

## Hang Seng Investment Series Hang Seng China Equity Fund

February 2024

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

(Capitalized terms used herein but not otherwise defined will have the same meanings as defined in the Explanatory Memorandum of Hang Seng Investment Series (the "Series") and the Term Sheet of the Fund)

- Hang Seng China Equity Fund (the "Fund") primarily invests in securities of companies which engage in China-related businesses and are listed on The Stock Exchange of Hong Kong Limited (mainly H-shares and red chips shares) or on any other non-Hong Kong exchanges.
- The Fund's investment in equity securities is subject to general market risks, whose value may fluctuate.
- The Net Asset Value of the Fund may be affected unfavourably by fluctuations in the exchange rates between the currencies of the Fund's underlying investments and the Fund's base currency and by changes in exchange rate controls.
- The Fund is subject to concentration risk. The value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments, and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting China.
- Investing in an emerging market (such as mainland China) may involve increased risks and special considerations not typically associated with investment in more developed markets.
- The stock of small-capitalisation/ mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.
- The Fund is subject to the risks associated with the Stock Connect. The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect.
- The Fund may invest in stocks listed on ChiNext Board and/or STAR Board, and is subject to the risks associated with ChiNext Board and/or Star Board.
- RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non RMB-based investors are exposed to foreign exchange risks.
- For Income Units, the Manager may at its discretion pay dividend out of the capital of the Fund. Payment of dividends 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 investments. Any such distributions may result in an immediate reduction of the Net Asset Value per Unit.
- Investment involves risks and investors may lose substantial part of their investment in the Fund.

Investors should not only base on the contents of this material alone to make investment decisions, but should read the Fund's Term Sheet, Product Key Facts Statement and the Explanatory Memorandum of the Series (including the full text of the risk factors stated therein) (collectively "Offering Documents") in detail. If investors have any doubt about the contents of this material or about the Offering Documents, they should consult their investment adviser and obtain independent professional advice.

### Investment Objective

The investment objective of the Fund is to achieve long term capital appreciation by primarily investing in securities of companies which engage in China-related businesses and are listed on the Stock Exchange of Hong Kong Limited (mainly H-shares and red chips shares) or on any other non-Hong Kong exchanges.

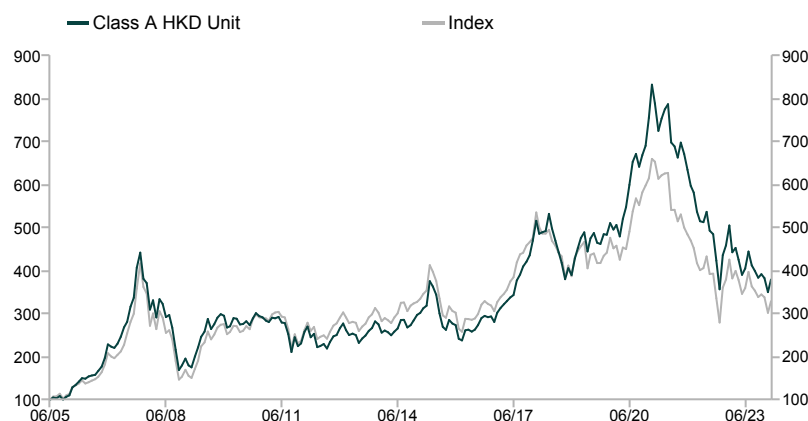
### Cumulative Performance

	3M	6M	1Y	3Y	5Y	Since Launch
Class A HKD Unit	-3.15%	-7.98%	-14.32%	-51.92%	-16.13%	279.75%
Index	-4.60%	-9.52%	-13.92%	-49.68%	-26.25%	229.16%

### Calendar Year Performance

	YTD	2023	2022	2021	2020	2019
Class A HKD Unit	-0.87%	-16.55%	-27.75%	-15.96%	47.94%	30.94%
Index	-2.74%	-10.83%	-21.71%	-21.21%	29.04%	23.06%

### Performance Chart



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 Fund's performance information is provided by the Manager.)

The performance figures show by how much the Class of Units increased or decreased in value during the period being shown. Performance data has been calculated in base currency including ongoing charges and excluding subscription fee and switching fee you might have to pay. In relation to the comparative index (for reference only): (1) for the period from 30 June 2005 to 30 April 2023, it is the MSCI China Index, total return with dividend reinvested, gross of PRC withholding tax; and (2) from 1 May 2023 onwards, it is the MSCI China 10/40 Index, total return with dividend reinvested, net of PRC withholding tax. Source: Bloomberg.

For other share classes performance, please visit [www.hangsenginvestment.com](http://www.hangsenginvestment.com) \*. Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

### Fund Facts

Fund Manager	Hang Seng Investment Management Limited
Subscription Fee	Up to 4%
Management Fee	Up to 1.5% p.a.
Fund Size	HKD 237.37 million
Base Currency	HKD

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

### Top Holdings

Alibaba Group Holding - SW	8.13%
Tencent Holdings	6.73%
Pinduoduo - ADR	5.14%
NetEase - S	3.85%
Industrial & Commercial Bank of China	3.19%
Trip.com - S	3.01%
Meituan - W	2.86%
China Construction Bank Corp	2.77%
Bank of China	2.71%
CNOOC	2.60%

### Morningstar Rating™ - Overall Rating

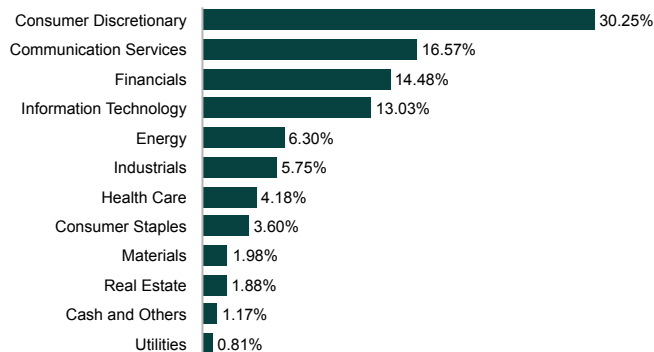


Source: Morningstar, Copyright © 2024 Morningstar Asia Limited ("Morningstar"). All Rights Reserved

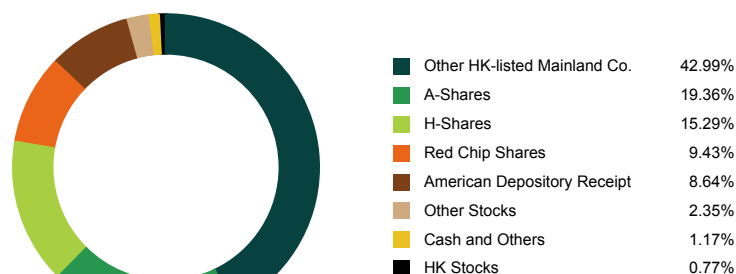
# Hang Seng China Equity Fund

February 2024

## Industrial Breakdown



## Share Class Breakdown



## Share Class Details

Share Class	Launch Date	Unit Price	52 Weeks High & Low	Dealing Frequency	ISIN	Bloomberg Code
Class A HKD Unit	30 June 2005	HKD 58.33 <sup>(1)</sup>	HKD 71.72/ HKD 53.41	One Dealing Session per Dealing Day <sup>(2)</sup>	HK0000284486	HANCHEA HK
Class A USD Unit	30 December 2020	USD 5.07 <sup>(1)</sup>	USD 6.22/ USD 4.65	One Dealing Session per Dealing Day <sup>(2)</sup>	HK0000682333	HASCEAU HK

(1) The subscription fee has not been included.

(2) A Dealing Day is any day which is a Business Day. Please refer to the Explanatory Memorandum of the Hang Seng Investment Series for the definition of "Business Day".

# Hang Seng China Equity Fund

February 2024

## Investment Objective and Strategy

The investment objective of the Fund is to achieve long term capital appreciation by primarily investing in securities of companies which engage in China-related businesses and are listed on the SEHK (mainly H-shares and red chips shares) or on any other non-Hong Kong exchanges. At least 70% of the Fund's Net Asset Value will be invested in securities of companies which engage in China-related businesses (e.g. securities of companies domiciled in/with headquarters location in mainland China, or with majority of their sales revenue, profit and/or assets derived from mainland China etc.) and are listed on the SEHK or on any other non-Hong Kong exchanges. The Fund may invest not more than 70% of its Net Asset Value in mainland China-listed A-shares, including but not limited to stocks listed on the ChiNext Board and/or the STAR Board, via the Stock Connect. The Fund may also invest less than 30% of its Net Asset Value in liquid assets denominated in HK dollars.

## Volatility

	1Y	3Y
Standard Deviation	21.79	26.46
Sharpe Ratio	-0.81	-0.87

Class A HKD Unit  
Source: Morningstar Asia Limited

## Fund Literature



[Download the offering documents here](#)

## Awards



Refinitiv Lipper Fund Awards Hong Kong 2019  
Best Fund Over 3 Years - Equity China

Note:

- Refinitiv Lipper Fund Awards 2019 are issued by Lipper of Refinitiv, reflecting performance of the past three years period as of 31.12.2018, © 2019 Refinitiv. All rights reserved.

(Source: Hang Seng Investment Management Limited / HSBC Institutional Trust Services (Asia) Limited/Morningstar Asia Limited. All information as at 29 Feb 2024.)

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 ("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 any investment fund. Investors should note that all investments involve risks and not all investment risks are predictable. Prices of fund units may go up or down and past performance information presented is not indicative of future performance. Before making any investment decision, investors should refer to the relevant fund's offering documents (including the full text of the risk factors stated therein) and obtain appropriate professional advice where necessary. This factsheet has not been reviewed by the SFC.