

**Ping An of China CSI HK Dividend ETF (Stock Code: 3070)**

**Ping An of China CSI 5-10Y CGB ETF (Stock Code: 3080)**

(Sub-Funds of Ping An of China Trust as an umbrella unit trust  
under Hong Kong Law)

Annual Report

For the year/period ended 31 December 2018

ANNUAL REPORT

Ping An of China CSI HK Dividend ETF  
Ping An of China CSI 5-10Y CGB ETF

(Sub-Funds of Ping An of China Trust as an umbrella unit trust under  
Hong Kong Law)

31 December 2018

**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**  
**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**CONTENTS**

MANAGEMENT AND ADMINISTRATION.....	1 - 3
REPORT OF THE MANAGER TO THE UNITHOLDERS.....	4 - 7
REPORT OF THE TRUSTEE TO THE UNITHOLDERS.....	8
STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE.....	9
INDEPENDENT AUDITOR'S REPORT.....	10 - 13
AUDITED FINANCIAL STATEMENTS.....	
Statement of financial position.....	14 - 15
Statement of profit or loss and other comprehensive income.....	16 - 17
Statement of changes in net assets attributable to unitholders.....	18 - 19
Statement of cash flows.....	20 - 21
Notes to the financial statements.....	22 - 49
INVESTMENT PORTFOLIO (unaudited).....	50 - 52
MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited).....	53 - 55
PERFORMANCE RECORD (unaudited).....	56 - 57

**IMPORTANT :**

This report is available in English only.

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about the Sub-Funds, please refer to the prospectus of the Sub-Funds which is available at our website :<http://asset.pingan.com.hk>

Investors should not rely on the information contained in this report for their investment decisions.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF  
(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**MANAGEMENT AND ADMINISTRATION**

**Manager**

Ping An of China Asset Management (Hong Kong) Company Limited  
Suite 2301  
23<sup>rd</sup> Floor  
Two International Finance Centre  
8 Finance street, Central  
Hong Kong

**Directors of the Manager**

Tung Hoi  
Chan Tak Yin  
Chai Chi Kit (Appointed on 12 April 2018)  
Choy Siu Kam David  
Zhuang Yan  
Li Wen  
Wong Chak Kei Jack (Appointed on 23 April 2018 and resigned on 4 January 2019)

**Trustee, Custodian and Registrar**

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

**Service/Conversion Agent**

HK Conversion Agency Services Limited  
1<sup>st</sup> Floor, One & Two Exchange Square  
8 Connaught Place, Central  
Hong Kong

**Legal Adviser to the Manager**

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

**Auditor**

PricewaterhouseCoopers  
22nd Floor, Prince's Building  
Central  
Hong Kong

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**MANAGEMENT AND ADMINISTRATION (continued)**

**Participating Dealers**

*Ping An of China CSI HK Dividend ETF*

ABN AMRO Clearing Hong Kong Limited  
Level 70, International Commerce Centre  
1 Austin Road West of Kowloon

Citigroup Global Markets Asia Limited  
50th Floor, Citibank Tower, Citibank Plaza  
3 Garden Road, Central  
Hong Kong

Chief Securities Limited  
14th Floor, Manyee Building,  
68 Des Voeux Road Central,  
Central, Hong Kong

Goldman Sachs (Asia) Securities Limited  
68th Floor, Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

Credit Suisse Securities (Hong Kong) Limited  
88th Floor, International Commerce Centre  
1 Austin Road West, Kowloon  
Hong Kong

Merrill Lynch Far East Limited  
15th Floor, Citibank Tower  
3 Garden Road, Central  
Hong Kong

J.P. Morgan Broking (Hong Kong) Limited  
22nd Floor, Chater House  
8 Connaught Road Central  
Hong Kong

UBS Securities Hong Kong Limited  
52nd Floor, Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

Phillip Securities (Hong Kong) Limited  
11th Floor, United Centre  
95 Queensway  
Hong Kong

Haitong International Securities Company Ltd  
22nd Floor, Li Po Chun Chambers,  
189 Des Voeux Road Central,  
Hong Kong

China Merchants Securities (HK) Co., Limited  
48th Floor, One Exchange Square, Central  
Hong Kong

Head and Shoulders Securities Limited  
183 Queen's Road, Cosco Tower  
Room 2511, 25th Floor, Central  
Hong Kong

KGI Asia Limited  
18 Harbour Road, Central Plaza  
41st Floor, Wan Chai  
Hong Kong

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**MANAGEMENT AND ADMINISTRATION (continued)**

**Participating Dealers (continued)**

*Ping An of China CSI 5-10Y CGB ETF*

China Merchants Securities (HK) Co., Limited  
48th Floor, One Exchange Square, Central  
Hong Kong

UBS Securities Hong Kong Limited  
52nd Floor, Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

Haitong International Securities Company Ltd  
22nd Floor, Li Po Chun Chambers,  
189 Des Voeux Road Central,  
Hong Kong

Head and Shoulders Securities Limited  
183 Queen's Road, Cosco Tower  
Room 2511, 25th Floor, Central  
Hong Kong

KGI Asia Limited  
18 Harbour Road, Central Plaza  
41st Floor, Wan Chai  
Hong Kong

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS**

**Ping An of China CSI HK Dividend ETF**  
(a Sub-Fund of Ping An of China Trust)  
(Stock Code: 3070)

**Introduction**

Ping An of China CSI HK Dividend ETF (the “HK Dividend ETF”), is a sub-fund of the Ping An of China Trust (the “Trust”) and commenced trading under the stock code 3070 on the SEHK on 15 February 2012. The HK Dividend ETF is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI Hong Kong Dividend Index (the “HK Dividend Index”).

In order to achieve the investment objective, the HK Dividend ETF intends to primarily adopt a replication strategy to track the performance of its underlying index. The HK Dividend ETF will directly invest in substantially all of the constituent Securities of the underlying index (“Index Shares”) in substantially the same weightings (i.e. proportions) as these Index Shares have in the underlying index.

**Performance of the HK Dividend ETF**

The HK Dividend ETF aims to generate an investment return before fees that closely correspond to the performance of its underlying index denominated in Hong Kong dollar (“HK\$”) by primarily adopting a replication strategy. As at 31 December 2018, the NAV per unit of the HK Dividend ETF was HK\$28.0822 and the total outstanding units were 29,500,000. The total size of the HK Dividend ETF was approximately HK\$828.424 million.

A summary of the performance of the HK Dividend ETF is given below:

Performance (As at 31 December 2018)	1-Month	3-Month	6-Month	2018	2017	Since Inception ##
CSI HK Dividend Index#	-3.21%	-8.86%	-11.42%	-11.15%	48.01%	46.77%
NAV of the HK Dividend ETF	-6.49%	-11.76%	-12.17%	-11.17%	48.42%	46.62%

Notes:

Fund performance is calculated without dividend reinvested

#Index performance is based on price return.

##Inception date is 10 February 2012, with an initial issue price of HK\$19.1482 per unit.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)**

**Ping An of China CSI HK Dividend ETF**

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3070)

**Dividend Distribution History of the HK Dividend ETF**

Ex-date	Dividend per unit
29 Jun 2012	HKD 0.27
14 Dec 2012	HKD 0.28
28 Jun 2013	HKD 0.32
13 Dec 2013	HKD 0.34
27 Jun 2014	HKD 0.34
12 Dec 2014	HKD 0.48
26 Jun 2015	HKD 0.19
11 Dec 2015	HKD 0.52
24 Jun 2016	HKD 0.21
9 Dec 2016	HKD 0.52
30 Jun 2017	HKD 0.25
8 Dec 2017	HKD 0.50
22 Jun 2018	HKD 0.38
14 Dec 2018	HKD 0.96

**Activities of the Underlying Index**

Review of the HK Dividend Index was conducted on the 2nd Friday of December each year. As at 31 December 2018, the HK Dividend ETF was comprised of all 30 constituent stocks in the index.

Notes:

1. Past performance figures shown are not indicative of the future performance of the HK Dividend ETF.
2. An investor cannot invest directly in the underlying index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the HK Dividend ETF are issued and redeemed at NAV and its returns are calculated from NAV. The HK Dividend ETF does not publish a bid price.

Ping An of China Asset Management (Hong Kong) Company Limited  
23 April 2019



**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)**

**Ping An of China CSI 5-10Y CGB ETF**

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3080)

**Introduction**

Ping An of China CSI 5-10Y CGB ETF (the “CGB ETF”), is a sub-fund of the Ping An of China Trust (the “Trust”). The CGB ETF commenced trading under the stock code 3080 on the SEHK on 29 December 2017. It is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI PingAn 5-10y CGB Benchmark Index (the “Underlying Index”).

In order to achieve the investment objective, the CGB ETF intends to primarily adopt a representative sampling strategy to track the performance of its Underlying Index. The CGB ETF will directly invest in a sample of the constituent bonds of the Underlying Index (“Index Bonds”) or in China government bonds not included as constituents of the Underlying Index.

**Performance of the CGB ETF**

The CGB ETF aims to generate an investment return before fees that closely correspond to the performance of its underlying index denominated in Renminbi (“RMB”) by primarily adopting a representative sampling strategy. As at 31 December 2018, the NAV per unit of the CGB ETF was RMB104.4846 and the total outstanding units were 2,250,000. The total size of the CGB ETF was approximately RMB235.090 million.

A summary of the performance of the CGB ETF is given below:

Cumulative	YTD	1 Month	3 Months	6 Months	Since Inception##
Fund (RMB)	6.54%	0.88%	2.34%	2.93%	6.49%
Index (RMB)	7.94%	1.23%	3.29%	3.70%	7.99%

\*From February 2018 onwards, the index currency is calculated in CNH.

Notes:

Fund performance is calculated with total return.

##Inception date is 27 December 2017, with an initial issue price of CNH100 per unit.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)**

**Ping An of China CSI 5-10Y CGB ETF**

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3080)

**Dividend Distribution History of the CGB ETF**

<b>Ex-date</b>	<b>Dividend per unit</b>
22 June 2018	RMB 0.80
14 Dec 2018	RMB 1.20

Notes:

1. Past performance figures shown are not indicative of the future performance of the CGB ETF.
2. An investor cannot invest directly in the underlying index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the CGB ETF are issued and redeemed at NAV and its returns are calculated from NAV. The CGB ETF does not publish a bid price.

Ping An of China Asset Management (Hong Kong) Company Limited  
23 April 2019

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

We hereby confirm that, in our opinion, the Manager of the Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (sub-funds of Ping An of China Trust) has, in all material respects, managed the Sub-Funds in accordance with the provisions of the trust deed dated 19 April 2010, as amended by supplemental deed dated 28 April 2010, 4 October 2011, 1 February 2012 and 14 December 2017 (together the “Trust Deed”), for the year/period ended 31 December 2018.

HSBC Institutional Trust Services (Asia) Limited  
23 April 2019

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE**

**Manager’s Responsibilities**

The Manager of the Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (Sub-Funds of Ping An of China Trust) is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the “SFC Code”) and the Trust Deed dated 19 April 2010, as amended by supplemental deed dated 28 April 2010, 4 October 2011, 1 February 2012 and 14 December 2017 (together the “Trust Deed”) to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that period and of the transactions for the period then ended. In preparing these financial statements, the Manager of the Sub-Funds is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Funds will continue in operation unless it is inappropriate to assume this.

The Manager of the Sub-Funds is also required to manage the Sub-Funds in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

Ping An of China Trust (the “Trust”) is an umbrella unit trust governed by its Trust Deed. As at 31 December 2018, Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF, the Sub-Funds of the Trust, are trading on the SEHK.

**Trustee’s Responsibilities**

The Trustee of the Sub-Funds is required to:

- ensure that the Sub-Funds in all material respects are managed in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Funds and rights attaching thereto; and
- report to the unitholders for each annual accounting period should the Manager of the Sub-Funds not managing the Sub-Funds in accordance with the Trust Deed.

## **Independent Auditor’s Report**

### **To the Unitholders of Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (Sub-Funds of Ping An of China Trust)**

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

##### *What we have audited*

The financial statements of Ping An of China CSI HK Dividend ETF for the year ended 31 December 2018 and Ping An of China CSI 5-10Y CGB ETF for the period from 27 December 2017 (date of inception) to 31 December 2018 (“relevant periods”) (each a separate sub-fund of the Ping An of China Trust and referred to individually as the “Sub-Fund” or collectively as “Sub-Funds”) set out on pages 14 to 49, which comprise:

- the statements of financial position as at 31 December 2018;
- the statements of profit or loss and other comprehensive income for the relevant periods then ended;
- the statements of changes in net assets attributable to unitholders for the relevant periods then ended;
- the statements of cash flows for the relevant periods then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

##### *Our opinion*

In our opinion, the financial statements give a true and fair view of the financial position of each of the Sub-Funds as at 31 December 2018, and of each of their financial transactions and their cash flows for the relevant periods then ended in accordance with International Financial Reporting Standards (“IFRSs”).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence*

We are independent of the Sub-Funds in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## Independent Auditor’s Report

### To the Unitholders of Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (Sub-Funds of Ping An of China Trust) (Continued)

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter identified in our audit is summarised as follows:

Key Audit Matter	How our audit addressed the Key Audit Matter
<u>Existence and valuation of investments</u>	We tested the existence of investments by obtaining direct confirmations from the custodians and agreeing the Sub-Funds’ holdings of investments to confirmations. No material exceptions were identified from our testing.
<b>Ping An of China CSI HK Dividend ETF</b> The Sub-Fund’s investments as at 31 December 2018 comprised of listed equities valued at HK\$827,288,649.	We agreed the valuation of the Sub-Funds’ investments by comparing the pricing used by the Sub-Funds to external pricing sources as at 31 December 2018. We found no material exceptions from our testing.
<b>Ping An of China CSI 5-10Y CGB ETF</b> The Sub-Fund’s investments as at 31 December 2018 comprised of debt securities valued at RMB230,492,913.	

We focused on the existence and valuation of the investments because the investments represented the principal element of the Sub-Funds’ net asset value.

Refer to note 10 to the financial statements.

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#### Other Information

The manager and the trustee (the “Management”) of the Sub-Funds are responsible for the other information. The other information comprises all of 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.

## **Independent Auditor's Report**

### **To the Unitholders of Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (Sub-Funds of Ping An of China Trust) (Continued)**

#### **Responsibilities of Management for the Financial Statements**

The Management of the Sub-Funds is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Funds is responsible for assessing the Sub-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 Management either intends to liquidate the Sub-Funds or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Funds is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 19 April 2010, as amended (the "Trust Deed") and the Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

#### **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. We report our opinion 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 ISAs 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 Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management'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 Sub-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 Sub-Funds to cease to continue as a going concern.

**Independent Auditor's Report****To the Unitholders of Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF (Sub-Funds of Ping An of China Trust) (Continued)****Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

- 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 Management 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 Management with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 Management, 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 Disclosure Provisions of the Trust Deed and 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 disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Chau Chi Kit.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 23 April 2019



**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**  
**(SUB-FUNDS OF PING AN OF CHINA TRUST)**  
**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2018**

<b>PING AN OF CHINA CSI HK DIVIDEND ETF</b>			
	Notes	2018 HK\$	2017 HK\$
<b>CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss	4, 8, 10	827,288,649	125,960,956
Dividend receivable		209,953	76,154
Other receivables	4	10,334	-
Cash and cash equivalents	4, 8	1,720,616	733,048
<b>TOTAL ASSETS</b>		<b>829,229,552</b>	<b>126,770,158</b>
<b>CURRENT LIABILITIES</b>			
Management fee payable	4	196,752	57,840
Trustee fee payable	4	64,504	37,000
Accounts payable and accrued liabilities	4	543,931	254,017
<b>TOTAL LIABILITIES</b>		<b>805,187</b>	<b>348,857</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	11	<b>828,424,365</b>	<b>126,421,301</b>

Signed for and on behalf of:

\_\_\_\_\_  
HSBC Institutional Trust Services (Asia)  
Limited  
As the Trustee

\_\_\_\_\_  
Ping An of China Asset Management (Hong  
Kong) Company Limited  
As the Manager

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**  
**(SUB-FUNDS OF PING AN OF CHINA TRUST)**  
**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2018**

**PING AN OF CHINA CSI 5-10Y CGB ETF**

	Notes	2018 RMB
<b>CURRENT ASSETS</b>		
Financial assets at fair value through profit or loss	4, 8, 10	230,492,913
Interest receivable		2,709,965
Other receivable		16
Cash and cash equivalents	4, 8	2,271,006
<b>TOTAL ASSETS</b>		<b>235,473,900</b>
<b>CURRENT LIABILITIES</b>		
Management fee payable	4	109,942
Trustee fee payable	4	32,560
Preliminary expenses payable		60,000
Accounts payable and accrued liabilities	4	181,137
<b>TOTAL LIABILITIES</b>		<b>383,639</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>11</b>	<b>235,090,261</b>

Signed for and on behalf of:

\_\_\_\_\_  
 HSBC Institutional Trust Services (Asia)  
 Limited  
 As the Trustee

\_\_\_\_\_  
 Ping An of China Asset Management (Hong  
 Kong) Company Limited  
 As the Manager

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**For the year ended 31 December 2018**

<b>PING AN OF CHINA CSI HK DIVIDEND ETF</b>			
	Notes	2018 HK\$	2017 HK\$
<b>INCOME</b>			
Dividend income		51,458,561	5,488,820
Interest on bank deposits	4	4,495	140
Net changes in fair value of financial assets at fair value through profit or loss	3	(239,754,975)	40,792,046
Net exchange gains/(losses)		5,635	(296)
		<u>(188,286,284)</u>	<u>46,280,710</u>
<b>EXPENSES</b>			
Management fee	4	(4,784,024)	(599,657)
Trustee fee	4	(1,030,952)	(444,000)
Transaction fee	4	(970,390)	(309,476)
Accounting and professional fee	4	(132,457)	(197,652)
Audit fee		(183,300)	(172,771)
Safe custody and bank charges	4	(478,150)	(58,787)
Legal fee		(48,520)	-
Index licensing fee		(277,374)	(103,677)
Other operating expenses		(171,801)	(6,045)
		<u>(8,076,968)</u>	<u>(1,892,065)</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		<u>(196,363,252)</u>	<u>44,388,645</u>
<b>TAXATION</b>	7	<u>(3,286,226)</u>	<u>(146,216)</u>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>		<u><u>(199,649,478)</u></u>	<u><u>44,242,429</u></u>

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**For the period from 27 December 2017 (date of inception) to 31 December 2018**

		Period from 27 December 2017 (date of inception) to 31 December 2018 RMB
	Notes	
<b>INCOME</b>		
Interest on bonds		8,166,999
Interest on bank deposits	4	7,538
Net changes in fair value of financial assets at fair value through profit or loss	3	8,428,853
Net exchange gains		491
		<hr/> 16,603,881
<b>EXPENSES</b>		
Management fee	4	(1,189,797)
Trustee fee	4	(377,139)
Transaction fee	4	(1,370)
Accounting and professional fee	4	(116,970)
Audit fee		(125,710)
Preliminary expenses		(85,000)
Safe custody and bank charges	4	(60,606)
Index licensing fee		(32,428)
		<hr/> (1,989,020)
<b>PROFIT BEFORE TAXATION</b>		<hr/> 14,614,861
<b>TAXATION</b>	7	<hr/> -
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<hr/> <hr/> 14,614,861

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

**For the year ended 31 December 2018**

<b>PING AN OF CHINA CSI HK DIVIDEND ETF</b>			
	Notes	2018 HK\$	2017 HK\$
BALANCE BROUGHT FORWARD		126,421,301	85,178,872
Proceeds on issue of units			
- In-kind	5	982,566,621	-
- Cash component		2,864,673	-
Payment on redemption of units			
- In-kind	5	(43,569,654)	-
- Cash component		(131,898)	-
Net increase from unit transactions		941,729,742	-
Total comprehensive (loss)/income for the year		(199,649,478)	44,242,429
Distribution to unitholders	9	(40,077,200)	(3,000,000)
Net assets attributable to unitholders at year end		828,424,365	126,421,301

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

**For the period from 27 December 2017 (date of inception) to 31 December 2018**

**PING AN OF CHINA CSI 5-10Y CGB ETF**

	Note	Period from 27 December 2017 (date of inception) to 31 December 2018 RMB
BALANCE BROUGHT FORWARD		-
Proceeds on issue of units		
- Cash subscription		234,218,478
Payment on redemption of units		
- Cash redemption		(9,291,078)
Net increase from unit transactions		224,927,400
Total comprehensive income for the period		14,614,861
Distribution to unitholders	9	(4,452,000)
Net assets attributable to unitholders at period end		235,090,261

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF CASH FLOWS**

**For the year ended 31 December 2018**

**PING AN OF CHINA CSI HK DIVIDEND ETF**

	Notes	2018 HK\$	2017 HK\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss)/profit before taxation		(196,363,252)	44,388,645
Adjustments for:			
Dividend income		(51,458,561)	(5,488,820)
Interest income		(4,495)	(140)
		<u>(247,826,308)</u>	<u>38,899,685</u>
Decrease/(increase) in financial assets at fair value through profit or loss	5	237,669,274	(40,740,404)
Increase in other receivables		(10,328)	-
Increase in management fee payable		138,912	17,378
Increase in trustee fee payable		27,504	-
Increase/(decrease) in accounts payable and accrued liabilities		289,914	(22,225)
		<u>(9,711,032)</u>	<u>(1,845,566)</u>
Cash used in operations			
Dividend received		51,324,762	5,517,389
Interest received		4,489	140
Taxation paid		(3,286,226)	(146,216)
		<u>38,331,993</u>	<u>3,525,747</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash component received on issue of units		2,864,673	-
Cash component paid on redemption of units		(131,898)	-
Distribution paid		(40,077,200)	(3,000,000)
		<u>(37,344,425)</u>	<u>(3,000,000)</u>
Net cash flows used in financing activities			
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>987,568</b>	<b>525,747</b>
Cash and cash equivalents at the beginning of the year		733,048	207,301
		<u>1,720,616</u>	<u>733,048</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>			
		<u>1,720,616</u>	<u>733,048</u>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash at bank		1,720,616	733,048

The accompanying notes are an integral part of these financial statements.

**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**  
**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**STATEMENT OF CASH FLOWS**

**For the period from 27 December 2017 (date of inception) to 31 December 2018**

**PING AN OF CHINA CSI 5-10Y CGB ETF**

	Period from 27 December 2017 (date of inception) to 31 December 2018 RMB
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Profit before taxation	14,614,861
Adjustments for:	
Interest on bonds and bank deposit	(8,174,537)
	<hr/> 6,440,324
Increase in financial assets at fair value through profit or loss	(230,492,913)
Increase in management fee payable	109,942
Increase in trustee fee payable	32,560
Increase in preliminary expenses payable	60,000
Increase in accounts payable and accrued liabilities	181,137
	<hr/>
Cash used in operations	(223,668,950)
Interest received	5,464,556
	<hr/>
Net cash flows used in operating activities	(218,204,394)
	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Cash received on issue of units	234,218,478
Cash paid on redemption of units	(9,291,078)
Distribution paid	(4,452,000)
	<hr/>
Net cash flows from financing activities	220,475,400
	<hr/>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,271,006</b>
Cash and cash equivalents at the beginning of the period	-
	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>2,271,006</b>
	<hr/> <hr/>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	
Cash at bank	2,271,006
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.



**PING AN OF CHINA CSI HK DIVIDEND ETF**  
**PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**1. THE TRUST**

Ping An of China Trust (the “Trust”) is an umbrella unit trust governed by its trust deed dated 19 April 2010, as amended (the “Trust Deed”) and authorised by the Securities & Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance.

As at 31 December 2018, the Trust has six sub-funds which are Ping An of China CSI HK Dividend ETF, Ping An of China CSI 5-10Y CGB ETF, Ping An MSCI China Multi-Factor ETF, Ping An MSCI China Quality Factor ETF, Ping An Nasdaq 5HANDL ETF, Ping An Nasdaq AI and Robotics ETF. The Sub-Funds were listed on The Stock Exchange of Hong Kong Limited.

The Sub-Funds that are reported under these financial statements are as follows:

Name of the Sub-Funds	Listing Date on the stock exchange of Hong Kong Limited (The “SEHK”)	Listing codes
Ping An of China CSI HK Dividend ETF	15 February 2012	3070
Ping An of China CSI 5-10Y CGB ETF	29 December 2017	3080

The manager of the Trust is Ping An of China Asset Management (Hong Kong) Company Limited (the “Manager”) and the trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”). The Trustee and the Manager (the “Management”) of the Sub-Funds are responsible for the preparation of the financial statements.

*Ping An of China CSI HK Dividend ETF*

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI Hong Kong Dividend Index, which measures the performance of high dividend yield securities in the Hong Kong market by selecting the 30 securities with high dividend yield, stable dividend payment and good liquidity. The Sub-Fund directly invests in the constituent securities of CSI Hong Kong Dividend Index. The underlying index does not have China A share or B share constituent stocks.

*Ping An of China CSI 5-10Y CGB ETF*

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI PingAn 5-10y CGB Benchmark Index, which measures the performance of China government bonds issued by the Ministry of Finance of People’s Republic of China (“PRC”) (the “MOF”), denominated and settled in Renminbi (“RMB”). The Sub-Fund directly invests in the constituent securities of CSI PingAn 5-10y CGB Benchmark Index.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years/periods presented, unless otherwise stated.

**(a) Basic of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standard Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong.

The financial statements have been prepared under a historical cost convention, except for financial assets classified at fair value through profit or loss, that have been measured at fair value.

The financial statements are presented in Hong Kong dollars (“HK\$”) for Ping An of China CSI HK Dividend ETF and RMB for Ping An of China CSI 5-10Y CGB ETF and all values are rounded to the nearest Hong Kong dollar and Renminbi except where otherwise indicated.

The preparation of financial statements in uniformity with IFRSs requires the use of certain accounting estimates. It also requires the Management to exercise their judgment in the process of applying the Sub-Funds’ accounting policies.

Standards and amendments to existing standards effective 1 January 2018

IFRS 9 ‘Financial Instruments’ became effective for annual periods beginning on or after 1 January 2018. It addresses the classification, measurement and derecognition of financial assets and liabilities and replaces the multiple classification and measurement models in IAS 39.

Classification and measurement of debt assets is driven by the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss (ECL) impairment model.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(a) Basic of preparation (continued)**

On adoption of IFRS 9 the Sub-Funds' investment portfolio continues to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2018 that have a material effect on the financial statements of the Sub-Funds.

New standards, amendments and interpretations effective after 1 January 2018 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2018, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Sub-Funds.

**(b) Financial assets at fair value through profit or loss**

**(i) Classification**

The Sub-Funds classify their investments based on the Sub-Funds' business models for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Sub-Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The Sub-Funds have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Sub-Funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Sub-Funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

**(ii) Recognition, derecognition and measurement**

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-Funds commit to purchase or sell the investment. Investments are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of profit or loss and other comprehensive income. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Funds had transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all investments are measured at fair value. Gains and losses arising from changes in the fair value of investments are recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(b) Financial assets at fair value through profit or loss (continued)**

(iii) Fair value estimation

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. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Funds utilise the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using broker quotes valuation techniques.

(iv) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

**(c) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

**(d) Other receivables and payables**

Other receivables and payables are recognised initially at fair value and subsequently stated at amortised cost using effective interest method.

**(e) Interest income**

Interest is recognised on a time-proportionate basis using the effective interest method.

**(f) Dividend income**

Dividend income is recognised when the right to receive payment is established with the corresponding foreign withholding taxes recorded as an expense.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Transaction costs**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

**(h) Distributions to unitholders**

Distributions to unitholders are recognised in the statement of changes in net assets attributable to unitholders when they are approved by the Manager.

**(i) Foreign currencies translation**

Functional and presentation currency

For Ping An of China CSI HK Dividend ETF, the Management considers Hong Kong dollar (“HKD”) to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Hong Kong dollar is the currency in which the Sub-Funds measure their performance and reports its results, as well as the currency in which the Sub-Fund determines the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Fund are listed on the Stock Exchange of Hong Kong Limited and its shares are quoted in Hong Kong dollars.

For Ping An of China CSI 5-10Y CGB ETF, the Management considers RMB to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The RMB is the currency in which the Sub-Funds measure their performance and reports its results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses arising from translation are included in the statement of profit or loss and other comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within “net exchange gains/(losses)”.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of profit or loss and other comprehensive income within “net changes in fair value of financial assets at fair value through profit or loss”.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Redeemable units**

The Sub-Funds issue redeemable units, which are redeemable at the holder's option. These units represent puttable financial instruments of the Sub-Funds. The Sub-Funds classify the puttable financial instruments as equity in accordance with IAS 32 (Amendment), "Financial instruments: Presentation" as those puttable financial instruments meet all the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net asset value;
- the puttable financial instruments are the most subordinated units in issue and unit features are identical;
- there are no contractual obligations to deliver cash or another financial asset; and
- the total expected cash flows from the puttable financial instrument over its life are based substantially on the profit or loss of the Sub-Funds.

Units are issued and redeemed at the holder's option at prices based on the Sub-Funds' net asset value per unit at the time of issue or redemption. The Sub-Funds' net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

In accordance with the Prospectus of the Sub-Funds, investment positions are valued based on the last traded market prices for the purpose of determining the net asset value per unit for subscriptions and redemptions of the Sub-Funds.

**(k) Taxation**

The Sub-Funds currently incurs withholding taxes imposed by PRC on investment income. Such income is recorded gross of withholding taxes in the statement of profit or loss and other comprehensive income. Withholding taxes are included as taxation in the statement of profit or loss and other comprehensive income.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(k) Taxation (continued)**

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**(l) Establishment costs**

Establishment costs are recognised as an expense in the year/period in which they are incurred.

**3. NET CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	Ping An of China CSI HK Dividend ETF	
	2018	2017
	HK\$	HK\$
Net realised (losses)/gains on financial assets at fair value through profit or loss	(43,119,250)	34,840,102
Net unrealised fair value change on financial assets at fair value through profit or loss	(196,635,725)	5,951,944
Net changes in fair value of financial assets at fair value through profit or loss	<u>(239,754,975)</u>	<u>40,792,046</u>

	Ping An of China CSI 5-10Y CGB ETF	
	Period from 27 December 2017 (date of inception) to 31 December 2018	
	RMB	
Net realised gains on financial assets at fair value through profit or loss		1,441,067
Net unrealised fair value change on financial assets at fair value through profit or loss		6,987,786
Net changes in fair value of financial assets at fair value through profit or loss		<u>8,428,853</u>

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**4. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS**

The following is a summary of significant related party transactions entered into during the year/period between the Sub-Funds and the Trustee and its related parties and the Manager and its Connected Persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the “SFC Code”). All transactions entered into during the year/period between the Sub-Funds and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the knowledge of the Trustee and the Manager, the Sub-Funds do not have any other significant transactions with related parties except for those disclosed below.

Management fee

The Manager of the Sub-Funds is entitled to receive a fee, calculated at an annual rate of 0.55% on the net asset value of Sub-Funds at each dealing day and payable monthly in arrears. The management fee for the year/period ended 31 December 2018 was HK\$4,784,024 (2017: HK\$599,657) and RMB1,189,797 for Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively. As at 31 December 2018, management fee of HK\$196,752 (2017: HK\$57,840) and RMB109,942 was payable to the Manager of the Sub-Funds, namely Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively.

Safe custody and bank charges

Safe custody fee and bank charges pertain to the amount charged by The Hongkong and Shanghai Banking Corporation Limited (“HSBC”), an affiliate of the trustee to Sub-Funds. The safe custody fee and bank charges for the year/period ended 31 December 2018 were HK\$478,150 (2017: HK\$58,787) and RMB60,606 for Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively. As at 31 December 2018, no safe custody fee and bank charge (2017: Nil) was payable to the Trustee by the Sub-Funds.

Trustee fee

The Trustee is entitled to receive a trustee fee, to be accrued daily and calculated as at each dealing day and payable monthly in arrears. The trustee fee is calculated as a percentage per annum of the net asset value of each Sub-Fund at the rate of 0.09% to 0.14% (2017: 0.14%) per annum for the first HK\$800 million of the net asset value, 0.08% to 0.12% (2017: 0.12%) per annum for the next HK\$800 million of the net asset value, and 0.07% to 0.10% (2017: 0.10%) per annum for the remaining balance of the net asset value, and is currently subject to a monthly minimum fee of HK\$37,000 per Sub-Fund.

The trustee fee for the year/period ended 31 December 2018 was HK\$1,030,952 (2017: HK\$444,000) and RMB377,139 for Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively. As at 31 December 2018, a trustee fee of HK\$64,504 (2017: HK\$37,000) and RMB32,560 was payable to the Trustee by the Sub-Funds, namely Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively.



**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**4. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND CONNECTED PERSONS  
(continued)**

Transaction handling fees

The Trustee is also entitled to transaction handling fee per transaction for the Sub-Funds. The transaction handling fee for the year/period ended 31 December 2018 was HK\$6,397 (2017: HK\$13,939) and RMB1,370 for Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively. As at 31 December 2018, a transaction fee of HK\$10,328 was receivable from (2017: HK\$13,954 was payable to) and RMB256 was payable to the Trustee by Ping An of China CSI Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively.

Accounting fee

The Sub-Funds also utilise the accounting services from the Trustee. Accounting fee paid to the Trustee for the year/period ended 31 December 2018 was HK\$86,223 (2017: HK\$85,726) and RMB72,777 by Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively. As at 31 December 2018, an accounting fee of HK\$47,005 (2017: HK\$46,913) and RMB41,286 was payable to the Trustee by the Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF respectively.

Investments in related parties

As at 31 December 2018 and 2017, the Sub-Funds invest in a group company of the Trustee, as follows:

Ping An of China CSI HK Dividend ETF

	2018							
	Market value at 1 January 2018	Purchase cost	Sales proceeds	Realised gain/(loss)	Unrealised gain/(loss)	Market value at 31 December 2018	% of Net Assets	Dividend income
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		HK\$
HSBC Holdings Plc	12,493,227	98,868,528	(3,888,641)	(962,711)	(22,973,483)	83,536,920	10.08%	606,499
	2017							
	Market value at 1 January 2017	Purchase cost	Sales proceeds	Realised gain/(loss)	Unrealised gain/(loss)	Market value at 31 December 2017	% of Net Assets	Dividend income
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		HK\$
HSBC Holdings Plc	8,930,572	983,040	-	-	2,579,615	12,493,227	9.88%	73,166



**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**5. MAJOR NON-CASH TRANSACTIONS**

**Ping An of China CSI HK Dividend ETF**

Subscription

During the year ended 31 December 2018, the Sub-Fund had issued 26,940,000 units (2017: Nil) in exchange for a basket of equity securities of the Sub-Fund's underlying index shares valued at a total of HK\$982,566,621 (2017: Nil) plus the relevant cash component included in the statement of cash flows.

Redemption

During the year ended 31 December 2018, the Sub-Fund had redeemed 1,440,000 units (2017: Nil) in exchange for a basket of equity securities of the Sub-Fund's underlying index shares valued at a total of HK\$43,569,654 (2017: Nil) plus the relevant cash component included in the statement of cash flows.

**6. SOFT COMMISSION ARRANGEMENTS**

The Manager confirms that there have been no soft commission arrangements existing during the year/period in relation to directing transactions of the Sub-Funds through a broker or dealer.

**7. TAXATION**

No provision for Hong Kong profit tax has been made for the Sub-Funds as they are authorised as collective investment schemes under Section 104 of the Hong Kong Securities and Futures Ordinance and are therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

The Sub-Funds incur withholding taxes imposed by other jurisdictions on dividend income. Such income is recorded gross of withholding taxes in the statement of profit or loss and other comprehensive income. Withholding taxes are recorded separately and included as taxation in the statement of profit or loss and other comprehensive income.

The PRC debt securities held by Sub-Funds comprised of China government bonds. Interest income derived from government bonds issued by the State Council's finance departments and/or local government bonds approved by the State Council is exempt from withholding income tax under the PRC Corporate Income Tax Law. In addition, according to the notice Caishui [2016] 36, interest received from government bonds and local government bonds are also exempt from VAT.

Income derived by foreign investors from the trading of RMB denominated debt securities in the China Interbank Bond Market should be exempt from VAT according to the notice Caishui [2016] 37. By making reference to this circular and other related prevailing tax regulations, it is anticipated that the gains derived by foreign investors from trading of PRC bonds through Northbound Trading should also not be subject to VAT. As a matter of practice, such VAT on capital gains realised by non-PRC tax resident enterprises from the trading of bonds has not been enforced by the PRC tax authorities.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**7. TAXATION (continued)**

Furthermore, under the PRC Corporate Income Tax Law, the Sub-Funds may be liable to pay 10% withholding tax on the capital gains derived from the PRC debt securities. Based on the current verbal interpretation of the SAT and the local PRC tax authorities, the authorities are of the view that capital gains derived by foreign investors from investment in PRC debt securities would not be treated as PRC sourced income and thus would not be subject to PRC WIT. However, there are no written tax regulations issued by the PRC tax authorities to confirm this interpretation. As a matter of practice, such 10% withholding tax on capital gains realised by non-PRC tax resident enterprises from the trading of these debt securities has not been enforced by the PRC tax authorities.

Based on the aforementioned verbal interpretation and enforcement practice by the PRC tax authorities, no provision was made for taxation from such gains derived from the PRC debt securities in the financial statements.

**8. FINANCIAL RISK MANAGEMENT**

The objective of the Sub-Funds is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of CSI HK Dividend Index for Ping An of China CSI HK Dividend ETF and CSI PingAn 5-10y CGB Benchmark Index for Ping An of China CSI 5-10Y CGB ETF.

The Sub-Funds' activities may expose it to a variety of risks including but not limited to: market risk (including market price risk, interest rate risk and currency risk), credit and counterparty risk and liquidity risk which are associated with the markets in which the Sub-Funds invest.

The following is a summary of the main risks and risk management policies.

**(a) Market risk**

**(i) Market price risk**

Market 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 those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

Ping An of China CSI HK Dividend ETF is designated to track the performance of CSI HK Dividend Index and Ping An of China CSI 5-10Y CGB ETF is designated to track the performance of CSI PingAn 5-10y CGB Benchmark Index. The Manager manages the Sub-Funds' exposure to market risk by ensuring the key characteristics of the portfolio, such as security weight and industry weight, are closely aligned with the characteristics of the tracked index.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(a) Market risk (continued)**

**(i) Market price risk (continued)**

As at 31 December 2018 and 2017, the Sub-Funds' investments were concentrated in the following industries.

**Ping An of China CSI HK Dividend ETF**

	2018		2017	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Listed equities - by industry				
Basic Materials	3,792,343	0.46%	572,460	0.45%
Consumer, Cyclical	53,157,731	6.42%	8,933,938	7.07%
Energy	95,715,848	11.55%	17,625,300	13.94%
Financial	541,010,442	65.30%	92,432,083	73.12%
Industrial	47,619,077	5.75%	1,445,560	1.14%
Technology	18,164,802	2.19%	1,887,480	1.49%
Utilities	67,828,406	8.19%	3,064,135	2.43%
	<u>827,288,649</u>	<u>99.86%</u>	<u>125,960,956</u>	<u>99.64%</u>

**Ping An of China CSI 5-10Y CGB ETF**

	2018	
	Fair value RMB	% of net asset value
Bonds		
China Government Bond	230,492,913	98.04%
	<u>230,492,913</u>	<u>98.04%</u>

As at 31 December 2018, Ping An of China CSI HK Dividend ETF held 30 (2017: 30) out of 30 (2017: 30) constituents comprising the CSI HK Dividend Index in proportion to the constitution of the CSI HK Dividend Index, Ping An of China CSI 5-10Y CGB ETF held 10 out of 18 constituents comprising the CSI PingAn 5-10y CGB Benchmark Index in proportion to the constitution of the CSI PingAn 5-10y CGB Benchmark Index. Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF are therefore exposed to similar market price risk as the CSI HK Dividend Index and the CSI PingAn 5-10y CGB Benchmark Index respectively.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(a) Market risk (continued)**

**(i) Market price risk (continued)**

Sensitivity analysis in the event of a possible change in the index by 5% as estimated by the Manager of the Sub-Funds

As at 31 December 2018, if the CSI Hong Kong Dividend Index was to increase by 5% with all other variables held constant, this would increase the pre-tax profit for the period/year of Ping An of China CSI HK Dividend ETF by approximately HK\$41,364,432 (2017: HK\$6,298,048). Conversely, if such Index was to decrease by 5% this would decrease the pre-tax profit for the year/period by approximately equal amounts.

As at 31 December 2018, if the CSI PingAn 5-10y CGB Benchmark Index was to increase by 5% with all other variables held constant, this would increase the pre-tax profit for the period/year of Ping An of China CSI 5-10Y CGB ETF by approximately and RMB11,524,646. Conversely, if such Index was to decrease by 5% this would decrease the pre-tax profit for the year/period by approximately equal amounts.

**(ii) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

Ping An of China CSI HK Dividend ETF

The Manager of the Sub-Fund considers that the Sub-Fund is not subject to significant amount of risk due to fluctuations in the prevailing level of market interest rate.

As at 31st December 2018 and 2017, interest rate risk arises from cash and cash equivalents. As interest from interest bearing assets are immaterial, the Manager considers that changes in the fair value and future cash flows in the event of a change in market interest rates will not be material. Accordingly, no sensitivity analysis has been disclosed.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(a) Market risk (continued)**

**(ii) Interest rate risk (continued)**

*Ping An of China CSI 5-10Y CGB ETF*

The majority of the Sub-Fund's assets are debt securities which are exposed to interest rate risk. The manager monitors the interest rate risk by durations on a daily basis. The table below summarises the Sub-Fund's exposure to interest rate risk, categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 year <i>RMB</i>	1-5 years <i>RMB</i>	Over 5 years <i>RMB</i>	Non- interest bearing <i>RMB</i>	Total <i>RMB</i>
As at 31 December 2018					
<b>Financial assets</b>					
Financial assets at fair value through profit or loss	-	66,698,492	163,794,421	-	230,492,913
Interest receivable	-	-	-	2,709,965	2,709,965
Other receivables	-	-	-	16	16
Cash and cash equivalents	2,271,006	-	-	-	2,271,006
<b>Total</b>	<u>2,271,006</u>	<u>66,698,492</u>	<u>163,794,421</u>	<u>2,709,981</u>	<u>235,473,900</u>
<b>Financial liabilities</b>					
Management fee payable	-	-	-	109,942	109,942
Trustee fee payable	-	-	-	32,560	32,560
Preliminary expenses payable	-	-	-	60,000	60,000
Accounts payable and accrued liabilities	-	-	-	181,137	181,137
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>383,639</u>	<u>383,639</u>

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(a) Market risk (continued)**

**(ii) Interest rate risk (continued)**

The Manager and Trustee monitor the interest rate risks by quantifying (a) market exposure in percentage terms; and (b) exposure in duration terms by different countries. As at 31 December 2018, the Sub-Fund has invested in interest-bearing securities of RMB230,492,913 and the portfolio weighted average modified duration of the Sub-Fund is 5.37.

As at 31 December 2018, should the relevant interest rates have lowered/risen by 100 basis points with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the period would amount to approximately RMB12,631,018 arising substantially from the increase/decrease in market values of debt securities.

**(iii) Currency risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Sub-Funds are not exposed to currency risk arising from balances and transactions in foreign currencies as the majority of its assets and liabilities are denominated in the Sub-Funds' functional and presentation currencies. As a result, Management considers sensitivity analysis of currency risk is not necessary to be presented.

**(b) Credit and counterparty risk**

Credit and counterparty risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Sub-Funds.

The Sub-Funds limit the exposure to credit and counterparty risk by carrying out the majority of its investment transactions and contractual commitment activities with well-established broker-dealers, banks and regulated exchanges with high credit ratings.

All transactions are settled or paid for upon delivery using approved and reputable brokers. In addition, the Sub-Funds place bank balances with reputable financial institutions. As such, the Manager does not consider the Sub-Funds to be exposed to significant credit and counterparty risk.

The main concentration to which the Sub-Funds are exposed arises from the Sub-Funds' investments in bond securities. The Sub-Funds do not have explicit restrictions on the minimum credit ratings of securities it may hold.



**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(b) Credit and counterparty risk (continued)**

The below table summarises the credit rating of the issuer of the Sub-Funds' debt portfolio:

*Ping An of China CSI 5-10Y CGB ETF*

**Portfolio by rating category of RMB denominated bonds:**

**As at 31 December 2018**

Credit rating agency	Rating	RMB	%NAV
Moody's	A1	230,492,913	98.04%

The Manager has assessed the credit quality of the RMB denominated bonds based on the nature of the issuers and the historical information about the issuers' default rates. The Sub-Fund is also exposed to credit and counterparty risk on its investments and bank balances.

The table below summarises the amount of investments and bank balances of the Sub-Funds placed with the counterparties together with the credit rating of the relevant counterparties as at 31 December 2018 and 2017. The credit ratings are issued by credit rating agencies.

*Ping An of China CSI HK Dividend ETF*

**31 December 2018**

<b>Investments</b>	<u>HK\$</u>	Credit rating
The Hongkong and Shanghai Banking Corporation Limited	827,288,649	A

**Bank Balance**

The Hongkong and Shanghai Banking Corporation Limited	1,720,616	A
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**31 December 2017**

<b>Investments</b>	<u>HK\$</u>	Credit rating
The Hongkong and Shanghai Banking Corporation Limited	125,960,956	A

**Bank Balance**

The Hongkong and Shanghai Banking Corporation Limited	733,048	A
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**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(b) Credit and counterparty risk (continued)**

*Ping An of China CSI 5-10Y CGB ETF*

**31 December 2018**

<b>Investments</b>	<b><u>RMB</u></b>	<b>Credit rating</b>
The Hongkong and Shanghai Banking Corporation Limited	230,492,913	A
<b>Bank Balance</b>		
The Hongkong and Shanghai Banking Corporation Limited	2,271,006	A

The maximum exposure to credit risk as at 31 December 2018 and 31 December 2017 for the Sub-Funds is the carrying amount of the financial assets as shown on the statement of financial position.

The Sub-Funds measure credit risk and expected credit losses using probability of default, exposure at default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2018 and 31 December 2017, cash and cash equivalents of the Sub-Funds are held with counterparties with a credit rating A or higher and are due to be settled within 1 week. At 31 December 2018, the issuer of the RMB denominated bonds has a credit rating of A1. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Funds.

**(c) Liquidity risk**

Liquidity risk is the risk that the Sub-Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Funds are exposed to daily redemptions of units in the Sub-Funds. The Sub-Funds invest the majority of its assets in securities that are traded in an active market which can be readily disposed of.

The tables below analyse the Sub-Funds' financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(c) Liquidity risk (continued)**

As at 31 December 2018	<b>Ping An of China CSI HK Dividend ETF</b>			
	<1 month HK\$	1 to 3 months HK\$	> 3 to 12 months HK\$	Total HK\$
<b>Financial liabilities</b>				
Management fee payable	196,752	-	-	196,752
Trustee fee payable	64,504	-	-	64,504
Accounts payable and accrued liabilities	26,400	-	517,531	543,931
<b>Total</b>	<b>287,656</b>	<b>-</b>	<b>517,531</b>	<b>805,187</b>
As at 31 December 2017	<1 month HK\$	1 to 3 months HK\$	> 3 to 12 months HK\$	Total HK\$
<b>Financial liabilities</b>				
Management fee payable	57,840	-	-	57,840
Trustee fee payable	37,000	-	-	37,000
Accounts payable and accrued liabilities	13,954	-	240,063	254,017
<b>Total</b>	<b>108,794</b>	<b>-</b>	<b>240,063</b>	<b>348,857</b>
As at 31 December 2018	<b>Ping An of China CSI 5-10Y CGB ETF</b>			
<1 month RMB	1 to 3 months RMB	> 3 to 12 months RMB	Total RMB	
<b>Financial liabilities</b>				
Management fee payable	109,942	-	-	109,942
Trustee fee payable	32,560	-	-	32,560
Preliminary expenses payable	-	-	60,000	60,000
Accounts payable and accrued liabilities	256	-	180,881	181,137
<b>Total</b>	<b>142,758</b>	<b>-</b>	<b>240,881</b>	<b>383,639</b>

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(c) Liquidity risk (continued)**

The Sub-Funds manage its liquidity risk by investing in securities that it expects to be able to liquidate within 7 days or less. The following table illustrates the expected liquidity of assets held:

*Ping An of China CSI HK Dividend ETF*

	Less than 1 month HK\$	1 to 12 months HK\$	Over 1 year HK\$	Total HK\$
<b>As at 31 December 2018</b>				
Total assets	829,229,552	-	-	829,229,552
	=====	=====	=====	=====
<b>As at 31 December 2017</b>				
Total assets	126,770,158	-	-	126,770,158
	=====	=====	=====	=====

*Ping An of China CSI 5-10Y CGB ETF*

	Less than 1 month RMB	1 to 12 months RMB	Over 1 year RMB	Total RMB
<b>As at 31 December 2018</b>				
Total assets	2,271,022	2,709,965	230,492,913	235,473,900
	=====	=====	=====	=====

**(d) Fair value estimation**

The Sub-Funds classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Sub-Funds can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(d) Fair value estimation (continued)**

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Sub-Funds. The Sub-Funds consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables illustrate the fair value measurement hierarchy of the Sub-Funds’ financial instruments measured at fair value at 31 December 2018 and 2017.

Ping An of China CSI HK Dividend ETF				
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 31 December 2018				
<u>Investments</u>				
Listed equity securities	827,288,649	-	-	827,288,649
As at 31 December 2017				
<u>Investments</u>				
Listed equity securities	125,960,956	-	-	125,960,956

Ping An of China CSI 5-10Y CGB ETF				
	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
As at 31 December 2018				
<u>Investments</u>				
Debt securities	-	230,492,913	-	230,492,913

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**8. FINANCIAL RISK MANAGEMENT (continued)**

**(d) Fair value estimation (continued)**

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Sub-Funds do not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2, include PRC government bonds.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 31 December 2018 and 2017, the Sub-Funds did not hold any investments classified in level 3.

For the year/period ended 31 December 2018 and 2017, there were no transfers between levels. The assets and liabilities included in the statement of financial position, other than investments, are carried at amortised cost; their carrying value are approximation of fair value. There are no other assets and liabilities not carried at fair value but for which fair value is disclosed.

**(e) Capital risk management**

The Sub-Funds' capital is represented by the redeemable units outstanding. The Sub-Funds' objective is to provide investment results that correspond generally to the performance of the respective index. The Manager may:

- Redeem and issue new units on a daily basis in accordance with the constitutive documents of the Sub-Funds;
- Exercise discretion when determining the amount of distributions of the Sub-Funds to the unitholders; and
- Suspend the creation and redemption of units under certain circumstance as currently disclosed in the Prospectus of the Sub-Funds.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**9. DISTRIBUTIONS**

The distributions made by Sub-Funds for the year/period ended 31 December 2018 and 2017 are as follows:

*Ping An of China CSI HK Dividend ETF*

	2018 HK\$	2017 HK\$
Interim distribution distributed on 5 July 2018 (HK\$0.38 on 30,940,000 units)	11,757,200	-
Interim distribution distributed on 12 July 2017 (HK\$0.25 on 4,000,000 units)	-	1,000,000
Final distribution distributed on 28 December 2018 (HK\$0.96 on 29,500,000 units)	28,320,000	-
Final distribution distributed on 20 December 2017 (HK\$0.50 on 4,000,000 units)	-	2,000,000
	-----	-----
Total distribution	40,077,200	3,000,000
	=====	=====

*Ping An of China CSI 5-10Y CGB ETF*

	Period from 27 December 2017 (date of inception) to 31 December 2018 RMB
Interim distribution distributed on 5 July 2018 (RMB0.80 on 2,190,000 units)	1,752,000
Final distribution distributed on 28 December 2018 (RMB1.20 on 2,250,000 units)	2,700,000
	-----
Total distribution	4,452,000
	=====

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets at fair value through profit and loss

*Ping An of China CSI HK Dividend ETF*

	2018	2017
	HK\$	HK\$
Equity securities, at fair value	827,288,649	125,960,956
	=====	=====

*Ping An of China CSI 5-10Y CGB ETF*

	2018
	RMB
Debt securities, at fair value	230,492,913
	=====



**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**11. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT**

The Sub-Funds' capital is represented by the units in the Sub-Funds, and shown as "net assets attributable to unitholders" in the statement of financial position. Subscriptions and redemptions of units during the year are shown in the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-Funds endeavor to invest its capital in accordance with the investment policies, whilst maintaining sufficient liquidity to meet redemption requests.

In accordance with the provisions of the Trust Deed dated 19 April 2010, as amended, and the Prospectus of the Sub-Funds, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for subscriptions and redemptions and for various fee calculations. As stated in Note 2(j), redeemable units of the Sub-Funds are classified as equity and they are carried at the redemption amount that would be payable at the reporting date if the unitholder exercised the right to redeem the units in the Sub-Funds.

The movements of the redeemable units for the year/period ended 31 December 2018 and 2017 are as follows:

*Ping An of China CSI HK Dividend ETF*

	2018 Units	2017 Units
Units in issue at the beginning of the year/period	4,000,000	4,000,000
Subscription of units	26,940,000	-
Redemption of units	(1,440,000)	-
	-----	-----
Units in issue at the end of the year/period	29,500,000	4,000,000
	=====	=====
	2018	2017
	HK\$	HK\$
As at 31 December		
Net asset value	828,424,365	126,421,301
	-----	-----
Net asset value per unit	28.0822	31.6053
	=====	=====

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**11. NUMBER OF UNITS IN ISSUE AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (continued)**

*Ping An of China CSI 5-10Y CGB ETF*

	2018 Units
Units in issue at the beginning of the period	-
Subscription of units	2,340,000
Redemption of units	(90,000)
	-----
Units in issue at the end of the period	<u>2,250,000</u>
	2018 RMB
As at 31 December	
Net asset value	235,090,261
	-----
Net asset value per unit	<u>104.4846</u>

**12. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE**

Pursuant to the SFC Code, it allows Ping An of China CSI HK Dividend ETF to invest in constituent securities issued by a single issuer for more than 10% of its net asset value provided that the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the Index and its holding of any such constituent securities may not exceed their respective weightings in the Index (except as a result of changes in the composition of the Index and the excess is transitional and temporary in nature).

Pursuant to the SFC Code, notwithstanding the investment restriction that the value of each of the Sub-Funds' holding of securities issued by any single issuer may not exceed 10% of its total net asset value, Ping An of China CSI 5-10Y CGB ETF may invest all of its assets in Government and other public securities of in any number of different issuers.

The Manager and the Trustee have confirmed that the Sub-Funds have complied with this limit during the year/period ended 31 December 2018 and 2017.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**12. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (continued)**

Constituent securities that account for more than 10% of the net asset value of each Sub-Fund as at year/period end were as follows:

	Ping An of China CSI HK Dividend ETF			
	Respective weighting in the		% of net asset value	
	Index (%)		2018	2017
	2018	2017	2018	2017
China Construction Bank Corp	10.05	10.19	10.05	10.16
Bank of China Ltd	10.28	9.69	10.26	9.66
HSBC Holdings Plc	10.11	9.92	10.08	9.88
Industrial & Commercial Bank of China Ltd	10.25	9.99	10.26	9.96
	-----	-----	-----	-----
Total	40.69	39.79	40.65	39.66
	=====	=====	=====	=====

	Ping An of China CSI 5-10Y CGB ETF	
	Respective weighting in the	
	Index (%)	% of net asset value
	2018	2018
China Government Bond Ser 1720 3.69% 21/09/2024	0.94	11.40
China Government Bond Ser 1805 3.77% 08/03/2025	5.16	10.97
China Government Bond Ser 1809 3.17% 19/04/2023	4.09	10.72
	-----	-----
Total	10.19	33.09
	=====	=====

Except as disclosed above, there were no other securities that individually accounted for more than 10% of the net asset value of each Sub-Fund as at 31 December 2018 and 2017.

During the year ended 31 December 2018, the CSI HK Dividend Index decreased by 11.15% (2017: increased by 48.01%), while the net asset value per unit of Ping An of China CSI HK Dividend ETF decreased by 11.15% (2017: increased by 48.42%).

During the period ended 31 December 2018, the CSI PingAn 5-10y CGB Benchmark Index increased by 7.99% while the net asset value per unit of Ping An of China CSI 5-10Y CGB ETF increased by 4.35%.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
PING AN OF CHINA CSI 5-10Y CGB ETF**

**(SUB-FUNDS OF PING AN OF CHINA TRUST)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2018**

**13. SEGMENT INFORMATION**

The Manager of the Sub-Funds makes the strategic resource allocations on behalf of the Sub-Funds and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager of the Sub-Funds considers that each Sub-Fund has a single operating segment, which is investing in securities. The objectives of the Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF is to track the performance of CSI Hong Kong Dividend Index and CSI PingAn 5-10y CGB Benchmark Index respectively.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the statement of financial position and statement of profit or loss and other comprehensive income.

The Sub-Funds are domiciled in Hong Kong. Ping An of China CSI HK Dividend ETF's income is mainly derived from investments in Hong Kong listed securities which constitute CSI Hong Kong Dividend Index, the tracked index. Ping An of China CSI 5-10Y CGB ETF's income is mainly derived from investments in PRC bond which constitute CSI PingAn 5-10y CGB Benchmark Index, the tracked index.

The Sub-Funds have no assets classified as non-current assets. The Sub-Funds have a diversified portfolio of investments. Ping An of China CSI HK Dividend ETF and Ping An of China CSI 5-10Y CGB ETF have 4 (2017: 1) and 3 investments which account for more than 10% of each Sub-Fund's net asset value respectively. Ping An of China CSI 5-10Y CGB ETF is mainly exposed to RMB-denominated China Government Bonds that are issued by one issuer.

**14. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Manager and the Trustee of the Sub-Funds on 23 April 2019.

**PING AN OF CHINA CSI HK DIVIDEND ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**INVESTMENT PORTFOLIO (unaudited)**

**As at 31 December 2018**

	<b>Holdings Shares</b>	<b>Market Value HK\$</b>	<b>% of NAV</b>
<b><u>Financial assets at fair value through profit or loss</u></b>			
<b>Listed investments</b>			
<b>China (68.23%)</b>			
Agile Group Holdings Ltd	746,350	6,873,883	0.83
Agricultural Bank of China Ltd	14,637,900	50,207,997	6.06
Bank of China Ltd	25,148,750	85,002,775	10.26
Bank of Communications Co Ltd	5,003,200	30,569,552	3.69
BOC Hong Kong Holdings Ltd	2,014,850	58,632,135	7.08
China Aoyuan Group Ltd	637,200	3,166,884	0.38
China Cinda Asset Management Co Ltd	4,522,350	8,592,465	1.04
China Construction Bank Corp	12,891,500	83,279,090	10.05
China Petroleum & Chemical Corp	12,151,050	67,924,370	8.20
China Power International Development Ltd	2,336,400	4,158,792	0.50
China Resources Power Holdings Co Ltd	914,500	13,772,370	1.66
China Shenhua Energy Co Ltd	1,619,550	27,791,478	3.36
Guangzhou R&F Properties Co Ltd	483,800	5,728,192	0.69
Huaneng Power International Inc	2,239,050	11,150,469	1.35
Industrial & Commercial Bank of China Ltd	15,198,400	84,959,056	10.26
KWG Group Holdings Ltd	755,200	5,233,536	0.63
Lenovo Group Ltd	3,433,800	18,164,802	2.19
		-----	-----
		565,207,846	68.23
		-----	-----
<b>Great Britain (10.08%)</b>			
HSBC Holdings Plc	1,289,150	83,536,920	10.08
		-----	-----
<b>Hong Kong (21.55%)</b>			
CIFI Holdings Group Co Ltd	1,849,650	7,694,544	0.93
Kingboard Laminates Holdings Ltd	587,050	3,792,343	0.46
Li & Fung Ltd	3,242,050	3,987,722	0.48
Logan Property Holdings Co Ltd	784,700	7,697,907	0.93
MTR Corp Ltd	876,150	36,097,380	4.36
Power Assets Holdings Ltd	710,950	38,746,775	4.68
Sands China Ltd	1,153,450	39,563,335	4.78
Shimao Property Holdings Ltd	628,350	13,132,515	1.58
Value Partners Group Ltd	708,000	3,844,440	0.46

**PING AN OF CHINA CSI HK DIVIDEND ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**INVESTMENT PORTFOLIO (unaudited) (continued)**

**As at 31 December 2018**

	<b>Holdings Shares</b>	<b>Market Value HK\$</b>	<b>% of NAV</b>
<b><u>Financial assets at fair value through profit or loss (continued)</u></b>			
<b>Listed investments (continued)</b>			
<b>Hong Kong (21.55%) (continued)</b>			
Xinyi Glass Holdings Co Ltd	1,330,450	11,521,697	1.39
Yue Yuen Industrial Holdings Ltd	383,500	9,606,675	1.16
Yuzhou Properties Co Ltd	885,000	2,858,550	0.34
		-----	-----
		178,543,883	21.55
		-----	-----
TOTAL EXPOSURE		827,288,649	99.86
		=====	=====
		1,015,721,867	
		=====	

**PING AN OF CHINA CSI 5-10Y CGB ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**INVESTMENT PORTFOLIO (unaudited)**

**As at 31 December 2018**

	<b>Holdings Shares</b>	<b>Market Value RMB</b>	<b>% of NAV</b>
<b><u>Financial assets at fair value through profit or loss</u></b>			
<b>Listed investments</b>			
<b>China (27.46%)</b>			
China Government Bond 3.1% 29/06/2022	15,000,000	14,833,500	6.31
China Government Bond 3.36% 21/05/2022	9,500,000	9,405,048	4.00
China Government Bond 3.38% 21/11/2024	16,000,000	15,740,320	6.69
China Government Bond 3.48% 29/06/2027	7,500,000	7,380,900	3.14
China Government Bond 3.85% 12/12/2026	12,000,000	12,124,500	5.16
China Government Bond 4% 22/05/2024	5,000,000	5,078,150	2.16
		-----	-----
		64,562,418	27.46
		-----	-----
<b>Unlisted investments</b>			
<b>China (70.58%)</b>			
China Government Bond Ser 1710 3.52% 04/05/2027	12,000,000	12,182,316	5.18
China Government Bond Ser 1713 3.57% 22/06/2024	10,000,000	10,218,480	4.35
China Government Bond Ser 1718 3.59% 03/08/2027	17,000,000	17,394,468	7.40
China Government Bond Ser 1720 3.69% 21/09/2024	26,000,000	26,795,652	11.40
China Government Bond Ser 1725 3.82% 02/11/2027	20,000,000	20,783,220	8.84
China Government Bond Ser 1801 3.81% 18/01/2023	1,000,000	1,034,447	0.44
China Government Bond Ser 1805 3.77% 08/03/2025	25,000,000	25,800,325	10.97
China Government Bond Ser 1809 3.17% 19/04/2023	25,000,000	25,199,625	10.72
China Government Bond Ser 1811 3.69% 17/05/2028	10,000,000	10,296,090	4.38
China Government Bond Ser 1816 3.3% 12/07/2023	16,000,000	16,225,872	6.90
		-----	-----
		165,930,495	70.58
		-----	-----
TOTAL EXPOSURE		230,492,913	98.04
		=====	=====
TOTAL INVESTMENTS, AT COST		223,505,127	
		=====	

**PING AN OF CHINA CSI HK DIVIDEND ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited)**

**For the year ended 31 December 2018**

<b>INVESTMENTS</b>	<b>Holdings As at 1 January 2018</b>	<b>Additions</b>	<b>Corporate Action</b>	<b>Disposals</b>	<b>Holdings As at 31 December 2018</b>
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**Financial assets at fair value through profit or loss**

**Listed investments**

Agile Group Holdings Ltd	80,000	696,158	-	(29,808)	746,350
Agile Group Holdings Ltd Pref. offer 2018 Nil paid Rts 31/12/2018	-	-	1,600	(1,600)	-
Agricultural Bank of China Ltd	1,563,000	13,659,252	-	(584,352)	14,637,900
Bank of China Ltd	3,180,452	23,157,114	-	(1,188,816)	25,148,750
Bank of Communications Co Ltd	534,000	4,668,880	-	(199,680)	5,003,200
BOC Hong Kong Holdings Ltd	215,000	1,880,250	-	(80,400)	2,014,850
China Aoyuan Group Ltd	-	637,200	-	-	637,200
China Cinda Asset Management Co Ltd	345,000	4,357,878	-	(180,528)	4,522,350
China Construction Bank Corp	1,784,000	12,426,598	-	(1,319,098)	12,891,500
China Merchants Bank Co Ltd	233,500	1,626,398	-	(1,859,898)	-
China Petroleum & Chemical Corp	1,298,000	11,338,042	-	(484,992)	12,151,050
China Power International Development Ltd	228,000	2,201,616	-	(93,216)	2,336,400
China Resources Power Holdings Co Ltd	98,000	853,028	-	(36,528)	914,500
China Shenhua Energy Co Ltd	-	1,619,550	-	-	1,619,550
CIFI Holdings Group Co Ltd	152,000	1,770,850	-	(73,200)	1,849,650
CNOOC Ltd	908,000	6,326,580	-	(7,234,580)	-
Country Garden Holdings Co Ltd	541,000	7,877,260	-	(8,418,260)	-
Country Garden Services Holdings Co Ltd	-	480,762	-	(480,762)	-
Guangzhou R&F Properties Co Ltd	51,600	451,496	-	(19,296)	483,800
HSBC Holdings Plc	156,263	1,191,495	-	(58,608)	1,289,150
Huaneng Power International Inc	238,746	2,089,680	-	(89,376)	2,239,050
Industrial & Commercial Bank of China Ltd	2,002,000	13,944,576	-	(748,176)	15,198,400
Kingboard Laminates Holdings Ltd	47,000	563,474	-	(23,424)	587,050
KWG Group Holdings Ltd	80,059	705,141	-	(30,000)	755,200
Lenovo Group Ltd	428,000	3,570,840	-	(565,040)	3,433,800
Li & Fung Ltd	302,000	3,052,754	-	(112,704)	3,242,050
Logan Property Holdings Co Ltd	84,000	732,092	-	(31,392)	784,700
Man Wah Holdings Ltd	77,288	543,738	-	(621,026)	-
MTR Corp Ltd	-	876,150	-	-	876,150
New World Development Co Ltd	300,000	2,181,848	-	(2,481,848)	-
Power Assets Holdings Ltd	-	710,950	-	-	710,950
Sands China Ltd	123,200	1,076,282	-	(46,032)	1,153,450



**PING AN OF CHINA CSI HK DIVIDEND ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited) (continued)**

**For the year ended 31 December 2018**

<b>INVESTMENTS</b>	<b>Holdings As at 1 January 2018</b>	<b>Additions</b>	<b>Corporate Action</b>	<b>Disposals</b>	<b>Holdings As at 31 December 2018</b>
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**Financial assets at fair value through profit or loss (continued)**

**Listed investments (continued)**

Shimao Property Holdings Ltd	69,000	585,126	-	(25,776)	628,350
SJM Holdings Ltd	115,000	801,124	-	(916,124)	-
Value Partners Group Ltd	-	708,000	-	-	708,000
Xinyi Glass Holdings Co Ltd	142,000	1,241,874	-	(53,424)	1,330,450
Yue Yuen Industrial Holdings Ltd	41,954	357,146	-	(15,600)	383,500
Yuzhou Properties Co Ltd	-	885,000	-	-	885,000

**PING AN OF CHINA CSI 5-10Y CGB ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**MOVEMENTS IN INVESTMENT PORTFOLIO (unaudited)**

**For the period from 27 December 2017 (date of inception) to 31 December 2018**

<b>INVESTMENTS</b>	<b>Holdings As at 27 December 2017 (date of inception)</b>	<b>Additions</b>	<b>Corporate Action</b>	<b>Disposals</b>	<b>Holdings As at 31 December 2018</b>
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**Financial assets at fair value through profit or loss**

**Listed investments**

China Government Bond 3.1% 29/06/2022	-	15,000,000	-	-	15,000,000
China Government Bond 3.36% 21/05/2022	-	9,500,000	-	-	9,500,000
China Government Bond 3.38% 21/11/2024	-	16,000,000	-	-	16,000,000
China Government Bond 3.48% 29/06/2027	-	7,500,000	-	-	7,500,000
China Government Bond 3.85% 12/12/2026	-	12,000,000	-	-	12,000,000
China Government Bond 4% 22/05/2024	-	5,000,000	-	-	5,000,000

**Unlisted investments**

China Government Bond Ser 1710 3.52% 04/05/2027	-	12,000,000	-	-	12,000,000
China Government Bond Ser 1713 3.57% 22/06/2024	-	25,000,000	-	(15,000,000)	10,000,000
China Government Bond Ser 1714 3.47% 13/07/2022	-	30,000,000	-	(30,000,000)	-
China Government Bond Ser 1718 3.59% 03/08/2027	-	17,000,000	-	-	17,000,000
China Government Bond Ser 1720 3.69% 21/09/2024	-	26,000,000	-	-	26,000,000
China Government Bond Ser 1721 3.73% 19/10/2022	-	17,000,000	-	(17,000,000)	-
China Government Bond Ser 1725 3.82% 02/11/2027	-	20,000,000	-	-	20,000,000
China Government Bond Ser 1801 3.81% 18/01/2023	-	10,000,000	-	(9,000,000)	1,000,000
China Government Bond Ser 1805 3.77% 08/03/2025	-	25,000,000	-	-	25,000,000
China Government Bond Ser 1809 3.17% 19/04/2023	-	25,000,000	-	-	25,000,000
China Government Bond Ser 1811 3.69% 17/05/2028	-	10,000,000	-	-	10,000,000
China Government Bond Ser 1816 3.3% 12/07/2023	-	16,000,000	-	-	16,000,000

**PING AN OF CHINA CSI HK DIVIDEND ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**PERFORMANCE RECORD (unaudited)**

**For the year ended 31 December 2018**

**Net asset value attributable to unitholders**

	HK\$
As at 31 December 2018	828,424,365
As at 31 December 2017	126,421,301
As at 31 December 2016	85,178,872

**Net asset value per unit**

	HK\$
As at 31 December 2018	28.0822
As at 31 December 2017	31.6053
As at 31 December 2016	21.2947

**Highest and lowest net asset value per unit**

	Highest HK\$	Lowest HK\$
Financial year ended 31 December 2018	37.1531	27.6044
Financial year ended 31 December 2017	32.5002	21.4145
Financial year ended 31 December 2016	23.7096	18.8529
Financial year ended 31 December 2015	26.1078	20.3196
Financial year ended 31 December 2014	23.8615	19.9335
Financial year ended 31 December 2013	24.0640	20.8996
Financial period from 10 February 2012 (date of inception) to 31 December 2012	21.8935	18.2448

**PING AN OF CHINA CSI 5-10Y CGB ETF  
(A SUB-FUND OF PING AN OF CHINA TRUST)**

**PERFORMANCE RECORD (unaudited)**

**For the period from 27 December 2017 (date of inception) to 31 December 2018**

**Net asset value attributable to unitholders**

	RMB
As at 31 December 2018	235,090,261

**Net asset value per unit**

	RMB
As at 31 December 2018	104.4846

**Highest and lowest net asset value per unit**

	Highest RMB	Lowest RMB
Financial period from 27 December 2017 (date of inception) to 31 December 2018	105.4523	99.6336