

# HANG SENG CHINA A INDUSTRY TOP INDEX ETF

(SEHK STOCK CODE : 83128 – RMB Counter / 3128 – HKD Counter)

www.hangsenginvestment.com

## IMPORTANT RISK WARNINGS / FUND INFORMATION FOR HONG KONG INVESTORS

- The investment objective of the Hang Seng China A Industry Top Index ETF (the "Fund") is to provide investment results that, before fees and expenses, closely correspond to the performance of the Hang Seng China A Industry Top Index (the "Index"). The Fund is a "physical" ETF meaning that it invests directly in the PRC domestic securities markets and holds actual A-Shares through the Manager's Renminbi qualified foreign institutional investor ("RQFII") quota and/or via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively, the "Stock Connect").
- Index Fund & PRC Market Risks: The Fund is subject to concentration risk as it tracks the performance of a single geographical region (the PRC). By having exposure in the PRC, an emerging market, it may involve increased risks and special considerations not typically associated with investment in more developed markets. A-share market is considered volatile and unstable (with the risk of suspension of a particular stock or government intervention). The Fund is also subject to passive investment risks and tracking error risks. There can be no assurance that the Fund will achieve its investment objective.
- RQFII Regime & Stock Connect Associated Risks: The laws, rules and regulations applicable to the RQFII regime and the Stock Connect are subject to change and such change may have potential retrospective effect. The Fund may suffer substantial losses if there is insufficient RQFII quota allocated for the Fund to make investments, the approval of the RQFII is being revoked/terminated or otherwise invalidated, or if any of the key operators or parties (including the PRC Custodian or a PRC Broker) is bankrupt/in default and/or is disqualified from performing its obligations. Where a suspension in the trading through Stock Connect is effected, the Fund's ability to invest in A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.
- Trading Risks: The trading price of the Units on the SEHK is driven by market factors, the Units may trade at a substantial premium or discount to the Fund's NAV.
- Dual Counter Risks: The market price of Units traded in each counter may deviate significantly.
- PRC Tax Risks: There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of investments in the PRC via RQFII quota or the Stock Connect (which may have retrospective effect). Any increased tax liabilities on the Fund may adversely affect the Fund's value.
- RMB Currency and Conversion Risks: RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk.
- Trading Differences Risk: There are differences in trading hours between stock exchanges in the PRC (i.e. the Shanghai Stock Exchange and Shenzhen Stock Exchange) and the SEHK; and A-Shares are subject to trading bands which restrict increases and decreases in the trading price whereas Units listed on the SEHK are not. These differences may also increase the level of premium or discount of the Unit price to its NAV. [LGA: Wording reinstated.]
- Distribution Out of/Effectively Out of Capital Risk: Payment of dividends out of capital or effectively out of the 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 Fund's capital or effectively out of capital may result in an immediate reduction in the NAV per Unit.
- Conflicts of Interest Risk: The Trustee, the Manager, one of the Participating Dealers and the Index Provider are presently all members of the same financial group. As such, although all transactions will be at arm's length, conflicts of interest in respect of the Fund may arise from time to time amongst any of them whilst they belong to the same financial group.
- Investments involve risks and investors may lose a substantial part of their investment in the Fund.

Investors should not only base on this factsheet alone to make the investment decisions, but should read the Fund's offering documents (including the full text of the risk factors stated therein) in detail.

## INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the Hang Seng China A Industry Top Index.

## FACTS

Exchange Listing	The Stock Exchange of Hong Kong – Main Board
Establishment Date	20 November 2013
Stock Code	83128 – RMB Counter 3128 – HKD Counter
Tracked Index	Hang Seng China A Industry Top Index
Trading Board Lot Size	100 Units – RMB Counter <sup>(2)</sup> 100 Units – HKD Counter <sup>(2)</sup>
Trading Currency	RMB – RMB Counter HKD – HKD Counter
Base Currency	RMB
Dividend Payout Frequency	Annually (if any)
Web Site	www.hangsenginvestment.com
Manager & RQFII Holder	Hang Seng Investment Management Limited
Trustee	HSBC Institutional Trust Services (Asia) Limited
PRC Custodian	China Construction Bank Corporation
Cash Creation or Cash Redemption (RMB only)	Minimum 100,000 Units (Application Unit) through Participating Dealers Only <sup>(1)</sup>

(1) With effect from 3 Nov 2017, the Application Unit size (i.e. the minimum size for creation and redemption of Units by the Participating Dealers of the Fund) is reduced from 200,000 Units to 100,000 Units.

(2) With effect from 20 April 2018, the trading board lot size changed from 200 Units to 100 Units.

## KEY FIGURES

Market Closing Price	RMB 44.60 per Unit – RMB Counter HKD 52.45 per Unit – HKD Counter
Net Asset Value (NAV)	RMB 43.5674 per Unit
Total Asset Value	RMB 599.08 Million
Issued Units	13,750,618
Average Daily Turnover (June 18)	RMB 0.748 Million – RMB Counter HKD 2.767 Million – HKD Counter
Number of Stocks held	48
Current Management Fee	0.55% p.a.
Current Trustee Fee	0.16% p.a. for the first RMB200 million of NAV 0.14% p.a. for the next RMB1,000 million of NAV 0.12% p.a. for the next RMB1,000 million of NAV 0.10% p.a. for the next RMB1,000 million of NAV 0.08% p.a. for the remaining balance of NAV Subject to a monthly minimum of RMB40,000

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

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## FUND PERFORMANCE

### Performance in Price Return\*

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	L-T-D
Fund - RMB Counter	-10.45%	-11.96%	2.06%	-0.57%	N/A	88.11%
Fund - HKD Counter	-14.94%	-12.91%	5.06%	-5.51%	N/A	74.75%
Hang Seng China A Industry Top Index	-11.21%	-12.49%	1.57%	-1.27%	N/A	86.88%
	Y-T-D	2017	2016	2015	2014	2013 ▼
Fund - RMB Counter	-11.96%	44.23%	-2.33%	7.72%	50.10%	-6.19%
Fund - HKD Counter	-12.91%	55.45%	-7.67%	1.66%	46.29%	-5.99%
Hang Seng China A Industry Top Index	-12.49%	44.42%	-2.13%	6.86%	50.28%	-5.91%

### Performance in Total Return#

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	L-T-D
Fund - RMB Counter	-10.45%	-11.96%	2.90%	2.49%	N/A	96.46%
Fund - HKD Counter	-14.94%	-12.91%	5.92%	-2.57%	N/A	82.56%
Hang Seng China A Industry Top Index	-10.13%	-11.38%	4.73%	7.09%	N/A	111.31%
	Y-T-D	2017	2016	2015	2014	2013 ▼
Fund - RMB Counter	-11.96%	45.42%	-1.26%	8.87%	52.17%	-6.19%
Fund - HKD Counter	-12.91%	56.73%	-6.66%	2.77%	48.31%	-5.99%
Hang Seng China A Industry Top Index	-11.38%	48.11%	0.61%	9.18%	55.77%	-5.91%

\* Fund: Unit price-to-Unit price return, with no dividend reinvested. (Source: Unit Prices are provided by HSBC Institutional Trust Services (Asia) Limited. The performance information of the Fund is provided by the Manager.)

Index: Price return with no dividend reinvested. The Index is denominated in RMB. Source: Hang Seng Indexes Company Limited.

# Fund: Unit price-to-Unit price return, total return with dividend (if any) reinvested. (Source: Unit Prices are provided by HSBC Institutional Trust Services (Asia) Limited. The performance information of the Fund is provided by the Manager.) Please note that the Units of the Fund currently available are income units only. The fund performance information presented in total return is calculated based on the assumption that there were no distributions to Unitholders, and is intended to provide additional information for reference only.

Index: Total return with dividend reinvested, net of PRC withholding tax. The Index is denominated in RMB. Source: Hang Seng Indexes Company Limited. Please note that the Index is a price return index. The index performance information presented in total return is intended to provide additional information for reference only.

▼ Performance calculated from the Fund's Start Date (i.e. 20 Nov 2013) to the end of that calendar year.

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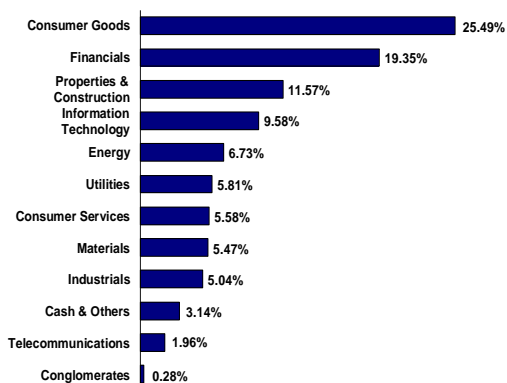
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## TOP HOLDINGS

Kweichow Moutai	10.30%
Ping An Insurance	9.66%
Midea Group	6.70%
Gree Electric Appliances	5.89%
Hangzhou Hikvision Digital Technology	4.64%
China Vanke	4.35%
SAIC Motor	3.72%
Industrial and Commercial Bank of China	3.51%
China Yangtze Power	3.32%
China State Construction Engineering	3.26%

(Source: HSBC Institutional Trust Services (Asia) Limited. All information as at 28 June 2018.)

## ASSET ALLOCATION



(Source: HSBC Institutional Trust Services (Asia) Limited. All information as at 28 June 2018.)

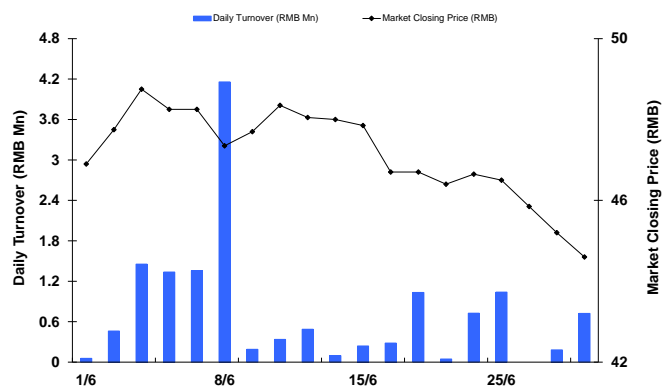
## DIVIDEND HISTORY

Ex. Dividend Date	12 Dec 2014	RMB0.45 per unit
	10 Dec 2015	RMB0.40 per unit
	13 Dec 2016	RMB0.35 per unit
	5 Dec 2017	RMB0.40 per unit

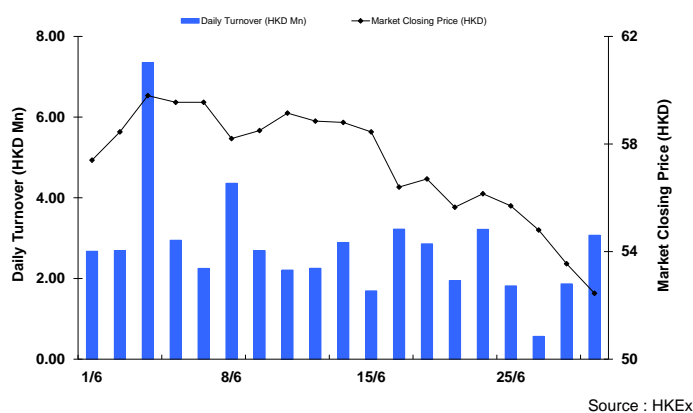
(Source: HSBC Institutional Trust Services (Asia) Limited. All information as at 28 June 2018.)

## DAILY TURNOVER & MARKET CLOSING PRICE

### RMB Counter



### HKD Counter



## LIST OF PARTICIPATING DEALERS +

China Merchants Securities (HK) Co., Ltd.  
 Deutsche Securities Asia Limited  
 Haitong International Securities Company Limited  
 Hang Seng Securities Limited  
 SG Securities (HK) Ltd

## LIST OF MARKET MAKERS +

### RMB Counter

China Merchants Securities (HK) Co., Ltd.  
 Commerz Securities Hong Kong Ltd  
 Haitong International Securities Company Limited

### HKD Counter

China Merchants Securities (HK) Co., Ltd.  
 Commerz Securities Hong Kong Ltd  
 Haitong International Securities Company Limited

+ Please visit [www.hangsenginvestment.com](http://www.hangsenginvestment.com) for the latest list.

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