

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

(A sub-fund of Ping An of China Trust)

Unaudited Interim Report

For the period from 1 January 2017 to 30 June 2017

Manager



中国平安资产管理(香港)
PING AN OF CHINA ASSET MANAGEMENT (HONG KONG)



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

CONTENTS	Pages
MANAGEMENT AND ADMINISTRATION.....	1 - 2
REPORT OF THE MANAGER TO THE UNITHOLDERS.....	3 - 4
STATEMENT OF FINANCIAL POSITION.....	5
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	6
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS.....	7
STATEMENT OF DISTRIBUTION.....	8
STATEMENT OF CASH FLOWS.....	9
INVESTMENT PORTFOLIO.....	10 - 11
MOVEMENTS IN INVESTMENT PORTFOLIO.....	12
PERFORMANCE RECORD.....	13
UNDERLYING INDEX CONSTITUENT STOCKS DISCLOSURE.....	14
REPORT ON INVESTMENT OVERWEIGHT.....	15

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 Sub-Fund, please refer to the prospectus of Sub-Fund 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

(A SUB-FUND OF PING AN OF CHINA TRUST)

MANAGEMENT AND ADMINISTRATION

Manager

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

Directors of the Manager

Tung Hoi	Yu Wenjie (Resigned on 14 March 2017)
Chan Tak Yin	Huang Yong (Resigned on 14 March 2017)
Chang Jack P (Resigned on 14 March 2017)	Gao Peng (Resigned on 14 March 2017)
Chow Woon San Shirley (Resigned on 6 January 2017)	Tan Sin Yin (Resigned on 14 March 2017)
Yao Jason Bo (Resigned on 14 March 2017)	Lau Chun Fai (Appointed on 14 March 2017)
Yao Jun (Resigned on 14 March 2017)	Choy Siu Kam David (Appointed on 14 March 2017)
Wan Fang (Resigned on 14 March 2017)	Zhuang Yan (Appointed on 14 March 2017)
Cai Fangfang (Resigned on 14 March 2017)	Li Wen (Appointed on 14 March 2017)

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
2nd Floor, Infinitus Plaza
199 Des Voeux Road, Central
Hong Kong

Legal Adviser to the Manager

Baker & McKenzie Solicitors
14th Floor, Hutchison House
10 Harcourt Road
Hong Kong

Auditor

Ernst & Young
18th Floor, Two International Finance Centre
8 Finance Street, Central
Hong Kong

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

MANAGEMENT AND ADMINISTRATION (continued)

Participating Dealers

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
14/F, 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

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND 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 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 30 June 2017, the NAV per unit of the HK Dividend ETF was HK\$26.7645 and the total outstanding units were 4,000,000. The total size of the HK Dividend ETF was approximately HK\$107.06 million.

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

Performance (As at 30 June 2017)	1-Month	3-Month	6-Month	2016	2015	Since Inception##
HK Dividend Index#	-0.11%	11.90%	24.91%	-1.30%	-7.51%	39.41%
NAV of the HK Dividend ETF	-0.21%	12.29%	25.68%	-1.22%	-7.65%	39.78%

Notes:

Fund performance is calculated without dividend reinvested.

#Index performance is price return.

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

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND 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)

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
09 Dec 2016	HKD 0.52
30 Jun 2017	HKD 0.25

Activities of the Underlying Index

Review of the HK Dividend Index was conducted on the 2nd Friday of December each year. As at 30 June 2017, the HK Dividend ETF 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
[]

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2017

	30 June 2017 HK\$	31 December 2016 HK\$
ASSETS		
Financial assets at fair value through profit or loss	106,273,651	85,220,552
Dividend receivable	1,139,950	104,723
Cash and cash equivalents	904,341	207,301
	<hr/>	<hr/>
TOTAL ASSETS	108,317,942	85,532,576
	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES		
Distributions payable	1,000,000	-
Management fee payable	48,742	40,462
Trustee fee payable	37,000	37,000
Accounts payable and accrued liabilities	174,140	276,242
	<hr/>	<hr/>
TOTAL LIABILITIES	1,259,882	353,704
	<hr/> <hr/>	<hr/> <hr/>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	107,058,060	85,178,872
	<hr/> <hr/>	<hr/> <hr/>
NUMBER OF UNITS IN ISSUE	4,000,000	4,000,000
	<hr/> <hr/>	<hr/> <hr/>
NET ASSET VALUE PER UNIT	26.76	21.29
	<hr/> <hr/>	<hr/> <hr/>

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

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

For the period from 1 January 2017 to 30 June 2017

	1 January 2017 to 30 June 2017 HK\$	1 January 2016 to 30 June 2016 HK\$
INCOME		
Dividend income	2,634,185	3,293,420
Other income	18	-
	<u>2,634,203</u>	<u>3,293,420</u>
EXPENSES		
Management fee	(262,545)	(234,013)
Trustee fee	(222,000)	(420,000)
Transaction fee	-	(5,714)
Accounting and professional fee	(88,740)	(83,188)
Audit fee	(84,394)	(77,812)
Safe custody and bank charges	(21,900)	(21,507)
Index licensing fee	(42,189)	(34,083)
Other operating expenses	(5,098)	(2,552)
	<u>(726,866)</u>	<u>(878,869)</u>
PROFIT BEFORE INVESTMENT GAINS/(LOSSES) AND EXCHANGE GAINS	1,907,337	2,414,551
INVESTMENT GAINS/(LOSSES) AND EXCHANGE GAINS		
Net realised gains on financial assets at fair value through profit or loss	-	578,632
Net unrealised fair value change on financial assets at fair value through profit or loss	21,053,099	(4,206,048)
Net exchange gains	3,420	59
	<u>21,056,519</u>	<u>(3,627,357)</u>
PROFIT/(LOSS) BEFORE TAXATION	22,963,856	(1,212,806)
TAXATION	(84,668)	(114,621)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	22,879,188	(1,327,427)

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

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

For the period from 1 January 2017 to 30 June 2017

	1 January 2017 to 30 June 2017 HK\$	1 January 2016 to 30 June 2016 HK\$
BALANCE BROUGHT FORWARD	85,178,872	97,012,364
Payment on redemption of units		
- In-kind	-	(10,206,985)
- Cash component and cash redemption	-	(29,415)
Net decrease from unit transactions	-	(10,236,400)
Total comprehensive income for the period	22,879,188	(1,327,427)
Distribution to unitholders	(1,000,000)	(840,000)
Net assets attributable to unitholders at the period end	107,058,060	84,608,537

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
STATEMENT OF DISTRIBUTION (UNAUDITED)

For the period from 1 January 2017 to 30 June 2017

	1 January 2017 to 30 June 2017 HK\$	1 January 2016 to 30 June 2016 HK\$
Total comprehensive income for the period	22,879,188	(1,327,427)
Add: Net change in unrealised losses on financial assets at fair value through profit or loss	(21,053,099)	4,206,048
	<u>1,826,089</u>	<u>2,878,621</u>
Undistributed income before distribution	1,826,089	2,878,621
Interim distribution distributed on 12 July 2017 ex-dividend on 30 June 2017 (HK\$0.25 per unit)	(1,000,000)	-
Interim distribution distributed on 7 July 2016 ex-dividend on 24 June 2016 (HK\$0.21 per unit)	-	(840,000)
	<u>826,089</u>	<u>2,038,621</u>
Undistributed income at the period end	<u><u>826,089</u></u>	<u><u>2,038,621</u></u>

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
STATEMENT OF CASH FLOWS (UNAUDITED)

For the period from 1 January 2017 to 30 June 2017

	1 January 2017 to 30 June 2017 HK\$	1 January 2016 to 30 June 2016 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	22,963,856	(1,212,806)
Adjustments for:		
Dividend income	(2,634,185)	(3,293,420)
Net realised gains on financial assets at fair value through profit or loss	-	(578,632)
Net unrealised fair value change on financial assets at fair value through profit or loss	(21,053,099)	4,206,048
	<u>(723,428)</u>	<u>(878,810)</u>
Purchase of financial assets at fair value through profit or loss	-	(1,025,888)
Proceeds from sales of investments	-	1,159,255
Increase/(decrease) in management fee payable	8,280	(6,843)
Decrease in accounts payable and accrued liabilities	(102,102)	(219,107)
	<u>(817,250)</u>	<u>(971,393)</u>
Cash used in operations	(817,250)	(971,393)
Dividend received	1,598,958	1,743,701
Taxation paid	(84,668)	(114,621)
	<u>697,040</u>	<u>657,687</u>
Net cash flows from operating activities	697,040	657,687
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash component paid on redemption of units	-	(29,415)
	<u>-</u>	<u>(29,415)</u>
Net cash flows used in financing activities	-	(29,415)
NET INCREASE IN CASH AND CASH EQUIVALENTS	697,040	628,272
Cash and cash equivalents at the beginning of the period	207,301	722,377
	<u>207,301</u>	<u>722,377</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	904,341	1,350,649
	<u><u>904,341</u></u>	<u><u>1,350,649</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	904,341	1,350,649
	<u><u>904,341</u></u>	<u><u>1,350,649</u></u>

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 June 2017

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
Listed investments			
Cambodia (1.24%)			
NagaCorp Ltd	324,728	1,331,385	1.24
		-----	-----
China (40.97%)			
Bank of China Ltd	2,478,452	9,492,471	8.87
Beijing Capital Land Ltd	222,633	825,969	0.77
China Evergrande Group	894,593	12,542,194	11.71
China Hongqiao Group Ltd	322,003	2,270,121	2.12
Guangzhou R&F Properties Co Ltd	222,800	2,704,792	2.52
Huadian Power International Corp Ltd	374,000	1,305,260	1.22
Huaneng Power International Inc	1,036,746	5,619,163	5.25
Jiangsu Expressway Co Ltd	270,067	2,976,138	2.78
KWG Property Holding Ltd	333,559	1,744,514	1.63
Shenzhen Expressway Co Ltd	163,817	1,164,739	1.09
Zhejiang Expressway Co Ltd	315,746	3,220,609	3.01
		-----	-----
		43,865,970	40.97
Great Britain (9.74%)			
HSBC Holdings Plc	143,463	10,422,587	9.74
		-----	-----
Hong Kong (47.32%)			
Champion REIT	506,563	2,517,618	2.35
CIFI Holdings Group Co Ltd	592,000	2,054,240	1.92
Fortune Real Estate Investment Trust REIT	334,717	3,243,408	3.03
Giordano International Ltd	272,000	1,210,400	1.13
Hui Xian Real Estate Investment Trust	603,000	2,155,126	2.01
Link REIT	166,034	9,862,419	9.21
Man Wah Holdings Ltd	335,688	2,353,173	2.20
Pacific Textiles Holdings Ltd	159,128	1,433,743	1.34
PCCW Ltd	1,018,357	4,521,505	4.22
Shenzhen Investment Ltd	672,006	2,318,421	2.17
Television Broadcasts Ltd	77,587	2,281,058	2.13
Texwinca Holdings Ltd	182,442	866,599	0.81
VTech Holdings Ltd	38,614	4,776,552	4.46
Yingde Gases Group Co Ltd	243,000	1,460,430	1.37
Yue Yuen Industrial Holdings Ltd	181,954	5,895,310	5.51
Yuexiu Real Estate Investment Trust	438,785	2,128,107	1.99

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
INVESTMENT PORTFOLIO (UNAUDITED) (continued)
As at 30 June 2017

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
Listed investments (continued)			
Hong Kong (47.32%) (continued)			
Yuzhou Properties Co Ltd	341,039	1,575,600	1.47
		-----	-----
		50,653,709	47.32
		-----	-----
TOTAL EXPOSURE		106,273,651	99.27
		=====	=====
TOTAL INVESTMENTS, AT COST		82,969,989	
		=====	

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the period from 1 January 2017 to 30 June 2017

INVESTMENTS	Holdings As at 1 January 2017	Additions	Corporate Action	Disposals	Holdings As at 30 June 2017
-------------	--	-----------	---------------------	-----------	--------------------------------------

Financial assets at fair value through profit or loss**Listed investments**

Bank of China Ltd	2,478,452	-	-	-	2,478,452
Beijing Capital Land Ltd	222,633	-	-	-	222,633
Champion REIT	506,563	-	-	-	506,563
China Evergrande Group	894,593	-	-	-	894,593
China Hongqiao Group Ltd	322,003	-	-	-	322,003
CIFI Holdings Group Co Ltd	592,000	-	-	-	592,000
Fortune Real Estate Investment Trust REIT	334,717	-	-	-	334,717
Giordano International Ltd	272,000	-	-	-	272,000
Guangzhou R&F Properties Co Ltd	222,800	-	-	-	222,800
HSBC Holdings Plc	143,463	-	-	-	143,463
Huadian Power International Corp Ltd	374,000	-	-	-	374,000
Huaneng Power International Inc	1,036,746	-	-	-	1,036,746
Hui Xian Real Estate Investment Trust	603,000	-	-	-	603,000
Jiangsu Expressway Co Ltd	270,067	-	-	-	270,067
KWG Property Holding Ltd	333,559	-	-	-	333,559
Link REIT	166,034	-	-	-	166,034
Man Wah Holdings Ltd	335,688	-	-	-	335,688
NagaCorp Ltd	324,728	-	-	-	324,728
Pacific Textiles Holdings Ltd	159,128	-	-	-	159,128
PCCW Ltd	1,018,357	-	-	-	1,018,357
Shenzhen Expressway Co Ltd	163,817	-	-	-	163,817
Shenzhen Investment Ltd	672,006	-	-	-	672,006
Television Broadcasts Ltd	77,587	-	-	-	77,587
Texwinca Holdings Ltd	182,442	-	-	-	182,442
VTech Holdings Ltd	38,614	-	-	-	38,614
Yingde Gases Group Co Ltd	243,000	-	-	-	243,000
Yue Yuen Industrial Holdings Ltd	181,954	-	-	-	181,954
Yuexiu Real Estate Investment Trust	438,785	-	-	-	438,785
Yuzhou Properties Co Ltd	341,039	-	-	-	341,039
Zhejiang Expressway Co Ltd	315,746	-	-	-	315,746

PING AN OF CHINA CSI HK DIVIDEND ETF
(A SUB-FUND OF PING AN OF CHINA TRUST)
PERFORMANCE RECORD (UNAUDITED)
For the period from 1 January 2017 to 30 June 2017

Net asset value attributable to unitholders

	HK\$
30 June 2017	107,058,060
31 December 2016	85,178,872
31 December 2015	97,012,364
31 December 2014	163,402,155

Net asset value per unit

	HK\$
30 June 2017	26.7645
31 December 2016	21.2947
31 December 2015	21.5583
31 December 2014	23.3432

Highest and lowest net asset value per unit

	Highest HK\$	Lowest HK\$
Financial period 1 January 2017 to 30 June 2017	27.4631	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 ended 31 December 2012	21.8935	18.2448

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

UNDERLYING INDEX CONSTITUENT STOCKS DISCLOSURE

For the period from 1 January to 30 June 2017

Constituent stocks of more than 10% of the weighting of the respective Underlying Index as at 30 June 2017 and 31 December 2016 are listed below

As at 30 June 2017

The Underlying Index of the Sub-Fund, namely CSI Hong Kong Dividend Index, consisted of constituent stocks that accounted for more than 10% of the index as at 30 June 2017 as shown below.

	Weighting in index (%)
CSI Hong Kong Dividend Index	
China Evergrande Group	11.38%

As at 31 December 2016

The Underlying Index of the Sub-Fund, namely CSI Hong Kong Dividend Index, consisted of constituent stocks that accounted for more than 10% of the index as at 31 December 2016 as shown below.

	Weighting in index (%)
CSI Hong Kong Dividend Index	
Bank of China Ltd	10.06%
HSBC Holdings Plc	10.52%

PING AN OF CHINA CSI HK DIVIDEND ETF

(A SUB-FUND OF PING AN OF CHINA TRUST)

REPORT ON INVESTMENT OVERWEIGHT (UNAUDITED)

For the period from 1 January 2017 to 30 June 2017

The Sub-Fund is permitted to overweight certain of the Index Shares relative to the relevant Index Share's respective weightings in its Underlying Index subject to a maximum extra limit of four per cent (4%) of the latest available net asset value of the Sub-Fund.

The Manager confirmed that the Sub-Fund had complied with this limit during the period from 1 January 2017 to 30 June 2017.