



Tracker Fund of Hong Kong

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Website : www.trahk.com.hk

INTERIM REPORT 2025



恒生投資

HANG SENG INVESTMENT

Issued by Hang Seng Investment Management Limited
(A wholly-owned subsidiary of Hang Seng Bank)



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Note: All figures marked “-” in this Financial Statement, including the Notes to Financial Statements, represent 0 (zero) in value or amount.

CONDENSED STATEMENT OF NET ASSETS (UNAUDITED)

AS AT 30TH JUNE 2025

		(UNAUDITED) 30.06.2025 HK\$	(AUDITED) 31.12.2024 HK\$
	Notes		
Assets			
Current assets			
Investments	13	150,276,407,903	138,387,232,998
Dividend receivable		759,517,257	–
Amounts receivable on creation of units		45,287,289	3,659,860
Other receivable		90,000	150,000
Bank balances		1,406,536,246	407,170,052
		<u>152,487,838,695</u>	<u>138,798,212,910</u>
Total assets		<u>152,487,838,695</u>	<u>138,798,212,910</u>
Liabilities			
Current liabilities			
Management fee payable	7(d)	7,152,664	7,496,137
Trustee fee payable	7(e)	7,152,664	7,496,137
Index license fee payable	7(i)	5,128,065	5,441,291
Registrar fee payable		179,022	326,055
Professional fee payable		119,000	178,500
Amounts payable on redemption of units		35,368,807	6,878,678
Other accounts payable and accruals		8,420,012	9,245,422
		<u>63,520,234</u>	<u>37,062,220</u>
Liabilities (excluding net assets attributable to unitholders of redeemable units)		<u>63,520,234</u>	<u>37,062,220</u>
Net assets attributable to unitholders of redeemable units	5	<u>152,424,318,461</u>	<u>138,761,150,690</u>

The notes on pages 5 to 20 form part of these condensed financial statements.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

		(UNAUDITED)	
		For the half-year ended 30.06.2025	For the half-year ended 30.06.2024
	Notes	HK\$	HK\$
Income			
Dividend income		3,375,026,506	2,820,678,592
Bank interest income	4(c)	13,460,107	15,213,047
Net transaction fee income	4(a)	1,662,000	1,608,000
Other income	4(b)	1,429,491	1,485,190
Net gain on investments	3	<u>26,308,299,884</u>	<u>4,759,088,501</u>
Total investment income		<u>29,699,877,988</u>	<u>7,598,073,330</u>
Expenses			
Management fee	7(d)	14,174,861	13,375,044
Trustee fee	7(e)	14,174,861	13,375,044
Index license fee	7(i)	10,491,410	9,299,042
Transaction costs on investments	8	26,321,654	9,820,899
Registrar fee		975,420	919,300
Publication and printing expenses		962,715	2,156,031
Audit fee		212,700	201,700
Bank charges		467,718	346,580
Legal and other professional fees		427,025	357,021
Other operating expenses		<u>1,198,902</u>	<u>461,644</u>
Total operating expenses		<u>69,407,266</u>	<u>50,312,305</u>
Operating profit		29,630,470,722	7,547,761,025
Finance costs			
Distributions to unitholders of redeemable units	15	<u>(1,342,658,350)</u>	<u>(1,119,598,875)</u>
Profit after distributions and before tax		28,287,812,372	6,428,162,150
Withholding tax	6	<u>(154,668,801)</u>	<u>(67,652,327)</u>
Increase in net assets attributable to unitholders of redeemable units from operations		<u>28,133,143,571</u>	<u>6,360,509,823</u>

The notes on pages 5 to 20 form part of these condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF REDEEMABLE UNITS (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

		(UNAUDITED)			
	Notes	For the half-year ended 30.06.2025 Units	For the half-year ended 30.06.2025 HK\$	For the half-year ended 30.06.2024 Units	For the half-year ended 30.06.2024 HK\$
Net assets attributable to unitholders of redeemable units at 1st January		6,866,992,500	138,761,150,690	7,519,992,500	129,368,536,957
Issue of units					
– In-kind	5, 10	8,519,000,000	190,387,770,003	6,655,000,000	115,623,885,059
– Cash component	10	–	1,370,626,597	–	825,481,041
		8,519,000,000	191,758,396,600	6,655,000,000	116,449,366,100
Redemption of units					
– In-kind	5, 10	(9,171,000,000)	(204,786,853,090)	(6,975,000,000)	(121,011,759,355)
– Cash component	10	–	(1,441,519,310)	–	(803,766,045)
		(9,171,000,000)	(206,228,372,400)	(6,975,000,000)	(121,815,525,400)
Net redemption of units		(652,000,000)	(14,469,975,800)	(320,000,000)	(5,366,159,300)
Increase in net assets attributable to unitholders of redeemable units from operations		–	28,133,143,571	–	6,360,509,823
Net assets attributable to unitholders of redeemable units at 30th June		6,214,992,500	152,424,318,461	7,199,992,500	130,362,887,480

The notes on pages 5 to 20 form part of these condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

	(UNAUDITED)	
	For the half-year ended 30.06.2025 HK\$	For the half-year ended 30.06.2024 HK\$
Cash flows from operating activities		
Proceeds from sale of investments	11,040,711,998	4,138,950,528
Payments for purchase of investments	(11,015,912,567)	(4,126,318,254)
Dividends received	2,456,082,909	1,991,021,761
Bank interest received	13,460,107	15,213,323
Transaction fee received	8,370,000	7,980,000
Management fee paid	(14,518,334)	(13,209,397)
Trustee fee paid	(14,518,334)	(13,209,397)
Index license fee paid	(10,804,636)	(13,987,979)
Registrar fee paid	(1,122,453)	(776,023)
Publication and printing expenses paid	(1,054,584)	(1,044,756)
Transaction costs on investments paid	(26,321,654)	(9,820,899)
Conversion agent fee paid	(6,564,000)	(5,916,000)
Bank charges paid	(467,718)	(346,580)
Legal and other professional fees paid	(486,525)	(297,521)
Other operating expenses (paid)/refund	(2,229,183)	118,383
Net cash generated from operating activities	2,424,625,026	1,968,357,189
Cash flows from financing activities		
Cash component received on issue of units	10 1,328,999,168	780,736,841
Cash component paid on redemption of units	10 (1,413,029,181)	(757,865,876)
Interim distribution paid	4(b), 15 (1,341,228,819)	(1,118,113,685)
Net cash used in financing activities	(1,425,258,832)	(1,095,242,720)
Net increase in cash and cash equivalents	999,366,194	873,114,469
Cash and cash equivalents at the beginning of the period	407,170,052	454,528,577
Cash and cash equivalents at the end of the period	1,406,536,246	1,327,643,046
Analysis of balances of cash and cash equivalents:		
Bank balances	7(f) 1,406,536,246	1,327,643,046

Please refer to note 10 for details of major non-cash transactions.

The notes on pages 5 to 20 form part of these condensed financial statements.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1 General Information

Tracker Fund of Hong Kong (the "Fund") is a unit trust which is governed by its Trust Deed relating to the Fund originally made on 23rd October 1999, as amended and restated by a First Amended and Restated Deed dated 24th December 2019, a Second Amended and Restated Deed dated 19th September 2022 and a Third Amended and Restated Deed dated 23rd September 2024 (as the same is amended and supplemented from time to time, the "Trust Deed"). The Fund is authorized by the Securities and Futures Commission of Hong Kong under Section 104(1) of the Hong Kong Securities and Futures Ordinance. The Fund is also listed on The Stock Exchange of Hong Kong Limited (a subsidiary of the Hong Kong Exchanges and Clearing Limited).

The manager and the trustee of the Fund are Hang Seng Investment Management Limited (the "Manager") and State Street Bank and Trust Company (the "Trustee") respectively.

The Fund's objective is to provide investment results that closely correspond to the performance of the Hang Seng Index (the "Index").

These unaudited condensed interim financial statements were approved for issue on 21st August 2025. The financial statements have been reviewed, not audited.

2 Basis of preparation and accounting policies

These unaudited condensed interim financial statements for the half-year ended 30th June 2025 have been prepared in accordance with Hong Kong Accounting Standard 34, "Interim financial reporting". The unaudited condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The accounting policies and methods of computation applied are consistent with those of the annual financial statements for the year ended 31st December 2024. Amendments to HKFRS effective for the financial year ending 31st December 2025 are not expected to have a material impact on the Fund.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

3 Net gain on investments

	(UNAUDITED)	
	For the half-year ended 30.06.2025 HK\$	For the half-year ended 30.06.2024 HK\$
Change in unrealized gain on investments	1,230,514,427	11,004,933,832
Realized gain/(loss) on sale of investments	25,077,785,457	(6,245,845,331)
	<u>26,308,299,884</u>	<u>4,759,088,501</u>

4 Income

(a) Net transaction fee income

Applications to create or redeem units are only made through brokers or dealers (who itself or its agent is a participant in Central Clearing and Settlement System ("CCASS") and to whose or whose agent's account any units are for the time being credited by Hong Kong Securities Clearing Company ("HKSCC")) (the "Participating Dealers") which have executed participation agreements with the Manager, the Trustee, HK Conversion Agency Services Limited (the "Conversion Agent") and HKSCC.

The Fund is entitled to retain the net transaction fee arising from creation and redemption orders made by Participating Dealers and processed by the Conversion Agent.

(b) Other income

Other income represents registrar charges levied on unitholders (other than HKSCC Nominees) who hold units registered in their own names as at each record date for the relevant distribution. Currently, these charges amount to the lower of HK\$40 per distribution per unitholder and the unitholder's actual distribution entitlement. Such charges are deducted on a half-yearly basis from the half-yearly distributions payable to the relevant unitholders.

(c) Bank interest income

Under the terms of the Trust Deed, interest income that is earned in the Distribution Account is transferred to the Fund on an annual basis. During the half-year ended 30th June 2025, the Fund received interest income of HK\$1,301,002 (for the half-year ended 30th June 2024: HK\$1,574,192) from the Distribution Account.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

5 Number of units in issue and net assets attributable to unitholders of redeemable units

The Fund's capital is represented by the net assets attributable to unitholders of redeemable units. Units are issued through an in-kind creation of an Index Basket with the remaining balances in cash, and are redeemed in-kind with the remaining balances in cash. Creations and redemptions of units during the half-year are shown on the Condensed Statement of Changes in Net Assets Attributable to Unitholders of Redeemable Units.

In accordance with the provisions of the Trust Deed, listed investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit for creations and redemptions and for various fee calculations.

Net assets attributable to unitholders of redeemable units at last traded market prices represent a liability in the Condensed Statement of Net Assets, carried at the redemption amount that would be payable at the half-year end date if the unitholders exercised the right to redeem the units in the Fund.

	(UNAUDITED)		
	Number of units		
	01.01.2025 to 30.06.2025	01.07.2024 to 31.12.2024	01.01.2024 to 30.06.2024
Units in issue at the beginning of the period	6,866,992,500	7,199,992,500	7,519,992,500
Issue of units	8,519,000,000	7,692,000,000	6,655,000,000
Redemption of units	(9,171,000,000)	(8,025,000,000)	(6,975,000,000)
Units in issue at the end of the period	<u>6,214,992,500</u>	<u>6,866,992,500</u>	<u>7,199,992,500</u>
	HK\$	HK\$	HK\$
Net assets attributable to holders of redeemable units	<u>152,424,318,461</u>	<u>138,761,150,690</u>	<u>130,362,887,480</u>
Net assets attributable to holders of redeemable units (per unit)	<u>24.53</u>	<u>20.21</u>	<u>18.11</u>
Net asset value per Creation Unit (1 Creation Unit is equivalent to 1,000,000 units)	<u>24,525,262</u>	<u>20,206,976</u>	<u>18,105,975</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

6 Taxation

No provision for Hong Kong profits tax has been made as the Fund was authorized as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempted from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

The Fund has investments in shares of companies in People's Republic of China ("PRC") listed on the Hong Kong Stock Exchange ("H-shares") and stocks that are based in mainland China and controlled, either directly or indirectly, by the central, provincial or municipal governments of the PRC but listed in Hong Kong to allow overseas investment ("Red Chips"). Under general taxing provisions of the Corporate Income Tax Law ("CIT Law"), a fund could be technically subject to 10% withholding income tax ("WIT") on the PRC sourced capital gains, unless exempt or reduced under relevant double tax treaties. However, there may be practical difficulty for the PRC tax authorities to impose and collect WIT on such capital gains. The 10% WIT has not been strictly enforced by local tax bureau on capital gains derived by non-tax resident enterprises of the PRC from the trading of H-Shares and Red Chips. Where capital gains are derived from trading of H-Shares and Red Chips, value added tax ("VAT") in general is not imposed as the purchase and disposal are often concluded and completed outside the PRC.

No provision was made for taxation from such gains in the financial statements as the Manager believes that the taxation on capital gains derived from H-Shares and Red Chips is not probable under the current enforcement environment.

WIT of 10% was charged on dividend income received from H-shares and Red Chips (which had applied to be treated as PRC tax resident enterprises) during the half-years ended 30th June 2025 and 2024.

7 Transactions with the related parties, Manager, Trustee and their Connected Persons

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties of the Fund also include the Manager, investment delegate, Trustee/custodian and their Connected Persons. Connected Persons are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the half-year between the Fund and its related parties were entered into in the ordinary course of business and on normal commercial terms. To the best of the Manager's and the Trustee's knowledge, the Fund did not have any other transactions with the Manager, its related parties and Connected Persons, or the Trustee, its related parties and Connected Persons except for those disclosed below.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

7 Transactions with the related parties, Manager, Trustee and their Connected Persons (Continued)

(a) *Manager's holding in the Fund*

The Manager, and its directors and officers, may transact in the units of the Fund as principal. As at 30th June 2025, the Manager, and its directors and officers together held 67,500 units in the Fund (as at 31st December 2024: 67,500 units).

(b) *Group companies of the Manager's holding in the Fund*

The group companies of the Manager, being Connected Persons to the Manager, may transact in the units of the Fund as principal. As at 30th June 2025, the group companies of the Manager together held 98,350,542 units in the Fund (as at 31st December 2024: 177,389,104 units).

(c) *Trustee's holding in the Fund*

The Trustee, and its directors and officers and Connected Persons may transact in the units of the Fund as principal. As at 30th June 2025, the Trustee, and its related parties and Connected Persons together held 17,320 units in the Fund (as at 31st December 2024: 17,320 units).

(d) *Management fee*

The fee payable to the Manager is calculated at the following annual rates of the net asset value of the Fund on the last dealing day in the relevant quarter:

For the first HK\$15 billion of the net asset value	0.045%
For the next HK\$15 billion of the net asset value	0.030%
For the next HK\$15 billion of the net asset value	0.020%
Any amount by which the net asset value exceeds HK\$45 billion	0.015%

The management fee is accrued daily and payable quarterly in arrears.

Management fee paid to the Manager during the half-year amounted to HK\$14,174,861 (for the half-year ended 30th June 2024: HK\$13,375,044). Management fee payable to the Manager as at 30th June 2025 was HK\$7,152,664 (as at 31st December 2024: HK\$7,496,137).

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

7 Transactions with the related parties, Manager, Trustee and their Connected Persons (Continued)

(e) Trustee fee

The fee payable to the Trustee is calculated at the following annual rates of the net asset value of the Fund of the last dealing day in the relevant quarter:

For the first HK\$15 billion of the net asset value	0.045%
For the next HK\$15 billion of the net asset value	0.030%
For the next HK\$15 billion of the net asset value	0.020%
Any amount by which the net asset value exceeds HK\$45 billion	0.015%

The Trustee fee is paid to State Street Bank and Trust Company for acting as the trustee and the custodian of the Fund and covers all portfolio valuation services, administration of securities trading, acquisition, delivery, holding and disposal of investments, corporate actions, dividend collection and distribution, dividend reinvestment, regulatory filings, tax filings, preparation of semi-annual and annual reports and maintenance of accounting records (but not auditing) and excludes transaction fees, costs and charges and other out-of-pocket expenses.

The trustee fee is accrued daily and payable quarterly in arrears.

Trustee fee paid to the Trustee during the half-year amounted to HK\$14,174,861 (for the half-year ended 30th June 2024: HK\$13,375,044). Trustee fee payable to the Trustee as at 30th June 2025 was HK\$7,152,664 (as at 31st December 2024: HK\$7,496,137).

(f) Bank balances

Bank balance held with the State Street Bank and Trust Company, the Trustee, amounted to HK\$136,595,700 as at 30th June 2025 (as at 31st December 2024: HK\$10,072,907). Such account is interest bearing. Interest income amounting to HK\$35,099 was recognised and HK\$35,099 was received for the half-year ended 30th June 2025 with respect to the bank balance held with the Trustee (as at 31st December 2024, interest income amounting to HK\$182,687 was recognised and HK\$182,687 was received).

Bank balance held with The Hongkong and Shanghai Banking Corporation Limited ("HBAP"), which is the intermediate holding company of the Manager, amounted to HK\$1,325 with interest bearing as at 30th June 2025 (as at 31st December 2024: HK\$22,331). Interest income amounting to HK\$45 was recognised and received for the half-year ended 30th June 2025 with respect to the bank balance held with HBAP (as at 31st December 2024, interest income amounting to HK\$303 was recognised and received).

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

7 Transactions with the related parties, Manager, Trustee and their Connected Persons (Continued)

(g) Bank charges

Bank charges amounting to HK\$467,718 was incurred during the half-year with respect to the bank balance held with HBAP (for the half-year ended 30th June 2024: HK\$346,580).

(h) Dividend income

During the half-year, the Fund made investments in the stocks of HSBC Holdings Plc ("HSBC"), the ultimate holding company of the Manager, and Hang Seng Bank Limited, the immediate holding company of the Manager. Details of such investments held as at the half-year end date are shown in the Investment Portfolio. Dividend income earned from these investments for the half-years ended 30th June 2025 and 30th June 2024 is as follows:

	For the half-year ended 30.06.2025 HK\$	For the half-year ended 30.06.2024 HK\$
Hang Seng Bank Limited	35,023,141	39,385,545
HSBC Holdings Plc	480,904,520	812,455,373

(i) Index license fee

The Fund has been licensed by Hang Seng Indexes Company Limited ("HSIL"), an affiliate of the Manager, to use the Index to create, offer, market and sell the Fund during the half-year. License fee paid to HSIL for the half-year ended 30th June 2025 amounted to HK\$10,491,410 (for the half-year ended 30th June 2024: HK\$9,299,042). License fee payable to HSIL at the half-year end was HK\$5,128,065 (as at 31st December 2024: HK\$5,441,291).

The index license fee is calculated at the following annual rates of the net asset value of the Fund, subject to a minimum fee of US\$10,000:

For the first HK\$100 billion of the net asset value	0.015%
For the next HK\$100 billion of the net asset value	0.0135%
Any amount by which the net asset value exceeds HK\$200 billion	0.012%

The index license fee is accrued daily and payable quarterly in arrears.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

7 Transactions with the related parties, Manager, Trustee and their Connected Persons (Continued)

(j) Commission fee

The Fund uses the services of HBAP to process some investment transactions. The following are the details of the fund's transactions processed by HBAP for the half-years ended 30th June 2025 and 30th June 2024:

Value of transactions executed through HBAP		Share of the total value of transactions of the Fund		Commission paid to HBAP		Average commission rate	
For the half-year ended 30.06.2025	For the half-year ended 30.06.2024	For the half-year ended 30.06.2025	For the half-year ended 30.06.2024	For the half-year ended 30.06.2025	For the half-year ended 30.06.2024	For the half-year ended 30.06.2025	For the half-year ended 30.06.2024
HK\$	HK\$			HK\$	HK\$		
6,489,147,512	7,122,056,551	1.55%	2.90%	320,794	4,167	0.0049%	0.0001%

8 Transaction costs on investments

Transaction costs are costs incurred to acquire investments. They include fees and commissions paid to agents, advisers, brokers and dealers, and local tax. Transaction costs, when incurred, are immediately recognised in Condensed Statement of Comprehensive Income as an expense.

9 Other fees

(a) Registrar fee

The fee payable to Computershare Hong Kong Investor Services Limited (the "Registrar"), is calculated based on the number of unitholders on the register on the first business day of the relevant month at the following fee scale, subject to a monthly maximum aggregate registrar fee of HK\$1,000,000.

	HK\$ (per month)
For the first 2,000 Unitholders	12,000
For every additional 1,000 Unitholders up to 100,000 Unitholders	2,650
For every additional 1,000 Unitholders above 100,000 Unitholders	2,250

The registrar fee is accrued daily and payable monthly in arrears.

The Registrar is also reimbursed for all of its out-of-pocket expenses incurred in connection with performing its services.

(b) Conversion agent fee

The Conversion Agent, HK Conversion Agency Services Limited, received a monthly retainer fee of HK\$16,000 plus a transaction fee of HK\$12,000 on total aggregate creation and redemption orders per day per Participating Dealer.

The conversion agent fee is accrued daily and payable monthly in arrears.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

10 Major non-cash transactions

In accordance with the Trust Deed, units are issued through an in-kind creation of an Index Basket with the remaining balances in cash. For each Creation Unit (of 1,000,000 units), the Fund receives an Index Basket consisting of constituent shares as determined by the Manager on a daily basis. During the half-year ended 30th June 2025, the Fund issued 8,519,000,000 units (for the half-year ended 30th June 2024: 6,655,000,000 units), totaling HK\$191,758,396,600 (for the half-year ended 30th June 2024: HK\$116,449,366,100) in exchange for Index Baskets consisting of investments valued at HK\$190,387,770,003 (for the half-year ended 30th June 2024: HK\$115,623,885,059) plus the relevant cash component of HK\$1,370,626,597 (for the half-year ended 30th June 2024: HK\$825,481,041).

In accordance with the Trust Deed, units are redeemed in-kind with the remaining balances in cash. During the half-year ended 30th June 2025, the Fund redeemed 9,171,000,000 units (for the half-year ended 30th June 2024: 6,975,000,000 units), totaling HK\$206,228,372,400 (for the half-year ended 30th June 2024: HK\$121,815,525,400) by delivering Index Baskets consisting of investments valued at HK\$204,786,853,090 (for the half-year ended 30th June 2024: HK\$121,011,759,355) plus the relevant cash component of HK\$1,441,519,310 (for the half-year ended 30th June 2024: HK\$803,766,045).

11 Soft dollar practices

The Manager may effect transactions, provided that any such transaction is consistent with standards of “best execution”, by or through the agency of another person for the account of the Fund with whom the Manager or any of its Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Manager or any of its Connected Persons goods, services or other benefits (such as research and advisory services, computer hardware associated with specialized software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the performance of the Fund. For the avoidance of doubt, such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees’ salaries or direct money payments.

Since the inception of the Fund, the Manager had not participated in any soft dollar arrangements in respect of any transactions for the account of the Fund.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

12 Investment limitations and prohibitions under the SFC Code

The SFC Code allows the Fund to invest in constituent securities issued by a single issuer for more than 10% of the Fund's net asset value provided that the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the Index and the Fund's holding of any such constituent securities may not exceed their respective weightings in the Index (except as a result of changes in the composition of the Index and the excess is transitional and temporary in nature).

As at 30th June 2025 and 31st December 2024, there were no securities that individually accounted for more than 10% of the net asset value of the Fund.

During the half-year ended 30th June 2025, the Hang Seng Index increased by 20.00% (for the half-year ended 30th June 2024: increased by 3.94%), while the net asset value per unit of the Fund increased by 21.37% (for the half-year ended 30th June 2024: increased by 5.25%).

13 Financial risk management

(a) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the half-year end date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value of receivables and payables are assumed to approximate their fair values. The fair value of financial assets and financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

HKFRS 13 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Fund can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund’s investments (by class) measured at fair value as at 30th June 2025 and 31st December 2024.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

All fair value measurements disclosed are recurring fair value measurements.

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 30.06.2025				
Assets				
Financial assets at fair value through profit or loss:				
- Equity securities	149,211,279,944	-	-	149,211,279,944
- Collective Investment Scheme	1,065,127,959	-	-	1,065,127,959
Total	<u>150,276,407,903</u>	<u>-</u>	<u>-</u>	<u>150,276,407,903</u>

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 31.12.2024				
Assets				
Financial assets at fair value through profit or loss:				
- Equity securities	137,464,505,504	-	-	137,464,505,504
- Collective Investment Scheme	922,727,494	-	-	922,727,494
Total	<u>138,387,232,998</u>	<u>-</u>	<u>-</u>	<u>138,387,232,998</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As at 30th June 2025 and 31st December 2024, the Fund did not hold any investments classified in level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 30th June 2025 and 31st December 2024, the Fund did not hold any investments classified in level 3.

During the half-year ended 30th June 2025 and the year ended 31st December 2024, there were no transfers of financial instruments between levels.

The assets and liabilities (excluding net assets attributable to unitholders of redeemable units) included in the Condensed Statement of Net Assets except investments are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

14 Involvement with unconsolidated structured entities

The Fund has concluded that the collective investment schemes in which it invests, but that it does not consolidate, meet the definition of structured entities because:

- the voting rights in the collective investment schemes are not dominant rights in deciding who controls them because they relate to administrative tasks only;
- each collective investment scheme's activities are restricted by its prospectus; and
- the collective investment schemes have narrow and well-defined objectives to provide investment opportunities to investors.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

14 Involvement with unconsolidated structured entities (Continued)

The table below describes the types of structured entities that the Fund does not consolidate but in which it holds an interest.

Type of structured entities	Nature and purpose	Interest held by the Fund
Collective investment schemes	To manage assets on behalf of the investors and earn fees. These vehicles are financed through the issue of units to investors.	Investments in units issued by the collective investment schemes

The table below sets out interests held by the Fund in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

As at 30th June 2025

Structured entities	Number of collective investment scheme invested by the fund	Total market capitalization of the structured entity HK\$	Carrying amount included in investments at fair value through profit or loss HK\$	Carrying amount as a % of total net assets attributable to unitholders
Listed real estate investment trust	1	108,202,411,884	1,065,127,959	0.70%

As at 31st December 2024

Structured entities	Number of collective investment scheme invested by the fund	Total market capitalization of the structured entity HK\$	Carrying amount included in investments at fair value through profit or loss HK\$	Carrying amount as a % of total net assets attributable to unitholders
Listed real estate investment trust	1	84,979,019,990	922,727,494	0.66%

During the half-year ended 30th June 2025, except for the amounts invested in the unconsolidated structured entity, the Fund did not provide financial support to the unconsolidated structured entity and had no intention of providing financial or other support.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

15 Distributions

	(UNAUDITED)	
	2025	2024
	HK\$	HK\$
Interim distribution		
– HK\$0.15 on 7,463,992,500 units paid on 31st May 2024	–	1,119,598,875
– HK\$0.22 on 6,102,992,500 units paid on 30th May 2025	1,342,658,350	–
	<u>1,342,658,350</u>	<u>–</u>

16 Segment information

The Manager is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The objective of the Fund is to track the performance of the Index and invests in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked index.

The Fund trades in the constituent shares of the Hang Seng Index with the objective to provide investment results that closely correspond to the performance of the Index.

The internal reporting provided to the Manager for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of HKFRS.

There were no changes in the reportable segment during the half-year ended 30th June 2025 and the year ended 31st December 2024.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

16 Segment information (Continued)

The Fund is domiciled in Hong Kong. All of the Fund's income is generated in Hong Kong. Majority of such income is from investments in entities listed in Hong Kong.

The Fund has no assets classified as non-current assets. The Fund has a portfolio that closely correspond to the security weight and industry weight of the relevant tracked index. As at 30th June 2025 and 31st December 2024, there were no securities that individually accounted for more than 10% of the net asset value of the Fund.

The Fund also has a diversified unitholder population. However, as at 30th June 2025 and 31st December 2024, there was one nominee company that held more than 10% of the Fund's net assets. The nominee company's holdings were 95.32% as at 30th June 2025 and 95.72% as at 31st December 2024.

17 Comparative information

Certain comparative figures have been reclassified to conform to the current half year's presentation.

18 Subsequent Event

On 7th August 2025, the Manager issued a notice to inform the unitholders that State Street Bank and Trust Company has decided to retire as the trustee of the Fund and HSBC Institutional Trust Services (Asia) Limited (the "New Trustee") will be appointed as the new trustee of the Fund in accordance with the applicable provisions in the Trust Deed of the Fund, subject to regulatory approval. It is expected that the transition to the New Trustee will be completed in October 2025, subject to regulatory approvals.

Effective from 19th September 2025, each of the effective management fee and effective trustee fee will be subject to a cap of 0.019% per annum ("Cap") respectively, so that the tiered fee as set out in note 7(d) and 7(e) respectively in this report will be compared to the Cap and the lower will apply. Each of the applicable management fee and trustee fee may be lower than the Cap, depending on the Net Asset Value of TraHK at the relevant time.

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30TH JUNE 2025

	Holdings	Fair value HK\$	% of net assets
Hong Kong			
Listed investments (98.59%)			
Equities (97.89%)			
Conglomerates (1.24%)			
CITIC Ltd.	57,271,688	617,388,797	0.40
CK Hutchison Holdings Ltd.	26,391,656	1,274,716,985	0.84
		1,892,105,782	1.24
Consumer Discretionary (25.13%)			
Alibaba Group Holding Ltd.	103,131,184	11,323,804,003	7.43
ANTA Sports Products Ltd.	13,817,043	1,305,710,563	0.86
Baidu Inc.	12,531,103	1,045,720,545	0.69
BYD Company Ltd.	36,258,159	4,441,624,477	2.91
Chow Tai Fook Jewellery Group Ltd.	19,662,786	263,874,588	0.17
Galaxy Entertainment Group Ltd.	21,532,978	750,424,283	0.49
Geely Automobile Holdings Ltd.	59,519,861	949,936,982	0.62
Haidilao International Holding Ltd.	19,204,344	286,144,726	0.19
Haier Smart Home Co. Ltd.	23,908,643	536,749,035	0.35
JD.com Inc.	17,214,902	2,201,785,966	1.44
Kuaishou Technology	29,687,213	1,879,200,583	1.23
Li Auto Inc.	13,698,573	1,465,747,311	0.96
Li Ning Co. Ltd.	22,899,845	387,465,377	0.25
Meituan	54,128,692	6,782,325,108	4.45
Midea Group Co. Ltd.	6,086,660	453,151,837	0.30
MTR Corporation Ltd.	18,383,033	518,401,531	0.34
New Oriental Education & Technology Group Inc.	7,517,220	316,850,823	0.21
Sands China Ltd.	23,900,849	390,539,873	0.26
Shenzhen International Group Holdings Ltd.	8,138,659	454,137,172	0.30
Techtronic Industries Co. Ltd.	14,423,626	1,244,758,924	0.82
Trip.com Group Ltd.	2,691,390	1,227,273,840	0.80
Zhongsheng Group Holdings Ltd.	6,990,132	84,580,597	0.06
		38,310,208,144	25.13

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2025

	Holdings	Fair value HK\$	% of net assets
Consumer Staples (1.82%)			
Budweiser Brewing Co. APAC Ltd.	19,554,928	151,941,791	0.10
China Mengniu Dairy Co. Ltd.	30,839,676	496,518,784	0.33
China Resources Beer Holdings Co. Ltd.	15,967,592	399,189,800	0.26
Hengan International Group Co. Ltd.	6,291,742	141,878,782	0.09
Nongfu Spring Co. Ltd.	19,824,210	794,950,821	0.52
Tingyi Cayman Islands Holding Corporation	19,418,075	223,307,862	0.15
WH Group Ltd.	75,779,355	572,134,130	0.37
		<u>2,779,921,970</u>	<u>1.82</u>
Energy (3.97%)			
China Petroleum & Chemical Corporation	236,737,561	972,991,376	0.64
China Shenhua Energy Co. Ltd.	31,585,122	961,766,965	0.63
CNOOC Ltd.	153,455,925	2,719,238,991	1.78
PetroChina Co. Ltd.	207,694,881	1,401,940,447	0.92
		<u>6,055,937,779</u>	<u>3.97</u>
Financials (33.20%)			
AIA Group Ltd.	105,276,029	7,411,432,442	4.86
Bank of China Ltd.	823,166,616	3,753,639,769	2.46
BOC Hong Kong (Holdings) Ltd.	36,426,785	1,242,153,368	0.82
China Construction Bank Corporation	1,064,985,834	8,434,687,805	5.53
China Life Insurance Co. Ltd.	73,249,806	1,380,026,345	0.91
China Merchants Bank Co. Ltd.	38,413,366	2,106,973,125	1.38
Hang Seng Bank Ltd.	7,411,523	871,595,105	0.57
Hong Kong Exchanges and Clearing Ltd.	11,856,310	4,965,422,628	3.26
HSBC Holdings Plc	127,473,062	12,103,567,237	7.94
Industrial and Commercial Bank of China Ltd.	811,669,448	5,048,583,967	3.31
Ping An Insurance (Group) Co. of China Ltd.	65,981,832	3,289,194,325	2.16
		<u>50,607,276,116</u>	<u>33.20</u>

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2025

	Holdings	Fair value HK\$	% of net assets
Healthcare (2.44%)			
Alibaba Health Information Tech Ltd.	63,366,737	300,358,333	0.20
CSPC Pharmaceutical Group Ltd.	79,543,752	612,486,890	0.40
Hansoh Pharmaceutical Group Co. Ltd.	11,686,213	347,664,837	0.23
JD Health International Inc.	11,023,923	474,028,689	0.31
Sino Biopharmaceutical Ltd.	101,621,792	534,530,626	0.35
Sinopharm Group Co. Ltd.	13,208,645	242,774,895	0.16
WuXi AppTec Co. Ltd.	3,429,344	269,717,906	0.18
WuXi Biologics (Cayman) Inc.	36,392,654	933,471,575	0.61
		3,715,033,751	2.44
Industrials (1.01%)			
Orient Overseas International Ltd.	1,300,253	173,453,750	0.11
Sunny Optical Tech Co. Ltd.	7,005,015	485,797,790	0.32
Xinyi Glass Holdings Ltd.	21,148,615	159,460,557	0.11
Xinyi Solar Holdings Ltd.	44,682,841	111,260,274	0.07
ZTO Express Cayman Inc.	4,355,522	603,239,797	0.40
		1,533,212,168	1.01
Information Technology (18.53%)			
BYD Electronic International Co. Ltd.	7,763,192	246,869,506	0.16
Lenovo Group Ltd.	79,371,728	747,681,678	0.49
NetEase Inc.	13,604,769	2,870,606,259	1.88
Semiconductor Manufacturing International Corporation	44,249,021	1,977,931,239	1.30
Tencent Holdings Ltd.	23,260,647	11,700,105,441	7.68
Xiaomi Corporation	178,585,983	10,706,229,681	7.02
		28,249,423,804	18.53
Materials (1.07%)			
China Hongqiao Group Ltd.	27,948,150	502,507,737	0.33
Zijin Mining Group Co. Ltd.	56,004,845	1,122,897,142	0.74
		1,625,404,879	1.07

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2025

	Holdings	Fair value HK\$	% of net assets
Properties & Construction (3.04%)			
China Overseas Land & Investment Ltd.	37,709,115	513,598,146	0.34
China Resources Land Ltd.	31,588,283	840,248,328	0.55
China Resources Mixc Lifestyle Services Ltd.	6,740,558	255,804,176	0.17
CK Asset Holdings Ltd.	18,948,419	655,615,297	0.43
Hang Lung Properties Ltd.	18,836,092	141,082,329	0.09
Henderson Land Development Co. Ltd.	14,297,858	392,476,202	0.26
Longfor Group Holdings Ltd.	20,341,992	188,366,846	0.12
Sun Hung Kai Properties Ltd.	14,262,807	1,284,365,770	0.84
Wharf Real Estate Investment Co. Ltd	16,438,433	364,933,213	0.24
		<u>4,636,490,307</u>	<u>3.04</u>
Telecommunications (3.86%)			
China Mobile Ltd.	61,075,862	5,319,707,580	3.49
China Unicom (Hong Kong) Ltd.	60,240,096	560,232,893	0.37
		<u>5,879,940,473</u>	<u>3.86</u>
Utilities (2.58%)			
China Resources Power Holdings Co. Ltd.	20,384,806	386,088,226	0.26
CK Infrastructure Holdings Ltd.	6,200,740	322,128,443	0.21
CLP Holdings Ltd.	19,896,216	1,315,139,878	0.86
ENN Energy Holdings Ltd.	7,794,995	488,746,186	0.32
Power Assets Holdings Ltd.	13,635,834	687,927,825	0.45
The Hong Kong and China Gas Co. Ltd.	110,211,565	726,294,213	0.48
		<u>3,926,324,771</u>	<u>2.58</u>
Total Listed equities		<u>149,211,279,944</u>	<u>97.89</u>
Real Estate Investment Trust (0.70%)			
Link Real Estate Investment Trust	25,420,715	1,065,127,959	0.70
Total investments, at cost		<u>144,291,100,448</u>	

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

		(UNAUDITED) Holdings		
	31.12.2024	Additions	Disposals	30.06.2025
Hong Kong				
Listed investments				
Equities				
Conglomerates				
CITIC Ltd.	79,281,097	88,129,285	(110,138,694)	57,271,688
CK Hutchison Holdings Ltd.	29,227,366	38,508,434	(41,344,144)	26,391,656
Consumer Discretionary				
Alibaba Group Holding Ltd.	129,059,839	152,728,375	(178,657,030)	103,131,184
ANTA Sports Products Ltd.	15,421,313	20,245,613	(21,849,883)	13,817,043
Baidu Inc.	7,709,617	17,230,896	(12,409,410)	12,531,103
BYD Company Ltd.	11,969,627	44,985,334	(20,696,802)	36,258,159
Chow Tai Fook Jewellery Group Ltd.	21,776,076	28,693,014	(30,806,304)	19,662,786
Galaxy Entertainment Group Ltd.	23,839,464	31,417,283	(33,723,769)	21,532,978
Geely Automobile Holdings Ltd.	65,863,395	86,846,789	(93,190,323)	59,519,861
Haidilao International Holding Ltd.	21,267,244	28,020,991	(30,083,891)	19,204,344
Haier Smart Home Co. Ltd.	26,487,985	34,880,366	(37,459,708)	23,908,643
JD.com Inc.	19,064,610	25,120,775	(26,970,483)	17,214,902
Kuaishou Technology	33,079,571	43,061,954	(46,454,312)	29,687,213
Li Auto Inc.	15,036,591	19,833,715	(21,171,733)	13,698,573
Li Ning Co. Ltd.	25,357,035	33,413,740	(35,870,930)	22,899,845
Meituan	62,990,176	77,205,461	(86,066,945)	54,128,692
Midea Group Co. Ltd.	–	6,904,900	(818,240)	6,086,660
MTR Corporation Ltd.	20,357,799	26,822,620	(28,797,386)	18,383,033
New Oriental Education & Technology Group Inc.	7,399,708	10,382,430	(10,264,918)	7,517,220
Sands China Ltd.	26,468,721	59,612,747	(62,180,619)	23,900,849
Shenzhou International Group Holdings Ltd.	9,012,987	11,876,928	(12,751,256)	8,138,659
Techtronic Industries Co. Ltd.	16,980,614	20,774,559	(23,331,547)	14,423,626
Trip.com Group Ltd.	1,862,930	3,518,554	(2,690,094)	2,691,390
Zhongsheng Group Holdings Ltd.	7,740,802	10,199,702	(10,950,372)	6,990,132

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

		(UNAUDITED) Holdings		
	31.12.2024	Additions	Disposals	30.06.2025
Consumer Staples				
Budweiser Brewing Co. APAC Ltd.	21,655,850	28,531,073	(30,631,995)	19,554,928
China Mengniu Dairy Co. Ltd.	34,320,596	44,963,396	(48,444,316)	30,839,676
China Resources Beer Holdings Co. Ltd.	17,683,137	23,300,479	(25,016,024)	15,967,592
Hengan International Group Co. Ltd.	7,601,536	9,917,074	(11,226,868)	6,291,742
Nongfu Spring Co. Ltd	21,953,958	28,926,944	(31,056,692)	19,824,210
Tingyi Cayman Islands Holding Corporation	21,499,017	28,322,910	(30,403,852)	19,418,075
WH Group Ltd.	90,913,824	118,727,829	(133,862,298)	75,779,355
Energy				
China Petroleum & Chemical Corporation	265,312,719	344,011,802	(372,586,960)	236,737,561
China Shenhua Energy Co. Ltd.	36,819,291	48,232,330	(53,466,499)	31,585,122
CNOOC Ltd.	169,942,284	223,915,320	(240,401,679)	153,455,925
PetroChina Co. Ltd.	230,007,455	303,058,544	(325,371,118)	207,694,881
Financials				
AIA Group Ltd.	119,482,186	154,720,994	(168,927,151)	105,276,029
Bank of China Ltd.	911,601,744	1,201,127,610	(1,289,562,738)	823,166,616
BOC Hong Kong (Holdings) Ltd.	40,340,233	53,151,439	(57,064,887)	36,426,785
China Construction Bank Corporation	1,179,401,398	1,553,978,959	(1,668,394,523)	1,064,985,834
China Life Insurance Co. Ltd.	81,119,103	106,881,016	(114,750,313)	73,249,806
China Merchants Bank Co. Ltd.	42,540,108	56,048,988	(60,175,730)	38,413,366
Hang Seng Bank Ltd.	8,207,640	10,815,948	(11,612,065)	7,411,523
Hong Kong Exchanges and Clearing Ltd.	13,130,068	17,300,308	(18,574,066)	11,856,310
HSBC Holdings Plc	148,286,851	179,468,381	(200,282,170)	127,473,062
Industrial and Commercial Bank of China Ltd.	851,561,002	1,205,774,756	(1,245,666,310)	811,669,448
Ping An Insurance (Group) Co. of China Ltd.	73,070,130	96,276,555	(103,364,853)	65,981,832
Healthcare				
Alibaba Health Information Tech Ltd.	70,169,636	92,456,275	(99,259,174)	63,366,737
CSPC Pharmaceutical Group Ltd.	89,629,470	116,532,891	(126,618,609)	79,543,752
Hansoh Pharmaceutical Group Co. Ltd.	12,941,015	17,048,943	(18,303,745)	11,686,213
JD Health International Inc.	12,173,257	16,093,678	(17,243,012)	11,023,923
Sino Biopharmaceutical Ltd.	112,668,333	148,430,062	(159,476,603)	101,621,792
Sinopharm Group Co. Ltd.	14,627,711	19,273,650	(20,692,716)	13,208,645
WuXi AppTec Co. Ltd.	3,797,746	5,003,567	(5,371,969)	3,429,344
WuXi Biologics (Cayman) Inc.	40,758,079	52,869,404	(57,234,829)	36,392,654

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

		(UNAUDITED) Holdings		
	31.12.2024	Additions	Disposals	30.06.2025
Industrials				
Orient Overseas International Ltd.	1,439,933	1,895,851	(2,035,531)	1,300,253
Sunny Optical Tech Co. Ltd.	8,354,389	10,138,498	(11,487,872)	7,005,015
Xinyi Glass Holdings Ltd.	23,029,021	31,914,837	(33,795,243)	21,148,615
Xinyi Solar Holdings Ltd.	53,434,911	64,739,639	(73,491,709)	44,682,841
ZTO Express Cayman Inc.	–	4,940,800	(585,278)	4,355,522
Information Technology				
BYD Electronic International Co. Ltd.	8,597,330	11,324,261	(12,158,399)	7,763,192
Lenovo Group Ltd.	87,897,738	115,811,729	(124,337,739)	79,371,728
NetEase Inc.	7,533,211	17,319,737	(11,248,179)	13,604,769
Semiconductor Manufacturing International Corporation	45,658,005	66,004,097	(67,413,081)	44,249,021
Tencent Holdings Ltd.	26,951,183	32,520,284	(36,210,820)	23,260,647
Xiaomi Corporation	190,397,524	253,776,397	(265,587,938)	178,585,983
Materials				
China Hongqiao Group Ltd.	30,989,140	40,824,748	(43,865,738)	27,948,150
Zijin Mining Group Co. Ltd.	62,022,816	87,000,639	(93,018,610)	56,004,845
Properties & Construction				
China Overseas Land & Investment Ltd.	41,759,993	55,023,138	(59,074,016)	37,709,115
China Resources Land Ltd.	34,981,725	46,089,540	(49,482,982)	31,588,283
China Resources Mixc Lifestyle Services Ltd.	7,464,868	9,834,437	(10,558,747)	6,740,558
CK Asset Holdings Ltd.	20,983,880	27,647,180	(29,682,641)	18,948,419
Hang Lung Properties Ltd.	20,860,125	29,502,213	(31,526,246)	18,836,092
Henderson Land Development Co. Ltd.	15,833,226	20,860,034	(22,395,402)	14,297,858
Longfor Group Holdings Ltd.	22,508,223	29,690,184	(31,856,415)	20,341,992
Sun Hung Kai Properties Ltd.	15,795,063	20,811,928	(22,344,184)	14,262,807
Wharf Real Estate Investment Co. Ltd	18,204,009	23,984,978	(25,750,554)	16,438,433
Telecommunications				
China Mobile Ltd.	67,263,833	88,932,641	(95,120,612)	61,075,862
China Unicom (Hong Kong) Ltd.	66,713,300	87,896,388	(94,369,592)	60,240,096

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

	31.12.2024	(UNAUDITED) Holdings		30.06.2025
		Additions	Disposals	
Utilities				
China Resources Power Holdings Co. Ltd.	20,976,302	30,463,672	(31,055,168)	20,384,806
CK Infrastructure Holdings Ltd.	6,866,702	9,047,640	(9,713,602)	6,200,740
CLP Holdings Ltd.	22,033,824	29,029,016	(31,166,624)	19,896,216
ENN Energy Holdings Ltd.	8,632,495	11,373,315	(12,210,815)	7,794,995
Power Assets Holdings Ltd.	15,100,964	19,895,349	(21,360,479)	13,635,834
The Hong Kong and China Gas Co. Ltd.	122,051,440	160,814,103	(172,653,978)	110,211,565
Real Estate Investment Trust				
Link Real Estate Investment Trust	28,089,117	37,199,260	(39,867,662)	25,420,715

PERFORMANCE RECORD (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2025

Fund Performance

During the half-year ended 30th June 2025, the Hang Seng Index increased by 20.00% (for the half-year ended 30th June 2024: increased by 3.94%), while the net asset value per unit of the Fund increased by 21.37% (for the half-year ended 30th June 2024: increased by 5.25%).

ADMINISTRATION AND MANAGEMENT

Directors of the Manager

Ms. Ka Wai Kathy Cheung
Ms. Wai Man Vivien Chiu
Ms. Pui Shan Lee
Ms. Wah Lun Rannie Lee
Ms. Say Pin Saw
Mr. Dominic Adam Skevington

Members of the Supervisory Committee

Mr. George Hongchoy
Mr. Blair Pickerell
Mr. Stephen Law
Prof. Chan Kalok
Dr. Kam Pok-man
Mr. Wilfred Yiu
(ceased on 1st January 2025)
Mr. David Russell
Mr. Paul Chow
(appointed on 1st January 2025)

Trustee and custodian

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Central
Hong Kong

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Investor Services Limited
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183 Queen's Road East
Wan Chai
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Manager

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Limited
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