

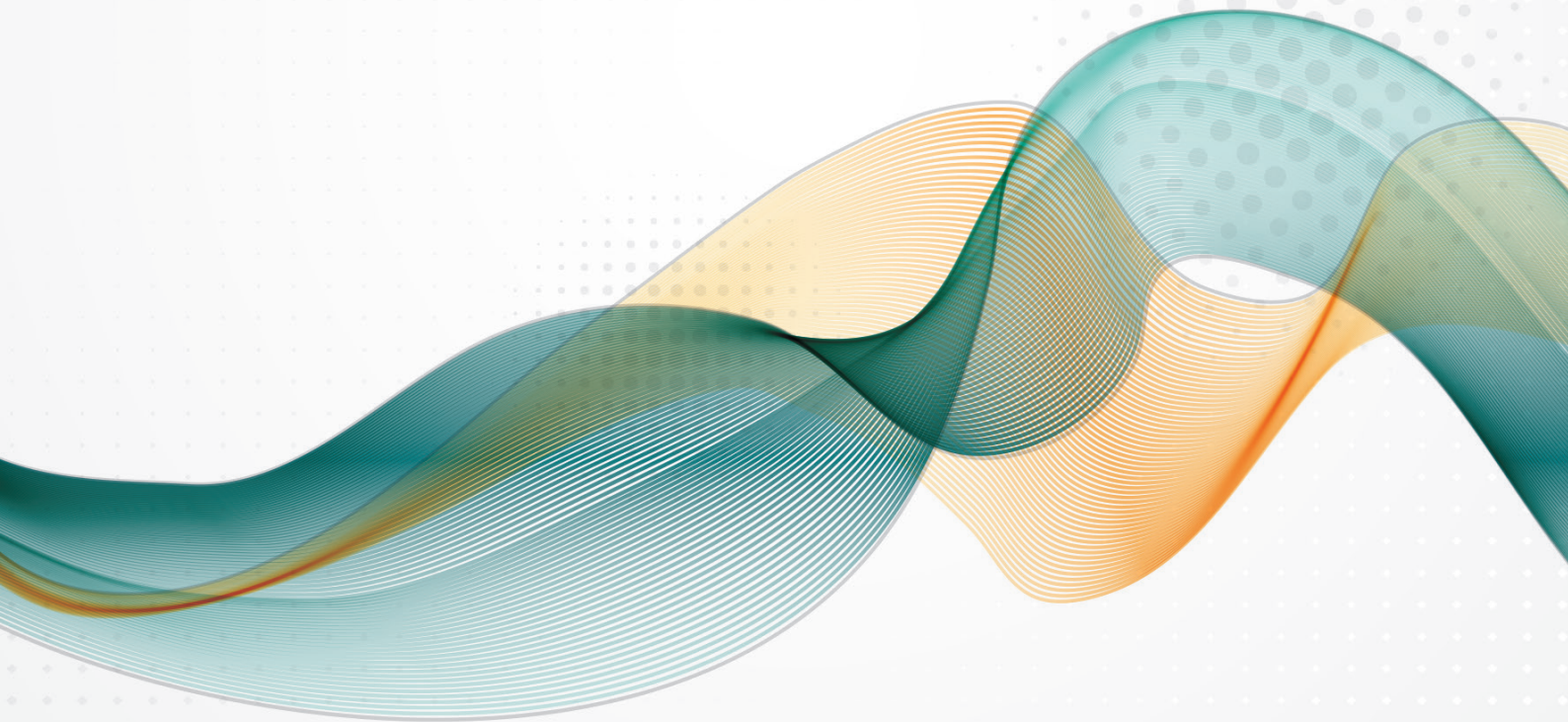


恒生投資  
HANG SENG INVESTMENT

# Hang Seng China Enterprises Index ETF Hang Seng TECH Index ETF

ANNUAL REPORT **2025**

1st January 2025 to 31st December 2025



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# Annual Financial Report 2025

## **Hang Seng Investment Index Funds Series**

Hang Seng China Enterprises Index ETF (Stock Code: 2828/82828)

Hang Seng TECH Index ETF (Stock Code: 3032)

# Performance Record (Unaudited)

Remark: [-] represents unavailable price as the corresponding Fund/Fund Class had not yet been commenced

Class of Units	Currency	Price Record									
		2025		2024		2023 <sup>(1)</sup>		2022		2021	
		Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price
<b>Hang Seng China Enterprises Index ETF</b>	HKD	99.3556	70.0771	84.9011	50.6686	78.5600	55.6278	89.06	49.99	123.92	81.58
<b>Hang Seng TECH Index ETF</b>											
Listed Class	HKD	6.6600	4.1961	5.3601	2.9800	4.7766	3.5190	5.8560	2.7845	10.9035	5.4336
Unlisted Class – Class A (USD) – Accumulation Units	USD	8.1476	5.1287	6.5702	3.6284	5.8068	4.2889	7.1497	3.3762	10.0000	6.6318
Unlisted Class – Class A (HKD) – Accumulation Units	HKD	9.2482	5.8266	7.4428	4.1378	6.6318	4.8860	8.1299	3.8659	11.4269	7.5435
Unlisted Class – Class D (HKD) – Accumulation Units	HKD	0.8170	0.5147	0.6575	0.3656	0.5859	0.4316	0.7182	0.3415	1.0000	0.6664

Class of Units	Currency	Price Record									
		2020 <sup>(2)</sup>		2019		2018		2017		2016	
		Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price	Highest Offer Price	Lowest Bid Price
<b>Hang Seng China Enterprises Index ETF</b>	HKD	115.78	86.47	119.93	99.47	138.79	101.07	120.94	95.21	102.47	75.67
<b>Hang Seng TECH Index ETF</b>											
Listed Class	HKD	8.4079	6.9233	-	-	-	-	-	-	-	-
Unlisted Class – Class A (USD) – Accumulation Units	USD	-	-	-	-	-	-	-	-	-	-
Unlisted Class – Class A (HKD) – Accumulation Units	HKD	-	-	-	-	-	-	-	-	-	-
Unlisted Class – Class D (HKD) – Accumulation Units	HKD	-	-	-	-	-	-	-	-	-	-

# Performance Record (Unaudited) (continued)

Class of Units	Currency	Net Asset Value Per Unit (As at 31 December)			
		2025	2024	2023 <sup>(1)</sup>	2022
<b>Hang Seng China Enterprises Index ETF</b>	HKD	91.3581	74.2572	58.4573	67.7938
<b>Hang Seng TECH Index ETF</b>					
Listed Class	HKD	5.4928	4.4415	3.7312	4.0981
Unlisted Class – Class A (USD) – Accumulation Units	USD	6.7187	5.4431	4.5437	5.0027
Unlisted Class – Class A (HKD) – Accumulation Units	HKD	7.6276	6.1668	5.1807	5.6898
Unlisted Class – Class D (HKD) – Accumulation Units	HKD	0.6738	0.5449	0.4577	0.5027

Class of Units	Currency	Net Assets Attributable to Unitholders (As at 31 December)			
		2025	2024	2023	2022
<b>Hang Seng China Enterprises Index ETF</b>	HKD	31,629,830,637	21,613,916,462	31,251,896,322	35,926,825,693
<b>Hang Seng TECH Index ETF</b>	HKD	7,148,300,699	4,897,919,374	2,958,729,181	2,799,583,576

<sup>(1)</sup> For Hang Seng China Enterprises Index ETF, the number of decimal places in the net asset value per unit has been changed from two to four with effect from 8 June 2023.

<sup>(2)</sup> The date of commencement for Hang Seng TECH Index ETF was 2 September 2020.

# Trustee's Report

To the Unitholders of Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF

We hereby confirm that, in our opinion, the Manager, Hang Seng Investment Management Limited has, in all material respects, managed the Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF in accordance with the provisions of the Trust Deeds dated 18 November 2003, as amended, for the year ended 31 December 2025.

HSBC Institutional Trust Services (Asia) Limited  
29 April 2026

# Independent Auditor's Report

To the Unitholders of Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF

Report on the Audit of Financial Statements

## Opinion

We have audited the financial statements of Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF ("the Funds") set out on pages 20 to 46, which comprise the statement of assets and liabilities as at 31 December 2025, the statement of comprehensive income, the statement of changes in equity/statement of changes in net assets attributable to unitholders and the statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Funds as at 31 December 2025 and of the financial transactions and cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

## Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Funds in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Existence and valuation of investments	
<i>Refer to notes 5 and 15 to the financial statements and the accounting policies in note 2(f) on page 26.</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2025 the investment portfolio represented 88.10% and 99.63% of the total assets of Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF respectively and is the key driver of the Funds' investment returns.</p> <p>We identified the existence and valuation of investments as a key audit matter because of its significance in the context of the Funds' financial statements and because the value of the investment portfolio at the year end date is a key performance indicator of the Funds.</p>	<p>Our audit procedures to assess the existence and valuation of investments included the following:</p> <ul style="list-style-type: none"><li>developing an understanding of the control objectives and related controls performed by the trustee relevant to our audit of the Funds by obtaining the service organisation internal control report provided by the trustee setting out the controls in place, and the independent service organisation auditor's assurance report over the design and operating effectiveness of those controls; and</li><li>evaluating the tests undertaken by the independent service organisation auditor, the results of tests undertaken and opinions formed by the independent service organisation auditor on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Fund; and</li><li>obtaining an independent confirmation from the custodian of the investment portfolio held at 31 December 2025, and agreeing the Funds' holdings of investments to the confirmation; and</li><li>assessing the valuations of all assets in the investment portfolio at the year end date by comparing the prices adopted by the Funds with the prices obtained from independent pricing sources.</li></ul>

# Independent Auditor's Report (continued)

## Information Other than the Financial Statements and Auditor's Report Thereon

The Manager and the Trustee of the Funds are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Manager and the Trustee of the Funds for the Financial Statements

The Manager and the Trustee of the Funds are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and for such internal control as the Manager and the Trustee of the Funds determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and the Trustee of the Funds are responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee of the Funds either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Funds are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed, as amended on 28 June 2021 for Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF ("the Trust Deed"), and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Funds have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

# Independent Auditor's Report (continued)

## Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee of the Funds.
- Conclude on the appropriateness of the Manager's and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee of the Funds regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager and the Trustee of the Funds with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Manager and the Trustee of the Funds, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on matters under the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E to the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Yiu Tsz Yeung, Arion (practising certificate number: P06098).

KPMG  
Certified Public Accountants  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
29 April 2026

# Investment Portfolio (Unaudited)

as at 31 December 2025

Investments	Hang Seng China Enterprises Index ETF*		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Hong Kong Stock Exchange Listed Equities</b>			
<b>Conglomerates</b>			
CITIC	16,721,507	201,661,374	0.64%
<b>Consumer Discretionary</b>			
Alibaba Group	16,515,011	2,358,343,571	7.46%
Anta Sports Products	4,034,093	324,946,191	1.03%
Baidu	3,556,797	467,718,806	1.48%
BYD	10,586,017	1,009,376,721	3.19%
Geely Auto	17,449,072	312,338,389	0.99%
Haier Smart Home	6,980,441	169,485,107	0.53%
JD.com Inc	5,038,548	562,301,957	1.78%
Kuaishou Technology	8,694,956	556,042,436	1.76%
Li Auto	3,999,415	259,362,063	0.82%
Meituan	15,807,418	1,632,906,279	5.16%
Pop Mart International Group	2,122,833	398,455,754	1.26%
Shenzhen International Group	2,376,134	145,419,401	0.46%
Trip.com Group	693,537	384,219,498	1.21%
XPeng	4,665,296	370,191,238	1.17%
Yum China Holdings	1,045,962	385,541,593	1.22%
		9,336,649,004	29.52%
<b>Consumer Staples</b>			
China Mengniu Dairy	8,975,634	133,826,703	0.42%
China Resources Beer Holdings	4,661,836	122,233,340	0.39%
Nongfu Spring	5,787,938	271,107,016	0.86%
		527,167,059	1.67%
<b>Energy</b>			
China Petroleum & Chemical	65,377,293	305,311,958	0.96%
China Shenhua Energy	9,221,826	357,806,849	1.13%
CNOOC	44,802,291	954,288,798	3.02%
PetroChina	60,638,525	508,150,840	1.61%
		2,125,558,445	6.72%
<b>Financials</b>			
Agricultural Bank of China	83,925,553	485,089,696	1.53%
Bank of China	204,279,277	911,085,575	2.88%
Bank of Communications	25,156,218	162,257,606	0.51%
China Construction Bank	276,381,254	2,125,371,843	6.72%
China Life Insurance	21,386,083	585,550,953	1.85%
China Merchants Bank	11,215,184	592,161,715	1.87%
Industrial and Commercial Bank of China	236,971,810	1,490,552,685	4.71%
PICC Property and Casualty	19,828,798	324,399,135	1.03%
Ping An Insurance	19,263,844	1,255,039,437	3.97%
Postal Savings Bank of China	31,386,443	166,975,877	0.53%
		8,098,484,522	25.60%

\* Hang Seng China Enterprises Index ETF has not entered into any securities lending agreement during the period.

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng China Enterprises Index ETF*		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Healthcare</b>			
Beone Medicines	3,482,637	624,436,814	1.97%
CSPC Pharmaceutical	23,181,160	195,417,179	0.62%
Innovent Biologics	4,678,416	356,729,220	1.13%
JD Health International	3,220,377	178,730,923	0.56%
		1,355,314,136	4.28%
<b>Industrials</b>			
Sunny Optical Technology	2,045,273	134,067,645	0.43%
ZTO Express Cayman Inc	1,271,636	206,386,523	0.65%
		340,454,168	1.08%
<b>Information Technology</b>			
Lenovo Group	21,391,627	198,086,467	0.62%
NetEase Inc	4,097,124	879,242,810	2.78%
Semiconductor Manufacturing	12,933,393	924,090,930	2.92%
Tencent Holdings	4,202,379	2,517,225,021	7.96%
Xiaomi Corporation	52,362,438	2,057,843,813	6.51%
		6,576,489,041	20.79%
<b>Materials</b>			
China Hongquiao Group	9,584,092	312,633,081	0.99%
Zijin Mining Group	17,212,566	613,800,104	1.94%
		926,433,185	2.93%
<b>Properties &amp; Construction</b>			
China Overseas Land & Investment	11,009,698	134,868,801	0.43%
China Resources Land	9,222,526	250,852,707	0.79%
		385,721,508	1.22%
<b>Telecommunications</b>			
China Mobile	17,868,334	1,459,842,888	4.62%
China Unicom	17,589,457	136,845,975	0.43%
		1,596,688,863	5.05%
<b>Total Equities</b>		31,470,621,305	99.50%
<b>Financial liabilities at fair value through profit or loss</b>			
<b>Futures Contracts</b>			
Hang Seng China Enterprises Index Futures – January 2026	352	(1,672,000)	(0.01%)
<b>Total Financial liabilities at fair value through profit or loss</b>		(1,672,000)	(0.01%)
<b>Total Investments</b>		31,468,949,305	99.49%
<i>(Total cost of investments – HKD32,181,499,731)</i>			
<b>Other Net Assets</b>		160,881,332	0.51%
<b>Net Assets Attributable to Unitholders</b>		31,629,830,637	100.00%

\* Hang Seng China Enterprises Index ETF has not entered into any securities lending agreement during the period.

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng TECH Index ETF		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Hong Kong Stock Exchange Listed Equities</b>			
<b>Consumer Discretionary</b>			
Alibaba Group	3,708,335	529,550,238	7.41%
Baidu	2,306,076	303,248,994	4.24%
Bilibili	578,634	111,618,499	1.56%
BYD Co Ltd	5,816,219	554,576,482	7.76%
Haier Smart Home	4,529,990	109,988,157	1.54%
JD.com Inc	3,266,818	364,576,889	5.10%
Kuaishou Technology	5,637,512	360,518,892	5.04%
Li Auto	2,596,060	168,354,491	2.36%
Meituan	6,033,283	623,238,134	8.72%
Midea Group	1,150,966	97,774,562	1.37%
NIO	976,763	40,008,212	0.56%
Tencent Music Entertainment	115,265	7,953,285	0.11%
Tongcheng Travel Holdings	2,625,938	58,926,049	0.82%
Trip.com Group	449,627	249,093,358	3.48%
XPeng	3,024,820	240,019,467	3.36%
Zhejiang Leapmotor Technology	1,373,640	66,786,376	0.93%
		3,886,232,085	54.36%
<b>Healthcare</b>			
Alibaba Health Information Technology	12,017,932	60,690,557	0.85%
JD Health International	2,087,936	115,880,448	1.62%
		176,571,005	2.47%
<b>Industrials</b>			
Sunny Optical Technology	1,326,764	86,969,380	1.22%
<b>Information Technology</b>			
BYD Electronic	1,469,741	49,442,087	0.69%
Horizon Robotics Inc	19,399,684	168,001,263	2.35%
Hua Hong Semiconductor	1,360,767	101,104,988	1.41%
Kingdee International	5,621,017	74,703,316	1.05%
Kingsoft	1,958,933	55,712,056	0.78%
Lenovo Group	13,868,528	128,422,569	1.80%
NetEase Inc	2,594,246	556,725,192	7.79%
Semiconductor Manufacturing	8,385,156	599,119,396	8.38%
SenseTime Group	61,229,507	134,704,915	1.88%
Tencent Holdings	943,534	565,176,866	7.91%
Xiaomi Corporation	14,304,923	562,183,474	7.86%
		2,995,296,122	41.90%
<b>Total Investments</b>		7,145,068,592	99.95%
<i>(Total cost of investments – HKD6,896,888,434)</i>			
<b>Other Net Assets</b>		3,232,107	0.05%
<b>Net Assets Attributable to Unitholders</b>		7,148,300,699	100.00%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Details in respect of Financial Derivative Instruments

The details of future contracts held by the Fund as at 31 December 2025 are as follows:

Fund/Description	Underlying Assets	Contract Size	Position	Notional Market Value	Counterparty	Fair Value	% of Net Assets Attributable to Unitholders
<b>Hang Seng China Enterprises Index ETF</b> Financial Liabilities:							
HSCEI Futures 29/01/2026	Hang Seng China Enterprises Index	352	Long	156,692,800	The Hongkong and Shanghai Banking Corporation Limited	(1,672,000)	(0.01%)

## Information on Exposure Arising from Financial Derivative Instruments (Unaudited)

The lowest, highest and average gross exposure and net exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Fund's total net asset value for the year ended 31 December 2025 are as follows:

Fund/Description	Lowest Gross Exposure	Highest Gross Exposure	Average Gross Exposure	Lowest Net Exposure	Highest Net Exposure	Average Net Exposure
<b>Future contracts:</b>						
<b>Hang Seng China Enterprises Index ETF</b>	0.26%	1.20%	0.63%	0.26%	1.20%	0.63%

# Statement of Movements in Portfolio Holdings (Unaudited)

for the year ended 31 December 2025

Investments	Hang Seng China Enterprises Index ETF			
	Holdings as at 1 January 2025	Additions	Disposals	Holdings as at 31 December 2025
<b>Hong Kong Stock Exchange Listed Equities</b>				
<b>Conglomerates</b>				
CITIC	18,458,225	177,103,545	178,840,263	16,721,507
<b>Consumer Discretionary</b>				
Alibaba Group	19,620,769	198,313,034	201,418,792	16,515,011
Anta Sports Products	3,590,546	40,722,483	40,278,936	4,034,093
Baidu	1,794,967	30,907,509	29,145,679	3,556,797
BYD	2,786,656	74,613,921	66,814,560	10,586,017
Geely Auto	15,334,743	174,877,270	172,762,941	17,449,072
Haidilao International	4,951,875	53,747,889	58,699,764	–
Haier Smart Home	6,167,019	70,239,936	69,426,514	6,980,441
JD.com Inc	4,438,749	50,584,600	49,984,801	5,038,548
Kuaishou Technology	7,701,666	87,064,350	86,071,060	8,694,956
Li Auto	3,500,832	40,058,820	39,560,237	3,999,415
Li Ning	5,903,607	14,153,872	20,057,479	–
Meituan	10,011,946	146,613,280	140,817,808	15,807,418
New Oriental Ed & Technology	1,722,884	19,885,809	21,608,693	–
Pop Mart International Group	–	6,726,524	4,603,691	2,122,833
Shenzhou International Group	2,098,418	23,911,528	23,633,812	2,376,134
Trip.com Group	433,737	6,562,113	6,302,313	693,537
XPeng	4,097,196	46,766,982	46,198,882	4,665,296
Yum China Holdings	–	1,390,584	344,622	1,045,962
<b>Consumer Staples</b>				
China Mengniu Dairy	7,990,558	90,635,376	89,650,300	8,975,634
China Resources Beer Holdings	4,116,908	46,908,712	46,363,784	4,661,836
Nongfu Spring	5,111,424	58,234,209	57,557,695	5,787,938
<b>Energy</b>				
China Petroleum & Chemical	61,771,905	688,153,426	684,548,038	65,377,293
China Shenhua Energy	8,572,426	95,364,105	94,714,705	9,221,826
CNOOC	39,566,532	450,804,856	445,569,097	44,802,291
PetroChina	53,550,575	610,143,982	603,056,032	60,638,525
<b>Financials</b>				
Agricultural Bank of China	74,117,723	844,478,992	834,671,162	83,925,553
Bank of China	212,242,815	2,336,047,540	2,344,011,078	204,279,277
Bank of Communications	22,215,791	253,111,061	250,170,634	25,156,218
China Construction Bank	274,593,530	3,112,182,579	3,110,394,855	276,381,254
China Life Insurance	18,886,716	215,182,545	212,683,178	21,386,083
China Merchants Bank	9,904,524	112,841,517	111,530,857	11,215,184
Industrial and Commercial Bank of China	198,263,797	2,370,355,478	2,331,647,465	236,971,810
PICC Property and Casualty	16,634,848	192,659,034	189,465,084	19,828,798
Ping An Insurance	17,012,370	193,833,980	191,582,506	19,263,844
Postal Savings Bank of China	22,678,956	298,794,990	290,087,503	31,386,443

# Statement of Movements in Portfolio Holdings (Unaudited) (continued)

for the year ended 31 December 2025

Investments	Hang Seng China Enterprises Index ETF			
	Holdings as at 1 January 2025	Additions	Disposals	Holdings as at 31 December 2025
<b>Healthcare</b>				
Beigene	–	10,676,620	10,676,620	–
Beone Medicines	–	18,665,775	15,183,138	3,482,637
CSPC Pharmaceutical	20,868,083	234,789,750	232,476,673	23,181,160
Innovent Biologics	–	6,218,812	1,540,396	4,678,416
JD Health International	2,834,206	32,376,905	31,990,734	3,220,377
Sino Biopharmaceutical	26,231,831	62,896,638	89,128,469	–
<b>Industrials</b>				
J&T Global Express	18,067,565	159,277,008	177,344,573	–
Sunny Optical Technology	1,945,055	20,896,777	20,796,559	2,045,273
ZTO Express Cayman Inc	–	11,438,309	10,166,673	1,271,636
<b>Information Technology</b>				
Lenovo Group	20,465,254	229,006,958	228,080,585	21,391,627
NetEase Inc	1,753,865	31,376,736	29,033,477	4,097,124
Semiconductor Manufacturing	10,630,344	128,971,033	126,667,984	12,933,393
Tencent Holdings	4,097,391	45,407,927	45,302,939	4,202,379
Xiaomi Corporation	44,329,093	468,877,833	460,844,488	52,362,438
<b>Materials</b>				
China Hongquiao Group	–	12,738,444	3,154,352	9,584,092
Zijin Mining Group	14,439,570	169,016,750	166,243,754	17,212,566
<b>Properties &amp; Construction</b>				
China Overseas Land & Investment	9,722,648	110,773,063	109,486,013	11,009,698
China Resources Land	8,144,770	92,795,596	91,717,840	9,222,526
<b>Telecommunications</b>				
China Mobile	15,660,548	179,155,260	176,947,474	17,868,334
China Unicom	15,531,412	176,963,339	174,905,294	17,589,457
<b>Utilities</b>				
ENN Energy	2,009,858	21,812,477	23,822,335	–
<b>Unlisted investment</b>				
<b>Unlisted rights</b>				
Zijin Mining	–	46,444	46,444	–
<b>Futures Contracts</b>				
Hang Seng China Enterprises Index Futures January 2025	687	–	687	–
Hang Seng China Enterprises Index Futures February 2025	–	634	634	–
Hang Seng China Enterprises Index Futures March 2025	–	290	290	–
Hang Seng China Enterprises Index Futures April 2025	–	386	386	–
Hang Seng China Enterprises Index Futures May 2025	–	968	968	–
Hang Seng China Enterprises Index Futures June 2025	–	974	974	–
Hang Seng China Enterprises Index Futures July 2025	–	1,277	1,277	–
Hang Seng China Enterprises Index Futures August 2025	–	690	690	–
Hang Seng China Enterprises Index Futures September 2025	–	501	501	–
Hang Seng China Enterprises Index Futures October 2025	–	360	360	–
Hang Seng China Enterprises Index Futures November 2025	–	389	389	–
Hang Seng China Enterprises Index Futures December 2025	–	548	548	–
Hang Seng China Enterprises Index Futures January 2026	–	404	52	352

# Statement of Movements in Portfolio Holdings (Unaudited) (continued)

for the year ended 31 December 2025

Investments	Hang Seng TECH Index ETF			
	Holdings as at 1 January 2025	Additions	Disposals	Holdings as at 31 December 2025
<b>Hong Kong Stock Exchange Listed Equities</b>				
<b>Consumer Discretionary</b>				
Alibaba Group	4,585,364	2,984,865	3,861,894	3,708,335
Baidu	1,631,767	2,073,783	1,399,474	2,306,076
Bilibili	679,493	475,543	576,402	578,634
BYD Co Ltd	–	6,804,706	988,487	5,816,219
China Literature	1,065,160	203,213	1,268,373	–
East Buy Holding	1,065,154	47,080	1,112,234	–
Haier Smart Home	5,606,302	3,362,693	4,439,005	4,529,990
JD.com Inc	2,665,076	2,553,253	1,951,511	3,266,818
Kuaishou Technology	6,995,699	4,193,183	5,551,370	5,637,512
Li Auto	3,179,903	1,960,032	2,543,875	2,596,060
Meituan	2,339,735	5,485,104	1,791,556	6,033,283
Midea Group	1,126,280	780,288	755,602	1,150,966
NIO	795,310	759,893	578,440	976,763
Tencent Music Entertainment	–	158,310	43,045	115,265
Tongcheng Travel Holdings	3,218,808	1,907,070	2,499,940	2,625,938
Trip.com Group	393,913	407,618	351,904	449,627
XPeng	3,721,659	2,295,248	2,992,087	3,024,820
Zhejiang Leapmotor Technology	–	1,382,056	8,416	1,373,640
ZhongAn Online P&C Insurance	1,958,206	63,599	2,021,805	–
<b>Healthcare</b>				
Alibaba Health Information Technology	14,841,678	8,889,108	11,712,854	12,017,932
JD Health International	2,576,526	1,560,115	2,048,705	2,087,936
<b>Industrials</b>				
Sunny Optical Technology	1,766,764	944,986	1,384,986	1,326,764
<b>Information Technology</b>				
ASMPT	764,406	436,282	1,200,688	–
BYD Electronic	1,818,329	1,088,368	1,436,956	1,469,741
Horizon Robotics Inc	–	23,052,332	3,652,648	19,399,684
Hua Hong Semiconductor	1,515,696	958,695	1,113,624	1,360,767
Kingdee International	7,026,975	4,194,306	5,600,264	5,621,017
Kingsoft	2,158,419	1,353,125	1,552,611	1,958,933
Lenovo Group	18,587,140	11,027,710	15,746,322	13,868,528
NetEase Inc	1,593,070	2,169,781	1,168,605	2,594,246
Semiconductor Manufacturing	9,655,644	5,897,099	7,167,587	8,385,156
SenseTime Group	56,732,596	52,933,091	48,436,180	61,229,507
Tencent Holdings	957,493	674,981	688,940	943,534
Xiaomi Corporation	13,307,034	10,860,865	9,862,976	14,304,923

# Hang Seng TECH Index ETF Details of Security Lending Agreements (Unaudited)

as at 31 December 2025

## Securities Lending Transactions

Securities lending transactions as at 31 December 2025 are summarized as below.

Counterparty*	Collateral type**	Onloan security type	Maturity tenor	Currency	Geographical location of counterparty	Settlement/clearing	Fair value of securities lent <sup>1</sup> HKD
BNP Paribas Financial Markets	Government Debt	Common Equity	Open	HKD	Hong Kong	Triparty Collateral	16,585,755
							16,585,755

\* As at 31 December 2025 the credit ratings of counterparties are at or above investment grade.

\*\* As at 31 December 2025, the credit ratings of fixed income collateral are at or above investment grade.

<sup>1</sup> Securities lent information was based on the Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year-end date.

# Hang Seng TECH Index ETF Details of Security Lending Agreements (Unaudited) (continued)

as at 31 December 2025

## Global Data

	As at 31 December 2025 %
Amount of securities on loan as proportion of total lendable assets*	0.23
Amount of securities on loan as a proportion of total net asset value*	0.23

## Concentration Data

	As at 31 December 2025	
	Amount collateral received HKD	% of Net Asset
Top ten largest collateral issuers		
France	14,107,836	0.19
Denmark	3,309,237	0.05
	17,417,073	0.24

	Fair vale of Securities on loan HKD	% of Net Asset
Top ten counterparties of securities lending transactions		
BNP Paribas Financial Markets	16,585,755	0.23

## Revenue and expenses relating to securities lending transactions

Revenue retained by the Fund and expenses incurred relating to each type of securities lending transactions are shown below.

	2025 HKD
Revenue retained by the Fund	28
Direct and indirect expenses paid to the Manager	19

\* Securities lent information was based on the Fund's accounting record. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of translations, and the assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year-end date.

# Hang Seng TECH Index ETF Holdings of Collateral (Unaudited)

as at 31 December 2025

Collateral provider*	Name of the collateral	Maturity tenor	Currency denomination	Value of the collateral HKD	% of net asset value covered by collateral
BNP Paribas Financial Markets	Government Debt	25 May 2043	EUR	3,309,239	0.05
BNP Paribas Financial Markets	Government Debt	25 May 2029	EUR	3,309,238	0.05
BNP Paribas Financial Markets	Government Debt	15 November 2052	DKK	3,309,237	0.05
BNP Paribas Financial Markets	Government Debt	25 May 2028	EUR	3,309,237	0.05
BNP Paribas Financial Markets	Government Debt	25 November 2029	EUR	2,093,002	0.02
BNP Paribas Financial Markets	Government Debt	25 November 2030	EUR	2,087,120	0.02
				17,417,073	0.24

\* As at 31 December 2025, the credit ratings of counterparties are at or above investment grade

\*\* As at 31 December 2025, the credit ratings of fixed income collateral are at or above investment grade.

## Details on re-investment of cash collateral

As at 31 December 2025, the Fund did not have any cash collateral received for securities lending transactions.

## Custody/safe-keeping arrangement

Name of custodians	Amount of collateral received HKD	% of collateral posted by the Fund
HSBC Bank Plc	17,417,073	0.24

# Statement of Assets and Liabilities

as at 31 December 2025

	Notes	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
		31-12-2025 (HKD)	31-12-2024 (HKD)	31-12-2025 (HKD)	31-12-2024 (HKD)
<b>Assets</b>					
Financial assets at fair value through profit or loss	5,6,15	31,470,621,305	21,365,974,949	7,145,068,592	4,895,798,211
Dividend receivable		119,797,284	3,357,776	–	–
Amounts receivable on subscription of units		2,096,548,258	1,310,659,930	8,850,279	4,508,251
Amounts receivable on sale of investments		1,973,436,629	1,889,834,050	8,512,253	64,650,071
Other accounts receivable	10(f)	154,199	139,338	–	–
Margin deposits	10(g)	15,799,696	36,795,822	–	–
Cash and cash equivalents	10(f)	47,110,002	218,486,021	9,179,161	2,749,866
<b>Total Assets</b>		<b>35,723,467,373</b>	<b>24,825,247,886</b>	<b>7,171,610,285</b>	<b>4,967,706,399</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	5	1,672,000	–	–	–
Amounts payable on purchase of investments		2,029,928,100	1,231,317,747	8,823,707	4,438,390
Amounts payable on redemption of units		2,035,208,583	1,956,743,708	9,549,985	61,888,124
Accrued expenses and other payables	10(a), (b), (d) ,& (e)	26,828,053	23,269,969	4,935,894	3,460,511
<b>Total Liabilities</b>		<b>4,093,636,736</b>	<b>3,211,331,424</b>	<b>23,309,586</b>	<b>69,787,025</b>
<b>Net assets attributable to unitholders</b>	12	<b>31,629,830,637</b>	<b>21,613,916,462</b>	<b>7,148,300,699</b>	<b>4,897,919,374</b>
Representing:					
<b>Financial liability-Net assets attributable to unitholders</b>		–	–	7,148,300,699	4,897,919,374
<b>Total Equity</b>		<b>31,629,830,637</b>	<b>21,613,916,462</b>	<b>–</b>	<b>–</b>
<b>Total number of units in issue</b>					
Listed Class	10(i), 11	346,218,096	291,068,407	1,158,500,000	961,000,000
Unlisted Class – Class A (USD) – Accumulation Units		–	–	7,594,030	6,819,595
Unlisted Class – Class A (HKD) – Accumulation Units		–	–	49,254,417	53,955,415
Unlisted Class – Class D (HKD) – Accumulation Units		–	–	18,291,422	16,102,250
<b>Net asset value per unit</b>					
Listed Class	11	91.3581	74.2572	5.4928	4.4415
Unlisted Class – Class A (USD) – Accumulation Units		–	–	52.2837	42.2529
Unlisted Class – Class A (HKD) – Accumulation Units		–	–	7.6276	6.1668
Unlisted Class – Class D (HKD) – Accumulation Units		–	–	0.6738	0.5449

Approved and authorised for issue by the Trustee and the Manager on 29 April 2026.

} For and on behalf of  
} Trustee  
} HSBC Institutional Trust Services (Asia) Limited

} For and on behalf of  
} Manager  
} Hang Seng Investment Management Limited

The notes on page 25 to page 46 form part of the financial statements.

# Statement of Comprehensive Income

for the year ended 31 December 2025

	Notes	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
		Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)	Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)
<b>Income</b>					
Dividend income	7	1,026,515,315	900,682,335	55,889,772	32,973,377
Interest income	8, 10(f)	949,962	4,351,799	24,316	89,682
Security lending income	10(j)	–	–	28	–
		1,027,465,277	905,034,134	55,914,116	33,063,059
<b>Expenses</b>					
Auditor's remuneration		(598,410)	(599,998)	(179,636)	(80,102)
Legal and professional fees		(300,357)	(1,044,308)	(215,265)	(159,180)
Management fees	10(a)	(165,666,318)	(133,118,095)	(32,615,479)	(19,926,171)
Registrar's fees	10(b)	(15,600)	(15,600)	(15,600)	(15,599)
Safe custody and bank charges	10(d)	(1,119,842)	(975,919)	(215,670)	(146,194)
Sundry expense	10(b), (d) & (e)	(13,044,468)	(10,514,788)	(2,684,262)	(1,708,049)
Investment transaction costs	10(c)	(19,407,365)	(7,931,455)	(6,206,572)	(2,810,040)
Transaction fees paid to trustee	10(b)	(485,700)	(378,300)	(233,800)	(133,800)
Trustee's fees	10(b)	(12,849,143)	(10,611,485)	(2,520,287)	(1,577,712)
Valuation fees	10(b)	–	(24,800)	–	(24,800)
		(213,487,203)	(165,214,748)	(44,886,571)	(26,581,647)
<b>Income before gains on investments</b>		813,978,074	739,819,386	11,027,545	6,481,412
<b>Gains on investments</b>					
Net gains on investments	9	5,190,277,263	5,137,142,867	1,050,678,319	541,264,898
Net foreign exchange gains/(losses)		177,405	(506)	(343,788)	(38,894)
Securities expenses	10(d)	(5,677,387)	(3,663,398)	(397,920)	(237,062)
		5,184,777,281	5,133,478,963	1,049,936,611	540,988,942
<b>Income before finance costs</b>		5,998,755,355	5,873,298,349	1,060,964,156	547,470,354
<b>Finance costs</b>					
Interest expenses	10(h)	(13,922)	(47,250)	(13,735)	(3,555)
<b>Income before taxation</b>		5,998,741,433	5,873,251,099	1,060,950,421	547,466,799
Taxation	4, 7	(83,284,445)	(71,090,409)	(1,557,909)	(387,624)
<b>Income attributable to unitholders and total comprehensive income for the year</b>		5,915,456,988	5,802,160,690	1,059,392,512	547,079,175

The notes on page 25 to page 46 form part of the financial statements.

# Statement of Changes in Equity/Statement of Changes in Net Assets Attributable to Unitholders

for the year ended 31 December 2025

	Notes	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
		Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)	Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)
<b>Balance at beginning of year</b>		21,613,916,462	31,251,896,322	4,897,919,374	2,958,729,181
<b>Income attributable to unitholders and total comprehensive income for the year</b>		5,915,456,988	5,802,160,690	1,059,392,512	547,079,175
<b>Transactions with owners/unitholders, recorded directly in equity</b>					
Received and receivable on issue of units		304,798,909,641	193,870,871,857	4,841,651,723	2,771,158,287
Paid and payable on redemption of units		(300,075,771,398)	(208,749,546,746)	(3,650,662,910)	(1,379,047,269)
Distributions to unitholders	14	(622,681,056)	(561,465,661)	–	–
<b>Total transactions with owners (i.e. unitholders)</b>		4,100,457,187	(15,440,140,550)	1,190,988,813	1,392,111,018
<b>Balance at year end</b>		31,629,830,637	21,613,916,462	7,148,300,699	4,897,919,374

# Statement of Changes in Equity/Statement of Changes in Net Assets Attributable to Unitholders (continued)

for the year ended 31 December 2025

	Notes	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
		Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
<b>Movement of units in issue is listed below:</b>					
<b>Listed Class</b>					
Number of units brought forward		291,068,407	534,610,472	961,000,000	592,500,000
Number of units issued during the year		3,467,396,146	2,911,577,285	656,000,000	521,500,000
Number of units redeemed during the year		(3,412,246,457)	(3,155,119,350)	(458,500,000)	(153,000,000)
Number of units carried forward	11	346,218,096	291,068,407	1,158,500,000	961,000,000
<b>Unlisted Class</b>					
<b>Class A (USD) – Accumulation Units</b>					
Number of units brought forward		–	–	6,819,595	8,198,108
Number of units issued during the year		–	–	13,650,223	7,133,661
Number of units redeemed during the year		–	–	(12,875,788)	(8,512,174)
Number of units carried forward	11	–	–	7,594,030	6,819,595
<b>Class A (HKD) – Accumulation Units</b>					
Number of units brought forward		–	–	53,955,415	86,856,468
Number of units issued during the year		–	–	56,492,188	39,657,808
Number of units redeemed during the year		–	–	(61,193,186)	(72,558,861)
Number of units carried forward	11	–	–	49,254,417	53,955,415
<b>Class D (HKD) – Accumulation Units</b>					
Number of units brought forward		–	–	16,102,250	15,066,816
Number of units issued during the year		–	–	40,636,286	17,809,441
Number of units redeemed during the year		–	–	(38,447,114)	(16,774,007)
Number of units carried forward	11	–	–	18,291,422	16,102,250

The notes on page 25 to page 46 form part of the financial statements.

# Statement of Cash Flows

for the year ended 31 December 2025

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)	Year ended 31 December 2025 (HKD)	Year ended 31 December 2024 (HKD)
<b>Operating activities</b>				
Payment for legal and professional fees	(287,320)	(555,131)	(213,111)	(75,811)
Payment for auditor's remuneration	(202,935)	(608,757)	(202,937)	(91,167)
Payment for management fees	(161,899,153)	(135,995,330)	(31,487,831)	(18,861,875)
Payment for fees paid to Trustee	(12,947,475)	(11,668,297)	(2,802,191)	(1,743,117)
Payment for investment transaction costs	(19,407,365)	(7,931,455)	(6,206,572)	(2,810,040)
Payment for safe custody and bank charges	(1,194,447)	(1,007,374)	(232,437)	(138,871)
Payment for other operating expenses	(13,803,404)	(8,475,449)	(2,617,788)	(1,507,612)
<b>Net cash used in operating activities</b>	<b>(209,742,099)</b>	<b>(166,241,793)</b>	<b>(43,762,867)</b>	<b>(25,228,493)</b>
<b>Investing activities</b>				
Payment for securities expenses	(5,687,002)	(3,972,705)	(390,029)	(272,974)
Distribution income received	826,791,362	865,518,244	54,331,863	35,897,161
Interest received	935,101	4,279,214	24,316	89,900
Security lending income received	–	–	28	–
Proceeds from sale of investments	6,187,712,304	2,556,895,374	2,513,137,015	1,279,588,992
Payments for purchase of investments	(9,081,066,923)	(3,381,511,002)	(2,519,568,663)	(1,243,648,357)
Proceeds from settlement of futures contracts	87,260,147	81,367,707	–	–
Payments for settlement of futures contracts	(20,191,597)	(79,775,238)	–	–
Margin deposits withdrawn from brokers	20,996,126	(9,180,410)	–	–
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,983,250,482)</b>	<b>33,621,184</b>	<b>47,534,530</b>	<b>71,654,722</b>
<b>Financing activities</b>				
Payment for interest expenses	(13,922)	(47,250)	(13,735)	(3,555)
Proceeds on issue of units	16,192,187,844	8,071,811,800	1,180,891,659	696,686,121
Payments on redemption of units	(13,547,876,304)	(7,352,739,893)	(1,178,220,292)	(745,078,783)
Distributions paid to unitholders	(622,681,056)	(561,465,661)	–	–
<b>Net cash generated from/(used in) from financing activities</b>	<b>2,021,616,562</b>	<b>157,558,996</b>	<b>2,657,632</b>	<b>(48,396,217)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(171,376,019)</b>	<b>24,938,387</b>	<b>6,429,295</b>	<b>(1,969,988)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>218,486,021</b>	<b>193,547,634</b>	<b>2,749,866</b>	<b>4,719,854</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>47,110,002</b>	<b>218,486,021</b>	<b>9,179,161</b>	<b>2,749,866</b>

Major non-cash transactions:

- (i) During the year ended 31 December 2025, unitholders subscribed for 3,306,100,000 units of Hang Seng China Enterprises Index ETF (2024: 2,820,700,000 units) by tendering a basket of the constituent stocks of Hang Seng China Enterprises Index with a market value of HKD288,667,625,931 (2024: HKD185,687,573,030).
- (ii) During the year ended 31 December 2025, unitholders tendered 3,279,700,000 units of Hang Seng China Enterprises Index ETF (2024: 3,075,400,000 units) in exchange for a basket of the constituent stocks of Hang Seng China Enterprises Index with a market value of HKD286,448,770,471 (2024: HKD201,362,425,908).
- (iii) During the year ended 31 December 2025, unitholder subscribed for 655,000,000 units of Hang Seng TECH Index ETF (2024: 521,500,000 units) by tendering a basket of the constituent stocks of Hang Seng TECH Index with market value of HKD3,660,229,917 (2024: HKD2,076,454,422).
- (iv) During the year ended 31 December 2025, unitholders tendered 458,500,000 units of Hang Seng TECH Index ETF (2024: 153,000,000 units) in exchange for a basket of the constituent stocks of Hang Seng TECH Index with a market value of HKD2,464,162,699 (2024: HKD673,441,590).

The notes on page 25 to page 46 part of the financial statements.

# Notes to the Financial Statements

## 1. Background

Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF (the “Funds”) are authorised by the Securities and Futures Commission in Hong Kong (“SFC”) under Section 104(1) of the Hong Kong Securities and Futures Ordinance, and are governed by the Hong Kong Code on Unit Trusts and Mutual Funds (“the SFC Code”).

Hang Seng China Enterprises Index ETF was constituted by a Trust Deed dated 18 November 2003, as amended from time to time under the laws of Hong Kong, and registered on 19 November 2003 as a unit trust under the laws of Hong Kong; Hang Seng TECH Index ETF was constituted by a Trust Deed dated 18 November 2003, as amended from time to time under the laws of Hong Kong, and registered on 3 September 2020 as a unit trust under the laws of Hong Kong.

The investment objective of the Funds is to match, before expenses, as closely as practicable, the performance of Hang Seng China Enterprises Index and Hang Seng TECH Index (each “China Enterprises Index” and “TECH Index”, collectively the “Indexes”) respectively by holding a basket of the constituent stocks of the Indexes.

## 2. Material accounting policies

### (a) Statement of compliance

The financial statements of the Funds have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, (“HKICPA”), accounting principles generally accepted in Hong Kong, the relevant provisions of the Trust Deed, as amended, and the relevant disclosure provisions of the SFC Code issued by the SFC. Material accounting policies adopted by the Funds are disclosed below.

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Funds. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Funds for the current accounting periods reflected in these financial statements.

### (b) Basis of preparation of the financial statements

The functional and presentation currency of the financial statements is Hong Kong dollars, which is the reporting currency of the units in issue of the Funds. All figures are rounded to the nearest dollar.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investments and derivatives are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the Manager and the Trustee to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving a higher degree of judgement relate to the determination of fair value of suspended equities with significant unobservable inputs and are disclosed in note 15.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (c) Income and expenses

Interest income and expenses are recognised as they accrue under the effective interest method using the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. Dividend income is recognised when the underlying securities are quoted ex-dividend. Dividend income and interest income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss. Security lending income and other income/expenses are accounted on an accrual's basis.

### (d) Taxation

Taxation for the year comprises current tax which is recognised in profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the date of statement of assets and liabilities. Current tax includes non-recoverable withholding taxes on investment income.

### (e) Translation of foreign currency

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the foreign exchange rates ruling at the date of statement of assets and liabilities. Exchange gains and losses are recognised in profit or loss. Exchange differences relating to investments at fair value through profit or loss are included in gains/losses on investments.

### (f) Financial instruments

#### (i) Classification

On initial recognition, the Funds classify financial assets as measured at amortised cost or fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the Funds are measured at FVTPL.

#### *Business model assessment*

In making an assessment of the objective of the business model in which a financial asset is held, the Funds consider all of the relevant information about how the business is managed, including:

- the investment strategy in the offering document of the Funds and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Funds' management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

- how the compensation to investment manager is determined: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Funds' continuing recognition of the assets.

The Funds have determined that they have two business models.

- Held-to-collect business model: this includes amounts receivable on subscription of units, amounts receivable on sale of investments, dividend receivable, other accounts receivable, margin deposits and cash and cash equivalents. These financial assets are held to collect contractual cash flows.
- Other business model: this includes equity instruments and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

### *Assessment whether contractual cash flows are SPPI*

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Funds consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Funds consider:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Funds' claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for the time value of money (e.g. periodical reset of interest rates).

The Funds classify their investments based on the business model and contractual cash flows assessment. Accordingly, the Funds classify all their equity instruments and derivatives into financial assets at FVTPL category. Financial assets measured at amortised cost include amounts receivable on subscription of units, amounts receivable on sale of investments, dividend receivable, other accounts receivables, margin deposits and cash and cash equivalents. Financial liabilities that are not at fair value through profit or loss include amounts payable on purchase of investments, amounts payable on redemption of units and accrued expenses and other payables.

All derivatives in a net receivable position (positive fair value) are classified as financial assets at fair value through profit or loss. All derivatives in a net payable position (negative fair value) are reported as financial liabilities at fair value through profit or loss.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### *Reclassifications*

Financial assets are not reclassified subsequent to their initial recognition unless the Funds were to change their business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

#### (ii) Recognition

The Funds recognise financial assets and financial liabilities on the date they become a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of HKFRS 9.

#### (iii) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

Financial assets classified as measured at amortised cost are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

#### (iv) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value are provided in note 9. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (v) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Financial assets measured at FVTPL that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Funds commit to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

### (vi) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

## (g) Related parties

(a) A person, or a close member of that person's family, is related to the Funds if that person:

- (i) has control or joint control over the Funds;
- (ii) has significant influence over the Funds; or
- (iii) is a member of the key management personnel of the Funds or the Funds' parent.

(b) An entity is related to the Funds if any of the following conditions applies:

- (i) The entity and the Funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Funds.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity or any member of a group of which it is a part, provides key management personnel services to the Funds or to the Funds' parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### (i) Units in issue

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument that includes a contractual obligation for the issuer to repurchase or redeem that instrument for cash or another financial asset is classified as equity instruments if it meets the following conditions:

- (i) it entitles the holder to a pro rata share of the Funds' net assets in the event of the Funds' liquidation;
- (ii) it is in the class of instruments that is subordinate to all other classes of instruments;
- (iii) all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- (iv) apart from the contractual obligation for the Funds to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- (v) the total expected cash flows attributable to the instrument over its life are based substantially on profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Funds over the life of the instrument.

Hang Seng China Enterprises Index ETF has only one class in issue and their redeemable units meet all of these conditions and are classified as equity instruments.

Hang Seng TECH Index ETF has multiple classes of redeemable units in issue. All the classes are the most subordinate classes of financial instruments in the fund and rank *pari passu* in all material respects and have the same terms and conditions. The redeemable units provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the fund's net assets at each redemption date, and also in the event of the fund's liquidation. The redeemable units of the fund are classified as financial liabilities and are measured at the present value of the redemption amounts.

### (j) Segment reporting

An operating segment is a component of the Funds that engages in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Funds' other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision maker of the Funds is identified as the Manager, Hang Seng Investment Management Limited.

### (k) Income equalisation on subscriptions and redemptions

Income portion of received and receivable on issue of units or paid and payable on redemption of units is calculated based on the portion of the unit price related to undistributed accumulated net investment income and accumulated expenses of the unit at the date of issue or redemption.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (l) Investment transaction costs

Investment transaction costs are costs incurred for purchase or sale of investments at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

### (m) Security lending transactions

The Hang Seng TECH Index ETF may enter into securities lending transactions to a maximum level of 30% of its Net Asset Value, although the Manager does not expect securities lending transactions in respect of The Hang Seng TECH Index ETF to exceed 20% of its Net Asset Value. Eligible borrowers are persons who satisfy the criteria for a counterparty to a securities lending agreement as required under the applicable laws and regulations, and deemed appropriate by the Securities Lending Agent.

The Hang Seng China Enterprises Index ETF may enter into securities lending transactions to a maximum level of 10% of its Net Asset Value, although the Manager does not expect securities lending transactions in respect of The Hang Seng China Enterprises Index ETF to exceed 10% of its Net Asset Value. Eligible borrowers are persons who satisfy the criteria for a counterparty to a securities lending agreement as required under the applicable laws and regulations, and deemed appropriate by the Securities Lending Agent. Hang Seng China Enterprises Index ETF has not entered into any securities lending agreement during the period.

As part of its securities lending transactions, the Funds will receive cash and/or non-cash collateral, the value of which, during the duration of the securities lending agreement, will be at least 100% of the value of the securities lent, and will be marked to market on a daily basis. Eligible collateral includes cash and cash equivalents, money market instruments, government bonds, or corporate bonds whether long/short term bonds, listed or traded in any regulated markets, supranational bonds, stocks and funds. In respect of debt securities, the issuer is expected to have a minimum credit rating of A3 or above by Moody's.

Securities on loan are included in the investment portfolio of the Funds as the Funds are entitled to the interest and dividend income from the securities on loan and retain substantially all the risks and rewards. Relevant securities lending income received by the Funds are included in security lending income in the Statement of Comprehensive Income.

Collateral received for the purpose of securities on loan generally consists of securities collateral. Securities collateral received is treated as an off-balance sheet transaction and is therefore not included in the Statement of Assets and Liabilities because the Funds are not entitled to the interest from the securities collateral and do not retain substantially all the risks and rewards. Interest received from securities collateral is paid to the counterparty that provides the collateral to the Funds.

## 3. Changes in accounting policies

The Funds have applied amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Funds have not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Funds have not applied any new standard or interpretation that is not yet effective for the current accounting period (see Note 17).

## 4. Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the income of the Funds are exempt from taxation under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Taxation for the year represents non-recoverable withholding tax on dividend income which is recorded gross of withholding tax in profit or loss.

# Notes to the Financial Statements (continued)

## 5. Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss as of 31 December 2025 and 31 December 2024 are as follows:

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	Market Value		Market Value	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
<b>Financial assets at fair value through profit or loss</b>				
Listed equities	31,470,621,305	21,362,426,896	7,145,068,592	4,895,798,211
Future contracts	–	3,548,053	–	–
Total financial assets at fair value through profit or loss	31,470,621,305	21,365,974,949	7,145,068,592	4,895,798,211
<b>Financial liabilities at fair value through profit or loss</b>				
Futures contracts	(1,672,000)	–	–	–
Total financial liabilities at fair value through profit or loss	(1,672,000)	–	–	–

## 6. Financial risk management

The Funds maintain investment portfolios in the constituent stocks of the Indexes as dictated by their investment management strategy, but are not limited to equity instruments and derivatives. The Funds' investment objective is to match, before expenses, as closely as practicable, the performance of the Indexes against which the Funds are benchmarked. The Manager primarily adopts a replication strategy to achieve the investment objective of the Funds. When there is a change in the constituent stocks of the Indexes or the weighting of the constituent stocks in the Indexes, the Manager will be responsible for implementing any adjustment to the Funds' portfolio of stocks to ensure that the Funds' investment portfolios closely correspond to the composition of the Indexes and the weighting of each constituent stock.

The Funds' investing activities expose them to various types of risks that are associated with the financial instruments and markets in which they invest. To comply with HKFRS 7, the Manager has set out below the most important types of financial risks inherent in the financial instruments held by the Funds. The Manager would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Funds. Investors should note that additional information in respect of risks associated with the investments in the Funds can be found in the Funds' Hong Kong Offering Document ("HKOD").

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

The nature and extent of the financial instruments outstanding at the year end date and the risk management policies employed by the Funds are discussed below.

### (a) Market risk

Market risk arises when the fair value and future cash flows of a financial instrument will fluctuate because of changes in market prices and includes price risk, interest rate risk and currency risk.

#### (i) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Funds are exposed to price risk arising from changes in market prices of equity instruments and market prices of the underlying indices or assets of derivatives.

The Manager constructs the portfolio through adopting a replication strategy. The Funds are not actively managed and the Manager does not have the discretion to select stocks or to take defensive position in a declining market. Hence, any fall in the underlying index will result in a corresponding fall in the value of the Funds.

All investments of the Funds are constituent stocks of the Indexes listed on The Stock Exchange of Hong Kong ("SEHK"). The Funds estimate the future reasonably possible market price fluctuations for equity investments on an overall basis. If the relevant indexes at 31 December 2025 had increased/decreased by 20% (2024: 20%), it is estimated that the net assets attributable to unitholders of the Funds would have increased/decreased accordingly as shown below. The analysis assumes that all other variables, in particular, interest rates remain constant.

Fund	Currency	Benchmark/Underlying Assets	Estimated Increase/(Decrease) in Net Assets Attributable to Unitholders			
			If Underlying Assets Increased by 20%	If Underlying Assets Increased by 20%	If Underlying Assets Decreased by 20%	If Underlying Assets Decreased by 20%
			2025	2024	2025	2024
Hang Seng China Enterprises Index ETF	HKD	Hang Seng China Enterprises Index	6,294,124,261	4,322,485,239	(6,294,124,261)	(4,322,485,239)
Hang Seng TECH Index ETF	HKD	Hang Seng TECH Index	1,429,013,718	979,159,642	(1,429,013,718)	(979,159,642)

#### (ii) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of interest bearing assets and therefore results in potential gain or loss to the Funds. Except for bank deposits, all the financial assets and liabilities of the Funds are non-interest bearing. As a result, the Funds have limited exposure to interest rate risk.

#### (iii) Currency risk

The financial assets and liabilities of the Funds are denominated in Hong Kong dollars, the functional currency of the Funds and United States dollars as such the Funds have limited exposure to currency risk.

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

### (b) Credit risk

#### **Analysis of credit risk management policy and concentration of credit risk**

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high quality of the brokers used. The Manager monitors the credit rating and financial positions of the brokers used to further mitigate this risk.

HSBC Institutional Trust Services (Asia) Limited is the Trustee of the Funds. Bankruptcy or insolvency of the Trustee may cause the Funds' rights with respect to the assets to be delayed or limited. The Manager monitors the risk by monitoring the credit quality of the Trustee on an on-going basis.

All of the investments of the Funds are held by The Hongkong and Shanghai Banking Corporation Limited (the "Custodian"). Bankruptcy or insolvency of the Custodian may cause the Funds' rights with respect to investments held by the Custodian to be delayed or limited. The Manager monitors its risk by monitoring the credit rating of the Custodian on an on-going basis.

All of the cash held by the Funds are deposited with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"). Bankruptcy or insolvency of HSBC may cause the Funds' rights with respect to the cash held by HSBC to be delayed or limited. The Manager monitors its risk by monitoring the credit rating of HSBC on an on-going basis.

Other than outlined above, there were no significant concentrations of credit risk to counterparties at 31 December 2025 and 31 December 2024.

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

### (c) Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Funds.

The Funds and the Manager have policies and procedures to manage liquidity to meet its liability including estimated redemption of units, as and when due, without incurring undue losses or risking damage to the Funds' reputation.

HKOD provides for the daily creation and cancellation of units and the Funds are therefore exposed to the liquidity of meeting unitholder redemptions daily. All other financial liabilities are repayable on demand or have contractual maturities less than three months.

The majority of the Funds' financial assets are listed equity investments which are considered to be readily realisable as they are all listed on the SEHK. As a result, the Funds are able to liquidate quickly its investments in order to meet its liquidity requirements.

The Funds' liquidity risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place. The Funds' redemption policy allows redemption to be made:

- through participating dealers by any investor with a basket of constituent stocks of the Indexes and a minor cash component, or wholly with cash. The minimum redemption units for Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF are 100,000 units and 500,000 units respectively;
- through the Manager by the feeder funds with a basket of constituent stocks of the Indexes and a minor cash component or wholly with cash at a minimum of 1 unit, the feeder funds of Hang Seng China Enterprises Index ETF are Hang Seng China Enterprises Index Fund and Hang Seng China Enterprises Index Tracking Fund under the HSBC/Hang Seng MPF.

The Manager has the right to declare suspension of unitholders' right to redeem units under certain conditions, such as when SEHK is closed; dealings on the SEHK or the Hong Kong Futures Exchange Limited are restricted or suspended; or the Indexes are not complied or published, etc. in accordance with the HKOD.

During the year ended 31 December 2025, Hang Seng TECH Index ETF entered into securities lending transactions. By comparison, Hang Seng China Enterprises Index ETF has not entered into any securities lending agreement during the period.

The table below provides a summary of the securities lent to borrowers in respect of the Funds as at 31 December 2025 and securities on loan were callable by the Manager at any time.

Fund	Year ended 31 December 2025
Hang Seng TECH Index ETF	HKD16,585,755
Hang Seng China Enterprises Index ETF	–

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

### (d) Derivatives

The Fund uses index futures to manage market exposure efficiently, avoiding the need to acquire the full basket of underlying securities, preserving cash and reducing transaction and settlement costs.

The table which states the Funds' holdings in futures contracts as of the year end date translated into their reporting currencies is also shown below:

Fund	Currency	Year	Number of contracts	Weighted average contract index price	Contract amount	Expiration date	Underlying investments	Fair value assets	Fair value (liabilities)
Hang Seng China Enterprises Index ETF	HKD	2025	352	8,998	158,364,800	01/2026	Hang Seng China Enterprises Index	-	(1,672,000)
	HKD	2024	687	7,175	246,451,247	01/2025	Hang Seng China Enterprises Index	3,548,053	-

### (e) Capital Management

The Funds' capital as at the year end date is represented by their redeemable units.

The Funds' objective in managing the capital is to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity risk arising from the redemptions. The Manager manages the capital of the Funds in accordance with the Funds' investment objectives and policies stated in the HKOD.

There were no changes in the policies and procedures during the year with respect to the Funds' approach to its capital management.

The Funds are not subject to externally imposed capital requirements.

The amount and the movement of equity are stated in the statement of changes in equity. As the redeemable units are redeemed on demand at the unitholders' option, the actual level of redemption may differ significantly from the historic experience.

## 7. Dividend income

The amounts of dividend income and net dividend income, which was net of any non-recoverable withholding taxes, earned by the Funds during the year are shown below.

Fund	Currency	Dividend income		Withholding taxes		Net dividend income	
		2025	2024	2025	2024	2025	2024
Hang Seng China Enterprises Index ETF	HKD	1,026,515,315	900,682,335	(83,284,445)	(71,090,409)	943,230,870	829,591,926
Hang Seng TECH Index ETF	HKD	55,889,772	32,973,377	(1,557,909)	(387,624)	54,331,863	32,585,753

# Notes to the Financial Statements (continued)

## 8. Interest income

During the year, the Funds earned interest income from cash and cash equivalents as shown in the table below.

Fund	Currency	2025	2024
Hang Seng China Enterprises Index ETF	HKD	949,962	4,351,799
Hang Seng TECH Index ETF	HKD	24,316	89,682

## 9. Net gains on investments

During the year, the Funds disposed of equity instruments and derivatives and earned or incurred realised and unrealised gains or losses as shown below.

Fund	Currency	Net gains on investments in equity instruments		Net gains/(losses) on investments in derivatives		Net gains on investments	
		2025	2024	2025	2024	2025	2024
Hang Seng China Enterprises Index ETF	HKD	5,128,428,766	5,138,065,595	61,848,497	(922,728)	5,190,277,263	5,137,142,867
Hang Seng TECH Index ETF	HKD	1,050,678,319	541,264,898	–	–	1,050,678,319	541,264,898

Fund	Currency	Realised gains/(losses) from investments		Movement on unrealised gains/(losses)		Net gains/(losses) on investments	
		2025	2024	2025	2024	2025	2024
Hang Seng China Enterprises Index ETF	HKD	6,267,219,207	3,428,704,395	(1,076,941,944)	1,708,438,472	5,190,277,263	5,137,142,867
Hang Seng TECH Index ETF	HKD	611,847,710	(177,441,434)	438,830,609	718,706,332	1,050,678,319	541,264,898

# Notes to the Financial Statements (continued)

## 10. Transactions with the Trustee, the Manager and their Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Fund and the Trustee, the Manager and their Connected Persons. Connected Persons are those as defined in the SFC Code issued by the SFC. All transactions during the year between the Fund, The Trustee, the Manager and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Trustee and the Manager, the Fund did not have any other transactions with the Trustee, the Manager and their Connected Persons except for those disclosed below. The relevant receivables and payables are unsecured, interest-free and repayable on demand.

- (a) Hang Seng Investment Management Limited, a wholly-owned subsidiary of Hang Seng Bank (“HSB”), which is a member of the HSBC Group, is the Manager of the Funds. The Manager earns management fees at a rate of 0.55% of net asset value per annum. Management fees are calculated as at each dealing day and payable monthly. Management fees paid during the year and management fees payable to the Manager at the year end date are shown below.

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Management fees paid during the year	165,666,318	133,118,095	32,615,479	19,926,171
Management fee payable	15,118,468	11,351,303	3,547,848	2,420,200

- (b) HSBC Institutional Trust Services (Asia) Limited, a member of the HSBC Group was appointed as the Trustee of the Funds. Trustee earns trustee’s fee based on the fee table below. Effective from 3rd April 2024, The Trustee earns trustee’s fees were changed at the rate of 0.0425% per annum for Hang Seng China Enterprises Index ETF and Hang Seng Tech Index ETF. Prior to 3rd April 2024, the trustee fees at the rate of 0.0475% per annum. From 1st April 2024 to 31st March 2025 minimum monthly trustee fees is waived for Hang Seng Tech Index ETF. Prior to 1st April 2024, the minimum monthly trustee’s fees was HKD7,500.

	Hang Seng China Enterprises Index ETF	Hang Seng TECH Index ETF
Trustee’s fee rate (p.a.)	0.0425%	0.0425%
Minimum monthly trustee’s fees (in HKD)	–	–
Processing fee for handling each purchase or sale of investments (in HKD)	35	35
Valuation fee per valuation (in HKD) before April 2024	400	400
Valuation fee per valuation (in HKD) after April 2024	–	–
Processing fee for handling each creation/redemption/transfer of units (in HKD)	100	100

# Notes to the Financial Statements (continued)

## 10. Transactions with the Trustee, the Manager and their Connected Persons (continued)

The Trustee also earned fees for providing various services to the Funds during the year as shown below. Details of such fee paid during the year and such fees payable at the year end date shown below:

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Transaction fees paid to trustee				
– paid to HSBC Institutional Trust Services (Asia) Limited	485,700	378,300	233,800	133,800
Trustee's fees				
– paid to HSBC Institutional Trust Services (Asia) Limited	12,849,143	10,611,485	2,520,287	1,577,712
Registrar's fees				
– paid to HSBC Institutional Trust Services (Asia) Limited	15,600	15,600	15,600	15,599
Valuation fees				
– paid to HSBC Institutional Trust Services (Asia) Limited	–	24,800	–	24,800
Financial reporting fee				
– paid to HSBC Institutional Trust Services (Asia) Limited	388,486	360,943	46,847	48,049
Fees payable to Trustee				
– paid to HSBC Institutional Trust Services (Asia) Limited	2,361,148	1,569,694	259,938	245,595

(c) HSBC acts in the role as one of the Participating Dealers of the Funds and performed in-kind and in-cash creation and redemption in units of the Funds. The Funds also utilise the services of HSBC for part of the purchase and sale of investments for the year ended 31 December 2025. Details of such transactions executed and fees paid during the year are shown below.

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Value of in-kind creation through HSBC (in HKD)	3,039,338,202	8,247,036,658	–	–
Units subscribed through HSBC from in-kind creation (units)	40,000,000	127,600,000	–	–
Value of in-kind redemption through HSBC (in HKD)	1,390,047,912	–	–	–
Units redeemed through HSBC from in-kind redemption (units)	16,800,000	–	–	–
Value of in-cash creation through HSBC (in HKD)	–	–	–	–
Units subscribed through HSBC from in-cash creation (units)	–	–	–	–

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025	2024	2025	2024
Value of transactions executed through HSBC (in HKD)	8,914,556,215	9,826,373,853	1,781,813,829	1,708,257,621
Share of total value of transactions of the Fund	1.51%	2.50%	15.96%	32.61%
Commission paid to HSBC (in HKD)	507,593	195,768	292,916	98,211
Average commission rate	0.00%	0.00%	0.00%	0.00%

# Notes to the Financial Statements (continued)

## 10. Transactions with the Trustee, the Manager and their Connected Persons (continued)

- (d) Also, the Funds utilise the services of HSBC in its depository of securities and pay securities expenses and safe custody and bank charges to HSBC. Details of such fees paid during the year and such fees payable at the year end date are shown below.

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Securities expenses paid to HSBC during the year	5,677,387	3,663,398	397,920	237,062
Safe custody and bank charges paid to HSBC during the year	1,119,842	975,919	215,670	146,194
Securities expenses payable to HSBC as of year end	329,990	339,605	26,332	19,020
Safe custody payable to HSBC as of year end	–	74,605	–	16,785

- (e) The Funds have been licensed by Hang Seng Indexes Company Limited (“HSIL”), a wholly-owned subsidiary of HSB, to use China Enterprises Index or TECH Index to create, offer, market and sell the Hang Seng China Enterprises Index ETF or Hang Seng TECH Index ETF respectively during the year. For Hang Seng China Enterprises Index ETF, license fee paid to HSIL during the year amounted to HKD12,048,459 (2024: HKD9,681,316). License fee payable to HSIL at the year end was HKD3,029,863 (2024: HKD2,512,448). For Hang Seng TECH Index ETF, license fee paid to HSIL during the year amounted to HKD2,372,035 (2024: HKD1,449,176) and license fee payable to HSIL at the year-end was HKD733,232 (2024: HKD518,330).
- (f) Certain bank accounts are maintained with HSBC. The bank balances as at year end date, interest income earned during the year and interest receivable as at year end date are shown below.

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
HSBC bank balances as of year end	47,110,002	218,486,021	9,179,161	2,749,866
Interest income earned from HSBC during the year	949,962	4,351,799	24,316	89,682
Interest receivable from HSBC as of year end	154,199	139,338	–	–
Interest payable to HSBC as of year end	–	–	598	–

- (g) As at the year end date, Hang Seng China Enterprises Index ETF maintained margin deposits in HSBC with amounts of HKD15,799,696 (2024: HKD36,795,822). In addition, Hang Seng China Enterprises Index ETF do utilise the services of HSBC in the transactions of future contracts during the year and paid commission of HKD366,151 (2024: HKD626,355).

# Notes to the Financial Statements (continued)

## 10. Transactions with the Trustee, the Manager and their Connected Persons (continued)

- (h) HSBC provides an uncommitted overdraft facility to the Funds. The details of the uncommitted overdraft facility and interest expenses paid during the year are shown below.

Fund	Currency	Year	Uncommitted overdraft facility as at 31 December	Interest rate	Interest expenses paid during the year
Hang Seng China Enterprises Index ETF	HKD	2025	Lesser of: (i) USD50,000,000; (ii) 10% of net value assets in HSBC custody; and (iii) 10% of net asset value	USD Best Lending Rate	13,922
		2024	Lesser of: (i) USD50,000,000; (ii) 10% of net value assets in HSBC custody; and (iii) 10% of net asset value	USD Best Lending Rate	47,250
Hang Seng TECH Index ETF	HKD	2025	Lesser of: (i) USD7,360,000; (ii) 5% of net value assets in HSBC custody; and (iii) 5% of net asset value	USD Best Lending Rate	13,735
		2024	Lesser of: (i) USD7,360,000; (ii) 5% of net value assets in HSBC custody; and (iii) 5% of net asset value	USD Best Lending Rate	3,555

- (i) The directors and officers of the Manager may transact in the units of the Funds as principal. As at 31 December 2025, the directors and officers of the Manager together held 5,600 (2024: 5,600) and 29,632 (2024: 29,632) units in Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF respectively.

### (j) Security lending arrangement

For the year ended 31 December 2025, Hang Seng TECH Index ETF had in place a securities lending arrangement whereby HSBC Bank Plc acted as a securities lending agent. The details of such transactions are as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	(HKD)	(HKD)
Hang Seng TECH Index ETF Aggregate securities lending transactions through HSBC Bank Plc	16,585,755	N/A

For the year ended 31 December 2024, the Funds did not put in place any securities lending arrangement.

For the year ended 31 December 2025, net income received from security lending activities was \$28 (2024: nil) while direct and indirect expenses were charged by the Manager and Connected Persons of the Trustee to establish and maintain the security lending activities under agreement. The details of such transactions are as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	(HKD)	(HKD)
Total Security Lending Income earned	55	N/A
Direct and indirect expenses paid to the Manager	19	N/A
Direct and indirect expenses paid to HSBC Bank Plc	8	N/A

# Notes to the Financial Statements (continued)

## 11. Units in issue and net asset value per unit

The units in issue and net asset value per unit as at 31 December 2025 and 31 December 2024 were shown below.

	Class of units (Currency)	2025		2024	
		Units in issue	NAV per unit	Units in issue	NAV per unit
Hang Seng China Enterprises Index ETF	Listed Class (HKD)	346,218,096	HKD91.3581	291,068,407	HKD74.2572
Hang Seng TECH Index ETF	Listed Class (HKD)	1,158,500,000	HKD5.4928	961,000,000	HKD4.4415
	Unlisted Class – Class A (USD) – Accumulation Units	7,594,030	HKD52.2837	6,819,595	HKD42.2529
	Unlisted Class – Class A (HKD) – Accumulation Units	49,254,417	HKD7.6276	53,955,415	HKD6.1668
	Unlisted Class – Class D (HKD) – Accumulation Units	18,291,422	HKD0.6738	16,102,250	HKD0.5449

## 12. Reconciliation of net asset values

The Trustee and the Manager would like to highlight that the principles for calculating the published unit price as set out in the HKOD are different from those required for calculating the net assets attributable to unitholders and hence the corresponding net asset value per unit for financial reporting purposes under HKFRS Accounting Standards. The net assets attributable to unitholders as reported in the financial statements are therefore different from the adjusted total net assets for valuation purposes at the reporting dates.

Hang Seng TECH Index ETF commenced on 2 September 2020. Formation costs of listed class of the fund were HKD1,381,100 and charged to statement of comprehensive income as incurred in accordance with HKFRS Accounting Standards. Per the HKOD of Hang Seng TECH Index ETF, the formation costs of listed class are amortised over the first five accounting periods of the fund and as of 31 December 2025, the remaining amortisation period was 0 months and the balance was HKDNil.

The unlisted classes were established on 28 June 2021. Formation costs of unlisted classes of the fund were HKD576,680 and charged to the statement of comprehensive income as incurred in accordance with HKFRS Accounting Standards. Per the HKOD of Hang Seng TECH Index ETF, the formation costs of unlisted classes are amortised over the first five accounting periods of the fund and as of 31 December 2025, the remaining amortisation period was 6 months and the balance was HKD159,743.

The reconciliation between the net assets attributable to unitholders as reported in the financial statements and the adjusted total net asset value for valuation purposes is shown below.

	Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)
Net assets attributable to unitholders as reported in the financial statements	7,148,300,699	4,897,919,374
Adjustments for different principles adopted by the Fund in arriving at the adjusted total net assets for valuation purposes:		
– Formation costs	159,743	487,305
Adjusted total net assets for valuation purposes	7,148,460,442	4,898,406,679

# Notes to the Financial Statements (continued)

## 13. Soft dollar commission

As regards to the Funds, the Manager has not entered into any soft dollar commission arrangements with brokers.

## 14. Distributions

Details of distributions during the year are shown below:

Fund	Date of Cash Dividend Determination	Date of Cash Dividend Determination	Distribution per Unit	Distribution per Unit
	2025	2024	2025	2024
<b>Hang Seng China Enterprises Index ETF</b>	17-09-2025	20-09-2024	HKD0.50	HKD0.95
	27-06-2025	27-06-2024	HKD1.30	HKD0.65

	Hang Seng China Enterprises Index ETF	
	Year ended 31 December 2025	Year ended 31 December 2024
	(HKD)	(HKD)
Undistributed income brought forward	115,647,069	395,627,568
Income before losses on investments	813,978,074	739,819,386
Interest expenses	(13,922)	(47,250)
Taxation	(83,284,445)	(71,090,409)
Income portion of received and receivable on issue of units	4,000,724,151	3,760,050,713
Income portion of paid and payable on redemption of units	(3,994,212,666)	(4,147,247,278)
Amount available for distribution to unitholders	852,838,261	677,112,730
Distribution to unitholders	(622,681,056)	(561,465,661)
Undistributed income carried forward		115,647,069
Undistributed income brought forward	230,157,205	115,647,069

According to the Hong Kong Offering Document of Hang Seng Investment Index Funds Series, the Manager does not propose to make any distributions in respect of units in Hang Seng TECH Index ETF.

# Notes to the Financial Statements (continued)

## 15. Fair value information

The Funds' investments are measured at fair value on the date of the statement of assets and liabilities. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. With the involvement of unobservable factors and judgement, fair value can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including amounts receivable on subscription of units, amounts receivable on sale of investments, dividend receivable, other accounts receivable, margin deposits, cash and cash equivalents, amounts payable on purchase of investments, amounts payable on redemption of units and accrued expenses and other payables, the carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

### Valuation of financial instruments

The Funds' accounting policy on fair value measurements is detailed in accounting policy in note 2(f)(iv). The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using: quoted market price in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

All of investments held by the Funds are listed on SEHK. Their fair values are based on quoted market prices in active markets and grouped into Level 1 investment in the fair value hierarchy. Level 3 investments represent equity instruments which was unlisted and suspended for trading and in these financial statements they were valued through market approach using comparable analysis based on relevant news and information. For all other financial instruments, their carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

# Notes to the Financial Statements (continued)

## 15. Fair value information (continued)

The table below presents the carrying value of financial instruments measured at fair value at the date of the statement of assets and liabilities across the three levels of fair value hierarchy. As of 31 December 2025, there was no Level 3 financial instrument (2024: Nil).

	Hang Seng China Enterprises Index ETF		Hang Seng TECH Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
<b>Assets</b>				
<b>Level 1</b>				
– Listed equities	31,470,621,305	21,362,426,896	7,145,068,592	4,895,798,211
– Future contracts	–	3,548,053	–	–
<b>Total</b>	31,470,621,305	21,365,974,949	7,145,068,592	4,895,798,211
<b>Liabilities</b>				
<b>Level 1</b>				
– Future contracts	(1,672,000)	–	–	–
<b>Total</b>	(1,672,000)	–	–	–

## 16. Segment information

The Manager makes strategic resource allocation on behalf of the Funds and determines operating segments based on internal reports reviewed which are used to make strategic decisions.

The Manager considers that the Funds have one single operating segment based on one single, integrated investment strategy by investing in constituent stocks of the Indexes with the objective to match, before expenses, as closely as practicable, the performance of the Indexes as stipulated in the HKOD. There were no changes in the operating segment during the year.

Major revenues generated by the Funds are from listed equities. The segment information provided to the Manager is the same as that disclosed in the statement of comprehensive income and statement of assets and liabilities.

The Funds are domiciled in Hong Kong. Majority of the Funds' income from investments is from equities listed in Hong Kong. Please refer to note 5 for details.

# Notes to the Financial Statements (continued)

## 17. Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new or amended, standards which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements.

These developments, include the following which may be relevant to the Funds:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – contracts referencing nature dependent electricity</i>	1 January 2026
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Funds are in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far they have concluded that the adoption of them is unlikely to have a significant impact on the financial statements except for the following:

### **HKFRS 18, *Presentation and disclosure in financial statements***

HKFRS 18 will replace HKAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about the Funds' financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, the Funds are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. The Funds are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Funds do not plan to early adopt HKFRS 18 and are still in the process of assessing the impact of the adoption.

# Performance of the Indices and the ETFs (Unaudited)

For the period from 1 January 2025 to 31 December 2025 and the comparison with the same period in 2024

## Performance in HK Dollar

Fund/Index	For the period from 1 January 2025 to 31 December 2025	For the period from 1 January 2024 to 31 December 2024
Hang Seng China Enterprises Index ETF*	25.45%	30.18%
Hang Seng China Enterprises Index#	26.36%	31.05%
Hang Seng TECH Index ETF*	23.66%	19.01%
Hang Seng TECH Index#	24.68%	19.89%

Source: NAV is provided by HSBC Institutional Trust Services (Asia) Limited. The performance information of the ETFs are provided by the Manager. Index information is provided by Hang Seng Indexes Company Limited.

\* Performance is calculated in base currency with NAV to NAV, dividend (if any) reinvested. The performance information presented is calculated based on the assumption that there were no distribution to Unitholders, and is for reference only.

# Performance is calculated in total return with dividend reinvested, net of withholding tax.

Investors should note that all investment involve risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the relevant fund's offering documents (including the full text of the risk factors stated therein) in detail before making any investment decision.

# Comparison of Daily Closing Price and Net Asset Value per Unit of the ETFs (Unaudited)

For the period from 1 January 2025 to 31 December 2025 and the comparison with the same period in 2024

## Hang Seng China Enterprises Index ETF

Comparison of Daily Closing Price and Net Asset Value per Unit for the period from 1 January 2025 to 31 December 2025



Comparison of Daily Closing Price and Net Asset Value per Unit for the period from 1 January 2024 to 31 December 2024



# Comparison of Daily Closing Price and Net Asset Value per Unit of the ETFs (Unaudited) (continued)

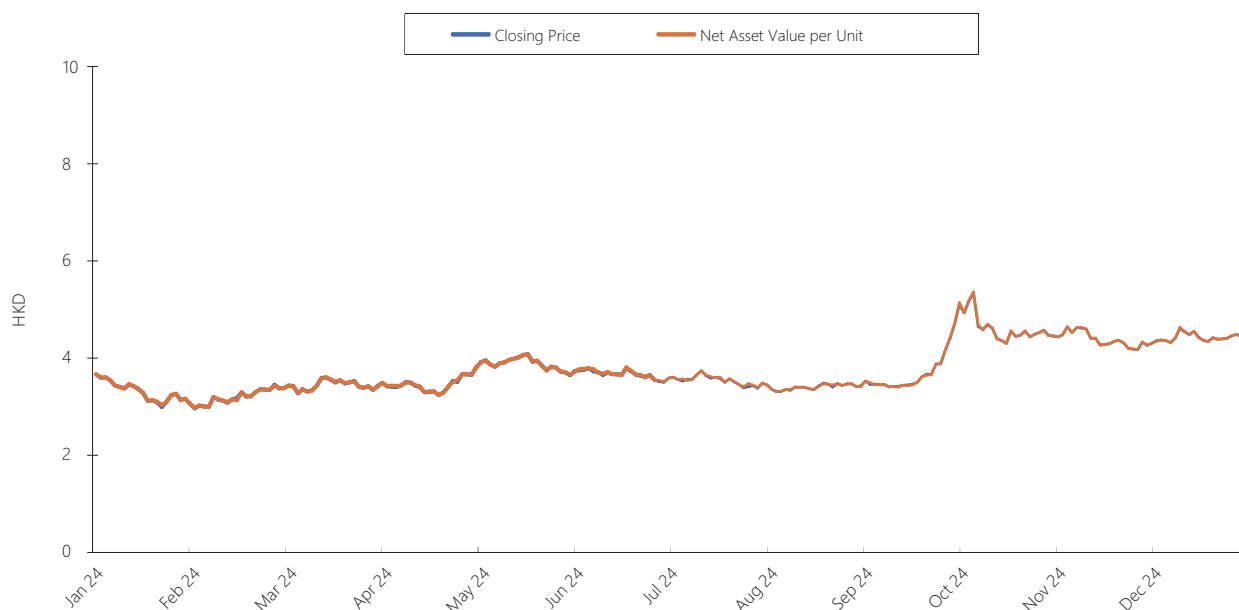
For the period from 1 January 2025 to 31 December 2025 and the comparison with the same period in 2024

## Hang Seng TECH Index ETF

Comparison of Daily Closing Price and Net Asset Value per Unit for the period from 1 January 2025 to 31 December 2025



Comparison of Daily Closing Price and Net Asset Value per Unit for the period from 1 January 2024 to 31 December 2024



# Index Constituent Stocks Disclosure (Unaudited)

The following are those constituent stocks that accounted for more than 10% of the weighting of the indexes.

## As at 31 December 2025

Fund	Index	Constituent Stocks	Weighting of the Index (%)
Hang Seng China Enterprises Index ETF		As of 31 December 2025, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng China Enterprises Index.	
Hang Seng TECH Index ETF		As of 31 December 2025, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng TECH Index.	

## As at 31 December 2024

Fund	Index	Constituent Stocks	Weighting of the Index (%)
Hang Seng China Enterprises Index ETF		As of 31 December 2024, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng China Enterprises Index.	
Hang Seng TECH Index ETF		As of 31 December 2024, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng TECH Index.	

# Report on Investment Overweight in Constituent Stocks of the Index by the ETFs (Unaudited)

From 1 January 2025 to 31 December 2025

As stated in the Hong Kong Offering Document of the Funds, if a representative sampling strategy is implemented when investing for the Fund, the Manager (Hang Seng Investment Management Limited) will apply such strategy in accordance with the Fund's relevant investment restrictions thereby enabling the Manager to overweight the constituent stocks of the Index relative to their respective weightings in the Index in accordance with the below limits.

Stock's weight in the Index	Maximum extra weighting to be allocated
Below 10%	4% <sup>1</sup>
10%-30%	4%
30%-50%	3%
Above 50%	2%

<sup>1</sup> Where the weighting of a constituent stock in the Index is below 10% and if the total allocation to this constituent stock is still below 10% after allocating the maximum extra weighting of 4%, the total allocation to it may be adjusted up to maximum of 10%.

During the period from 1 January 2025 to 31 December 2025, the Manager has adopted a full replication strategy when investing for the Hang Seng China Enterprises Index ETF and Hang Seng TECH Index ETF, hence the above restriction is not applicable.

# Portfolio Carbon Footprint (Unaudited)

From 1 January 2025 to 31 December 2025

Please visit <https://www.hangsenginvestment.com/> for more details.

# Management and Administration

## **Manager and Listing Agent**

Hang Seng Investment Management Limited  
83 Des Voeux Road Central  
Central  
Hong Kong

## **Directors of the Manager**

CHEUNG Ka Wai, Kathy  
CHIU Wai Man, Vivien  
LEE Pui Shan (resigned on 1 February 2026)  
WONG King Fung, William (assigned on 2 February 2026)  
LEE Wah Lun, Rannie  
SAW Say Pin (resigned on 1 March 2026)  
LEE Jonathon Glyn (assigned on 1 March 2026)  
SO Ho Ching, Paul (assigned on 28 November 2025)  
SKEVINGTON Dominic Adam (resigned on 1 September 2025)  
USTA Husne Ozge (assigned on 1 September 2025)

## **Trustee, Custodian and Registrar**

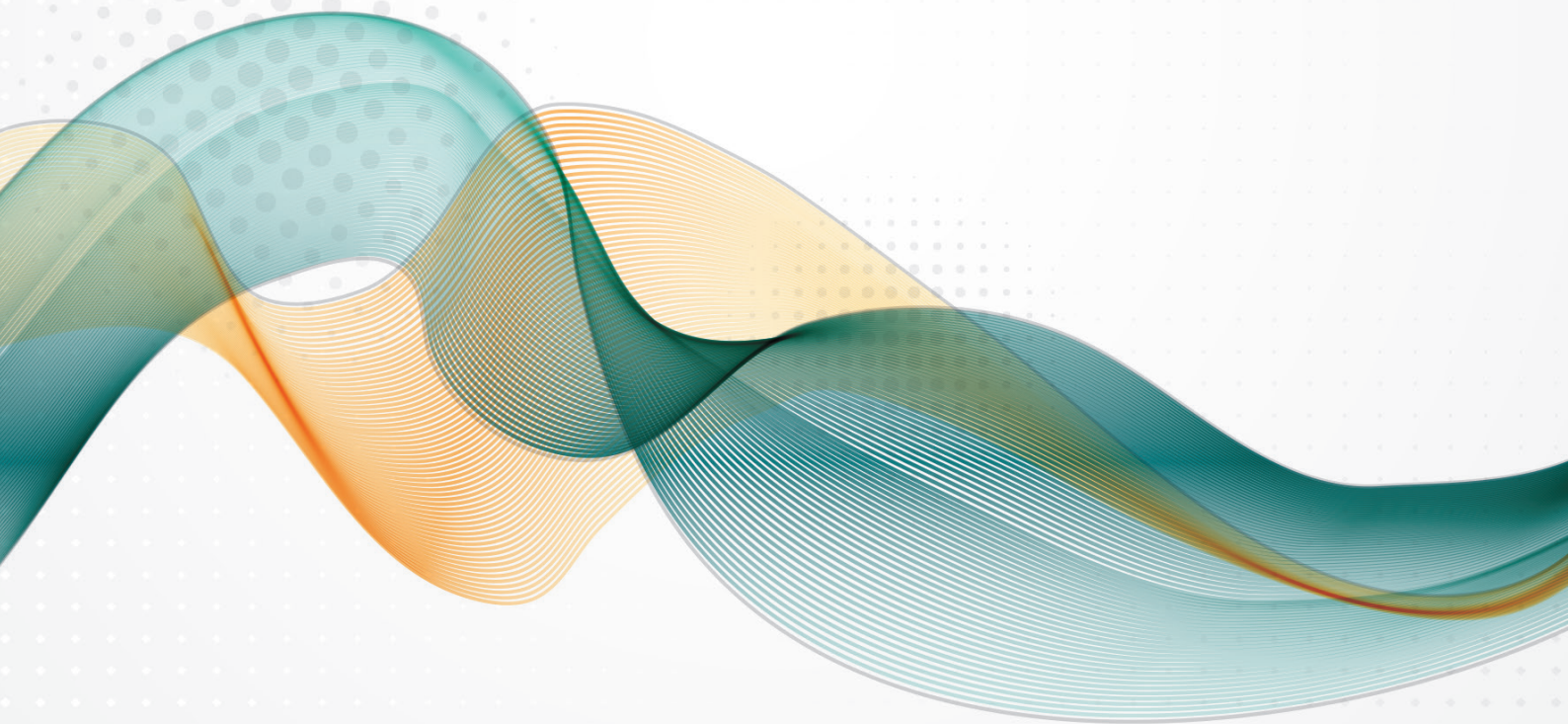
HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Central  
Hong Kong

## **Auditor**

KPMG  
Certified Public Accountants (Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance)  
8th Floor, Prince's Building  
10 Chater Road  
Central  
Hong Kong

## **Conversion Agent/Service Agent**

HK Conversion Agency Services Limited  
8th Floor, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong



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