

VALUE GOLD ETF

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

2022 SEMI-ANNUAL REPORT

For the six months ended 30 September 2022

Sensible Asset Management Hong Kong Limited

43rd Floor, The Center

99 Queen's Road Central, Hong Kong

Tel: (852) 2880 9263 Fax: (852) 2564 8487

Email: info@valueETF.com.hk

Website: www.valueETF.com.hk

CONTENTS

	<i>Pages</i>
General information	2-3
Manager's report	4
Statement of financial position (unaudited)	5
Statement of profit or loss and other comprehensive income (unaudited)	6
Statement of changes in net assets attributable to unitholders (unaudited)	7-8
Statement of cash flows (unaudited)	9
Investment portfolio (unaudited)	10
Statement of movements in portfolio holdings (unaudited)	11
Performance record (unaudited)	12

VALUE GOLD ETF

(A Hong Kong Unit Trust)

GENERAL INFORMATION

Manager

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

Sub-Manager

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

Directors of the Manager

Mr. So Chun Ki Louis

Trustee and Registrar

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

Custodian

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

Legal Counsel to the Manager

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

Auditors

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

Information available from:

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

Telephone : (852) 2880 9263
Fax : (852) 2564 8487
Email : info@valueETF.com.hk
Website : www.valueETF.com.hk

GENERAL INFORMATION (Continued)

Awards and achievements

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

VALUE GOLD ETF

(A Hong Kong Unit Trust)

MANAGER'S REPORT

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

As at 30 September 2022, the Net Asset Value ("NAV") per unit of the listed class was HK\$40.1171, and 39,000,000 units were outstanding. The NAV per unit of the unlisted Class A USD Unhedged Acc and Class A HKD Unhedged Acc was US\$9.5912 and HK\$9.6954, respectively, and 3,029,494 units were outstanding. The total size of the Fund was approximately HK\$1,628 million.

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

	From 1 Apr 2022 to 30 September 2022	2022 YTD (as at 30 September)	Since inception
LBMA Gold Price	-12.8%	-7.5%	+27.6%
Value Gold ETF	-13.0%	-7.7%	+21.2%

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

	From 1 Apr 2022 to 30 September 2022	2022 YTD (as at 30 September)	Since inception
Value Gold ETF Unlisted Class A Acc USD	-13.2%	-8.4%	-2.7%
Value Gold ETF Unlisted Class A Acc HKD	-13.0%	-7.7%	-2.0%

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

Sensible Asset Management Hong Kong Limited

23 November 2022

All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in HKD, NAV to NAV with dividends reinvested, as at 30 September 2022. Performance data is net of all fees.

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

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 SEPTEMBER 2022

	30.9.2022	31.3.2022
	<i>HK\$</i>	<i>HK\$</i>
ASSETS		
Commodities	1,627,700,880	1,884,850,564
Other receivables	458	3
Cash and cash equivalents	<u>1,263,787</u>	<u>2,782,130</u>
TOTAL ASSETS	<u>1,628,965,125</u>	<u>1,887,632,697</u>
LIABILITIES		
Management fees payable	<u>542,366</u>	<u>1,851,502</u>
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)	<u>542,366</u>	<u>1,851,502</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>1,628,422,759</u>	<u>1,885,781,195</u>
	30.9.2022	31.3.2022
Listed Class of Units:		
Net asset value per unit based on 39,000,000 (31.3.2022: 39,300,000) units outstanding	<u>HK\$40.1171</u>	<u>HK\$46.1165</u>
Unlisted Class of Units:		
Net asset value per unit based on		
Class A HKD Acc Units 2,503,761 (31.3.2022: 2,503,761) units outstanding	<u>HK\$9.6954</u>	<u>HK\$11.1453</u>
Class A USD Acc Units 525,733 (31.3.2022: 525,687) units outstanding	<u>US\$9.5912</u>	<u>US\$11.0543</u>

Note: The semi-annual report has applied the same accounting policies and methods of computation as are applied in the annual report of the Fund for the year ended 31 March 2022.

VALUE GOLD ETF

(A Hong Kong Unit Trust)

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

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

	30.9.2022	30.9.2021
	<i>HK\$</i>	<i>HK\$</i>
Interest income	1,875	99
Net (losses)/gains from commodities	(241,786,396)	47,664,471
Other income	<u>27,027</u>	<u>61,178</u>
Net investment (losses)/income	<u>(241,757,494)</u>	<u>47,725,748</u>
Management fees ^{Note 1}	3,547,233	3,620,860
Transaction fees	7,571	23,467
Net foreign exchange losses	<u>1,914</u>	<u>3,058</u>
Operating expenses	<u>3,556,718</u>	<u>3,647,385</u>
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	<u>(245,314,212)</u>	<u>44,078,363</u>

Note 1 During the periods ended 30 September 2022 and 2021, other than management fees that paid to Manager, no other amounts paid to the Manager or their connected persons.

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

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

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

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

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

VALUE GOLD ETF
(A Hong Kong Unit Trust)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED) (Continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

	30.9.2021 <i>HK\$</i>
AT 1 APRIL 2021	1,674,999,807
Issue of redeemable units	<u>25,607,100</u>
Net increase from unit transactions	----- 25,607,100
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>44,078,363</u>
AT 30 SEPTEMBER 2021	<u>1,744,685,270</u>

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

	Number of units 30.9.2021
Listed Class of Units:	
At the beginning of the period	40,200,000
Issue of redeemable units	<u>600,000</u>
At the end of the period	<u>40,800,000</u>
Unlisted Class of Units:	
<i>Class A HKD Acc Units</i>	
At the beginning of the period	<u>2,503,761</u>
At the end of the period	<u>2,503,761</u>
<i>Class A USD Acc Units</i>	
At the beginning of the period	<u>420,830</u>
At the end of the period	<u>420,830</u>

STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

	30.9.2022	30.9.2021
	<i>HK\$</i>	<i>HK\$</i>
OPERATING ACTIVITIES		
Interest income received	1,420	103
Proceeds from sales of commodities	15,363,288	–
Purchase of commodities	–	(24,149,784)
Operating expenses paid	<u>(4,838,827)</u>	<u>(3,019,249)</u>
CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES	<u>10,525,881</u>	<u>(27,168,930)</u>
FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	4,046	25,607,100
Payment on redemption of redeemable units	<u>(12,048,270)</u>	<u>–</u>
CASH FLOWS (USED IN)/GENERATED FROM FINANCING ACTIVITIES	<u>(12,044,224)</u>	<u>25,607,100</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,518,343)	(1,561,830)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,782,130</u>	<u>1,837,540</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>1,263,787</u></u>	<u><u>275,710</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at banks	<u><u>1,263,787</u></u>	<u><u>275,710</u></u>

VALUE GOLD ETF

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2022

	Holdings <i>Fine weight of grams</i>	Fair value <i>HK\$</i>	% of net assets
COMMODITIES			
Gold bullion	3,855,614	<u>1,627,700,880</u>	<u>99.95</u>
Total commodities		1,627,700,880	99.95
Cash and cash equivalents		1,263,787	0.08
Other net liabilities		<u>(541,908)</u>	<u>(0.03)</u>
Total net assets		<u>1,628,422,759</u>	<u>100.00</u>
Total investments, at cost		<u>1,472,356,781</u>	

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

	% of net assets	
	30.9.2022	31.3.2022
COMMODITIES		
Gold bullion	99.95	99.95
Total commodities	99.95	99.95
Cash and cash equivalents	0.08	0.15
Other net liabilities	(0.03)	(0.10)
Total net assets	100.00	100.00

VALUE GOLD ETF

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

Comparison of the scheme performance and the Benchmark performance

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

	From 1 April 2022 to 30 September 2022	From 1 April 2021 to 30 September 2021
LBMA Gold Price	-12.8%	+2.9%
Value Gold ETF - Listed Class	-13.0%	+2.7%
Value Gold ETF - Unlisted Class A HKD Acc	-13.0%	+2.7%
Value Gold ETF - Unlisted Class A USD Acc	-13.2%	+2.5%