

Hang Seng Investment Index Funds Series II

Hang Seng Index ETF

July 2022

IMPORTANT RISK WARNINGS / FUND INFORMATION FOR HONG KONG INVESTORS

- Hang Seng Index ETF (the "HSI ETF") is an index-tracking fund which aims to match, before expenses, as closely as practicable the performance of the Hang Seng Index (the "Index"). The HSI ETF invests primarily in the constituent stocks of the Index.
 - The HSI 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 HSI ETF is subject to tracking error risks, risks associated with passive investments, risks 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 HSI ETF is also subject to dual counter risks, RMB trading and settlement risks, RMB currency and foreign exchange risks and reliance on market maker risks.
 - 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 HSI ETF are charged to/paid out of the capital of the HSI ETF, resulting in an increase in distributable income for the payment of dividends by the HSI ETF and therefore, the HSI 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 HSI ETF or effectively out of the capital of the HSI ETF may result in an immediate reduction of the Net Asset Value per Unit of the HSI ETF.
 - Investment involves risks and investors may lose substantial part of their investment in the HSI ETF.
- Investors should not only base on this material alone to make investment decisions, but should read the HSI ETF's offering documents (including the full text of the risk factors stated therein) in detail.

Investment Objective

HSI 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.

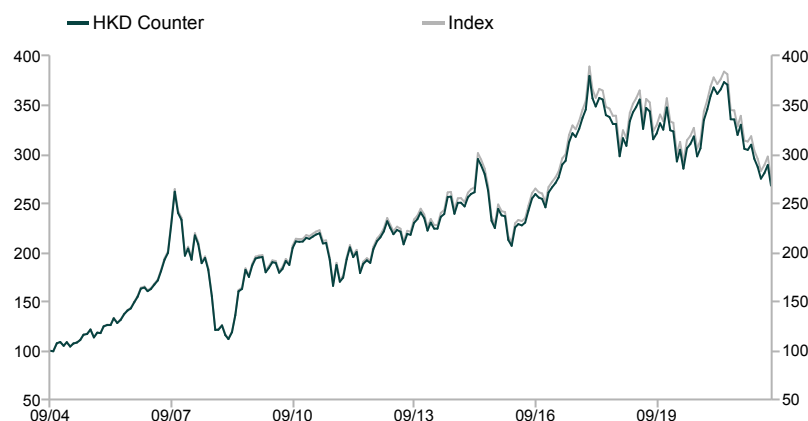
Cumulative Performance

	3M	6M	1Y	3Y	5Y	Since Launch
HKD Counter	-2.58%	-13.42%	-20.11%	-21.96%	-14.10%	168.53%
Index	-2.61%	-13.40%	-20.05%	-21.83%	-13.74%	176.12%

Calendar Year Performance

	YTD	2021	2020	2019	2018	2017
HKD Counter	-11.94%	-11.98%	-0.48%	12.64%	-10.69%	40.46%
Index	-11.90%	-11.94%	-0.46%	12.87%	-10.69%	41.04%

Performance Chart



HSI 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 HSI ETF is provided by the Manager.) Please note that the Units of the HSI 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.

Index: Hang Seng 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	13 September 2004 [*]
Listing Date	21 September 2004 [*]
Tracked Index	Hang Seng Index
Base Currency	HKD
Fund Manager	Hang Seng Investment Management Limited
Trustee Name	Cititrust Limited [*]
In-kind/Cash Creation or Redemption	Minimum 300,000 Units (or multiples thereof) through Participating Dealers Only
Net Asset Value (NAV)	HKD 20.7852 per unit
Total Asset Value	HKD 41,255.71 million
Issued Units	1,984,863,488
Number of Stocks held	69
Management Fee	0.05% (p.a.)
Trustee Fee	0.03% p.a.

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

^{*} With effect from 2 November 2020, the Trustee has been changed from AIA Company (Trustee) Limited to Cititrust Limited.

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

Top Holdings

AIA Group Ltd	8.08%
HSBC Holdings PLC	8.03%
Tencent Holdings Ltd	7.02%
Meituan	6.91%
Alibaba Group Holding Ltd	6.73%
China Construction Bank Corp	4.58%
Hong Kong Exchanges & Clearing	3.66%
JD.com Inc	2.85%
Industrial & Commercial Bank	2.59%
China Mobile Ltd	2.58%



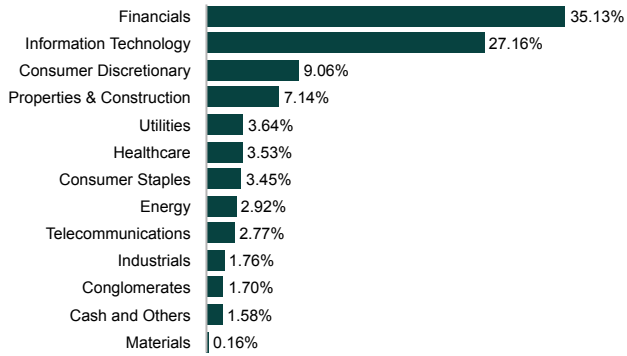
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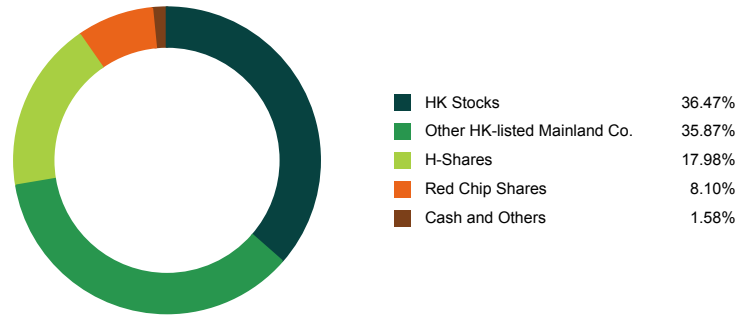
Trading Information

Counter	Board Lot Size	Trading Currency	ISIN	Bloomberg Code	Stock Code
HKD Counter	100	HKD	HK2833027330	2833 HK	2833
RMB Counter	100	RMB	HK0000252970	82833 HK	82833

Industrial Breakdown



Share Class Breakdown





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List Of Participating Dealers+

ABN AMRO Clearing Hong Kong Limited	Morgan Stanley Hong Kong Securities Limited
Barclays Bank PLC	Nomura International (Hong Kong) Limited
BNP Paribas Securities Services	Phillip Securities (Hong Kong) Limited
BOCI Securities Limited	The Hongkong and Shanghai Banking Corporation Limited
China Merchants Securities (HK) Co., Ltd.	
Credit Suisse Securities (Hong Kong) Limited	
Haitong International Securities Company Limited	
Hang Seng Securities Limited	
Korea Investment & Securities Asia Limited	
Merrill Lynch Far East Limited	
Mirae Asset Securities (HK) Limited	

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

List Of Market Makers+

HKD Counter

BNP Paribas Securities (Asia) Limited
China Merchants Securities (HK) Co., Limited
Flow Traders Hong Kong Limited
IMC Asia Pacific Ltd.
Korea Investment & Securities Asia Limited
Optiver Trading Hong Kong Limited
Phillip Securities (HK) Ltd.
Vivienne Court Trading Pty. Ltd.

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RMB Counter

BNP Paribas Securities (Asia) Limited
China Merchants Securities (HK) Co., Limited
Flow Traders Hong Kong Limited
Vivienne Court Trading Pty. Ltd.

Distribution Information

	Intended Frequency	Record Date	Amount / Share
HKD Counter	Quarterly (if any)	24 Jun 2022	HKD 0.1
RMB Counter	Quarterly (if any)	24 Jun 2022	HKD 0.1

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

On 1 Dec 2017, there is a subdivision of each Unit in the HSI ETF into 10 subdivided Units.

Dividend Policy: Quarterly cash dividends (if any) at the discretion of the Manager, which are expected to be in respect of each calendar quarter of each calendar year respectively. The Manager currently intends to make declaration of dividend in March, June, September and December 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 HSI ETF are charged to/paid out of the capital of the HSI ETF, resulting in an increase in distributable income for the payment of dividends by the HSI ETF and therefore, the HSI 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	13.39	17.04
Sharpe Ratio	-1.61	-0.44

HKD Counter
Source: Morningstar Asia Limited

Fund Literature



Download the offering documents here

Awards

- Bloomberg Businessweek / Chinese Edition Top Fund Awards 2020 ETFs (NAV Tracking Error 1 Year) - Equity - Hong Kong - Outstanding Performer
- Morningstar Awards Hong Kong 2017 Best Global Equity Fund

Note:

- 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.
- Morningstar Awards 2017 are issued by Morningstar, based on the fund's category-relative performance and risk over 1 year, 3 years and 5 years to 31 December 2016. Morningstar Awards 2017 ©. Morningstar, Inc. All Rights Reserved.

(Source: Hang Seng Investment Management Limited / HSBC Institutional Trust Services (Asia) Limited/Morningstar Asia Limited. All information as at 29 Jul 2022.)

Please read the disclaimer in relation to the Index in the HSI ETF 's Hong Kong Offering Document. The HSI ETF has been authorized by the Securities and Futures Commission in Hong Kong ("SFC"). (SFC authorisation is not a recommendation or endorsement of the HSI ETF nor does it guarantee the commercial merits of the HSI ETF or its performance. It does not mean the HSI 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 HSI 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 HSI ETF (including the full text of the risk factors stated therein (such as the arrangement in the event that the HSI ETF is delisted)) in detail and obtain appropriate professional advice where necessary. This factsheet has not been reviewed by the SFC.