



Hang Seng Investment Index Funds Series Hang Seng China Enterprises Index ETF

September 2024

IMPORTANT RISK WARNINGS / FUND INFORMATION FOR HONG KONG INVESTORS

- With effect from 5 March 2018, Hang Seng H-Share Index ETF is renamed as Hang Seng China Enterprises Index ETF.
- Hang Seng China Enterprises Index ETF (the "HSCEI ETF") is an index-tracking fund which aims to match, before expenses, as closely as practicable the performance of the Hang Seng China Enterprises Index (the "Index"). The HSCEI ETF invests primarily in the constituent stocks of the Index.
- The HSCEI ETF is different from a typical unit trust as it is listed on The Stock Exchange of Hong Kong Limited, and like other listed stocks, carry similar risks such as liquidity risk and risk of trading suspension. The market price per Unit could be significantly higher or lower than its Net Asset Value per Unit due to market demand and supply, liquidity and scale of trading spread in the secondary market and will fluctuate during the trading day.
- The HSCEI ETF is subject to tracking error risk, passive investment risk, risk of concentration of investments in a single market/several constituent stocks of the Index and risks associated with investments in mainland China (an emerging market).
- The HSCEI ETF is also subject to dual counter risk, RMB currency and conversion risks, reliance on market maker risk and reliance on the same group risk.
- The Manager may, at its discretion, pay dividend out of capital. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the HSCEI ETF are charged to/paid out of the capital of the HSCEI ETF, resulting in an increase in distributable income for the payment of dividends by the HSCEI ETF and therefore, the HSCEI ETF may effectively pay dividend out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the capital of the HSCEI ETF or effectively out of the capital of the HSCEI ETF may result in an immediate reduction of the Net Asset Value per Unit of the HSCEI ETF.
- Investment involves risks and investors may lose substantial part of their investment in the HSCEI ETF.
- Investors should not only base on this material alone to make investment decisions, but should read the HSCEI ETF's offering documents (including the full text of the risk factors stated therein) in detail.

Investment Objective

HSCEI ETF is an index-tracking fund that seeks to provide investment returns for investors that match the performance of the Index as closely as practicable.

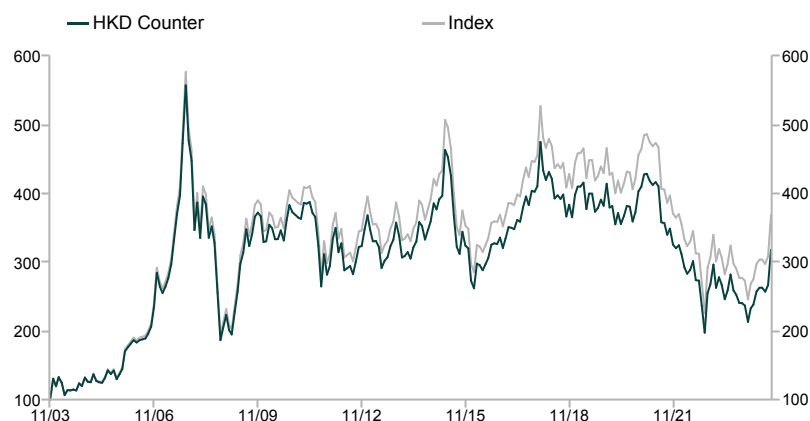
Cumulative Performance

| | 3M | 6M | 1Y | 3Y | 5Y | Since Launch |
|-------------|--------|--------|--------|--------|---------|--------------|
| HKD Counter | 20.99% | 33.44% | 25.90% | -6.40% | -16.00% | 233.90% |
| Index | 21.23% | 33.90% | 26.76% | -4.63% | -13.34% | 286.39% |

Calendar Year Performance

| | YTD | 2023 | 2022 | 2021 | 2020 | 2019 |
|-------------|--------|---------|---------|---------|--------|--------|
| HKD Counter | 34.22% | -11.56% | -16.34% | -21.81% | -1.04% | 13.30% |
| Index | 34.91% | -10.99% | -15.87% | -21.41% | -0.33% | 14.13% |

Performance Chart



HSCEI ETF: NAV to NAV basis, total return with dividend (if any) reinvested. (Source: NAV is provided by HSBC Institutional Trust Services (Asia) Limited. The performance information of the HSCEI ETF is provided by the Manager.) Please note that the Units of the HSCEI ETF currently available are income units only. The performance information presented is calculated based on the assumption that there were no distributions to Unitholders, and is for reference only. To achieve comparability among funds' performance presentations in the market for investors, the Manager is to change the methodology used to calculate portfolio and composite returns with effective from 1 September 2022 onward. The change is the total return with dividend reinvested at ex-dividend date instead of payment date. Performance data published prior to 1 September 2022 is incomparable with the performance calculated by the new calculation methodology.

Index: Hang Seng China Enterprise Index, total return with dividend reinvested, net of PRC withholding tax. Source: Hang Seng Indexes Company Limited.

The performance figures show by how much the Fund increased or decreased in value during the period being shown. Performance data has been calculated in HKD including ongoing charges and excluding your trading costs on SEHK.

Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

Key Facts

| | |
|-------------------------------------|---|
| Exchange Listing | The Stock Exchange of Hong Kong – Main Board |
| Launch Date | 19 November 2003 [*] |
| Listing Date | 10 December 2003 [*] |
| Tracked Index | Hang Seng China Enterprises Index |
| Base Currency | HKD |
| Fund Manager | Hang Seng Investment Management Limited |
| Trustee Name | HSBC Institutional Trust Services (Asia) Limited [*] |
| In-kind/Cash Creation or Redemption | Minimum 100,000 Units (or multiples thereof) through Participating Dealers Only |
| Net Asset Value (NAV) | HKD 76.5584 per unit |
| Total Asset Value | HKD 25,873.61 million |
| Issued Units | 337,958,998 |
| Number of Stocks held | 50 |
| Management Fee | 0.55% (p.a.) |
| Trustee Fee | 0.0475% p.a. |

^{*} Dates refer to HKD counter's listing date and launch date.

^{*} With effect from 1 May 2019, the Trustee has been changed from HSBC Provident Fund Trustee (Hong Kong) Limited to HSBC Institutional Trust Services (Asia) Limited.

For all fees and charges, please refer to the "CHARGES AND EXPENSES" section in the Offering Document for details.

Top Holdings

| | |
|---------------------------------------|-------|
| Meituan - W | 9.48% |
| Alibaba Group Holding - W | 9.00% |
| Tencent Holdings | 7.71% |
| China Construction Bank | 7.17% |
| China Mobile | 5.22% |
| Xiaomi - W | 4.55% |
| Industrial & Commercial Bank of China | 4.18% |
| Ping An Insurance Group | 3.88% |
| Bank of China | 3.54% |
| CNOOC | 3.50% |



Hang Seng China Enterprises Index ETF

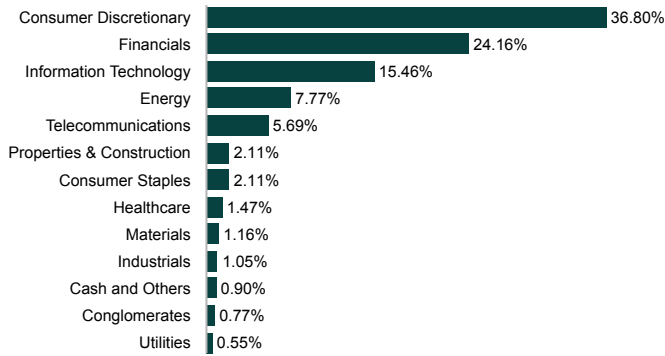
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Trading Information

| Counter | Board Lot Size | Trading Currency | ISIN | Bloomberg Code | Stock Code |
|-------------|----------------|------------------|--------------|----------------|------------|
| HKD Counter | 200 | HKD | HK2828013055 | 2828 HK | 2828 |
| RMB Counter | 200 | RMB | HK0000251360 | 82828 HK | 82828 |

This is an eligible ETF in Stock Connect for Southbound trading (HKD counter only). Mainland China investors should check with brokers for more information.

Industrial Breakdown



Share Class Breakdown



Hang Seng China Enterprises Index ETF

September 2024

List Of Participating Dealers+

| | |
|--|---|
| ABN AMRO Clearing Hong Kong Limited | J.P. Morgan Broking (Hong Kong) Limited |
| Barclays Bank PLC | Korea Investment & Securities Asia Limited |
| BNP Paribas | Macquarie Markets Trading Limited |
| BOCI Securities Limited | Merrill Lynch Far East Limited |
| China Merchants Securities (HK) Co., Ltd. | Mirae Asset Securities (HK) Limited |
| Citigroup Global Markets Asia Limited | Morgan Stanley Hong Kong Securities Limited |
| Daiwa Capital Markets Hong Kong Limited | NH Investment & Securities (H.K.) Limited |
| DBS Vickers (Hong Kong) Limited | Nomura International (Hong Kong) Limited |
| Goldman Sachs (Asia) Securities Limited | Phillip Securities (Hong Kong) Limited |
| Haitong International Securities Company Limited | SG Securities (HK) Limited |
| Hang Seng Securities Limited | The Hongkong and Shanghai Banking Corporation Limited |
| HSBC Broking Securities (Hong Kong) Limited | UBS Securities Hong Kong Limited |

* Please visit www.hangsenginvestment.com* for the latest list.

List Of Market Makers+

HKD Counter

Barclays Bank PLC
BNP Paribas Securities (Asia) Ltd.
Citadel Securities (Hong Kong) Limited
Citigroup Global Markets Asia Limited
CLSA Limited
Eclipse Options (HK) Limited
Flow Traders Hong Kong Limited
HSBC Securities Brokers (Asia) Limited
IMC Asia Pacific Ltd.
Interactive Brokers Hong Kong Limited
Jane Street Asia Trading Limited
Jump Trading Hong Kong Limited
Jump Trading Pacific Pte. Ltd.
Korea Investment & Securities Asia Limited
Mirae Asset Securities (HK) Limited
Optiver Trading Hong Kong Ltd.
Phillip Securities (Hong Kong) Limited
Phillip Securities Pte Ltd.
QCTA VCC
SG Securities (HK) Ltd.
Susquehanna Hong Kong Limited
T G Securities Limited
UTR8 AP Limited
Virtu Financial Singapore PTE. Ltd.
XTX Markets Pte. Ltd.
Yue Kun Research Limited

* Please visit www.hangsenginvestment.com* for the latest list.

Distribution Information

| | Intended Frequency | Record Date | Amount / Share |
|-------------|------------------------|-------------|----------------|
| HKD Counter | Semi-annually (if any) | 23 Sep 2024 | HKD 0.95 |
| RMB Counter | Semi-annually (if any) | 23 Sep 2024 | HKD 0.95 |

With effect from 29 May 2017, the Manager intends to make declaration of distribution in June and September (instead of June and November) of each year. A positive distribution yield does not imply a positive return.

Dividend Policy: Semi-annual cash dividends (if any) at the discretion of the Manager, which are expected to be in respect of the first half and the second half of each calendar year respectively. The Manager currently intends to make declaration of dividend in June and September of each year. Each Unitholder will receive dividends in HKD only (whether holding HKD traded Units or RMB traded Units). There is no guarantee of regular distribution of dividends and if dividend is paid the amount being distributed. The Manager may, at its discretion, pay dividend out of capital. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the HSCEI ETF are charged to/paid out of the capital of the HSCEI ETF, resulting in an increase in distributable income for the payment of dividends by the HSCEI ETF and therefore, the HSCEI ETF may effectively pay dividend out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions of dividends involving payment of dividends out of capital or effectively out of capital may result in an immediate reduction of the Net Asset Value per Unit.

For full distribution history record, please refer to our website www.hangsenginvestment.com *.

Volatility

| | 1Y | 3Y |
|--------------------|-------|-------|
| Standard Deviation | 25.97 | 30.77 |
| Sharpe Ratio | 0.82 | -0.03 |

HKD Counter
Source: Morningstar Asia Limited

Fund Literature



Download the offering documents here

Awards

-  The HKEX Securities Awards 2022
Top Performing Exchange Traded Products - Net Cash Flow
-  Bloomberg Businessweek / Chinese Edition Top Fund Awards 2022
ETFs (NAV Tracking Error 1 Year) - Equity - Greater China - Best Performer
-  Bloomberg Businessweek / Chinese Edition Top Fund Awards 2021
ETFs (NAV Tracking Error 1 Year) - Equity - Greater China - Best Performer
-  Bloomberg Businessweek / Chinese Edition Top Fund Awards 2020
ETFs (NAV Tracking Error 1 Year) - Equity - Greater China - Best Performer
-  BENCHMARK Fund of the Year Awards 2020
Top ESG Performance Awards - BEST-IN-CLASS - China Equity
Top Global Compact Performance Awards - BEST-IN-CLASS - China Equity
Significant Improvement Awards - ESG - BEST-IN-CLASS - China Equity
-  Bloomberg Businessweek / Chinese Edition Top Fund Awards 2018
ETFs (NAV Total Return 1 Year) - Equity - Greater China - Outstanding Performer

Note:

- The HKEX Securities Awards 2022 Top Performing Exchange Traded Products - Net Cash Flow, Top performing primary listed Exchange Traded Products (Exchange Traded Fund & Leveraged and Inverse Product) based on net cash flow from 3 January 2022 to 30 December 2022.
- The Bloomberg Businessweek Top Fund Awards 2021 - 2022 are issued by Bloomberg Businessweek/Chinese Edition, reflecting performance of the past one year period as at 30 September of the respective year.
- The Bloomberg Businessweek Top Fund Awards 2020 - 2021 are issued by Bloomberg Businessweek/Chinese Edition, reflecting performance of the past one year period as at 30 September of the respective year.
- The Bloomberg Businessweek Top Fund Awards 2019 - 2020 are issued by Bloomberg Businessweek/Chinese Edition, reflecting performance of the past one year period as at 30 September of the respective year.
- BENCHMARK Fund of the Year Awards 2020, reflecting performance of at least 3 years period as of the respective year.
- The Bloomberg Businessweek Top Fund Awards 2018 - 2019 are issued by Bloomberg Businessweek/Chinese Edition, reflecting performance of the past one year period as at 30 September of the respective year.

(Source: Hang Seng Investment Management Limited / HSBC Institutional Trust Services (Asia) Limited/Morningstar Asia Limited. All information as at 30 Sep 2024.)

Please read the disclaimer in relation to the Index in the HSCEI ETF's Hong Kong Offering Document. The HSCEI ETF has been authorized by the Securities and Futures Commission in Hong Kong ("SFC"). (SFC authorisation is not a recommendation or endorsement of the HSCEI ETF nor does it guarantee the commercial merits of the HSCEI ETF or its performance. It does not mean the HSCEI ETF is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.) Certain information contained in this factsheet is obtained and prepared from sources which Hang Seng Investment Management Limited ("HSVM") reasonably believes to be reliable. For information sourced externally (as disclosed), HSVM has reasonable belief that such information is accurate and complete. This factsheet is for your information and reference only, and does not constitute any offer, solicitation or recommendation to buy or sell Units in the HSCEI ETF. Investors should note that investment involves risks and not all investment risks are predictable. Prices of fund units may go up as well as down and past performance information presented is not indicative of future performance. Before making any investment decisions, investors should read the Hong Kong Offering Document of the HSCEI ETF (including the full text of the risk factors stated therein (such as the arrangement in the event that the HSCEI ETF is delisted)) in detail and obtain appropriate professional advice where necessary. This factsheet has not been reviewed by the SFC.