

HANG SENG FTSE CHINA 50 INDEX ETF [^]

(SEHK STOCK CODE : 2838)

[^] Previously named as HANG SENG FTSE CHINA 25 INDEX ETF

www.hangsenginvestment.com

IMPORTANT RISK WARNINGS / FUND INFORMATION FOR HONG KONG INVESTORS

- Hang Seng FTSE China 50 Index ETF (the "HS FCI50 ETF") is an index-tracking fund which aims to match, before expenses, as closely as practicable the performance of the FTSE China 50 Index (the "Index"). The HS FCI50 ETF invests primarily in the constituent stocks of the Index.
- The HS FCI50 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 HS FCI50 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 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 HS FCI50 ETF are charged to/paid out of the capital of the HS FCI50 ETF, resulting in an increase in distributable income for the payment of dividends by the HS FCI50 ETF and therefore, the HS FCI50 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 HS FCI50 ETF or effectively out of the capital of the HS FCI50 ETF may result in an immediate reduction of the Net Asset Value per Unit of the HS FCI50 ETF.
- Investment involves risks and investors may lose substantial part of their investment in the HS FCI50 ETF.
- Investors should not only base on this factsheet alone to make investment decisions, but should read the HS FCI50 ETF's offering documents (including the full text of the risk factors stated therein) in detail.

INVESTMENT OBJECTIVE

Hang Seng FTSE China 50 Index ETF is an index-tracking fund that seeks to provide investment returns for investors that match the performance of the FTSE China 50 Index as closely as practicable.

FACTS

| | |
|--|---|
| Exchange Listing | The Stock Exchange of Hong Kong – Main Board |
| Establishment Date | 1 June 2005 |
| Stock Code | 2838 |
| Tracked Index | FTSE China 50 Index |
| Trading Board Lot Size | 100 Units |
| Trading Currency | HKD |
| Short Sell | Allowed (uptick rule exempted) |
| Dividend Payout Frequency | Semi-annually (if any) ⁽¹⁾ |
| Web Site | www.hangsenginvestment.com |
| Manager | Hang Seng Investment Management Limited |
| Trustee | HSBC Provident Fund Trustee (Hong Kong) Limited |
| In-kind/Cash Creation or Redemption ⁽²⁾ | Minimum 50,000 Units (or multiples thereof) through Participating Dealers* Only |

- (1) 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.
- (2) With effect from 1 Dec 2017, Participating Dealers may, in addition to in-kind creations or in-kind redemptions, apply for cash creations or cash redemptions.

KEY FIGURES

| | |
|----------------------------------|---------------------|
| Market Closing Price | HKD 195.40 per Unit |
| Net Asset Value (NAV) | HKD 195.74 per Unit |
| Total Asset Value | HKD 178.28 Million |
| Issued Units | 910,832 |
| Average Daily Turnover (June 18) | HKD 1.23 Million |
| Number of Stocks held | 51 |
| Current Management Fee | 0.55% p.a. |
| Current Trustee Fee | 0.05% p.a. |

TOP HOLDINGS

| | |
|---|-------|
| Tencent Holdings | 9.12% |
| China Construction Bank | 8.88% |
| Industrial and Commercial Bank of China | 8.54% |
| Ping An Insurance | 5.87% |
| China Mobile | 5.86% |
| Bank of China | 4.60% |
| CNOOC | 4.26% |
| China Petroleum & Chemical | 3.77% |
| China Life Insurance | 3.43% |
| PetroChina | 2.84% |

PERFORMANCE (IN HKD)

Performance in Price Return *

| | 3 Mths | 6 Mths | 1 Yr | 3 Yrs | 5 Yrs | L-T-D |
|---------------------|--------|--------|--------|---------|--------|---------|
| HS FCI50 ETF | -6.73% | -5.70% | 10.38% | -4.07% | 33.47% | 143.02% |
| FTSE China 50 Index | -7.04% | -5.81% | 10.59% | -3.49% | 35.44% | 143.61% |
| | Y-T-D | 2017 | 2016 | 2015 | 2014 | 2013 |
| HS FCI50 ETF | -5.70% | 32.22% | -0.65% | -13.67% | 8.71% | -3.77% |
| FTSE China 50 Index | -5.81% | 32.90% | -0.75% | -13.74% | 9.01% | -3.94% |

Performance in Total Return

| | 3 Mths | 6 Mths | 1 Yr | 3 Yrs | 5 Yrs | L-T-D |
|---------------------|--------|--------|--------|---------|--------|---------|
| HS FCI50 ETF | -5.68% | -4.64% | 12.70% | 2.06% | 47.92% | 201.67% |
| FTSE China 50 Index | -5.55% | -4.31% | 14.09% | 5.70% | 58.53% | 256.71% |
| | Y-T-D | 2017 | 2016 | 2015 | 2014 | 2013 |
| HS FCI50 ETF | -4.64% | 35.00% | 1.51% | -12.02% | 11.16% | -1.70% |
| FTSE China 50 Index | -4.31% | 37.12% | 2.91% | -11.21% | 13.36% | -0.05% |

* HS FCI50 ETF: Unit price-to-Unit price return, with no dividend reinvested. (Source: Unit Prices are provided by HSBC Provident Fund Trustee (Hong Kong) Limited. The performance information of the HS FCI50 ETF is provided by the Manager.) The performance information presented is for reference only.

Index: Price return with no dividend reinvested. Source: Bloomberg

HS FCI50 ETF: Unit price-to-Unit price return, total return with dividend (if any) reinvested. (Source: Unit Prices are provided by HSBC Provident Fund Trustee (Hong Kong) Limited. The performance information of the HS FCI50 ETF is provided by the Manager.) Please note that the Units of the HS FCI50 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: Total return with dividend (if any) reinvested. Source: Bloomberg

DIVIDEND HISTORY ⁽¹⁾

| Start Date to 10 Dec 2015 (total 21 distributions) | | HKD 27.56 aggregated dividend per unit |
|--|-------------|--|
| Ex. Dividend Date | 24 Jun 2016 | HKD2.20 per unit |
| | 13 Dec 2016 | HKD1.10 per unit |
| | 19 Jun 2017 | HKD2.00 per unit |
| | 20 Sep 2017 | HKD2.00 per unit |
| | 26 Jun 2018 | HKD2.20 per unit |

(Source: HSBC Provident Fund Trustee (Hong Kong) Limited. All information as at 29 June 2018)

The Fund is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), the London Stock Exchange Plc (the "Exchange") or The Financial Times Limited ("FT") (together the "Licensor Parties") and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE China 50 Index (the "Index") (upon which the Fund is based), (ii) the figure at which the Index is said to stand at any particular time on any particular day or otherwise, or (iii) the fitness or suitability of the Index for the particular purpose to which it is being put in connection with the Fund. None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the Index to Hang Seng Investment Management Limited ("HSIM") or to its customers or clients. The Index is calculated by FTSE or its agent. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein. The HS FCI50 ETF has been authorized by the Securities and Futures Commission in Hong Kong ("SFC"). (SFC authorisation is not a recommendation or endorsement of the HS FCI50 ETF nor does it guarantee the commercial merits of the HS FCI50 ETF or its performance. It does not mean the HS FCI50 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 HSIM reasonably believes to be reliable. For information sourced externally (as disclosed), HSIM 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 HS FCI50 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 HS FCI50 ETF (including the full text of the risk factors stated therein (such as the arrangement in the event that the HS FCI50 ETF is delisted)) in detail and obtain appropriate investment professional advice where necessary. This factsheet has not been reviewed by the SFC.

Issued by Hang Seng Investment Management Limited, a wholly-owned subsidiary of Hang Seng Bank



恒生投資
HANG SENG INVESTMENT

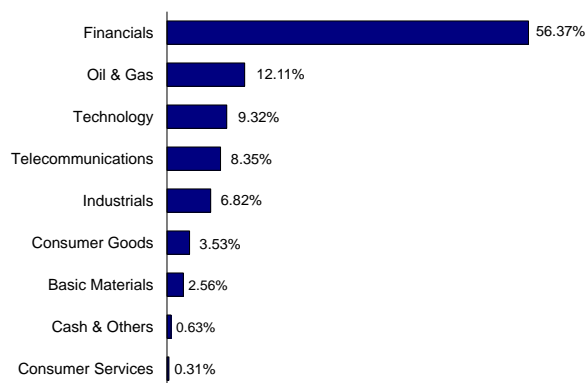
HANG SENG FTSE CHINA 50 INDEX ETF [^]

(SEHK STOCK CODE : 2838)

[^] Previously named as HANG SENG FTSE CHINA 25 INDEX ETF

www.hangsenginvestment.com

ASSET ALLOCATION



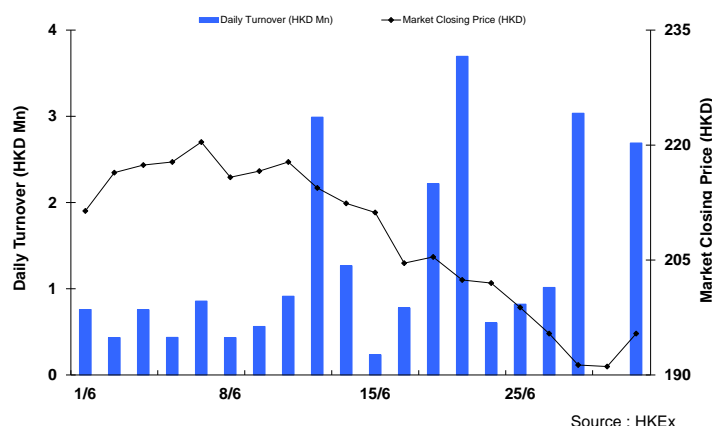
(Source: HSBC Provident Fund Trustee (Hong Kong) Limited. All Information as at 29 June 2018)

LIST OF PARTICIPATING DEALERS ⁺

ABN AMRO Clearing Hong Kong Limited
 BNP Paribas Securities Services
 BOCI Securities Limited
 Daiwa Capital Markets Hong Kong Limited
 DBS Vickers (Hong Kong) Limited
 Deutsche Securities Asia Limited
 Haitong International Securities Company Limited
 Hang Seng Securities Limited
 Merrill Lynch Far East Limited
 Nomura International (Hong Kong) Limited
 Phillip Securities (Hong Kong) Limited
 SG Securities (HK) Limited

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

DAILY TURNOVER & MARKET CLOSING PRICE



LIST OF MARKET MAKERS ⁺

Commerz Securities Hong Kong Ltd
 Deutsche Securities Asia Ltd.
 Haitong International Securities Company Limited

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

The Fund is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), the London Stock Exchange Plc (the "Exchange") or The Financial Times Limited ("FT") (together the "Licensor Parties") and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE China 50 Index (the "Index") (upon which the Fund is based), (ii) the figure at which the Index is said to stand at any particular time on any particular day or otherwise, or (iii) the fitness or suitability of the Index for the particular purpose to which it is being put in connection with the Fund. None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the Index to Hang Seng Investment Management Limited ("HSIM") or to its customers or clients. The Index is calculated by FTSE or its agent. None of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein. The HS FCI50 ETF has been authorized by the Securities and Futures Commission in Hong Kong ("SFC"). (SFC authorisation is not a recommendation or endorsement of the HS FCI50 ETF nor does it guarantee the commercial merits of the HS FCI50 ETF or its performance. It does not mean the HS FCI50 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 HSIM reasonably believes to be reliable. For information sourced externally (as disclosed), HSIM 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 HS FCI50 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 HS FCI50 ETF (including the full text of the risk factors stated therein (such as the arrangement in the event that the HS FCI50 ETF is delisted)) in detail and obtain appropriate investment professional advice where necessary. This factsheet has not been reviewed by the SFC.

Issued by Hang Seng Investment Management Limited, a wholly-owned subsidiary of Hang Seng Bank



恒生投資
HANG SENG INVESTMENT