      | 34,598,644      | 32,333,781   |
| 中信證券  | CITIC Securities                        | 36,619,340  | 19,087,752      | 29,163,158      | 26,543,934   |
| 廣發證券  | GF Securities                           | 28,872,546  | 15,061,394      | 22,940,636      | 20,993,304   |
| 海通證券  | Haitong Securities                      | 57,846,590  | 30,765,356      | 44,215,676      | 44,396,270   |
| 華泰證券  | Huatai Securities                       | 29,165,181  | 15,510,456      | 22,291,857      | 22,383,780   |
| 中國工商銀行  | Industrial and Commercial Bank of China | 982,515,994                                       | 468,997,300     | 772,115,570     | 679,397,724  |
| 新華人壽保險  | New China Life Insurance                | 13,850,994  | 7,367,592       | 10,587,973      | 10,630,613   |
| 中國人民保險  | People's Insurance Company              | 132,464,790                                       | 70,453,369      | 101,252,708     | 101,665,451  |
| 中國財險  | PICC Property & Casualty                | 82,143,726  | 43,700,501      | 62,799,706      | 63,044,521   |
| 中國平安保險  | Ping An Insurance                       | 93,103,584  | 42,633,702      | 84,501,472      | 51,235,814   |
| 中國郵政儲蓄銀行                                      | Postal Savings Bank of China            | -   | 144,299,662     | 62,652,556      | 81,647,106   |
| <b>工業</b><br>Industrials                      |   |   |                 |                 |  |
| 中國中車  | CRRCC Corp                              | 78,062,802  | 41,518,404      | 59,669,435      | 59,911,771   |
| 株洲南車時代電氣                                      | Zhuzhou CSR Times Electric              | 9,774,872   | 4,931,410       | 7,579,260       | 7,127,022  |
| <b>地產建築</b><br>Properties & Construction      |   |   |                 |                 |  |
| 安徽海螺水泥  | Anhui Conch Cement                      | 22,049,084  | 11,731,868      | 16,858,270      | 16,922,682   |
| 中國交通建設  | China Communications Construction       | 79,070,750  | 42,057,419      | 60,442,568      | 60,685,601   |
| 中國中鐵  | China Railway                           | 71,382,321  | 37,968,609      | 54,565,243      | 54,785,687   |
| 中國鐵建  | China Railway Construction              | 35,226,407  | 18,738,904      | 26,929,733      | 27,035,578   |
| 萬科企業  | China Vanke                             | 23,483,528  | 12,489,126      | 17,949,566      | 18,023,088   |
| <b>電訊</b><br>Telecommunications               |   |   |                 |                 |  |
| 中國電信  | China Telecom                           | 235,444,248                                       | 125,216,317     | 179,961,388     | 180,699,177  |
| <b>公用事業</b><br>Utilities                      |   |   |                 |                 |  |
| 中國廣核電力  | CGN Power                               | 179,432,965                                       | 107,320,036     | 141,390,714     | 145,362,287  |
| 龍源電力集團  | China Longyuan Power Group              | 56,666,727  | 21,325,842      | 77,992,569      | -  |
| 華能國際電力  | Huaneng Power International             | 75,549,819  | 40,193,982      | 57,759,850      | 57,983,951   |

# 投資組合變動表 (續)

## Statement of Movements in Portfolio Holdings (continued)

截至2017年12月31日年度 for the year ended 31 December 2017

|               |   | 富時中國50上市基金<br>FTSE China 50 ETF                   |                 |                 |  |
|---------------|---|---|-----------------|-----------------|--|
|               |   | 單位數目<br>2017年1月1日<br>Holdings as at<br>1 Jan 2017 | 增加<br>Additions | 減少<br>Disposals | 單位數目<br>2017年12月31日<br>Holdings as at<br>31 Dec 2017 |
| <b>香港上市投資</b> | <b>Hong Kong Listed Investments</b>     |   |                 |                 |  |
| <b>香港股票</b>   | <b>Hong Kong Equities</b>               |   |                 |                 |  |
| <b>基礎材料</b>   | <b>Basic Materials</b>                  |   |                 |                 |  |
| 中國神華能源        | China Shenhua Energy                    | 132,256   | 63,000          | 65,000          | 130,256  |
| 復星國際          | Fosun International                     | 90,412  | 41,000          | 45,000          | 86,412   |
| <b>消費品製造</b>  | <b>Consumer Goods</b>                   |   |                 |                 |  |
| 比亞迪           | BYD                                     | 26,874  | 16,500          | 17,000          | 26,374   |
| 吉利汽車          | Geely Automobile                        | -   | 246,000         | 61,000          | 185,000  |
| 長城汽車          | Great Wall Motor                        | 120,931   | 54,000          | 174,931         | -  |
| 廣州汽車          | Guangzhou Automobile                    | 85,920  | 54,000          | 54,000          | 85,920   |
| 恒安國際          | Hengan International                    | 27,668  | 3,500           | 31,168          | -  |
| <b>消費者服務</b>  | <b>Consumer Services</b>                |   |                 |                 |  |
| 中國國際航空        | Air China                               | 71,688  | 48,000          | 50,000          | 69,688   |
| <b>金融</b>     | <b>Financials</b>                       |   |                 |                 |  |
| 中國農業銀行        | Agricultural Bank of China              | 1,006,786   | 441,000         | 466,000         | 981,786  |
| 中國銀行          | Bank of China                           | 2,057,237   | 1,001,000       | 1,148,000       | 1,910,237  |
| 交通銀行          | Bank of Communications                  | 313,433   | 129,000         | 143,000         | 299,433  |
| 中國信達資產管理      | China Cinda Asset Management            | 353,718   | 180,000         | 171,000         | 362,718  |
| 中信銀行          | China CITIC Bank                        | 325,625   | 144,000         | 152,000         | 317,625  |
| 中國建設銀行        | China Construction Bank                 | 2,142,476   | 1,559,000       | 1,540,000       | 2,161,476  |
| 中國光大銀行        | China Everbright Bank                   | 128,984   | 59,000          | 64,000          | 123,984  |
| 中國光大集團        | China Everbright Group                  | -   | 156,000         | 44,000          | 112,000  |
| 中國銀河證券        | China Galaxy Securities                 | -   | 199,000         | 57,000          | 142,000  |
| 中國華融          | China Huarong Asset Management          | 243,530   | 246,000         | 117,000         | 372,530  |
| 中國人壽保險        | China Life Insurance                    | 248,247   | 114,000         | 118,000         | 244,247  |
| 招商銀行          | China Merchants Bank                    | 148,479   | 69,000          | 72,000          | 145,479  |
| 中國民生銀行        | China Minsheng Banking                  | 254,185   | 106,000         | 156,500         | 203,685  |
| 中國海外發展        | China Overseas Land & Investment        | 149,501   | 82,000          | 84,000          | 147,501  |
| 中國太平洋保險       | China Pacific Insurance                 | 100,767   | 46,400          | 48,000          | 99,167   |
| 華潤置地          | China Resources Land                    | 105,911   | 60,000          | 64,000          | 101,911  |
| 萬科企業          | China Vanke                             | 51,211  | 23,200          | 23,900          | 50,511   |
| 中信證券          | CITIC Securities                        | 88,646  | 42,500          | 44,000          | 87,146   |
| 碧桂園           | Country Garden                          | 277,491   | 90,000          | 164,000         | 203,491  |
| 廣發證券          | GF Securities                           | 60,347  | 27,600          | 28,600          | 59,347   |
| 國泰君安          | Guotai Junan Securities                 | -   | 32,800          | 600             | 32,200   |
| 海通證券          | Haitong Securities                      | 132,872   | 61,200          | 63,200          | 130,872  |
| 華泰證券          | Huatai Securities                       | 66,971  | 30,800          | 31,600          | 66,171   |
| 中國工商銀行        | Industrial and Commercial Bank of China | 1,897,455   | 1,284,000       | 1,165,000       | 2,016,455  |
| 新華人壽保險        | New China Life Insurance                | 31,336  | 16,900          | 14,700          | 33,536   |
| 中國人民保險        | People's Insurance Company of China     | 331,831   | 150,000         | 156,000         | 325,831  |
| 中國財險          | PICC Property & Casualty                | 178,084   | 92,000          | 100,000         | 170,084  |
| 中國平安保險        | Ping An Insurance                       | 148,855   | 74,500          | 97,500          | 125,855  |
| 中國郵政儲蓄銀行      | Postal Savings Bank of China            | -   | 316,000         | 91,000          | 225,000  |
| <b>衛生保健</b>   | <b>Health Care</b>                      |   |                 |                 |  |
| 國藥控股          | Sinopharm                               | 40,811  | 4,400           | 45,211          | -  |
| <b>工業</b>     | <b>Industrials</b>                      |   |                 |                 |  |
| 安徽海螺水泥        | Anhui Conch Cement                      | 46,207  | 24,000          | 25,000          | 45,207   |
| 中國交通建設        | China Communications Construction       | 172,835   | 82,000          | 85,000          | 169,835  |
| 中國中鐵          | China Railway                           | 148,563   | 70,000          | 72,000          | 146,563  |
| 中國鐵建          | China Railway Construction              | 73,395  | 35,000          | 36,000          | 72,395   |
| 中國中信          | CITIC                                   | 192,477   | 100,000         | 104,000         | 188,477  |
| 中國中車          | CRRC Corporation                        | 158,336   | 72,000          | 76,000          | 154,336  |
| 中國中冶          | Metallurgical Corporation of China      | 111,924   | 57,000          | 59,000          | 109,924  |
| 上海電氣          | Shanghai Electric                       | 109,138   | 22,000          | 131,138         | -  |

投資組合變動表 (續)

Statement of Movements in Portfolio Holdings (continued)

截至2017年12月31日年度 for the year ended 31 December 2017

|               |                                     | 富時中國50上市基金<br>FTSE China 50 ETF                   |                 |                 |  |
|---------------|-------------------------------------|---|-----------------|-----------------|--|
|               |                                     | 單位數目<br>2017年1月1日<br>Holdings as at<br>1 Jan 2017 | 增加<br>Additions | 減少<br>Disposals | 單位數目<br>2017年12月31日<br>Holdings as at<br>31 Dec 2017 |
| <b>香港上市投資</b> | <b>Hong Kong Listed Investments</b> |   |                 |                 |  |
| <b>香港股票</b>   | <b>Hong Kong Equities</b>           |   |                 |                 |  |
| <b>石油及天然氣</b> | <b>Oil &amp; Gas</b>                |   |                 |                 |  |
| 中國石油化工        | China Petroleum & Chemical          | 924,489   | 478,000         | 422,000         | 980,489  |
| 中國海洋石油        | CNOOC                               | 538,098   | 338,000         | 319,000         | 557,098  |
| 漢能控股          | Hanergy Thin Film Power             | 500,000   | -               | -               | 500,000  |
| 中國石油天然氣       | PetroChina                          | 823,509   | 364,000         | 388,000         | 799,509  |
| <b>科技</b>     | <b>Technology</b>                   |   |                 |                 |  |
| 騰訊控股          | Tencent Holdings                    | 67,084  | 30,200          | 60,700          | 36,584   |
| 中興通訊          | ZTE                                 | -   | 29,600          | 600             | 29,000   |
| <b>電信服務</b>   | <b>Telecommunications</b>           |   |                 |                 |  |
| 中國移動          | China Mobile                        | 136,945   | 100,500         | 103,500         | 133,945  |
| 中國電信          | China Telecom                       | 631,562   | 236,000         | 334,000         | 533,562  |
| 中國聯通          | China Unicom                        | 222,213   | 102,000         | 114,000         | 210,213  |
| <b>公用事業</b>   | <b>Utilities</b>                    |   |                 |                 |  |
| 中國廣核電力        | CGN Power                           | 389,462   | 185,000         | 574,462         | -  |
| 華能國際電力        | Huaneng Power International         | 164,733   | 86,000          | 250,733         | -  |

# 資產負債表

## Statement of Assets and Liabilities

2017年12月31日 as at 31 December 2017

|  | 附註<br>Notes       | 中國企業上市基金<br>China Enterprises ETF |                       | 富時中國50上市基金<br>FTSE China 50 ETF |                       |
|--|-------------------|-----------------------------------|-----------------------|---------------------------------|-----------------------|
|  |                   | 2017<br>(港元)<br>(HKD)             | 2016<br>(港元)<br>(HKD) | 2017<br>(港元)<br>(HKD)           | 2016<br>(港元)<br>(HKD) |
| <b>資產 Assets</b>   |                   |                                   |                       |                                 |                       |
| 按公平價值列入收入或虧損的投資 Investments at fair value through profit or loss | 5,6,13            | 41,847,798,794                    | 44,777,327,414        | 166,101,008                     | 134,231,507           |
| 應收認購單位款項 Amounts receivable on subscription of units             |                   | 2,575,658                         | 4,583,533             | -                               | -                     |
| 應收投資款項 Amounts receivable on sale of investments                 |                   | 625,033,068                       | -                     | 3,156,453                       | -                     |
| 應收利息 Interest receivable   | 10(f)             | -                                 | 18                    | -                               | -                     |
| 現金及現金等價物 Cash and cash equivalents                               | 10(f)             | 103,025,941                       | 64,274,953            | 835,480                         | 889,994               |
| <b>資產總值 Total Assets</b>   |                   | <b>42,578,433,461</b>             | <b>44,846,185,918</b> | <b>170,092,941</b>              | <b>135,121,501</b>    |
| <b>負債 Liabilities</b>  |                   |                                   |                       |                                 |                       |
| 應付投資款項 Amounts payable on purchase of investments                |                   | -                                 | -                     | 952,135                         | -                     |
| 應付贖回單位款項 Amounts payable on redemption of units                  |                   | 630,714,777                       | 2,141,122             | 2,486,990                       | -                     |
| 預提費用及其他應付款項 Accrued expenses and other payables                  | 10(a),(b),(d)&(e) | 25,888,396                        | 30,940,224            | 387,849                         | 358,725               |
| <b>負債總值 Total Liabilities</b>                                    |                   | <b>656,603,173</b>                | <b>33,081,346</b>     | <b>3,826,974</b>                | <b>358,725</b>        |
| <b>屬於單位持有人之資產淨值 Net assets attributable to unitholders</b>       |                   | <b>41,921,830,288</b>             | <b>44,813,104,572</b> | <b>166,265,967</b>              | <b>134,762,776</b>    |
| 代表 Representing:   |                   |                                   |                       |                                 |                       |
| <b>權益總值 Total Equity</b>   |                   | <b>41,921,830,288</b>             | <b>44,813,104,572</b> | <b>166,265,967</b>              | <b>134,762,776</b>    |
| 已發行單位數目 Total number of units in issue                           | 10(h),11          | 354,259,444                       | 472,970,832           | 801,040                         | 858,416               |
| <b>每單位資產淨值 Net asset value per unit</b>                          |                   | <b>118.34</b>                     | <b>94.75</b>          | <b>207.56</b>                   | <b>156.99</b>         |

由受託人及基金經理於2018年4月27日批准及核准發行。  
Approved and authorised for issue by the Trustee and the Manager on 27 April 2018.

} 代表 For and on behalf of  
} 受託人 Trustee  
} HSBC Provident Fund Trustee (Hong Kong) Limited

} 代表 For and on behalf of  
} 基金經理 Manager  
} 恒生投資管理有限公司 Hang Seng Investment Management Limited



# 全面收入表

## Statement of Comprehensive Income

截至2017年12月31日止年度 for the year ended 31 December 2017

|  | 附註<br>Notes   | 中國企業上市基金<br>China Enterprises ETF                          |  | 富時中國50上市基金<br>FTSE China 50 ETF                            |  |
|--|---------------|--|--|--|--|
|  |               | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017 | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016 | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017 | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016 |
|  |               | (港元)<br>(HKD)  | (港元)<br>(HKD)  | (港元)<br>(HKD)  | (港元)<br>(HKD)  |
| <b>收入 Income</b>   |               |  |  |  |  |
| 股息收入 Dividend income   | 7             | 1,567,480,933  | 1,985,569,336  | 5,953,045  | 5,108,083  |
| 利息收入 Interest income   | 8, 10(f)      | 60,296   | 29,184   | 104  | 94   |
| 其他收入 Other income  |               | 10,000   | -  | -  | -  |
|  |               | <u>1,567,551,229</u>                                       | <u>1,985,598,520</u>                                       | <u>5,953,149</u>   | <u>5,108,177</u>   |
| <b>費用 Expenses</b>   |               |  |  |  |  |
| 核數師酬金 Auditor's remuneration   |               | (227,241)  | (150,660)  | (129,680)  | (95,025)   |
| 法律及專業服務費用 Legal and professional fees  |               | (268,442)  | (7,032)  | (6)  | (21)   |
| 管理費 Management fees  | 10(a)         | (226,943,263)  | (255,740,294)  | (898,266)  | (785,973)  |
| 登記處費 Registrar's fees  | 10(b)         | (15,600)   | (15,599)   | (15,600)   | (15,599)   |
| 證券託管及銀行費用 Safe custody and bank charges  | 10(d)         | (1,783,703)  | (1,706,596)  | (8,987)  | (6,933)  |
| 雜項費用 Sundry expenses   | 10(d),(e)&(g) | (17,232,656)   | (20,334,045)   | (349,980)  | (211,511)  |
| 投資交易費用 Investment transaction costs  | 10(c)         | (8,356,620)  | (8,874,023)  | (269,184)  | (100,143)  |
| 付予受託人之交易費 Transaction fees paid to trustee                                     | 10(b)         | (174,500)  | (159,700)  | (6,300)  | (1,900)  |
| 受託人費 Trustee's fees  | 10(b)         | (17,625,615)   | (19,101,935)   | (81,661)   | (71,452)   |
| 估值費 Valuation fees   | 10(b)         | (98,400)   | (98,000)   | (98,400)   | (98,000)   |
|  |               | <u>(272,726,040)</u>                                       | <u>(306,187,884)</u>                                       | <u>(1,858,064)</u>   | <u>(1,386,557)</u>   |
| <b>計算投資收益/(虧損)前的收入</b>   |               |  |  |  |  |
| Income before gains/(losses) on investments                                    |               | <u>1,294,825,189</u>                                       | <u>1,679,410,636</u>                                       | <u>4,095,085</u>   | <u>3,721,620</u>   |
| <b>投資收益/(虧損) Gains/(losses) on investments</b>                                 |               |  |  |  |  |
| 投資淨收益/(虧損) Net gains/(losses) on investments                                   | 9             | 9,369,477,716  | (697,366,651)  | 44,805,076   | (1,414,262)  |
| 匯兌淨虧損 Net foreign exchange loss  |               | (399)  | (51)   | (229)  | (29)   |
| 證券費用 Securities expenses   | 10(d)         | (807,819)  | (2,962,073)  | (48,340)   | (38,405)   |
|  |               | <u>9,368,669,498</u>                                       | <u>(700,328,775)</u>                                       | <u>44,756,507</u>  | <u>(1,452,696)</u>   |
| <b>計算融資成本前的收入</b>  |               |  |  |  |  |
| Income before finance costs  |               | <u>10,663,494,687</u>                                      | <u>979,081,861</u>   | <u>48,851,592</u>  | <u>2,268,924</u>   |
| <b>融資成本 Finance costs</b>  |               |  |  |  |  |
| 利息支出 Interest expenses   | 10(g)         | -  | (1,799)  | -  | (1,004)  |
| <b>稅前收入</b>  |               |  |  |  |  |
| Income before taxation   |               | <u>10,663,494,687</u>                                      | <u>979,080,062</u>   | <u>48,851,592</u>  | <u>2,267,920</u>   |
| <b>稅項 Taxation</b>   |               |  |  |  |  |
|  | 4, 7          | <u>(156,748,094)</u>                                       | <u>(198,556,934)</u>                                       | <u>(554,292)</u>   | <u>(470,541)</u>   |
| <b>屬於單位持有人的收入及年度總全面收入</b>  |               |  |  |  |  |
| Income attributable to unitholders and total comprehensive income for the year |               | <u>10,506,746,593</u>                                      | <u>780,523,128</u>   | <u>48,297,300</u>  | <u>1,797,379</u>   |

第 20 至 34 頁的附註屬本財務報表的一部份。

The notes on pages 20 to 34 form part of the financial statements.

# 權益變動表

## Statement of Changes in Equity

截至2017年12月31日止年度 for the year ended 31 December 2017

|   | 附註<br>Notes | 中國企業上市基金<br>China Enterprises ETF   |   | 富時中國50上市基金<br>FTSE China 50 ETF   |   |
|---|-------------|---|---|---|---|
|   |             | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) |
| <b>年初餘額</b><br>Balance at beginning of year   |             | 44,813,104,572  | 48,635,256,059  | 134,762,776   | 154,464,590   |
| <b>屬於單位持有人的收入及年度總全面收入</b><br>Income attributable to unitholders and total comprehensive income for the year |             | 10,506,746,593  | 780,523,128   | 48,297,300  | 1,797,379   |
| <b>與所有者(即單位持有人)的交易並直接於權益上入賬</b><br>Transactions with owners (i.e. unitholders), recorded directly in equity |             |   |   |   |   |
| 發行單位所得及應收款項<br>Received and receivable on issue of units  | 10(i),11    | 26,357,336,458  | 29,521,347,434  | 67,147,620  | 30,997,009  |
| 贖回單位所付及應付款項<br>Paid and payable on redemption of units  | 10(i),11    | (38,770,347,561)  | (32,718,888,814)  | (80,365,205)  | (49,460,259)  |
| 予單位持有人的收益分派<br>Distributions to unitholders   | 10(h)       | (985,009,774)   | (1,405,133,235)   | (3,576,524)   | (3,035,943)   |
| <b>與所有者(即單位持有人)的交易總額</b><br>Total transactions with owners (i.e. unitholders)                               |             | (13,398,020,877)  | (4,602,674,615)   | (16,794,109)  | (21,499,193)  |
| <b>年末餘額</b><br>Balance at year end  |             | 41,921,830,288  | 44,813,104,572  | 166,265,967   | 134,762,776   |

第 20 至 34 頁的附註屬本財務報表的一部份。

The notes on pages 20 to 34 form part of the financial statements.

# 現金流量表

## Cash Flow Statement

截至2017年12月31日止年度 for the year ended 31 December 2017

|  | 中國企業上市基金<br>China Enterprises ETF   |   | 富時中國50上市基金<br>FTSE China 50 ETF   |   |
|--|---|---|---|---|
|  | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) |
| <b>經營活動 Operating activities</b>   |   |   |   |   |
| 法律及專業服務費 Payment for legal and professional fees                             | (268,442)   | (7,032)   | (6)   | (21)  |
| 核數師酬金 Payment for auditor's remuneration                                     | (206,872)   | (204,882)   | (131,059)   | (127,908)   |
| 管理費 Payment for management fees  | (229,704,421)   | (257,668,274)   | (885,043)   | (793,389)   |
| 受託人費 Payment for trustee's fees  | (19,339,695)  | (17,623,074)  | (86,483)  | (66,102)  |
| 投資交易費用 Payment for investment transaction costs                              | (8,356,620)   | (8,874,023)   | (269,184)   | (100,143)   |
| 受託人之交易費之支付 Payment for transaction fees paid to trustee                      | (189,400)   | (143,600)   | (5,700)   | (1,800)   |
| 登記處費 Payment for registrar's fees  | (16,875)  | (14,324)  | (16,875)  | (14,324)  |
| 估值費 Payment for valuation fees   | (107,600)   | (90,000)  | (107,600)   | (90,000)  |
| 證券託管及銀行費用 Payment for safe custody and bank charges                          | (1,639,408)   | (1,873,536)   | (8,409)   | (7,461)   |
| 其他營運支出 Payment for other operating expenses                                  | (17,948,934)  | (20,801,076)  | (318,810)   | (242,793)   |
| 其他收入 Other income received   | 10,000  | -   | -   | -   |
| <b>用於經營活動的現金淨額 Net cash used in operating activities</b>                     | <b>(277,768,267)</b>  | <b>(307,299,821)</b>  | <b>(1,829,169)</b>  | <b>(1,443,941)</b>  |
| <b>投資活動 Investing activities</b>   |   |   |   |   |
| 證券費用 Payment for securities expenses   | (807,819)   | (2,962,073)   | (48,340)  | (38,405)  |
| 股息收入所得款項 Dividend income received  | 1,410,732,839   | 1,787,012,402   | 5,398,753   | 4,637,542   |
| 所得利息 Interest received   | 60,314  | 29,166  | 104   | 94  |
| 出售投資所得款項 Proceeds from sale of investments                                   | 3,000,731,554   | 3,132,442,950   | 106,059,949   | 39,018,700  |
| 購入投資所付款項 Payments for purchase of investments                                | (3,026,998,286)   | (3,344,022,795)   | (95,328,692)  | (36,813,779)  |
| <b>來自投資活動的現金淨額 Net cash generated from investing activities</b>              | <b>1,383,718,602</b>  | <b>1,572,499,650</b>  | <b>16,081,774</b>   | <b>6,804,152</b>  |
| <b>融資活動 Financing activities</b>   |   |   |   |   |
| 利息支出 Interest expenses   | -   | (1,799)   | -   | (1,004)   |
| 發行單位所得款項 Proceeds on issue of units  | 330,353,333   | 298,912,378   | 67,147,620  | 23,249,509  |
| 贖回單位所付款項 Payments on redemption of units                                     | (412,542,906)   | (259,191,142)   | (77,878,215)  | (25,954,759)  |
| 單位持有人的收益分派之支付 Distributions paid to unitholders                              | (985,009,774)   | (2,071,490,040)   | (3,576,524)   | (4,111,283)   |
| <b>用於融資活動的現金淨額 Net cash used in financing activities</b>                     | <b>(1,067,199,347)</b>  | <b>(2,031,770,603)</b>  | <b>(14,307,119)</b>   | <b>(6,817,537)</b>  |
| <b>現金或現金等價物淨增加/(減少) Net increase/(decrease) in cash and cash equivalents</b> | <b>38,750,988</b>   | <b>(766,570,774)</b>  | <b>(54,514)</b>   | <b>(1,457,326)</b>  |
| <b>於1月1日之現金及現金等價物 Cash and cash equivalents at 1 January</b>                 | <b>64,274,953</b>   | <b>830,845,727</b>  | <b>889,994</b>  | <b>2,347,320</b>  |
| <b>於12月31日之現金及現金等價物 Cash and cash equivalents at 31 December</b>             | <b>103,025,941</b>  | <b>64,274,953</b>   | <b>835,480</b>  | <b>889,994</b>  |

重大非現金交易:

Major non-cash transactions:

- 於年度內，單位持有人透過注入一籃子恒生中國企業指數成份股，合共市值26,028,991,000港元（2016：29,220,572,000港元），以認購234,700,000中國企業上市基金的基金單位（2016：327,600,000基金單位）。  
During the year, unitholders subscribed for 234,700,000 units of China Enterprises ETF (2016: 327,600,000 units) by tendering a basket of the constituent stocks of Hang Seng China Enterprises Index with a market value of HKD 26,028,991,000 (2016: HKD 29,220,572,000).
- 於年度內，單位持有人透過贖回352,600,000中國企業上市基金的基金單位（2016：354,500,000基金單位），以換取一籃子恒生中國企業指數成份股，合共市值38,355,433,000港元（2016：32,461,711,000港元）。  
During the year, unitholders tendered 352,600,000 units of China Enterprises ETF (2016: 354,500,000 units) in exchange for a basket of the constituent stocks of Hang Seng China Enterprises Index with a market value of HKD 38,355,433,000 (2016: HKD 32,461,711,000).
- 於年度內，單位持有人並沒有透過注入一籃子富時中國50指數成份股（2016：7,747,500港元），以認購富時中國50上市基金的基金單位（2016：50,000基金單位）。  
During the year, there was no subscription of units of FTSE China 50 ETF (2016: 50,000 units) by tendering a basket of the constituent stocks of FTSE China 50 Index (2016: HKD 7,747,500).
- 於年度內，單位持有人並沒有透過贖回富時中國50上市基金的基金單位（2016：150,000基金單位），以換取一籃子富時中國50指數成份股（2016：23,505,500港元）。  
During the year, there was no redemption of units of FTSE China 50 ETF (2016: 150,000 units) in exchange for a basket of the constituent stocks of FTSE China 50 Index (2016: HKD 23,505,500).

第 20 至 34 頁的附註屬本財務報表的一部份。

The notes on pages 20 to 34 form part of the financial statements.

# 收益分派表

## Distribution Statement

截至2017年12月31日止年度 for the year ended 31 December 2017

|   | 中國企業上市基金<br>China Enterprises ETF   |   | 富時中國50上市基金<br>FTSE China 50 ETF   |   |
|---|---|---|---|---|
|   | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) | 截至<br>2017年12月31日<br>止年度<br>Year ended<br>31 December 2017<br>(港元)<br>(HKD) | 截至<br>2016年12月31日<br>止年度<br>Year ended<br>31 December 2016<br>(港元)<br>(HKD) |
| 年初未分派之收入金額<br>Undistributed income brought forward  | 314,339,627   | 320,313,446   | 1,546,064   | 1,778,694   |
| 計算投資收益/(虧損)前的收入<br>Income before gains/(losses) on investments  | 1,294,825,189   | 1,679,410,636   | 4,095,085   | 3,721,620   |
| 利息支出<br>Interest expenses   | -   | (1,799)   | -   | (1,004)   |
| 稅項<br>Taxation  | (156,748,094)   | (198,556,934)   | (554,292)   | (470,541)   |
| 發行單位所得及應收款項(收入部分)<br>Income portion of received and receivable on issue of units                        | 292,950,266   | 355,452,099   | 1,339,620   | 708,155   |
| 贖回單位所付及應付款項(收入部分)<br>Income portion of paid and payable on redemption of units                          | (432,096,581)   | (437,144,586)   | (1,497,131)   | (1,154,917)   |
| 發行/贖回單位(收入部分)的調整 <sup>1</sup><br>Adjustment on income portion of issue/redemption of units <sup>1</sup> | 7,085,027   | -   | -   | -   |
| 可供單位持有人的收益分派金額<br>Amount available for distribution to unitholders                                      | 1,320,355,434   | 1,719,472,862   | 4,929,346   | 4,582,007   |
| 予單位持有人的收益分派<br>Distributions to unitholders   | (985,009,774)   | (1,405,133,235)   | (3,576,524)   | (3,035,943)   |
| 年終未分派之收入金額<br>Undistributed income carried forward  | 335,345,660   | 314,339,627   | 1,352,822   | 1,546,064   |
| 予單位持有人的第一次收益分派(每單位) First distribution to unitholders per unit  | 1.10  | 1.80  | 2.00  | 2.20  |
| 分派予單位持有人的日期 Date of distribution to unitholders   | 2017年6月19日<br>19 June 2017  | 2016年6月24日<br>24 June 2016  | 2017年6月19日<br>19 June 2017  | 2016年6月24日<br>24 June 2016  |
| 予單位持有人的第二次收益分派(每單位) Second distribution to unitholders per unit   | 1.60  | 0.90  | 2.00  | 1.10  |
| 分派予單位持有人的日期 Date of distribution to unitholders   | 2017年9月20日<br>20 September 2017   | 2016年12月13日<br>13 December 2016   | 2017年9月20日<br>20 September 2017   | 2016年12月13日<br>13 December 2016   |

<sup>1</sup> HSBC Provident Fund Trustee (Hong Kong) Limited (為中國企業上市基金的行政管理人)在二零一六年十二月十三日至二零一六年十二月三十一日期間就每日的資產淨值的收入部份及每日的收入佔資產淨值的比例提供的數字並不正確。因此，年終未分派之收入金額被少報了經調整後的年終未分派收入金額的2.2%，即佔中國企業上市基金於二零一六年十二月三十一日的資產淨值的0.02%。鑒於非重大的調整金額及中國企業上市基金的資產淨值和予單位持有人的收益分派未受到影響，中國企業上市基金不需要對二零一六年度財務報表之收益分派表作出修改，而在二零一七年度財務報表的收益分派表包含一項對發行/贖回單位(收入部分)的調整項目。

<sup>1</sup> The figures of daily income portion of the net asset value and daily income ratio of the net asset value generated by HSBC Provident Fund Trustee (Hong Kong) Limited, administrator of China Enterprises ETF, during the period from 13 December 2016 to 31 December 2016 were incorrect. As a consequence, the undistributed income carried forward have been understated by 2.2% of the adjusted undistributed income carried forward which represents 0.02% of the net asset value of China Enterprises ETF as at 31 December 2016. Having taken into consideration the amount of adjustment, nil impact to the net asset value of China Enterprises ETF and nil impact to the amount of dividend payment already made to the relevant unitholders of China Enterprises ETF, no amendment in the Distribution Statement of the financial statements for the year ended 31 December 2016 would be required and an adjustment on income portion of issue/redemption of units is included in the Distribution Statement of the financial statements for the year ended 31 December 2017.

## 1. 背景

中國企業上市基金及富時中國50上市基金（「基金」）由香港證券及期貨事務監察委員會（「證監會」）根據香港證券及期貨條例第104(1)條認可，並由香港《單位信託及互惠基金守則》（「《證監會守則》」）管轄。

中國企業上市基金是根據香港法例並按2003年11月18日訂立並經不時修訂的《信託契約》成立，並於2003年11月19日根據香港法例註冊為單位信託基金；而富時中國50上市基金是根據香港法例並按2005年6月1日訂立並經不時修訂的《信託契約》成立，並於2005年6月1日根據香港法例註冊為單位信託基金。

基金的投資目標分別是透過持有一籃子恒生中國企業指數及富時中國50指數（分別稱「中國企業指數」及「富時中國50指數」，合稱「指數」）成份股，於扣除費用前盡實際可能緊貼指數之表現。

截至2017年12月31日，恒生中國指數基金持有富時中國50上市基金66% (2016：70%) 可贖回單位，因此恒生中國指數基金被視為富時中國50上市基金的母公司。

## 2. 主要會計政策

### (a) 遵例聲明

基金的財務報表是按照香港會計師公會頒佈的所有適用的《香港財務報告準則》（包含所有適用的個別《香港財務報告準則》、《香港會計準則》及詮釋）、香港公認會計原則、經修訂的《信託契約》的有關條款及證監會發出的《證監會守則》的相關披露條款編製。以下是基金採用的主要會計政策概要。

香港會計師公會頒佈了若干新訂和經修訂的《香港財務報告準則》。這些準則在基金當前會計期間首次生效或可供提前採用。在與基金有關的範圍內初始應用這些新訂和經修訂的準則所引致當前和以往會計期間的會計政策變更，已於本財務報表內反映，有關資料載列於附註3。

### (b) 財務報表的編製基準

財務報表計量及呈列貨幣為港元(即基金的報價貨幣)，而所有數項則以個位計算。

除投資按公平價值入賬(見下文所載的會計政策)外，本財務報表以歷史成本作為編製基準。

在按照《香港財務報告準則》編製財務報表時，基金經理及受託人需就會計政策的採用及財務報表中所列之資產、負債、收入及支出數額的呈報作判斷、估計及假設。該等估計與相關假設乃基於過往經驗和其它被認為合理之各種因素作出，從而作為計算某些難以確認的資產及負債之賬面價值的基準。實際結果或與該等估計不盡相同。有關已停牌股份的公平價值之決定因涉及重大不可觀察的輸入值，而要較高程度的判斷，並在附註13披露。

該等估計及相關假設經被不時檢討。因應該等估計需作出的修訂將在該等估計之修訂期間（若該等修訂僅影響該期間）或者修訂期間及未來期間（若該等修訂影響現時及未來期間）予以確認。

### (c) 收入與支出

利息收入及支出以實際利率法計算。股息收入在投資項目的價格除息時確認。股息收入呈列時並沒有扣除在收入或虧損獨立披露的不可取回的預扣稅。所有其他的收入及支出均以權責發生制的形式入帳。

### (d) 稅項

本年度的稅項包含了本期稅項。本期稅項已於收入或虧損內確認。

本期稅項是按該年度應課稅收入，於年終日根據已立例制定或實際上已立例制定的稅率計算。本期稅項已包括為投資收益作出的不可取回的預扣稅。

### (e) 外幣換算

年度內的外幣交易按交易日的匯率換算至港元。以外幣為單位的貨幣資產及負債則按年終日的匯率換算至港元。匯兌盈餘或虧損均撥入收入或虧損確認。因按公平價值列入收入或虧損的投資而產生之匯兌差異已被包括於投資收益或虧損。

### (f) 金融工具

#### (i) 分類

所有投資包括指數成份股的投資，主要是為了可於短期內出售而購置，是持作交易用途的金融資產。基金將其所有投資歸類為按公平價值列入收入或虧損的金融資產。被歸類為應收款項的金融資產包括應收認購單位款項、應收投資款項及應收利息。不被歸類為按公平價值列入收入或虧損的金融負債包括應付投資款項、應付贖回單位款項、預提費用及其他應付款項。

#### (ii) 確認

金融資產和金融負債在基金成為相關合約條文的人士時，將被予以確認。

在一般情況下購入或出售的按公平價值列入收入或虧損的金融資產或金融負債是根據交易日法予以確認。該等金融資產或金融負債之公平價值變動所產生的盈餘或虧損由該日起計算。

除非合約的其中一方已履行合約責任或該合約為不獲《香港會計準則》第39條豁免的衍生工具合約，否則金融負債將不被確認。

#### (iii) 計量

金融工具的首次計量是以公平價值（即交易價格）計算。按公平價值列入收入或虧損的金融資產及負債的交易成本則列為費用撥入收入或虧損立即註銷。

首次確認後，所有按公平價值列入收入或虧損的工具以公平價值計量，其公平價值之變動則於收入或虧損予以確認。

分類為貸款或應收款項的金融資產採用實際利率法按攤銷成本扣除減值虧損（如有）後列賬。

非按公平價值列入收入或虧損的金融負債採用實際利率法按攤銷成本計量。

#### (iv) 公平價值計量的準則

公平價值是指市場參與者於計量日在主要市場（如果沒有主要市場則為最有利的市場）進行有序交易，出售資產時收取或轉移負債時支付的價格。負債的公平價值反映了其不履約風險。

基金會以工具在活躍市場的報價（如有）計量其公平價值。只要資產或負債的交易頻率和數量足以持續提供價格資料，即屬於活躍的市場。

如果沒有活躍市場的報價，基金會盡量使用相關的可觀察輸入值，並盡量減少使用不可觀察輸入值的估值技術。所選用的估值技術包含市場參與者在為交易定價時考慮的所有因素。

基金會出現變動的該年期結束時確認公平價值級別之間的轉移。

投資淨收益或虧損將列於收入或虧損內。已變現之投資的收益或虧損及由公平價值變動所帶來的未變現之投資的收益或虧損則載列於附註9。按公平價值列入收入或虧損的金融工具之已變現淨收益或虧損以平均成本法計算。

### 2. 主要會計政策(續)

#### (v) 減值

於每個年終日，以成本或攤銷成本計量的金融資產均會進行檢討以決定是否存在減值的客觀證據。若出現該等證據，減值虧損便以金融資產的賬面值與其預計未來現金流量按原訂實際利率折現的現值之間的差額在收入或虧損內確認。

若以攤銷成本列賬之金融資產的減值虧損於其後期間減少，而且客觀上該減少與減值後發生的事件有關，則在收入或虧損內回撥減值。

#### (vi) 取消確認

若可按金融資產合約收取現金的權利已過期或該金融資產連同大部份的風險及所有權的報酬被轉讓，該金融資產即被取消確認。

於基金出售持作交易用途的資產當日，已出售之該等資產將被取消確認，來自經紀商的相關應收款項將於基金出售該等資產當日進行確認。

若合約所指定的責任被解除、取消或終止時，金融負債即被取消確認。

金融資產被取消確認時，資產之帳面金額及所得款項之差異在收入或虧損被確認。

#### (vii) 抵銷

若基金具有將某項金融資產和金融負債的經確認數額互相抵銷之合法可執行權利，並有意根據其差額或同時進行結算交易（例如通過市場清算機制），該金融資產和金融負債會以互相抵銷後的淨額列入資產負債表內。

#### (g) 關聯方

##### (a) 任何人士如果：

- (i) 控制或與第三方共同控制基金；
  - (ii) 對基金具有重大的影響力；或
  - (iii) 是基金或基金母公司的關鍵管理人員；
- 其本人或近親可視為基金的關聯方。

##### (b) 如屬下列任何一種情況，企業實體可視為基金的關聯方：

- (i) 該實體與基金隸屬同一集團（意指彼此的母公司、附屬公司和同系附屬公司互有關聯）。
- (ii) 一家實體是另一實體的聯營公司或合營企業（或是另一實體所屬集團旗下成員公司的聯營公司或合營企業）。
- (iii) 兩家實體是同一第三方的合營企業。
- (iv) 一家實體是第三方實體的合營企業，而另一實體是第三方實體的聯營公司。
- (v) 該實體是作為基金關聯方的任何實體的僱員福利而設的離職後福利計劃。
- (vi) 該實體受到上述第(a)項內所認定人士控制或與第三方共同控制。
- (vii) 上述第(a)(i)項內所認定人士對該實體具有重大的影響力或是該實體（或該實體母公司）的關鍵管理人員。
- (viii) 該實體或與該實體所屬集團旗下任何成員提供關鍵管理人服務予基金或基金母公司。

任何人士的近親是指預期會在與該實體的交易中影響該名人士或受其影響的家屬。

#### (h) 現金及現金等價物

現金及現金等價物包括銀行存款及現金，於銀行及其他金融機構的活期存款和短期及流動性極高的投資項目。這些項目可以在沒有重大價值轉變的風險下容易地換算為已知的現金數額，並在購入後三個月內到期。

#### (i) 已發行單位

基金根據已發行的金融工具實質的合約條款，把其分類為金融負債或權益工具。

基金只發行一類可贖回單位。該類單位是基金的金融工具中居最末的類別及於所有重大層面擁有同等地位及有著相同的條款與章則。可贖回單位賦予投資者權利，可於每個贖回日及當基金清盤時，要求以現金形式贖回等值其於基金資產淨值中的持股比例。

發行人於有合約性責任以現金或其他金融資產回購或贖回的可贖回金融工具如符合下列所有條件時，應分類為權益工具：

- (i) 基金清盤時，持有人有權依其持有比例取回基金之資產淨值；
- (ii) 該金融工具所屬的類別於所有工具的類別中居最末位；
- (iii) 於所有工具的類別中居最末位的類別中的所有金融工具均有相同的特質；
- (iv) 基金除了以現金或其他金融資產回購或贖回工具以履行合約性責任外，該工具本身並無任何其他符合負債定義的特質；及
- (v) 工具全期內之總預期現金流量的攤派是根據實質的損益計算；或根據已確認的資產淨值的變動計算；或根據基金已確認及未確認的資產淨值之公平價值的變動計算。

基金的可贖回單位符合以上所有的條件，並被分類為權益。

#### (j) 分部報告

分部經營是基金的組成部分且從事可賺取收入並衍生費用（包括與同一基金內的其他組成部分進行交易而衍生的相關收入和費用）的商業活動，其經營成果由主要經營決策者定期進行檢討，以決定分部的資源分配並評估其表現，及可取得其個別財務資訊。匯報予主要經營決策者的分部表現包括可直接攤派至分部及可按合理的原則分配予分部的項目。基金的主要經營決策者為基金經理，即恒生投資管理有限公司。

#### (k) 認購及贖回的收入均衡調整

發行單位所得及應收款項和贖回單位所付及應付款項的收入部分是按單位於發行或贖回日的未分派之累積投資淨收入及累積支出佔單位價格之比例計算。

### 3. 會計政策的修訂

香港會計師公會頒布了數項在當前會計期間首次生效的《香港財務報告準則》修訂。這些修訂對基金的會計政策並無構成影響。

在這些修訂中，《香港會計準則》第7號之修訂本，*現金流量表：披露計劃*要求實體作出披露，使財務報表使用者能夠評估融資活動產生的負債變動，包括現金流量變動及非現金變動。由於基金的可贖回單位被分類為權益（見附註2(i)），故此採納這些修訂對基金的財務報表並無重大影響。基金並無採用任何在本會計期間尚未生效的新準則或詮釋（見附註15）。

#### 4. 稅項

由於基金的收入根據香港稅務條例第26A(1A)條獲得稅項豁免，故此財務報表內並無就香港利得稅撥備。

年度稅項支出為不可取回的股息預扣稅。股息收入按扣除預扣稅前的總金額列入收益或虧損。

#### 5. 按公平價值列入收入或虧損的投資

以下為基金於年終日按公平價值列入收入或虧損的投資。

|                                  | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|----------------------------------|-----------------------------------|-------------------|---------------------------------|-------------------|
|                                  | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 香港上市股票 Hong Kong listed equities | 41,847,798,794                    | 44,777,327,414    | 166,101,008                     | 134,231,507       |

#### 6. 金融風險管理

根據其投資管理策略，基金的投資組合為指數成份股，但不限於股票。基金的投資目標是於扣除費用前盡實際可能緊貼作為基金基準的指數之表現。基金經理主要採用複製策略以達到基金的投資目標。當指數的成份股或指數成份股的比重有所改變時，基金經理會負責調整基金組合內之股票，以確保基金的投資組合與構成指數的股票及每一成份股的比重相符。

基金的投資活動為其帶來了不同種類的風險，此等風險與其投資的金融工具及市場有關。為了遵從《香港財務報告準則》第7號的要求，基金經理為基金持有的金融工具確立了最重要的固有財務風險的種類。基金經理欲強調以下所載列的關聯風險只是其中一部份，並不為投資於基金的固有風險的全部。投資者請注意與基金投資有關聯的風險的更多資訊已載列於基金的香港銷售文件（「銷售文件」）內。

基金於年終日所持有的金融工具的性質及種類與其風險管理政策詳述如下。

##### (a) 市場風險

因市場價格變動而令到金融工具的公平價值和未來現金流出現波動，會引致市場風險，包括匯率、利率及價格風險。

##### (i) 匯率風險

基金的金融資產及負債的報價貨幣為港元，與基金的報價貨幣相同，因此基金所面對之匯率風險極少。

##### (ii) 利率風險

利率變動可能為帶息資產的價值帶來相反影響，或會引致基金產生收益或虧損，從而或會產生利率風險。除銀行存款外，基金的金融資產及負債均為非帶息，因此基金並沒有重大的利率風險。

##### (iii) 價格風險

基金所持之金融工具的價值會受市場價格的轉變（由利率風險及匯率風險所引起的除外）的影響而波動（不論該市場價格的轉變是否由個別投資特有的因素，其發行人所有會影響於市場交易的金融工具的因素所引起），從而產生價格風險。基金承受由股票工具的市場價值轉變所帶來的價格風險。

基金經理透過採用複製策略建立投資組合。由於基金並非積極管理型基金，基金經理並無酌情權挑選股票或於股市下跌時採取防禦措施。因此，相關指數下跌將會使基金的價值相應下跌。

基金所持之投資均為於香港聯合交易所（「聯交所」）上市的指數成份股。基金以整體基礎來估計股票投資市場未來合理及有可能的價格變動，若相關指數於2017年12月31日分別上升/下跌20%（2016：20%），則估計「屬於單位持有人之資產淨值」分別會上升/下跌如下。這分析假設所有其他可變因素，尤其是利率保持不變。

| 基金<br>Fund                     | 貨幣<br>Currency | 指數<br>Index                    | 估計「屬於單位持有人之資產淨值」之升/(跌)<br>Estimated Increase/(Decrease) in Net Assets Attributable to Unitholders |   |   |   |
|--------------------------------|----------------|--------------------------------|---|---|---|---|
|                                |                |                                | 若相關指數<br>上升20%  | 若相關指數<br>上升20%                            | 若相關指數<br>下跌20%                            | 若相關指數<br>下跌20%                            |
|                                |                |                                | If the relevant index<br>increased by 20%   | If the relevant index<br>increased by 20% | If the relevant index<br>decreased by 20% | If the relevant index<br>decreased by 20% |
| 中國企業上市基金 China Enterprises ETF | 港元 HKD         | 中國企業指數 China Enterprises Index | 8,369,559,759   | 8,955,465,483                             | (8,369,559,759)                           | (8,955,465,483)                           |
| 富時中國50上市基金 FTSE China 50 ETF   | 港元 HKD         | 富時中國50指數 FTSE China 50 Index   | 33,220,202  | 26,846,301                                | (33,220,202)                              | (26,846,301)                              |

##### (b) 信貸風險

與經紀的交易於等待結算時或會產生信貸風險。然而所涉及的結算時間非常短暫及選用的經紀亦有一定的質素，因此由於未能結算而衍生出的信貸風險是非常低的。基金經理會透過監察經紀商的信貸評級及其財政狀況以進一步減低此風險。

HSBC Provident Fund Trustee (Hong Kong) Limited 是基金的受託人。如受託人破產或清盤，或會令到基金資產的權益受到耽擱或限制。基金經理會透過持續監察受託人的信貸質素以檢視其風險。

基金的所有投資均存放於香港上海滙豐銀行有限公司（「代管人」），如代管人破產或清盤，或會令到存於代管人的基金投資的權益受到耽擱或限制。基金經理會透過持續監察代管人的信貸評級以檢視其風險。

基金所持有的所有現金均存於香港上海滙豐銀行有限公司（「滙豐銀行」）及恒生銀行有限公司（「恒生銀行」）（合稱「該等銀行」）。如該等銀行破產或清盤或會令到存於該等銀行的基金現金的權益受到耽擱或限制。基金經理會透過持續監察該等銀行的信貸評級以檢視其風險。

除以上所述外，於2017年12月31日及2016年12月31日，基金並沒有與其他對手有重大集中的信貸風險。

6. 金融風險管理(續)

(c) 流通性風險

流通性風險是基金以現金或其他金融資產來履行由金融負債引起的責任時會遇到困難的風險，或該責任的解除方式會不利於基金。

基金及基金經理有政策及程序管理流通性以應付其負債包括預計的單位贖回，可於到期時支付而沒有帶來不能支付的損失或對基金的聲譽造成損害。

銷售文件賦予單位可每日發行及贖回，所以基金面對每日應付單位持有人贖回單位的流通性風險。所有其他金融負債是按需求而償付或其合約的期限少於三個月。

基金大部份的金融資產是上市股票投資，全部均於聯交所上市，故被視為可輕易變現的投資。因此，基金能夠將其投資快速變現以應付其流動需要。

基金的流通性風險由基金經理根據現有的政策及程序每日管理。基金允許投資者透過參與經紀商，以一籃子指數成分股及以少量現金款額，或全數以現金贖回單位(自二零一七年十二月一日增設之方式)，中國企業上市基金的最少贖回單位為100,000個，而富時中國50上市基金的最少贖回單位則為50,000個。此外，基金亦允許聯接基金透過基金經理以一籃子指數成分股及以少量現金款額或全數以現金贖回最少1個單位，現時中國企業上市基金的聯接基金為恒生中國企業指數基金(前稱恒生中國H股指數基金)及恒生中國企業指數基金(前稱恒生H股指數基金)，而富時中國50上市基金的聯接基金則為恒生中國指數基金。

根據銷售文件，於若干情況下，基金經理有權宣佈暫停單位持有人贖回單位的權利，例如當聯交所休市；於聯交所或香港期貨交易所的買賣遭到限制或暫停；或指數沒有被編制或發放等。

(d) 資本管理

基金於年終日的可贖回單位代表其資本。

基金管理資本的目的是確保有穩定及強健的基礎為投資者帶來最大的回報，及管理由贖回而引起的流通性風險。基金經理根據載於銷售文件的基金的投資目標及政策管理基金的資本。

於年度內，基金管理資本方式的政策及程序並沒有變動。

基金不受外在的資本要求所管制。

權益的金額及變動已載列於權益變動表。由於可贖回單位是按單位持有人的指示被贖回，實際贖回的水平與以往的經驗可能有重大的差異。

7. 股息收入

以下為基金於年度內所賺取的股息收入及已扣除不可取回的預扣稅的淨股息收入。

|                           | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|---------------------------|-----------------------------------|-------------------|---------------------------------|-------------------|
|                           | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 股息收入 Dividend income      | 1,567,480,933                     | 1,985,569,336     | 5,953,045                       | 5,108,083         |
| 預扣稅 Withholding taxes     | (156,748,094)                     | (198,556,934)     | (554,292)                       | (470,541)         |
| 淨股息收入 Net dividend income | 1,410,732,839                     | 1,787,012,402     | 5,398,753                       | 4,637,542         |

8. 利息收入

於年度內，基金的所有利息收入均從現金及現金等價物賺取。

9. 投資淨收益/(虧損)

於年度內，已變現及未變現的投資收益或虧損詳情如下：

|  | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|--|-----------------------------------|-------------------|---------------------------------|-------------------|
|  | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 股票投資已變現收益/(虧損) Realised gains/(losses) from investments in equities  | 1,563,064,750                     | (6,962,375,894)   | 15,004,618                      | (1,995,819)       |
| 股票投資未變現收益之變動 Movement on unrealised gains on investments in equities | 7,806,412,966                     | 6,265,009,243     | 29,800,458                      | 581,557           |
| 股票投資淨收益/(虧損) Net gain/(losses) on investments in equities            | 9,369,477,716                     | (697,366,651)     | 44,805,076                      | (1,414,262)       |

10. 與受託人、基金經理及關連人士的交易

以下為基金與受託人、基金經理及彼等的關連人士於年度內訂立的交易或重大關聯方交易概要。關連人士為證監會頒布的《證監會守則》所界定的關連人士。基金、受託人、基金經理及彼等關連人士於年度內的所有交易均於日常業務過程中按正常商業條款進行。就受託人及基金經理所知，除以下的披露外，基金再沒有與關連人士有其他交易。所有有關的應收及應付款項均無擔保、免息及可隨時索還。

(a) 恒生投資管理有限公司(「恒生投資管理」)(滙豐集團成員-恒生銀行全資附屬機構)是基金的經理。恒生投資管理向基金收取每年為資產淨值0.55%的管理費。管理費於每個交易日計算，並於每月支付。以下為基金於年終日應付予基金經理的管理費。

|                               | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|-------------------------------|-----------------------------------|-------------------|---------------------------------|-------------------|
|                               | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 應付管理費 Management fees payable | 18,592,123                        | 21,353,281        | 78,272                          | 65,049            |



## 財務報表附註(續)

### 10. 與受託人、基金經理及關連人士的交易(續)

- (b) HSBC Provident Fund Trustee (Hong Kong) Limited (滙豐集團成員) 是基金的受託人，並可以分層比率向基金收取每年為資產淨值0.025%至0.05%的受託人費。受託人費於每個交易日計算，並於每月支付。以下為基金於年終日應付予受託人的受託人費。

|                                  | 中國企業上市基金<br>China Enterprises ETF |                    | 富時中國50上市基金<br>FTSE China 50 ETF |                    |
|----------------------------------|-----------------------------------|--------------------|---------------------------------|--------------------|
|                                  | 2017<br>(港元) (HKD)                | 2016<br>(港元) (HKD) | 2017<br>(港元) (HKD)              | 2016<br>(港元) (HKD) |
| 應付予受託人費用 Fees payable to Trustee | 1,483,131                         | 3,222,586          | 16,741                          | 31,438             |

受託人於年度內亦提供其他各項服務予基金，受託人就以下各項服務的收費比率如下：

|  | 中國企業上市基金<br>China Enterprises ETF | 富時中國50上市基金<br>FTSE China 50 ETF |
|--|-----------------------------------|---------------------------------|
|  | 2017<br>(港元) (HKD)                | 2016<br>(港元) (HKD)              |
| 每年登記處費(港元) Registrar's fees per annum (in HKD)   | 15,600                            | 15,600                          |
| 每次處理購入或出售投資的手續費(港元)<br>Processing fees for handling each purchase or sale of investments (in HKD)            | 35                                | 35                              |
| 每次估值的估值費(港元) Valuation fees per valuation (in HKD)   | 400                               | 400                             |
| 每次處理發行/贖回/轉換基金單位的手續費(港元)<br>Processing fees for handling each creation/redemption/transfer of units (in HKD) | 100                               | 100                             |

- (c) 基金使用滙豐銀行的服務處理部分投資買賣交易。以下為基金於年度內經由滙豐銀行處理的交易詳情：

|   | 中國企業上市基金<br>China Enterprises ETF |      | 富時中國50上市基金<br>FTSE China 50 ETF |      |
|---|-----------------------------------|------|---------------------------------|------|
|   | 2017                              | 2016 | 2017                            | 2016 |
| 透過滙豐銀行進行的交易的總值(港元) Value of transactions executed through HSBC (in HKD) | 99,478,829                        | -    | 17,543,718                      | -    |
| 佔基金交易總額比率 Share of the total value of transactions of the funds         | 0.14%                             | -    | 8.54%                           | -    |
| 支付予滙豐銀行的經紀佣金(港元) Commission paid to HSBC (in HKD)                       | 19,898                            | -    | 3,512                           | -    |
| 平均佣金比率 Average commission rate  | 0.02%                             | -    | 0.02%                           | -    |

- (d) 另外，基金有使用滙豐銀行的服務，需向滙豐銀行支付證券費用、行政費用及證券託管及銀行費用。基金於年度內支付的有關費用及於年終日應付的有關費用如下：

|   | 中國企業上市基金<br>China Enterprises ETF |                    | 富時中國50上市基金<br>FTSE China 50 ETF |                    |
|---|-----------------------------------|--------------------|---------------------------------|--------------------|
|   | 2017<br>(港元) (HKD)                | 2016<br>(港元) (HKD) | 2017<br>(港元) (HKD)              | 2016<br>(港元) (HKD) |
| 於年度內支付的證券費用 Securities expenses paid during the year                | 807,819                           | 2,962,073          | 48,340                          | 38,405             |
| 於年度內支付的行政費用 Administrative fees paid during the year                | 274,460                           | 239,375            | 28,836                          | 26,650             |
| 於年度內支付的證券託管及銀行費用 Safe custody and bank charges paid during the year | 1,783,703                         | 1,706,596          | 8,987                           | 6,933              |
| 於年終日應付證券費用 Securities expenses payable as of year end               | 63,945                            | 54,075             | 6,066                           | 5,250              |
| 於年終日應付行政費用 Administrative fees payable as of year end               | -                                 | 133,700            | -                               | 18,750             |
| 於年終日應付證券託管費用 Safe custody payable as of year end                    | 144,295                           | -                  | 578                             | -                  |

- (e) 中國企業上市基金於年度內使用中國企業指數以設立、提供、促銷及發售中國企業上市基金，而需向恒生指數有限公司(恒生銀行全資附屬機構)支付16,504,965港元使用權費(2016: 18,599,438港元)。於年終日應付的有關費用為3,939,666港元(2016: 4,667,783港元)。

- (f) 基金的所有銀行存款存放於滙豐銀行及恒生銀行，有關的銀行存款於年終日的結餘、於年度內賺取的利息收入及於年終日的應收利息的詳情如下：

|  | 中國企業上市基金<br>China Enterprises ETF |                    | 富時中國50上市基金<br>FTSE China 50 ETF |                    |
|--|-----------------------------------|--------------------|---------------------------------|--------------------|
|  | 2017<br>(港元) (HKD)                | 2016<br>(港元) (HKD) | 2017<br>(港元) (HKD)              | 2016<br>(港元) (HKD) |
| 滙豐銀行存款於年終日的結餘 HSBC bank balances as of year end                                  | 103,025,941                       | 64,273,169         | 835,480                         | 836,852            |
| 恒生銀行存款於年終日的結餘 HSB bank balances as of year end                                   | -                                 | 1,784              | -                               | 53,142             |
| 年度內從滙豐銀行及恒生銀行賺取的利息收入<br>Interest income earned from HSBC and HSB during the year | 60,296                            | 29,184             | 104                             | 94                 |
| 年終日於滙豐銀行的應收利息 Interest receivable from HSBC as of year end                       | -                                 | 18                 | -                               | -                  |

- (g) 於2017年1月1日至2017年3月28日期間，恒生銀行提供無抵押透支額及外匯風險加權交易額予基金。由2017年3月29日起，恒生銀行並無向基金提供無抵押透支額及外匯風險加權交易額。截至2017年12月31日止年度，基金沒有向恒生銀行支付年費及利息。

截至2016年12月31日止年度，恒生銀行向基金提供無抵押透支額及外匯風險加權交易額。該等額度的詳情、年費及列於收入或虧損的利息支出如下：

|   | 中國企業上市基金<br>China Enterprises ETF |             | 富時中國50上市基金<br>FTSE China 50 ETF |           |
|---|-----------------------------------|-------------|---------------------------------|-----------|
|   | 2017                              | 2016        | 2017                            | 2016      |
| 無抵押透支額(港元) Unsecured overdraft facility (in HKD)    | -                                 | 300,000,000 | -                               | 7,889,000 |
| 年利率(港元最優惠利率) Interest rate (HKD Prime Lending Rate) | -                                 | + 1.5%      | -                               | + 1.5%    |
| 年費(港元) Annual fee (in HKD)                          | -                                 | 1,800,000   | -                               | 23,667    |
| 利息支出(港元) Interest expenses (in HKD)                 | -                                 | 1,799       | -                               | 1,004     |
| 外匯風險加權交易額(美元) Risk weighted FX facility (in USD)    | -                                 | 64,000      | -                               | 64,000    |
| 年費(美元) Annual Fee (in USD)                          | -                                 | 64          | -                               | 64        |

## 財務報表附註(續)

### 10. 與受託人、基金經理及關連人士的交易(續)

- (h) 恒生中國指數基金為富時中國50上市基金的母公司。有關恒生中國指數基金於年終日持有的富時中國50上市基金單位及於年度內賺取富時中國50上市基金予單位持有人的收益分派詳情如下：

|  | 富時中國50上市基金<br>FTSE China 50 ETF |           |
|--|---------------------------------|-----------|
|  | 2017                            | 2016      |
| 於年終日持有富時中國50上市基金的單位數目 Number of unit holdings in FTSE China 50 ETF as of year end              | 527,640                         | 604,616   |
| 於年度內賺取富時中國50上市基金的收益分派(港元) Distributions earned from FTSE China 50 ETF during the year (in HKD) | 2,433,924                       | 1,950,573 |

- (i) 恒生中國指數基金為富時中國50上市基金的母公司，於年度內以現金新增及現金贖回富時中國50上市基金單位的詳情如下：

|  | 富時中國50上市基金<br>FTSE China 50 ETF |            |
|--|---------------------------------|------------|
|  | 2017                            | 2016       |
| 新增金額(港元) Cash creation amount (in HKD)   | 67,147,620                      | 23,249,509 |
| 新增單位數目 Cash creation units               | 358,624                         | 146,834    |
| 贖回金額(港元) Cash redemption amount (in HKD) | 80,365,205                      | 25,954,759 |
| 贖回單位數目 Cash redemption units             | 416,000                         | 166,000    |

- (j) 恒生中國指數基金為富時中國50上市基金的母公司，於年度內從聯交所購買及出售富時中國50上市基金單位的詳情如下：

|                                   | 富時中國50上市基金<br>FTSE China 50 ETF |            |
|-----------------------------------|---------------------------------|------------|
|                                   | 2017                            | 2016       |
| 購買金額(港元) Purchase amount (in HKD) | 34,760,778                      | 46,120,700 |
| 購買單位數目 Purchase units             | 192,500                         | 294,500    |
| 出售金額(港元) Sell amount (in HKD)     | 36,746,462                      | 49,602,848 |
| 出售單位數目 Sell units                 | 212,100                         | 319,400    |

### 11. 已發行單位

基金之已發行單位如下：

|  | 中國企業上市基金<br>China Enterprises ETF |                    | 富時中國50上市基金<br>FTSE China 50 ETF |                |
|--|-----------------------------------|--------------------|---------------------------------|----------------|
|  | 2017                              | 2016               | 2017                            | 2016           |
| 年初單位結餘 Number of units brought forward           | 472,970,832                       | 499,381,719        | 858,416                         | 977,582        |
| 年度內發行單位 Number of units issued during the year   | 237,714,360                       | 330,896,581        | 358,624                         | 196,834        |
| 年度內贖回單位 Number of units redeemed during the year | (356,425,748)                     | (357,307,468)      | (416,000)                       | (316,000)      |
| 年終單位結餘 Number of units carried forward           | <u>354,259,444</u>                | <u>472,970,832</u> | <u>801,040</u>                  | <u>858,416</u> |

### 12. 軟佣金

基金經理並沒有為基金與任何經紀訂立任何軟佣金協議。

### 13. 公平價值

基金的投資於年終日是以公平價值計量。而公平價值是於某一指定時間，因應市場因素及金融工具的有關資料估算出來。公平價值的計算涉及不可觀察的因素及主觀判斷，然而公平價值仍可於合理估計範圍內確實地估算出來。而其他金融工具包括應收認購單位款項、應收投資款項、應收利息、現金及現金等價物、應付投資款項、應付贖回單位款項及預提費用及其他應付款項，基於其性質屬中期或短期，故該等公平價值則以帳面金額計算。

#### 金融工具的估值

基金公平價值計量的會計政策詳見附註2(f)(iv)。

基金以下列公平價值級別計量公平價值，以反映在計量時所採用的輸入值的重要性。

- 第一級：所用輸入值為相同工具在活躍市場的報價（未經調整）。
- 第二級：所用輸入值為第一級別的市場報價以外的數據，包括可直接（即價格）或間接（即源自價格）可觀察的數據。這類別包括使用以下方法進行估值的工具：
  - 類似工具在活躍市場的報價；相同或類似工具在較不活躍市場的報價；或所有重大輸入值均可直接或間接從市場數據觀察的其他估值技術。
- 第三級：所用輸入值為不可觀察的數據。這類別包括所有工具，其所用估值技術並非基於可觀察的輸入值，而不可觀察的輸入值對工具的估值有重大影響。這類別亦包括基於類似工具的報價進行估值，但需要重大不可觀察的輸入值作出調整或假設，以反映工具之間的差異。

基金持有的所有投資均於聯交所上市，它們的公平價值是根據活躍市場的報價釐定。因此除了已停牌股票外，大部分投資在公平價值級別中被歸類為第一級。第三級的投資包括已停牌股票，該等股票於本財務報表中以停牌前最後成交價定價及根據相關信息估算。至於所有其他金融工具，由於它們中期或短期的性質，其帳面金額與公平價值接近。

## 財務報表附註(續)

### 13. 公平價值(續)

下表呈列了於年終日以三個公平價值級別來量度公平價值的金融工具的帳面值。

|                                      | 中國企業上市基金<br>China Enterprises ETF |                       | 富時中國50上市基金<br>FTSE China 50 ETF |                    |
|--------------------------------------|-----------------------------------|-----------------------|---------------------------------|--------------------|
|                                      | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD)     | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD)  |
| 第一級 Level 1                          |                                   |                       |                                 |                    |
| - 交易用途股票證券 Trading equity securities | 41,847,798,794                    | 44,777,327,414        | 166,101,008                     | 134,231,507        |
| 總額 Total                             | <u>41,847,798,794</u>             | <u>44,777,327,414</u> | <u>166,101,008</u>              | <u>134,231,507</u> |

基金的金融工具在年度內沒有任何第一及第二級之間的轉移。由於已停牌股票並沒有活躍市場的公開報價，該等股票投資採用最後成交價及根據相關信息的調整定價。於年終日，由富時中國50上市基金持有的一隻已停牌股票的賬面價值已撇減至零。下表呈列了基金持有的股票於第一級及第三級之間的轉移。

|  | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|--|-----------------------------------|-------------------|---------------------------------|-------------------|
|  | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 由第三級轉至第一級 Transfer from Level 3 to Level 1 |                                   |                   |                                 |                   |
| - 交易用途股票證券 Trading equity securities       | -                                 | 415,658,446       | -                               | 906,435           |

本年度第三級公平價值計量的結餘變動如下：

|  | 中國企業上市基金<br>China Enterprises ETF |                   | 富時中國50上市基金<br>FTSE China 50 ETF |                   |
|--|-----------------------------------|-------------------|---------------------------------|-------------------|
|  | 2017<br>(港元)(HKD)                 | 2016<br>(港元)(HKD) | 2017<br>(港元)(HKD)               | 2016<br>(港元)(HKD) |
| 年初公平價值 Fair value at the beginning of the year | -                                 | 569,934,441       | -                               | 1,313,784         |
| 投資購入 Purchase of investments                   | -                                 | 321,704,295       | -                               | 269,481           |
| 投資出售 Sales of investments                      | -                                 | (346,287,942)     | -                               | (367,157)         |
| 淨已變現收益 Net realised gains                      | -                                 | 10,002,403        | -                               | 62,238            |
| 未變現虧損之變動 Movement on unrealised losses         | -                                 | (139,694,751)     | -                               | (371,911)         |
| 轉出第三級 Transfers out of Level 3                 | -                                 | (415,658,446)     | -                               | (906,435)         |
| 年終公平價值 Fair value at the end of the year       | <u>-</u>                          | <u>-</u>          | <u>-</u>                        | <u>-</u>          |

#### 重大不可觀察輸入值的量化資訊 - 第3級

下表載列了於2017年12月31日及2016年12月31日採用的重大不可觀察輸入值及估值技術，用來計量在公平價值等級制度中被分類為第3級的金融工具。

| 基金<br>Fund                      | 貨幣<br>Currency | 描述<br>Description | 於2017年12月31日<br>的公平價值<br>Fair value at<br>31 December 2017 | 於2016年12月31日<br>的公平價值<br>Fair value at<br>31 December 2016 | 估值技術<br>Valuation technique   | 不可觀察輸入值<br>Unobservable input |
|---------------------------------|----------------|-------------------|--|--|---|-------------------------------|
| 富時中國50上市基金<br>FTSE China 50 ETF | 港元 HKD         | 股票 Equities       | -  | -  | 停牌前最後成交價的準備金<br>Provision on the last traded price<br>before suspension | 折扣準備金<br>Discount provision   |

以下呈列了在公平價值等級制度之下對第3級工具的公平價值計量所使用的重大不可觀察輸入值，以及敏感度分析：

| 基金<br>Fund                      | 貨幣<br>Currency | 描述<br>Description | 不可觀察輸入值<br>Unobservable input | 不可觀察輸入值的變動<br>Change in unobservable input | 估計「單位持有人應佔資產淨值」<br>之升/(跌)<br>Estimated increase/(decrease)<br>in net assets attributable to unitholders |
|---------------------------------|----------------|-------------------|-------------------------------|--|---|
| 富時中國50上市基金<br>FTSE China 50 ETF | 港元 HKD         | 2017 股票 Equities  | 折扣準備金<br>Discount provision   | 5%<br>(5%)                                 | 97,750<br>-   |
|                                 |                | 2016 股票 Equities  | 折扣準備金<br>Discount provision   | 5%<br>(5%)                                 | 97,750<br>-   |

### 14. 分部資料

基金經理代表基金制訂分配資源的策略及根據用來制訂策略的內部檢討報告以確定營運分部。

基金經理根據銷售文件的規定以單一及綜合的投資策略投資於指數成分股，其目標為於扣除費用前盡實際可能緊貼指數之表現，故此視基金只有一個營運分部。於年度內並沒有營運分部的變動。

基金所產生的收益主要是來自上市股票。提供予基金經理的分部資料與披露於全面收入表及資產負債表內的一樣。

基金於香港註冊。基金的主要投資收入是來自於香港的上市股票。有關基金的投資詳情請參閱附註5。

### 15. 截至2017年12月31日之會計年度已頒佈但尚未正式生效之新訂、經修訂的準則及詮釋

截至本財務報表發行之日，香港會計師公會頒佈了若干新訂、經修訂的準則及詮釋。由於該等新訂及經修訂的準則於截至2017年12月31日之會計期內尚未正式生效，故本財務報表暫未採用。

於這些準則變化當中，以下變化可能與基金的運作及財務報表相關：

在以下日期或之後開始的會計期間生效

|                                     |           |
|-------------------------------------|-----------|
| 《香港財務報告準則》第9號，金融工具                  | 2018年1月1日 |
| 《香港（國際財務報詮釋委員會）詮釋》第22號，外幣交易與預收(付)對價 | 2018年1月1日 |
| 《香港（國際財務報詮釋委員會）詮釋》第23號，所得稅處理的不確定性   | 2019年1月1日 |

基金正評估當首次採用上述新訂、經修訂的準則及詮釋之影響，到目前為止基金認為採用該等新準則並不會對財務報表產生重大影響。預期影響的詳情於下文論述。雖然《香港財務報告準則》第9號的評估已大致完成，但由於至今完成的評估是以基金目前獲得的信息為基礎，因此，初始採納該等準則時產生的實際影響可能有所不同，而在相關準則初始應用於基金截至二零一八年十二月三十一日止年度的財務報表前，可能會發現進一步的影響。基金可能會改變其對會計政策的選擇，包括過渡期的選擇，直至相關準則初始應用於財務報表中。

#### 《香港財務報告準則》第9號，金融工具

《香港財務報告準則》第9號取代《香港會計準則》第39號，金融工具：確認及計量。當中包括有關金融工具分類和計量的修訂指引，以及計算金融資產減值的新預期信用虧損模型，並延續《香港會計準則》第39號有關金融工具確認及終止確認的指引。

#### 金融資產及金融負債的分類

《香港財務報告準則》第9號載有一項新的金融資產分類及計量方法，反映資產管理業務模式及其現金流量特徵。

這項準則包括金融資產的三大分類：以攤銷成本計量、按公平價值計入其他全面收益，以及按公平價值列入收入或虧損。它取消了目前《香港會計準則》第39號之下對持有至到期、貸款及應收款項及可供出售的分類。

根據基金的評估，這項準則預計不會對基金的金融資產分類產生重大影響，原因如下：

- 根據《香港會計準則》第39號目前按公平價值列入收入或虧損的金融工具屬於此類別，因為它們是按照已記錄的投資策略按公平價值進行管理。因此，該等金融工具將根據《香港財務報告準則》第9號強制按公平價值列入收入或虧損計量；及
- 目前按攤銷成本計量的金融工具為：應收認購單位款項、應收投資款項、應收利息、應付投資款項、應付贖回單位款項、預提費用及其他應付款項。這些工具符合了純粹支付本金和利息（SPPI）的準則，並以持作收集的商業模式持有。因此，根據《香港財務報告準則》第9號，將繼續按攤銷成本計量。

#### 金融資產的減值

《香港財務報告準則》第9號以前瞻性的「預期信用虧損」模型，取代《香港會計準則》第39號的「已產生虧損」模型。這涉及對經濟因素的變化如何影響預期信用虧損作出重大判斷，當中又按概率加權基礎釐定。

除權益工具投資外，新減值模型將應用於按攤銷成本或按公平價值計入其他全面收益的金融資產。

根據《香港財務報告準則》第9號，損失準備將以下列任何一項基準計量：

- 12個月預期信用虧損：即年終日後12個月內可能違約事件產生的預期信用虧損；及
- 整體期間的預期信用虧損：即金融工具的預計使用期內所有可能違約事件產生的預期信用虧損。

根據基金的評估，減值模型的變動預期不會對基金的金融資產造成重大影響，原因如下：

- 大部分金融資產按公平價值列入收入或虧損計量，而減值規定並不適用於該等工具；及
- 以攤銷成本計量的金融資產屬短期性質（即不超過12個月）和信用質素較高。因此，這些資產的預期信用虧損預計不大。

#### 對沖會計

基金不會應用對沖會計，因此《香港財務報告準則》第9號對沖會計相關變動不會對基金的財務報表產生影響。

#### 披露

《香港財務報告準則》第9號將要求作出大量新的披露，尤其是有關信貸風險及預期信用虧損的披露。基金已完成分析，確定與當前流程相比的數據差距，並正在設計其認為在擷取所需數據時必需作出的系統和控制變動。

#### 過渡情況

除下述者外，因採納《香港財務報告準則》第9號產生的會計政策變動一般會追溯應用。

- 基金將通過豁免，允許其無須重列以往期間有關分類和計量（包括減值）變動的比較信息。採用《香港財務報告準則》第9號產生的金融資產及金融負債賬面值差異，將於二零一八年一月一日的屬於單位持有人之資產淨值中調整。
- 基金應根據初始應用之日存在的事實和情況進行以下評估。
  - 確定持有金融資產的業務模型。
  - 指定和撤銷先前指定某些金融資產和金融負債按公平價值列入收入或虧損計量。

### 16. 年終日後事項

於2018年3月5日起，中國企業上市基金的名稱由「恒生H股指數上市基金」更改為「恒生中國企業指數上市基金」。

中國企業上市基金的名稱更改對截至2017年12月31日止的財務報表並無財務影響。

# Notes on the Financial Statements

## 1 Background

China Enterprises ETF and FTSE China 50 ETF (the "Funds") are authorised by the Securities and Futures Commission in Hong Kong ("SFC") under Section 104(1) of the Hong Kong Securities and Futures Ordinance, and are governed by the Hong Kong Code on Unit Trusts and Mutual Funds ("the SFC Code").

China Enterprises ETF was constituted by a Trust Deed dated 18 November 2003, as amended from time to time under the laws of Hong Kong, and registered on 19 November 2003 as a unit trust under the laws of Hong Kong; while FTSE China 50 ETF was constituted by a Trust Deed dated 1 June 2005, as amended from time to time under the laws of Hong Kong, and registered on the same date as a unit trust under the laws of Hong Kong.

The investment objective of the Funds is to match, before expenses, as closely as practicable, the performance of Hang Seng China Enterprises Index and FTSE China 50 Index (each "China Enterprises Index" and "FTSE China 50 Index", collectively the "Indexes") respectively by holding a basket of the constituent stocks of the Indexes.

As at 31 December 2017, 66% (2016: 70%) of the redeemable units of FTSE China 50 ETF were held by Hang Seng China Index Fund, which is considered as the parent of FTSE China 50 ETF.

## 2 Significant accounting policies

### (a) Statement of compliance

The financial statements of the Funds have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong, the relevant provisions of the respective Trust Deed, as amended, and the relevant disclosure provisions of the SFC Code issued by the SFC. A summary of the significant accounting policies adopted by the Funds is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Funds. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Funds for the current and prior accounting periods reflected in these financial statements.

### (b) Basis of preparation of the financial statements

The functional and presentation currency of the financial statements is Hong Kong dollars, which is the reporting currency of the units in issue of the Funds. All figures are rounded to the nearest dollar.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investments are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires the Manager and the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving a higher degree of judgement relate to the determination of fair value of suspended equities with significant unobservable inputs and are disclosed in note 13.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### (c) Income and expenses

Interest income and expenses are recognised as they accrue using the effective interest method. Dividend income is recognised when the underlying securities are quoted ex-dividend. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss. All other income and expenses are accounted for on an accruals basis.

### (d) Taxation

Taxation for the year comprises current tax which is recognised in profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the date of statement of assets and liabilities. Current tax includes non-recoverable withholding taxes on investment income.

### (e) Translation of foreign currency

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the foreign exchange rates ruling at the date of statement of assets and liabilities. Exchange gains and losses are recognised in profit or loss. Exchange differences relating to investments at fair value through profit or loss are included in gains/losses on investments.

### (f) Financial instruments

#### (i) Classification

All the investments including investments in the constituent stocks of the Indexes are acquired principally for the purposes of selling in the short term and are held for trading. The Funds classify all the investments as financial assets at fair value through profit or loss category. Financial assets that are classified as receivables include amounts receivable on subscription of units, amounts receivable on sale of investments and interest receivable. Financial liabilities that are not at fair value through profit or loss include amounts payable on purchase of investments, amounts payable on redemption of units and accrued expenses and other payables.

#### (ii) Recognition

The Funds recognise financial assets and financial liabilities on the date they becomes a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of HKAS 39.

## Notes on the Financial Statements (continued)

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### (iii) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

### (iv) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value are provided in note 9. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

### (v) Impairment

Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If in a subsequent period the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.

### (vi) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Assets held for trading that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Funds commit to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

### (vii) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

### (g) Related parties

(a) A person, or a close member of that person's family, is related to the Funds if that person:

- (i) has control or joint control over the Funds;
- (ii) has significant influence over the Funds; or
- (iii) is a member of the key management personnel of the Funds or the Funds' parent.

(b) An entity is related to the Funds if any of the following conditions applies:

- (i) The entity and the Funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Funds.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity or any member of a group of which it is a part, provides key management personnel services to the Funds or to the Funds' parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

## Notes on the Financial Statements (continued)

### (h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### (i) Units in issue

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Funds have one class of redeemable units in issue. This is the most subordinate class of financial instruments in the Funds and ranks *pari passu* in all material respects and has identical terms and conditions. The redeemable units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Funds' net assets at each redemption date and also in the event of the Funds' liquidation.

A puttable financial instrument that includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset is classified as equity instruments if it meets the following conditions:

- (i) it entitles the holder to a *pro rata* share of the Funds' net assets in the event of the Funds' liquidation;
- (ii) it is in the class of instruments that is subordinate to all other classes of instruments;
- (iii) all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (iv) apart from the contractual obligation for the Funds to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- (v) the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Funds over the life of the instrument.

The Funds' redeemable units meet all of these conditions and are classified as equity.

### (j) Segment reporting

An operating segment is a component of the Funds that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Funds' other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision maker of the Funds is identified as the Manager, Hang Seng Investment Management Limited.

### (k) Income equalisation on subscriptions and redemptions

Income portion of received and receivable on issue of units or paid and payable on redemption of units is calculated based on the portion of the unit price related to undistributed accumulated net investment income and accumulated expenses of the unit at the date of issue or redemption.

## 3 Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Funds. None of these impact on the accounting policies of the Funds.

Of these amendments, amendments to HKAS 7, *Statement of cash flows: Disclosure initiative*, require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. As the Funds' redeemable units are classified as equity (see note 2(i)), adoption of these amendments did not have a material impact on the Funds' financial statements.

The Funds have not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 15).

## 4 Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the income of the Funds are exempt from taxation under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Taxation for the year represents non-recoverable withholding tax on dividend income which is recorded gross of withholding tax in profit or loss.

## 5 Investments at fair value through profit or loss

Investments at fair value through profit or loss as of 31 December 2017 and 31 December 2016 are shown on page 22.

## 6 Financial risk management

The Funds maintain investment portfolios in the constituent stocks of the Indexes as dictated by their investment management strategy, but are not limited to equity instruments. The Funds' investment objective is to match, before expenses, as closely as practicable, the performance of the Indexes against which the Funds are benchmarked. The Manager primarily adopts a replication strategy to achieve the investment objective of the Funds. When there is a change in the constituent stocks of the Indexes or the weighting of the constituent stocks in the Indexes, the Manager will be responsible for implementing any adjustment to the Funds' portfolio of stocks to ensure that the Funds' investment portfolios closely correspond to the composition of the Indexes and the weighting of each constituent stock.

The Funds' investing activities expose them to various types of risks that are associated with the financial instruments and markets in which they invest. To comply with HKFRS 7, the Manager has set out below the most important types of financial risks inherent in the financial instruments held by the Funds. The Manager would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Funds. Investors should note that additional information in respect of risks associated with the investments in the Funds can be found in the Funds' Hong Kong Offering Documents ("HKOD").

The nature and extent of the financial instruments outstanding at the year end date and the risk management policies employed by the Funds are discussed below.

## Notes on the Financial Statements (continued)

### (a) Market risk

Market risk arises when the fair value and future cash flows of a financial instrument will fluctuate because of changes in market prices and includes currency risk, interest rate risk and price risk.

#### (i) Currency risk

All the financial assets and liabilities of the Funds are denominated in Hong Kong dollars, the functional currency of the Funds, the Funds have limited exposure to currency risk.

#### (ii) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of interest bearing assets and therefore results in potential gain or loss to the Funds. Except for bank deposits, all the financial assets and liabilities of the Funds are non-interest bearing. As a result, the Funds have limited exposure to interest rate risk.

#### (iii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Funds are exposed to price risk arising from changes in market prices of equity instruments.

The Manager constructs the portfolio through adopting replication strategy. The Funds are not actively managed and the Manager does not have the discretion to select stocks or to take defensive position in declining market. Hence, any fall in the underlying index will result in a corresponding fall in the value of the Funds.

All investments of the Funds are constituent stocks of the Indexes listed on The Stock Exchange of Hong Kong ("SEHK"). The Funds estimate the future reasonably possible market price fluctuations for equity investments on an overall basis. If the relevant indexes at 31 December 2017 had increased/decreased by 20% (2016: 20%), it is estimated that the net assets attributable to unitholders of the Funds would have increased/decreased accordingly as shown on page 22. The analysis assumes that all other variables, in particular, interest rates remain constant.

### (b) Credit risk

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high quality of the brokers used. The Manager monitors the credit rating and financial positions of the brokers used to further mitigate this risk.

HSBC Provident Fund Trustee (Hong Kong) Limited is the Trustee of the Funds. Bankruptcy or insolvency of the Trustee may cause the Funds' rights with respect to the assets to be delayed or limited. The Manager monitors the risk by monitoring the credit quality of the Trustee on an on-going basis.

All of the investments of the Funds are held by The Hongkong and Shanghai Banking Corporation Limited (the "Custodian"). Bankruptcy or insolvency of the Custodian may cause the Funds' rights with respect to investments held by the Custodian to be delayed or limited. The Manager monitors its risk by monitoring the credit rating of the Custodian on an on-going basis.

All of the cash held by the Fund is deposited with The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and Hang Seng Bank Limited ("HSB") (collectively the "Banks"). Bankruptcy or insolvency of the Banks may cause the Fund's rights with respect to the cash held by the Banks to be delayed or limited. The Manager monitors its risk by monitoring the credit rating of the Banks on an on-going basis.

Other than outlined above, there were no significant concentrations of credit risk to counterparties at 31 December 2017 and 31 December 2016.

### (c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Funds.

The Funds and the Manager have policies and procedures to manage liquidity to meet its liability including estimated redemption of units, as and when due, without incurring undue losses or risking damage to the Funds' reputation.

HKOD provide for the daily creation and cancellation of units and it is therefore exposed to the liquidity of meeting unitholder redemptions daily. All other financial liabilities are repayable on demand or have contractual maturities less than three months.

The Funds' majority of financial assets are listed equity investments which are considered to be readily realisable as they are all listed on the SEHK. As a result, the Funds are able to liquidate quickly its investments in order to meet its liquidity requirements.

The Funds' liquidity risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place. The Funds' redemption policy allows redemption to be made:

- through participating dealers by any investor with a basket of constituent stocks of the Indexes and a minor cash component, or wholly with cash (additional mechanism with effect from 1 December 2017), the minimum redemption units for China Enterprises ETF are 100,000 units; while minimum redemption units for FTSE China 50 ETF are 50,000 units;
- through the Manager by the feeder funds with a basket of constituent stocks of the Indexes and a minor cash component or wholly with cash at a minimum of 1 unit, the feeder funds of China Enterprises ETF are Hang Seng China Enterprises Index Fund (formerly known as Hang Seng China H-Share Index Fund) and Hang Seng China Enterprises Index Tracking Fund (formerly known as Hang Seng H-Share Index Tracking Fund); while the feeder fund of FTSE China 50 ETF is Hang Seng China Index Fund.

The Manager has the right to declare suspension of unitholders' right to redeem units under certain conditions, such as when SEHK is closed; dealings on the SEHK or the Hong Kong Futures Exchange Limited are restricted or suspended; or the Indexes are not compiled or published, etc. in accordance with the HKOD.



## Notes on the Financial Statements (continued)

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### (d) Capital management

The Funds' capital as at the year end date is represented by their redeemable units.

The Funds' objective in managing the capital is to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Funds in accordance with the Funds' investment objectives and policies stated in the HKOD.

There were no changes in the policies and procedures during the year with respect to the Funds' approach to its capital management.

The Funds are not subject to externally imposed capital requirements.

The amount and the movement of equity are stated in the statement of changes in equity. As the redeemable units are redeemed on demand at the unitholders' option, the actual level of redemption may differ significantly from the historic experience.

### 7 Dividend income

The amounts of dividend income and net dividend income, which was net of any non-recoverable withholding taxes, earned by the Funds during the year are shown on page 23.

### 8 Interest income

During the year, the Funds earned all interest income from cash and cash equivalents.

### 9 Net gains/(losses) on investments

During the year, the Funds earned or incurred realised and unrealised gains or losses as shown on page 23.

### 10 Transactions with the Trustee, Manager and Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Fund and the Trustee, the Manager and their Connected Persons. Connected Persons are those as defined in the SFC Code issued by the SFC. All transactions during the year between the Fund, the Trustee, the Manager and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Trustee and the Manager, the Fund did not have any other transactions with Connected Persons except for those disclosed below. The relevant receivables and payables are unsecured, interest-free and repayable on demand.

- (a) Hang Seng Investment Management Limited, a wholly-owned subsidiary of HSB, which is a member of the HSBC Group, is the Manager of the Funds. The Manager earns management fees at a rate of 0.55% of net asset value per annum. Management fees are calculated as at each dealing day and payable monthly. Management fees payable to the Manager at the year end date is shown on page 23.
- (b) HSBC Provident Fund Trustee (Hong Kong) Limited, a member of the HSBC Group, is the Trustee of the Funds and earns trustee's fees on a sliding scale at a rate from 0.025% to 0.05% of net asset value per annum. Trustee's fees are calculated as at each dealing day and payable monthly. Fees payable to Trustee at the year end date is shown on page 24. The Trustee also earned fees for providing various other services to the Funds during the year as shown on page 24.
- (c) The Funds utilise the services of HSBC in part of the purchase and sale of investments. Details of such transactions executed and fees paid during the year are shown on page 24.
- (d) Also, the Funds utilise the services of HSBC and pay securities expenses, administrative fees and safe custody and bank charges to HSBC. Details of such fees paid during the year and such fees payable at the year end date are shown on page 24.
- (e) China Enterprises ETF has been licensed by Hang Seng Indexes Company Limited ("HSIL"), a wholly-owned subsidiary of HSB, to use China Enterprises Index to create, offer, market and sell the China Enterprises ETF during the year. License fee paid to HSIL during the year amounted to HKD 16,504,965 (2016: HKD 18,599,438). License fee payable to HSIL at the year end was HKD 3,939,666 (2016: HKD 4,667,783).
- (f) All bank accounts are maintained with HSBC and HSB. The bank balances as at year end date, interest income earned during the year and interest receivable as at year end date are shown on page 24.
- (g) For the period between 1 January 2017 and 28 March 2017, HSB provided unsecured overdraft facility and risk weighted FX facility to the Funds. With effect from 29 March 2017, there was no unsecured overdraft facility and risk weighted FX facility provided by HSB to the Funds. For the year ended 31 December 2017, the Funds did not pay annual fee and interest expense to HSB. For the year ended 31 December 2016, HSB provided unsecured overdraft facility and risk weighted FX facility to the Funds. The details of the facilities, the annual fee and the interest expenses recognised in the profit or loss are shown on page 24.
- (h) Hang Seng China Index Fund is considered as the parent of FTSE China 50 ETF. Number of units of FTSE China 50 ETF held by the fund as of the year end date and the distributions earned from FTSE China 50 ETF by the fund during the year are shown on page 25.
- (i) Hang Seng China Index Fund, as the parent of FTSE China 50 ETF, made cash creation and cash redemption in FTSE China 50 ETF during the year and the details of creation/redemption amounts and units are shown on page 25.
- (j) Hang Seng China Index Fund, as the parent of FTSE China 50 ETF, purchased and sold units of FTSE China 50 ETF through SEHK during the year and the details of purchase/sell amounts and units are shown on page 25.

### 11 Units in issue

For movements of units in issue, please refer to page 25.

### 12 Soft dollar commission

As regards to the Funds, the Manager has not entered into any soft dollar commission arrangements with brokers.

## Notes on the Financial Statements (continued)

### 13 Fair value information

The Funds' investments are measured at fair value on the date of the statement of assets and liabilities. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. With the involvement of unobservable factors and judgement, fair value can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including amounts receivable on subscription of units, amounts receivable on sale of investments, interest receivable, cash and cash equivalents, amounts payable on purchase of investments, amounts payable on redemption of units and accrued expenses and other payables, the carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

#### Valuation of financial instruments

The Funds' accounting policy on fair value measurements is detailed in accounting policy in note 2(f)(iv).

The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using: quoted market price in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

All investments held by the Funds are listed on SEHK and their fair values are based on quoted market prices in active markets. Therefore, the majority of investments, except suspended investments, are classified as Level 1 investment in the fair value hierarchy. Level 3 investments consisted of equity instruments which have been suspended for trading and in these financial statements they are revalued from last traded price before suspension based on relevant news and information. For all other financial instruments, their carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

The table on page 26 presents the carrying value of financial instruments measured at fair value at the date of the statement of assets and liabilities across the three levels of fair value hierarchy.

There were no transfers of financial instruments between Level 1 and Level 2 during the year. As public price quotations in an active market for the suspended equity investments were no longer available, these equity investments were priced using last traded price before suspension with the adjustment based on relevant news and information. As at year end date, the carrying value of a suspended equity held by FTSE China 50 ETF had been written down to zero. The table on page 25 presents the transfers of financial instruments between Level 1 and Level 3.

The reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy is shown on page 25.

#### Quantitative information of significant unobservable input – Level 3

The table on page 25 presents the information about significant unobservable input and valuation technique used at 31 December 2017 and 31 December 2016 in measuring the financial instruments categorised as Level 3 of the fair value hierarchy.

The table on page 25 presents the significant unobservable input used in the fair value measurement categorised with Level 3 of the fair value hierarchy together with a sensitivity analysis.

### 14 Segment information

The Manager makes strategic resource allocation on behalf of the Funds and determines operating segments based on internal reports reviewed which are used to make strategic decisions.

The Manager considers that the Funds have one single operating segment based on one single, integrated investment strategy by investing in constituent stocks of the Indexes with the objective to match, before expenses, as closely as practicable, the performance of the Indexes as stipulated in the HKOD. There were no changes in the operating segment during the year.

Major revenues generated by the Funds are from listed equities. The segment information provided to the Manager is the same as that disclosed in the statement of comprehensive income and statement of assets and liabilities.

The Funds are domiciled in Hong Kong. Majority of the Funds' income from investments is from equities listed in Hong Kong. Please refer to note 5 on page 22 for details.

### 15 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements.

Of these developments, the following may be relevant to the Funds' operations and financial statements:

|  | <i>Effective for accounting periods beginning on or after</i> |
|--|---|
| HKFRS 9, <i>Financial instruments</i>  | 1 January 2018  |
| HK(IFRIC) 22, <i>Foreign currency transactions and advance consideration</i> | 1 January 2018  |
| HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>                  | 1 January 2019  |

The Funds are in the process of making an assessment of what the impact of these amendments, new standard and interpretations is expected to be in the period of initial application. So far the Funds are of the view that the adoption of the new standards will not have material impact on the financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9, the actual impacts upon the initial adoption of the standard may differ as the assessment completed to date is based on the information currently available to the Funds, and further impacts may be identified before the standard is initially applied in the Funds' financial statements for the year ended 31 December 2018. The Funds may also change its accounting policy elections, including the transition options, until the standards are initially applied in the financial statements.

## Notes on the Financial Statements (continued)

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### HKFRS 9, Financial Instruments

HKFRS 9 replaces HKAS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on the classification and measurement of financial instruments and a new expected credit loss model for calculating impairment on financial assets. It also carries forward the guidance on recognition and derecognition of financial instruments from HKAS 39.

#### *Classification of financial assets and financial liabilities*

HKFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

The standard includes three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). It eliminates the existing HKAS 39 categories of held to maturity, loans and receivables and available for sale.

Based on the Funds' assessment, this standard is not expected to have a material impact on the classification of financial assets of the Funds. This is because:

- financial instruments currently classified as FVTPL under HKAS 39 are designated into this category because they are managed on a fair value basis in accordance with a documented investment strategy. Accordingly, these financial instruments will be mandatorily measured at FVTPL under HKFRS 9; and
- financial instruments currently measured at amortised cost are: amounts receivable on subscription of units, amounts receivable on sale of investments, interest receivable, amounts payable on purchase of investments, amounts payable on redemption of units and accrued expenses and other payables. These instruments meet the sole payments of principal and interest (SPPI) criterion and are held in a held-to-collect business model. Accordingly, they will continue to be measured at amortised cost under HKFRS 9.

#### *Impairment of financial assets*

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with a forward-looking "expected credit loss" (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments.

Under HKFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Based on the Funds' assessment, changes to the impairment model are not expected to have a material impact on the financial assets of the Funds. This is because:

- the majority of the financial assets are measured at FVTPL and the impairment requirements do not apply to such instruments; and
- the financial assets at amortised cost are short-term (i.e. no longer than 12 months) and of high credit quality. Accordingly, the ECLs on such assets are expected to be small.

#### *Hedge accounting*

The Funds do not apply hedge accounting; therefore, HKFRS 9 hedge accounting-related changes do not have an impact on the financial statements of the Funds.

#### *Disclosures*

HKFRS 9 will require extensive new disclosures, in particular about credit risk and ECLs. The Funds have completed an analysis to identify data gaps against current processes and is designing the system and controls changes that they believe will be necessary to capture the required data.

#### *Transition*

Changes in accounting policies resulting from the adoption of HKFRS 9 will generally be applied retrospectively, except as described below.

- The Funds will take advantage of the exemption allowing them not to restate comparative information for prior periods with respect to classification and measurement (including impairment) changes. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 will be adjusted to net assets attributable to unitholders as at 1 January 2018.
- The following assessments have to be made by the Funds on the basis of the facts and circumstances that exist at the date of initial application.
  - The determination of the business model within which a financial asset is held.
  - The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.

## 16 Subsequent event

The China Enterprises ETF has been renamed as "Hang Seng China Enterprises Index ETF" with effect from 5 March 2018. Prior to this date, it was known as Hang Seng H-Share Index ETF.

The change of the name of China Enterprises ETF has no financial effect to the financial statements for the year ended 31 December 2017.

## 指數及上市基金之表現

### Performance of the Indexes and the ETFs

| 基金/指數 Fund/Index                                       | 以港元計算之表現<br>Performance in HK Dollar |       |
|--|--------------------------------------|-------|
|  | 2017                                 | 2016  |
| 恒生中國企業指數上市基金 * Hang Seng China Enterprises Index ETF * | 27.96%                               | 0.22% |
| 恒生中國企業指數 # Hang Seng China Enterprises Index #         | 29.12%                               | 1.06% |
| 恒生富時中國50指數上市基金* Hang Seng FTSE China 50 Index ETF*     | 35.00%                               | 1.51% |
| 富時中國50指數 ^ FTSE China 50 Index ^                       | 37.12%                               | 2.91% |

資料來源: HSBC Provident Fund Trustee (Hong Kong) Limited · 恒生指數有限公司及彭博資訊。

Source: HSBC Provident Fund Trustee (Hong Kong) Limited, Hang Seng Indexes Company Limited and Bloomberg.

\* 表現以報價貨幣之單位價格對單位價格，股息（如有）再投資之總回報計算。

\* Performance is calculated in base currency with Unit-price to Unit-price, dividend (if any) reinvested.

# 表現以股息再投資之總回報計算，總回報為扣除預扣稅後之淨值。

# Performance is calculated in total return with dividend reinvested, net of withholding tax.

^ 表現以股息（如有）再投資之總回報計算。

^ Performance is calculated with dividend (if any) reinvested.

投資者須注意，所有投資均涉及風險（包括可能會損失投資本金），基金單位價格可升亦可跌，過往表現並不可作為日後表現的指引。投資者在作出任何投資決定前，應詳細閱讀有關基金之銷售文件（包括當中所載之風險因素之全文）。

Investors should note that all investments involve risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the relevant fund's offering documents (including the full text of the risk factors stated therein) in detail before making any investment decision.

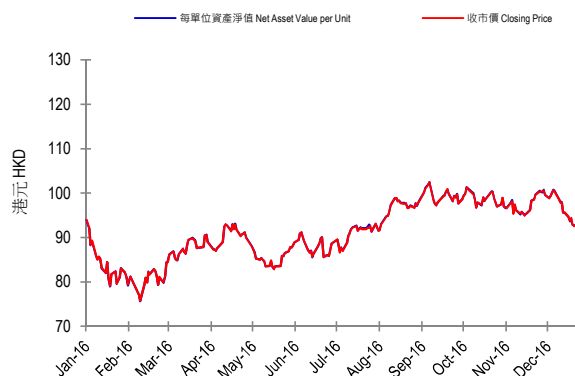
# 上市基金每日收市價及每單位資產淨值之比較

## Comparison of Daily Closing Price and Net Asset Value per Unit of the ETFs

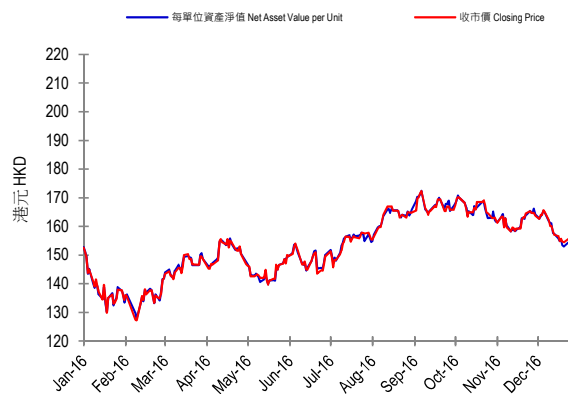
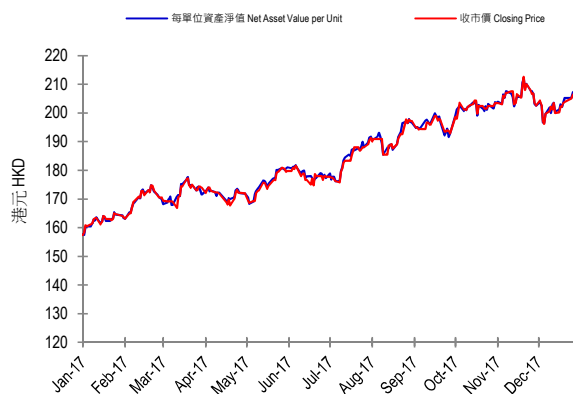
2017年之每日收市價及每單位資產淨值之比較  
Comparison of Daily Closing Price and Net Asset Value per Unit for 2017

2016年之每日收市價及每單位資產淨值之比較  
Comparison of Daily Closing Price and Net Asset Value per Unit for 2016

### 恒生中國企業指數上市基金 Hang Seng China Enterprises Index ETF



### 恒生富時中國50指數上市基金 Hang Seng FTSE China 50 Index ETF



## 指數成份股披露

### Index Constituent Stocks Disclosure

下列為佔指數比重多於百分之十的成份股。

The following are those constituent stocks that accounted for more than 10% of the weighting of the Index.

2017年12月31日

As at 31 December 2017

| 基金<br>Fund  | 指數<br>Index                                   | 成份股<br>Constituent Stocks                         | 佔指數比重<br>Weighting of the Index |
|---|---|---|---------------------------------|
| 恒生中國企業指數上市基金<br>Hang Seng China Enterprises Index ETF | 恒生中國企業指數<br>Hang Seng China Enterprises Index | 中國建設銀行<br>China Construction Bank                 | 10.42%                          |
|   |   | 中國工商銀行<br>Industrial and Commercial Bank of China | 10.21%                          |

2016年12月31日

As at 31 December 2016

| 基金<br>Fund  | 指數<br>Index                                   | 成份股<br>Constituent Stocks                         | 佔指數比重<br>Weighting of the Index |
|---|---|---|---------------------------------|
| 恒生中國企業指數上市基金<br>Hang Seng China Enterprises Index ETF | 恒生中國企業指數<br>Hang Seng China Enterprises Index | 中國建設銀行<br>China Construction Bank                 | 10.73%                          |
|   |   | 中國銀行<br>Bank of China                             | 10.27%                          |
|   |   | 中國工商銀行<br>Industrial and Commercial Bank of China | 10.20%                          |

於2017年12月31日及2016年12月31日，當時中國50指數沒有佔指數比重多於百分之十的成份股。

As of 31 December 2017 and 31 December 2016, there was no constituent stock that accounted for more than 10% of the weighting of the FTSE China 50 Index.

## 上市基金就指數成份股額外投資比重限制之報告

### Report on Investment Overweight in Constituent Stocks of the Index by the ETFs

由2017年1月1日至2017年12月31日

From 1 January 2017 to 31 December 2017

根據基金之香港銷售文件中所述，若基金經理（恒生投資管理有限公司）為基金作出投資時實施具代表性之樣本複製策略，基金經理將根據基金之有關投資限制應用該策略，以令基金經理可根據以下限制相對於指數內的指數成份股各相應比重調高其比重。

| <u>股份於指數內的比重</u> | <u>可分配之最高額外比重</u> |
|------------------|-------------------|
| 10%以下            | 4% <sup>1</sup>   |
| 10%至30%          | 4%                |
| 30%至50%          | 3%                |
| 50%以上            | 2%                |

<sup>1</sup>當持有的指數成份股於指數所佔比重低於10%，且倘於分配最高額外比重4%後該成份股的分配總額仍低於10%時，分配至該成份股的總比重可能最高調至10%。

於2017年1月1日至2017年12月31日年度內，基金經理為基金作出投資時採用全面複製策略，以上限制並不適用。

As stated in the Hong Kong Offering Document of the Funds, if a representative sampling strategy is implemented when investing for the Funds, the Manager (Hang Seng Investment Management Limited) will apply such strategy in accordance with the Funds' relevant investment restrictions thereby enabling the Manager to overweight the constituent stocks of the Index relative to their respective weightings in the Index in accordance with the below limits.

| <u>Stock's weighting in the Index</u> | <u>Maximum extra weighting to be allocated</u> |
|---------------------------------------|--|
| Below 10%                             | 4% <sup>1</sup>                                |
| 10%-30%                               | 4%   |
| 30%-50%                               | 3%   |
| Above 50%                             | 2%   |

<sup>1</sup>Where the weighting of a constituent stock in the Index is below 10% and if the total allocation to this constituent stock is still below 10% after allocating the maximum extra weighting of 4%, the total allocation to it may be adjusted up to maximum of 10%.

During the year from 1 January 2017 to 31 December 2017, the Manager has adopted a full replication strategy when investing for the Fund, hence the above restriction is not applicable.

## 管理及行政

### Management and Administration

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#### 基金經理及上市代理人

恒生投資管理有限公司  
香港  
中環德輔道中83號

#### Manager and Listing Agent

Hang Seng Investment Management Limited  
83 Des Voeux Road Central  
Hong Kong

#### 基金經理及上市代理人之董事

陳淑佩 (於2017年11月15日起就任)  
馮孝忠 (於2017年6月30日起離任)  
關穎嫻  
李佩珊  
李世傑 (於2017年11月15日起就任)  
梁緯儀 (於2017年11月15日起就任)  
梁永樂  
陸世龍  
顏文傑  
彭耀鴻 (於2017年6月11日起離任)  
葉其縈 (於2017年11月15日起就任)  
Sridhar Chandrasekharan

#### Directors of the Manager and Listing Agent

Chan Shuk Pui, Ivy (Appointed with effect from 15 November 2017)  
Fung Hau Chung, Andrew (resigned with effect from 30 June 2017)  
Kwan Wing Han, Margaret  
Lee Pui Shan  
Lee Sai Kit (Appointed with effect from 15 November 2017)  
Leung Cheuk Yee, Eunice (Appointed with effect from 15 November 2017)  
Leung Wing Lok  
Luk Sai Lung  
Ngan Man Kit  
Pang Yiu Hung, Victor (resigned with effect from 11 June 2017)  
Yip Kay Chun, Katie (Appointed with effect from 15 November 2017)  
Sridhar Chandrasekharan

#### 受託人、代管人及登記處

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香港  
中環皇后大道中1號

#### Trustee, Custodian and Registrar

HSBC Provident Fund Trustee (Hong Kong) Limited  
1 Queen's Road Central  
Hong Kong

#### 兌換代理人

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無限極廣場2樓

#### Conversion Agent

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2nd Floor Infinitus Plaza  
199 Des Voeux Road Central  
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#### 核數師

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香港  
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太子大廈8樓

#### Auditor

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