

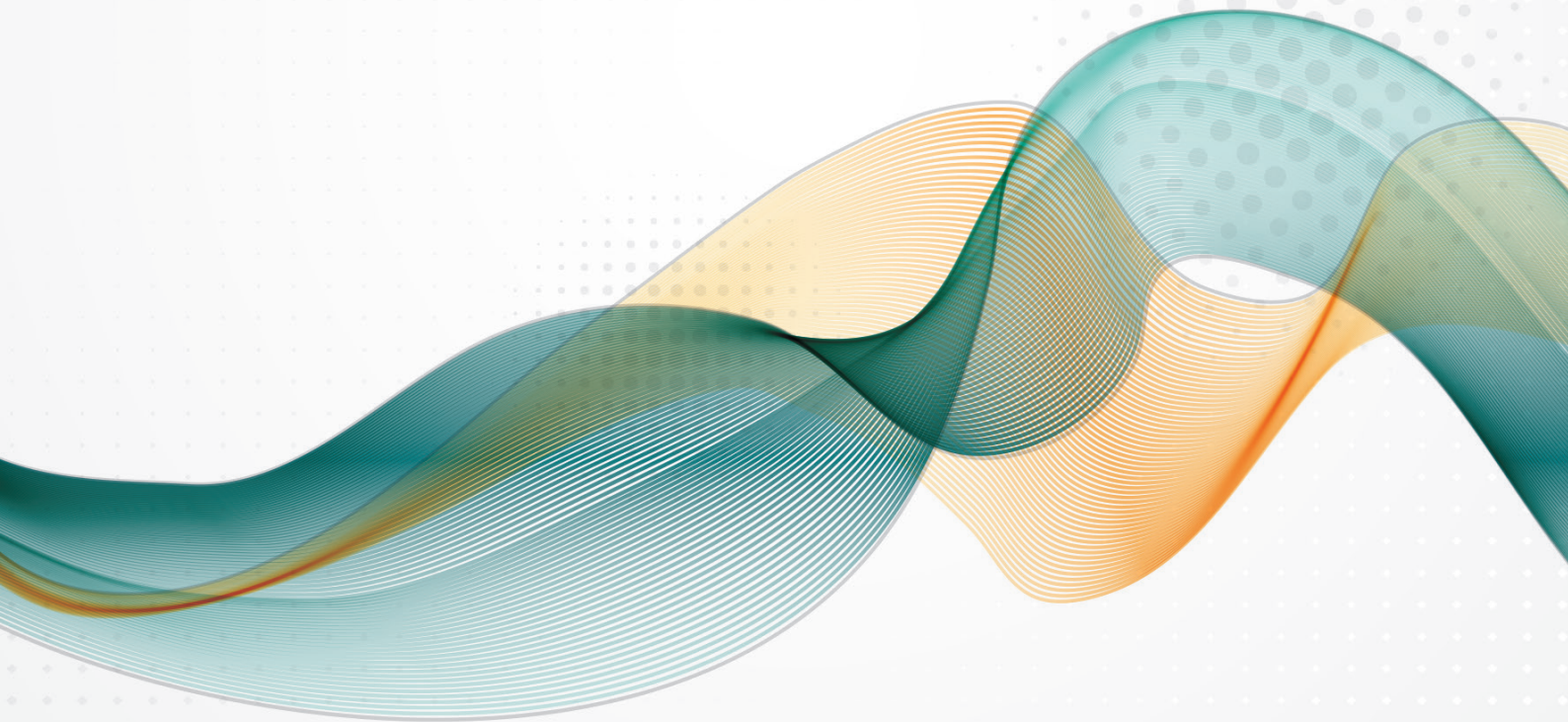


恒生投資  
HANG SENG INVESTMENT

# Hang Seng Index Tracking Fund HSI ESG Enhanced Select Index ETF Hang Seng High Dividend 30 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 II**

Hang Seng Index Tracking Fund

HSI ESG Enhanced Select Index ETF (Stock Code: 3136)

Hang Seng High Dividend 30 Index ETF (Stock Code: 3466)

# 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 <sup>(3)</sup>		2024		2023		2022 <sup>(1)</sup>		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 Index Tracking Fund<sup>(2)</sup></b>	HKD	28.4355	19.2042	23.3703	15.1890	23.0416	16.4979	25.3687	14.9231	31.6110	23.1173
<b>HSI ESG Enhanced Select Index ETF</b>	HKD	14.1557	9.7188	12.2223	8.3184	14.1003	9.1870	15.0565	8.8278	-	-
<b>Hang Seng High Dividend 30 Index ETF</b>											
Listed Class	HKD	20.6182	13.4860	-	-	-	-	-	-	-	-
Unlisted Class – Income Unit – Class A HKD	HKD	15.2487	10.1559	-	-	-	-	-	-	-	-
Unlisted Class – Income Unit – Class A (RMB Hedged)	RMB	15.1646	10.1555	-	-	-	-	-	-	-	-
Unlisted Class – Income Unit – Class A USD	USD	15.2419	10.1545	-	-	-	-	-	-	-	-

Class of Units	Currency	Price Record									
		2020		2019		2018		2017* <sup>^</sup>		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 Index Tracking Fund<sup>(2)</sup></b>	HKD	29.5900	22.1696	30.7370	25.4634	33.7441	25.0671	30.6765	22.4829	246.58	186.33
<b>HSI ESG Enhanced Select Index ETF</b>	HKD	-	-	-	-	-	-	-	-	-	-

Class of Units	Currency	Net Assets Value per unit (As at 31 December)			
		2025	2024	2023	2022
<b>Hang Seng Index Tracking Fund<sup>(2)</sup></b>	HKD	26.8531	20.3397	17.3052	20.0900
<b>HSI ESG Enhanced Select Index ETF</b>	HKD	12.9776	9.9899	9.6114	12.2524
<b>Hang Seng High Dividend 30 Index ETF</b>					
Listed Class	HKD	19.6174	-	-	-
Unlisted Class – Income Unit – Class A HKD	HKD	14.4999	-	-	-
Unlisted Class – Income Unit – Class A (RMB Hedged)	RMB	14.4069	-	-	-
Unlisted Class – Income Unit – Class A USD	USD	14.4718	-	-	-

# Performance Record (Unaudited) (continued)

Class of Units	Currency	Net Assets Attributable to Unitholders (As at 31 December)			
		2025	2024	2023	2022
<b>Hang Seng Index Tracking Fund<sup>(2)</sup></b>	HKD	50,470,087,888	39,361,148,250	35,279,909,704	39,008,899,251
<b>HSI ESG Enhanced Select Index ETF</b>	HKD	19,466,405	14,984,787	66,318,872	77,189,979
<b>Hang Seng High Dividend 30 Index ETF</b>	HKD	6,580,710,146	N/A	N/A	N/A

\* On 1 December 2017, there was a subdivision of each Unit in the Hang Seng Index Tracking Fund (formerly known as Hang Seng Index ETF) into 10 subdivided Units and with effect from the same date, the net asset value per unit are calculated to the nearest four decimal places instead of two decimal places.

^ The highest offer price and lowest bid price of Hang Seng Index Tracking Fund disclosed were adjusted to reflect the units subdivision.

<sup>(1)</sup> The date of commencement for HSI ESG Enhanced Select Index ETF was 22 February 2022.

<sup>(2)</sup> Hang Seng Index ETF was delisted on 13 September 2022 and renamed as Hang Seng Index Tracking Fund.

<sup>(3)</sup> The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

# Trustee's Report

To the Unitholders of Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 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 Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF in accordance with the provisions of the Trust Deed dated 10 September 2004, as amended, for the year/period ended 31 December 2025.

Cititrust Limited  
29 April 2026

# Independent Auditor's Report

To the Unitholders of Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF

Report on the Audit of Financial Statements

## Opinion

We have audited the financial statements of Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF ( "the Funds" ) set out on pages 30 to 63, which comprise the statement of assets and liabilities as at 31 December 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended for the Funds and notes to the financial statements, including a summary of significant accounting policies information and explanatory information.

In our opinion, the financial statements give a true and fair view of the financial disposition of the Funds as at 31 December 2025 and of the financial transactions and cash flows of the Funds 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 the Funds. 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 40.</i>	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2025 the investment portfolio represented 99.02%, 98.48% and 95.66% of the total assets of Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 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 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 auditor's assurance report over the design and operating effectiveness of those controls; and</li> <li>• evaluating the tests undertaken by the service auditor, the results of tests undertaken and opinions formed by the service auditor on the design and operating effectiveness of the controls, to the extent relevant to our audit of the Funds; and</li> <li>• obtaining independent confirmations from the custodians of the investment portfolio held at 31 December 2025, and agreeing the Funds' holdings of investments to those confirmations; 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, which has been amended and restated pursuant to the Amended and Restated Trust Deed dated 2 November 2020, and the variations made by way of supplemental deed dated 14 July 2022 ( "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.

# Independent Auditor's Report (continued)

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

As part of an audit in accordance with HKSA's, 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.
- 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.

# Independent Auditor's Report (continued)

## **Report on matters under the relevant provisions of the Trust Deeds 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 Index Tracking Fund		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Hong Kong Stock Exchange Listed Equities</b>			
<b>Conglomerates</b>			
CITIC	18,258,741	220,200,416	0.44%
CK Hutchison Holdings	8,416,607	445,659,341	0.88%
		665,859,757	1.32%
<b>Consumer Discretionary</b>			
Alibaba Group	26,080,517	3,724,297,828	7.38%
Anta Sports Products	4,400,380	354,450,609	0.70%
Baidu	3,883,230	510,644,745	1.01%
BYD	11,563,640	1,102,593,074	2.18%
Chow Tai Fook Jewellery	6,216,818	77,026,375	0.15%
Galaxy Entertainment	6,167,954	236,355,997	0.47%
Geely Auto	19,071,146	341,373,513	0.68%
Haidilao International	6,147,246	87,598,255	0.17%
Haier Smart Home	7,639,600	185,489,488	0.37%
JD.com Inc	5,503,850	614,229,660	1.22%
Kuaishou Technology	9,490,200	606,898,290	1.20%
Li Auto	4,373,100	283,595,535	0.56%
Li Ning	7,314,326	136,558,466	0.27%
Meituan	17,267,350	1,783,717,255	3.53%
Midea Group Company Limited	1,941,100	164,896,445	0.33%
MTR Corporation	5,873,992	175,044,962	0.35%
New Oriental Education & Technology Group Inc	2,427,900	102,554,496	0.20%
Pop Mart International Group	2,316,200	434,750,740	0.86%
Sands China	7,637,055	149,686,278	0.30%
Shenzhen International Group	2,598,843	159,049,192	0.32%
Techtronic Industries	4,602,848	413,796,035	0.82%
Trip.com Group	756,700	419,211,800	0.83%
Zhongsheng Group	2,221,301	25,811,518	0.05%
		12,089,630,556	23.95%
<b>Consumer Staples</b>			
Budweiser Brewing	6,286,931	47,717,806	0.09%
China Mengniu Dairy	9,823,453	146,467,684	0.29%
China Resources Beer Holdings	5,105,505	133,866,341	0.26%
Hengan International	1,993,874	55,629,084	0.11%
Nongfu Spring	6,313,539	295,726,167	0.59%
Tingyi (Cayman Islands) Holding Corporation	6,228,000	73,428,120	0.15%
WH Group	26,151,198	226,730,887	0.45%
		979,566,089	1.94%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng Index Tracking Fund		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Energy</b>			
China Petroleum & Chemical	71,487,980	333,848,867	0.66%
China Shenhua Energy	10,083,274	391,231,031	0.78%
CNOOC	48,929,980	1,042,208,574	2.06%
PetroChina	66,237,008	555,066,127	1.10%
		2,322,354,599	4.60%
<b>Financials</b>			
AIA Group	32,977,588	2,634,909,281	5.22%
Bank of China	223,145,601	995,229,380	1.97%
BOC Hong Kong	11,616,824	457,935,202	0.91%
China Construction Bank	301,906,925	2,321,664,253	4.60%
China Life Insurance	23,360,870	639,620,621	1.27%
China Merchants Bank	12,250,591	646,831,205	1.28%
Hang Seng Bank	2,355,463	361,563,571	0.72%
Hong Kong Exchanges & Clearing	3,781,244	1,541,235,054	3.05%
HSBC Holdings	36,888,943	4,515,206,623	8.95%
Industrial and Commercial Bank of China	258,857,464	1,628,213,449	3.23%
Ping An Insurance	21,042,544	1,370,921,742	2.71%
		17,113,330,381	33.91%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng Index Tracking Fund		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Healthcare</b>			
Alibaba Health Information Technology	20,300,631	102,518,187	0.20%
CSPC Pharmaceutical	25,263,812	212,973,935	0.42%
Hansoh Pharmaceutical	4,748,478	171,325,086	0.34%
Innovent Biologics	5,104,500	389,218,125	0.77%
JD Health International	3,524,550	195,612,525	0.39%
Sino Biopharmaceutical	32,378,362	200,098,277	0.40%
Sinopharm	4,227,600	82,184,544	0.16%
WuXi AppTec	1,469,900	145,079,130	0.29%
WuXi Biologics	11,565,781	363,628,155	0.72%
		1,862,637,964	3.69%
<b>Industrials</b>			
JD Logistics	8,397,700	95,901,734	0.19%
Orient Overseas International	413,228	51,818,791	0.10%
Sunny Optical Technology	2,237,442	146,664,323	0.29%
Xinyi Glass Holding	6,868,433	56,801,941	0.11%
Xinyi Solar Holdings	14,371,680	42,683,890	0.09%
Zto Express Cayman Inc.	1,389,050	225,442,815	0.45%
		619,313,494	1.23%
<b>Information Technology</b>			
BYD Electronic	2,482,500	83,511,300	0.17%
Lenovo Group	23,364,677	216,356,909	0.43%
NetEase Inc	4,477,703	960,915,064	1.90%
Semiconductor Manufacturing	14,123,730	1,009,140,508	2.00%
Tencent Holdings	6,637,235	3,975,703,765	7.88%
Xiaomi Corporation	57,198,521	2,247,901,875	4.45%
		8,493,529,421	16.83%
<b>Materials</b>			
China Hongqiao	10,453,411	340,990,267	0.67%
Zijin Mining	18,814,000	670,907,240	1.33%
		1,011,897,507	2.00%
<b>Properties &amp; Construction</b>			
China Overseas Land & Investment	12,008,092	147,099,127	0.29%
China Resources Land	10,071,735	273,951,192	0.54%
China Resources MIXC Lifestyle Services	2,155,200	92,544,288	0.18%
CK Asset Holdings	6,054,377	238,058,104	0.47%
Hang Lung Properties	5,536,680	47,670,815	0.10%
Henderson Land Development	4,584,065	128,995,589	0.26%
Longfor Group	7,718,940	66,074,127	0.13%
Sun Hung Kai Properties	4,548,183	430,712,930	0.85%
Wharf Real Estate Investment	5,252,111	129,096,888	0.26%
		1,554,203,060	3.08%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng Index Tracking Fund		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Telecommunications</b>			
China Mobile	19,518,012	1,594,621,580	3.16%
China Telecom	41,296,000	222,585,440	0.44%
China Unicom	19,231,366	149,620,028	0.30%
		1,966,827,048	3.90%
<b>Utilities</b>			
China Resources Power	6,512,000	112,722,720	0.22%
CK Infrastructure Holdings	1,972,915	113,639,904	0.23%
CLP Holdings	6,344,870	441,602,952	0.87%
ENN Energy	2,490,806	172,363,775	0.34%
Hong Kong & China Gas	35,148,464	246,390,733	0.49%
Power Assets Holdings	4,348,594	239,824,959	0.48%
		1,326,545,043	2.63%
<b>Total Equities</b>		50,005,694,919	99.08%
<b>Real Estate Investment Trust</b>			
Link REIT	8,131,026	282,471,843	0.56%
<b>Financial assets at fair value through profit or loss</b>		50,288,166,762	99.64%
<b>Financial liabilities at fair value through profit or loss</b>			
<b>Futures contracts</b>			
Hang Seng Index Futures – January 2026	133	(2,175,300)	(0.00%)
<b>Financial liabilities at fair value through profit or loss</b>		(2,175,300)	(0.00%)
<b>Total Investments</b>		50,285,991,462	99.64%
<i>(Total cost of Investments – HKD44,378,982,693)</i>			
<b>Other Net Asset</b>		184,096,426	0.36%
<b>Net Assets Attributable to Unitholders</b>		50,470,087,888	100.00%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	HSI ESG Enhanced Select 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	10,018	1,430,570	7.35%
Anta Sports Products	5,820	468,801	2.41%
BYD	1,609	153,418	0.79%
Chow Tai Fook Jewellery Group	5,240	64,924	0.33%
Galaxy Entertainment	836	32,036	0.17%
Geely Auto	4,909	87,871	0.45%
Haidilao International Holding	713	10,160	0.05%
Haier Smart Home	1,687	40,960	0.21%
JD.com Inc	824	91,958	0.47%
Kuaishou Technology	1,663	106,349	0.55%
Li Auto	1,025	66,471	0.34%
Li Ning	4,454	83,156	0.43%
Meituan	5,614	579,926	2.98%
Midea Group	214	18,179	0.09%
MTR Corporation	1,887	56,233	0.29%
New Oriental Ed & Technology	2,044	86,339	0.44%
Pop Mart International Group	1,682	315,711	1.62%
Sands China	6,852	134,299	0.69%
Shenzhou International Group	1,240	75,888	0.39%
Techtronic Industries	854	76,775	0.40%
Trip.Com Group	219	121,326	0.62%
Zhongsheng Group	2,910	33,814	0.17%
		4,135,164	21.24%
<b>Consumer Staples</b>			
Budweiser Brewing	2,058	15,620	0.08%
China Mengniu Dairy	801	11,943	0.06%
China Resources Beer Holdings	392	10,278	0.05%
Hengan International	300	8,370	0.05%
Nongfu Spring	958	44,873	0.23%
		91,084	0.47%
<b>Financials</b>			
AIA Group	19,461	1,554,934	7.99%
Bank of China	19,647	87,626	0.45%
BOC Hong Kong	10,277	405,119	2.08%
China Construction Bank	67,702	520,628	2.68%
China Life Insurance	5,468	149,714	0.77%
China Merchants Bank	10,187	537,874	2.76%
Hang Seng Bank	1,907	292,724	1.50%
Hong Kong Exchanges & Clearing	3,564	1,452,686	7.46%
HSBC Holding	14,166	1,733,918	8.91%
Industrial and Commercial Bank of China	29,713	186,895	0.96%
Ping An Insurance	19,377	1,262,412	6.49%
		8,184,530	42.05%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	HSI ESG Enhanced Select Index ETF		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Healthcare</b>			
Alibaba Health Information Technology	11,299	57,060	0.29%
CSPC Pharmaceutical	2,408	20,300	0.10%
Hansoh Pharmaceutical Group	996	35,936	0.19%
Innovent Biologics	1,049	79,986	0.41%
JD Health International Inc	2,555	141,803	0.73%
Sino Biopharmaceutical	3,778	23,348	0.12%
Sinopharm	4,117	80,034	0.41%
WuXi AppTec	2,269	223,950	1.15%
Wuxi Biologics	19,905	625,813	3.22%
		1,288,230	6.62%
<b>Industrials</b>			
JD Logistics	2,000	22,840	0.12%
Orient Overseas International	220	27,588	0.14%
Sunny Optical Technology	743	48,704	0.25%
Xinyi Glass Holding	721	5,963	0.03%
Xinyi Solar Holdings	2,370	7,039	0.04%
ZTO Express Cayman	505	81,961	0.42%
		194,095	1.00%
<b>Information Technology</b>			
BYD Electronic	357	12,010	0.06%
Lenovo Group	28,977	268,327	1.38%
NetEase Inc	5,362	1,150,685	5.91%
Semiconductor Manufacturing	1,073	76,666	0.39%
Xiaomi Corporation	38,634	1,518,316	7.80%
		3,026,004	15.54%
<b>Materials</b>			
Zijin Mining Group	2,731	97,387	0.50%
		97,387	0.50%
<b>Properties &amp; Construction</b>			
China Overseas Land & Investment	14,388	176,253	0.91%
China Resources Land	3,212	87,366	0.45%
China Resources MIXC Lifestyle Services	3,128	134,316	0.69%
CK Asset Holdings	6,600	259,512	1.33%
Hang Lung Properties	7,778	66,969	0.34%
Henderson Land Development	3,434	96,633	0.50%
Longfor Group	3,417	29,249	0.15%
Sun Hung Kai Properties	4,818	456,265	2.34%
Wharf Real Estate Investment	6,094	149,791	0.77%
		1,456,354	7.48%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	HSI ESG Enhanced Select Index ETF		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Telecommunications</b>			
China Mobile	2,072	169,282	0.87%
China Telecom	3,263	17,588	0.09%
China Unicom	1,315	10,231	0.05%
		197,101	1.01%
<b>Utilities</b>			
CK Infrastructure Holdings	191	11,002	0.06%
ENN Energy	1,501	103,869	0.53%
Hong Kong & China Gas	10,708	75,063	0.39%
		189,934	0.98%
<b>Total Equities</b>		18,859,883	96.89%
<b>Real Estate Investment Trust</b>			
Link REIT	15,204	528,187	2.71%
<b>Total financial assets at fair value through profit or loss</b>		19,388,070	99.60%
<b>Total financial liabilities at fair value through profit or loss</b>			
<b>Futures Contract</b>			
Hang Seng Index Futures – January 2026	1	(3,210)	(0.02%)
<b>Total financial liabilities at fair value through profit or loss</b>		(3,210)	(0.02%)
<b>Total Investments</b>		19,384,860	99.58%
<i>(Total cost of investments – HKD18,282,542)</i>			
<b>Other Net Assets</b>		81,545	0.42%
<b>Net Assets Attributable to Unitholders</b>		19,466,405	100.00%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng High Dividend 30 Index ETF		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Hong Kong Stock Exchange Listed Equities</b>			
<b>Consumer Discretionary</b>			
Topsports International	63,354,444	184,361,432	2.80%
Yue Yuen Industrial	21,055,057	336,249,260	5.11%
		520,610,692	7.91%
<b>Consumer Staples</b>			
Hengan International	7,029,873	196,133,457	2.98%
WH Group	21,059,520	182,586,038	2.77%
		378,719,495	5.75%
<b>Energy</b>			
China Petroleum & Chemical	34,372,137	160,517,880	2.44%
China Shenhua Energy	4,540,441	176,169,111	2.68%
CNOOC	8,566,193	182,459,911	2.77%
PetroChina	22,775,008	190,854,567	2.90%
Yankuang Energy	19,636,707	188,905,121	2.87%
		898,906,590	13.66%
<b>Financials</b>			
Far East Horizon	32,043,021	257,625,889	3.91%
Hang Seng Bank	1,207,904	185,413,264	2.82%
New China Life Insurance	4,970,559	270,149,882	4.11%
		713,189,035	10.84%
<b>Industrials</b>			
Cosco Shipping Holdings	18,332,185	252,067,544	3.83%
Kingboard Laminates Holdings	16,972,891	223,872,432	3.40%
Orient Overseas International	1,830,637	229,561,880	3.49%
Shenzhen International Holdings	25,750,351	222,740,536	3.38%
Sitc International Holdings	7,364,073	205,163,074	3.12%
		1,133,405,466	17.22%
<b>Information Technology</b>			
VTech Holdings	4,094,534	251,199,661	3.82%
		251,199,661	3.82%
<b>Materials</b>			
China Hongqiao	18,077,393	589,684,560	8.96%
		589,684,560	8.96%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

Investments	Hang Seng High Dividend 30 Index ETF		
	Holdings	Market Value (HKD)	% of Net Assets Attributable to Unitholders
<b>Properties &amp; Construction</b>			
C&D International	13,511,637	211,457,119	3.21%
Hang Lung Properties	30,196,995	259,996,127	3.95%
Henderson Land Development	6,507,079	183,109,203	2.78%
Hysan Development	14,221,562	268,787,522	4.08%
Kerry Properties	8,454,186	171,450,892	2.61%
Sino Land	19,734,325	201,684,802	3.07%
		1,296,485,665	19.70%
<b>Telecommunications</b>			
PCCW Limited	30,168,038	162,907,405	2.48%
		162,907,405	2.48%
<b>Utilities</b>			
Beijing Enterprises Water Group	52,757,915	129,784,471	1.97%
China Everbright Environment Group	36,315,602	175,041,201	2.66%
China Gas Holdings	20,548,594	157,813,202	2.40%
		462,638,874	7.03%
<b>Total Equities</b>		6,407,747,443	97.37%
<b>Real Estate Investment Trust</b>			
Link REIT	3,412,545	118,551,813	1.80%
<b>Forward Contracts</b>			
Foreign currency forward contracts		525,843	0.01%
<b>Total financial assets at fair value through profit or loss</b>		6,526,825,099	99.18%
<b>Financial liabilities at fair value through profit or loss</b>			
<b>Futures Contracts</b>			
Mini HSI Index Future January 2026	51	(766,950)	(0.01%)
<b>Total financial liabilities at fair value through profit or loss</b>		(766,950)	(0.01%)
<b>Total Investments</b>		6,526,058,149	99.17%
<i>(Total cost of investments – HKD5,939,987,658)</i>			
<b>Other Net Assets</b>		54,651,997	0.83%
<b>Net Assets Attributable to Unitholders</b>		6,580,710,146	100.00%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

As at 31 December 2025, the Funds held the outstanding foreign exchange forward contracts as shown below:

Fund/Description	Currency/ Amount Bought	Currency/ Amount Sold	Settlement Date	Counterparty	Fair Value HKD	% of Net Assets Attributable to Unitholders
<b>Hang Seng High Dividend 30 Index ETF</b> Financial Assets:	CNH4,470	HKD4,946	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	31	0.00%
	CNH68,006,882	HKD75,198,270	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	520,048	0.01%
	CNH369,480	HKD408,920	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	2,456	0.00%
	CNH18,277	HKD20,233	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	117	0.00%
	CNH527,859	HKD584,572	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	3,142	0.00%
	CNH9,901	HKD10,984	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	40	0.00%
	HKD204,846	CNH183,976	09/01/2026	The Hongkong and Shanghai Banking Corporation Limited	9	0.00%
					525,843	0.01%

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

## Details in respect of Financial Derivative Instruments

The details of future contracts held by the Funds 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 Index Tracking Fund</b>							
<b>Financial Liabilities:</b>							
Hang Seng Index Futures – January 2026	Hang Seng Index	133	Long	170,559,200	The Hongkong and Shanghai Banking Corporation Limited	(2,175,300)	(0.00%)
<b>HSI ESG Enhanced Select Index ETF</b>							
<b>Financial Liabilities:</b>							
Hang Seng Index Futures – January 2026	HSI ESG Enhanced Select Index	1	Long	256,480	The Hongkong and Shanghai Banking Corporation Limited	(3,210)	(0.02%)
<b>Hang Seng High Dividend 30 Index ETF</b>							
<b>Financial Liabilities:</b>							
Hang Seng Index Futures January 2026	Hang Seng Dividend 30 Index	32	Long	41,036,800	The Hongkong and Shanghai Banking Corporation Limited	(539,200)	(0.01%)
Hang Seng Index Futures January 2026	Hang Seng Dividend 30 Index	19	Long	24,365,600	The Hongkong and Shanghai Banking Corporation Limited	(227,750)	(0.00%)

# Investment Portfolio (Unaudited) (continued)

as at 31 December 2025

## 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/period 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>Foreign exchange forwards contracts</b>						
Hang Seng High Dividend 30 Index ETF	0.00%	3.83%	0.95%	0.00%	1.68%	0.29%
<b>Future contracts:</b>						
Hang Seng Index Tracking Fund	0.03%	0.66%	0.39%	0.03%	0.66%	0.39%
HSI ESG Enhanced Select Index ETF	1.25%	2.53%	1.37%	1.25%	2.53%	1.38%
Hang Seng High Dividend 30 Index ETF	0.14%	2.37%	0.75%	0.14%	2.37%	0.75%

The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

# Statement of Movements in Portfolio Holdings (Unaudited)

for the year ended 31 December 2025

Investments	Hang Seng Index Tracking Fund			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Hong Kong Stock Exchange Listed Equities</b>				
<b>Conglomerates</b>				
CITIC	22,551,741	2,583,000	6,876,000	18,258,741.00
CK Hutchison Holdings	8,316,107	1,480,000	1,379,500	8,416,607.00
<b>Consumer Discretionary</b>				
Alibaba Group	36,712,617	7,815,800	18,447,900	26,080,517
Anta Sports Products	4,387,980	759,000	746,600	4,400,380
Baidu	2,195,480	2,096,000	408,250	3,883,230
BYD	3,404,529	9,328,911	1,169,800	11,563,640
Chow Tai Fook Jewellery	6,185,618	1,071,800	1,040,600	6,216,818
Galaxy Entertainment	6,788,954	1,124,000	1,745,000	6,167,954
Geely Auto	18,735,146	3,248,000	2,912,000	19,071,146
Haidilao International	6,041,246	1,066,000	960,000	6,147,246
Haier Smart Home	7,557,200	1,386,800	1,304,400	7,639,600
JD.com Inc	5,423,150	1,007,750	927,050	5,503,850
Kuaishou Technology	9,412,100	1,785,800	1,707,700	9,490,200
Li Auto	4,276,000	741,000	643,900	4,373,100
Li Ning	7,202,826	1,318,500	1,207,000	7,314,326
Meituan	17,915,850	2,421,200	3,069,700	17,267,350
Midea Group Company Limited	–	2,008,400	67,300	1,941,100
MTR Corporation	5,782,992	927,000	836,000	5,873,992
New Oriental Education & Technology Group Inc	2,104,900	552,400	229,400	2,427,900
Pop Mart International Group	–	2,425,800	109,600	2,316,200
Sands China	7,537,855	1,113,600	1,014,400	7,637,055
Shenzhou International Group	2,560,243	430,100	391,500	2,598,843
Techtronic Industries	4,831,848	559,500	788,500	4,602,848
Trip.com Group	530,050	398,300	171,650	756,700
Zhongsheng Group	2,202,801	299,500	281,000	2,221,301
<b>Consumer Staples</b>				
Budweiser Brewing	6,151,531	1,305,500	1,170,100	6,286,931
China Mengniu Dairy	9,773,453	1,650,000	1,600,000	9,823,453
China Resources Beer Holdings	5,023,005	719,500	637,000	5,105,505
Hengan International	2,177,874	223,500	407,500	1,993,874
Nongfu Spring	6,244,939	1,052,000	983,400	6,313,539
Tingyi (Cayman Islands) Holding Corporation	6,108,000	1,096,000	976,000	6,228,000
WH Group	25,889,698	6,577,500	6,316,000	26,151,198
<b>Energy</b>				
China Petroleum & Chemical	75,489,980	11,500,000	15,502,000	71,487,980
China Shenhua Energy	10,476,274	1,674,500	2,067,500	10,083,274
CNOOC	48,341,980	9,265,000	8,677,000	48,929,980
PetroChina	65,445,008	12,216,000	11,424,000	66,237,008
<b>Financials</b>				
AIA Group	33,988,188	5,425,000	6,435,600	32,977,588
Bank of China	259,316,601	46,188,000	82,359,000	223,145,601
BOC Hong Kong	11,478,324	2,043,500	1,905,000	11,616,824
China Construction Bank	335,494,925	56,219,000	89,807,000	301,906,925
China Life Insurance	23,080,870	4,060,000	3,780,000	23,360,870
China Merchants Bank	12,104,091	2,212,000	2,065,500	12,250,591
Hang Seng Bank	2,337,363	368,400	350,300	2,355,463
Hong Kong Exchanges & Clearing	3,734,744	709,900	663,400	3,781,244
HSBC Holdings	42,181,743	5,856,000	11,148,800	36,888,943
Industrial and Commercial Bank of China	242,236,464	60,533,000	43,912,000	258,857,464
Ping An Insurance	20,785,544	3,917,500	3,660,500	21,042,544

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

for the year ended 31 December 2025

Investments	Hang Seng Index Tracking Fund			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Healthcare</b>				
Alibaba Health Information Technology	19,846,631	3,604,000	3,150,000	20,300,631
CSPC Pharmaceutical	25,559,812	4,428,000	4,724,000	25,263,812
Hansoh Pharmaceutical	3,676,478	1,682,000	610,000	4,748,478
Innovent Biologics	–	5,164,000	59,500	5,104,500
JD Health International	3,457,900	582,950	516,300	3,524,550
Sino Biopharmaceutical	32,049,362	5,622,000	5,293,000	32,378,362
Sinopharm	4,171,600	664,400	608,400	4,227,600
WuXi AppTec	1,078,300	596,000	204,400	1,469,900
WuXi Biologics	11,577,781	2,032,500	2,044,500	11,565,781
<b>Industrials</b>				
JD Logistics	–	8,753,400	355,700	8,397,700
Orient Overseas International	409,728	61,000	57,500	413,228
Sunny Optical Technology	2,380,542	237,400	380,500	2,237,442
Xinyi Glass Holding	6,542,433	1,544,958	1,218,958	6,868,433
Xinyi Solar Holdings	15,179,680	1,398,459	2,206,459	14,371,680
Zto Express Cayman Inc.	–	1,468,950	79,900	1,389,050
<b>Information Technology</b>				
BYD Electronic	2,446,500	456,000	420,000	2,482,500
Lenovo Group	24,968,677	4,348,000	5,952,000	23,364,677
NetEase Inc	2,143,403	2,718,600	384,300	4,477,703
Semiconductor Manufacturing	12,987,730	3,498,000	2,362,000	14,123,730
Tencent Holdings	7,666,635	840,100	1,869,500	6,637,235
Xiaomi Corporation	54,160,921	10,914,800	7,877,200	57,198,521
<b>Materials</b>				
China Hongqiao	8,802,911	3,346,500	1,696,000	10,453,411
Zijin Mining	17,650,000	4,912,000	3,748,000	18,814,000
<b>Properties &amp; Construction</b>				
China Overseas Land & Investment	11,861,092	2,092,000	1,945,000	12,008,092
China Resources Land	9,961,735	1,739,000	1,629,000	10,071,735
China Resources MIXC Lifestyle Services	2,120,400	398,200	363,400	2,155,200
CK Asset Holdings	5,977,377	1,015,500	938,500	6,054,377
Hang Lung Properties	5,925,680	1,862,740	2,251,740	5,536,680
Henderson Land Development	4,498,065	721,000	635,000	4,584,065
Longfor Group	6,363,728	2,302,480	947,268	7,718,940
Sun Hung Kai Properties	4,495,183	765,000	712,000	4,548,183
Wharf Real Estate Investment	5,193,111	988,000	929,000	5,252,111
<b>Telecommunications</b>				
China Mobile	19,134,012	3,639,500	3,255,500	19,518,012
China Telecom	–	43,428,000	2,132,000	41,296,000
China Unicom	18,949,366	2,848,000	2,566,000	19,231,366
<b>Utilities</b>				
China Resources Power	5,960,000	1,484,000	932,000	6,512,000
CK Infrastructure Holdings	1,950,915	298,500	276,500	1,972,915
CLP Holdings	6,269,370	1,138,000	1,062,500	6,344,870
ENN Energy	2,460,706	417,200	387,100	2,490,806
Hong Kong & China Gas	34,756,464	5,615,000	5,223,000	35,148,464
Power Assets Holdings	4,300,594	871,000	823,000	4,348,594

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

for the year ended 31 December 2025

Investments	Hang Seng Index Tracking Fund			
	Holdings as at 1 January 2025	Additions	Disposals	Holdings as at 31 December 2025
<b>Real Estate Investment Trust</b>				
Link REIT	7,992,226	1,340,300	1,201,500	8,131,026
<b>Unlisted Rights</b>				
Zijin Mining Rights	–	50,087	50,087	–
<b>Futures Contracts</b>				
Hang Seng Index Future May 2025	–	11	11	–
Hang Seng Index Future June 2025	–	180	180	–
Hang Seng Index Future July 2025	–	257	257	–
Hang Seng Index Future August 2025	–	200	200	–
Hang Seng Index Future September 2025	–	220	220	–
Hang Seng Index Future October 2025	–	220	220	–
Hang Seng Index Future November 2025	–	100	100	–
Hang Seng Index Future December 2025	–	181	181	–
Hang Seng Index Future January 2026	–	133	–	133

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

for the year ended 31 December 2025

Investments	HSI ESG Enhanced Select Index ETF			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Hong Kong Stock Exchange Listed Equities</b>				
<b>Conglomerates</b>				
CK Hutchison Holdings	940	434	1,374	–
<b>Consumer Discretionary</b>				
Alibaba Group	14,279	2,064	6,325	10,018
Anta Sports Products	5,224	1,182	586	5,820
BYD	603	1,294	288	1,609
Chow Tai Fook Jewellery Group	8,505	600	3,865	5,240
Galaxy Entertainment	1,149	–	313	836
Geely Auto	22,304	1,034	18,429	4,909
Haidilao International Holding	–	713	–	713
Haier Smart Home	1,083	604	–	1,687
JD.com Inc	972	63	211	824
Kuaishou Technology	2,048	90	475	1,663
Li Auto	2,882	64	1,921	1,025
Li Ning	10,060	1,317	6,923	4,454
Meituan	6,076	658	1,120	5,614
Midea Group	–	241	27	214
MTR Corporation	3,976	104	2,193	1,887
New Oriental Ed & Technology	2,020	164	140	2,044
Pop Mart International Group	–	1,835	153	1,682
Sands China	6,275	1,651	1,074	6,852
Shenzhen International Group	2,799	179	1,738	1,240
Techtronic Industries	1,068	–	214	854
Trip.Com Group	189	145	115	219
Zhongsheng Group	3,308	159	557	2,910
<b>Consumer Staples</b>				
Budweiser Brewing	6,182	400	4,524	2,058
China Mengniu Dairy	1,141	128	468	801
China Resources Beer Holdings	574	–	182	392
Hengan International	300	–	–	300
Nongfu Spring	1,232	91	365	958
Tingyi Holding Corporation	550	–	550	–
<b>Financials</b>				
AIA Group	20,737	3,115	4,391	19,461
Bank of China	31,279	2,986	14,618	19,647
BOC Hong Kong	10,043	1,719	1,485	10,277
China Construction Bank	59,546	13,279	5,123	67,702
China Life Insurance	5,653	1,003	1,188	5,468
China Merchants Bank	2,342	8,235	390	10,187
Hang Seng Bank	2,024	139	256	1,907
Hong Kong Exchanges & Clearing	3,441	689	566	3,564
HSBC Holdings	9,611	7,157	2,602	14,166
Industrial and Commercial Bank of China	27,031	6,236	3,554	29,713
Ping An Insurance	25,527	2,361	8,511	19,377

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

for the year ended 31 December 2025

Investments	HSI ESG Enhanced Select Index ETF			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Healthcare</b>				
Alibaba Health Information Technology	9,508	4,226	2,435	11,299
CSPC Pharmaceutical	2,805	616	1,013	2,408
Hansoh Pharmaceutical Group	1,048	132	184	996
Innovent Biologics	–	1,049	–	1,049
JD Health International Inc	2,299	680	424	2,555
Sino Biopharmaceutical	3,736	421	379	3,778
Sinopharm	3,716	1,102	701	4,117
WuXi AppTec	2,047	536	314	2,269
Wuxi Biologics	22,275	2,167	4,537	19,905
<b>Industrials</b>				
JD Logistics	–	2,300	300	2,000
Orient Overseas International	278	46	104	220
Sunny Optical Technology	589	300	146	743
Xinyi Glass Holding	1,105	–	384	721
Xinyi Solar Holdings	3,558	–	1,188	2,370
ZTO Express Cayman	–	597	92	505
<b>Information Technology</b>				
BYD Electronic	729	68	440	357
Lenovo Group	25,187	7,635	3,845	28,977
NetEase Inc	2,538	3,121	297	5,362
Semiconductor Manufacturing	1,079	173	179	1,073
Xiaomi Corporation	28,922	12,128	2,416	38,634
<b>Materials</b>				
Zijin Mining Group	–	2,731	–	2,731
<b>Properties &amp; Construction</b>				
China Overseas Land & Investment	17,915	1,451	4,978	14,388
China Resources Land	2,754	2,397	1,939	3,212
China Resources MIXC Lifestyle Services	3,704	400	976	3,128
CK Asset Holdings	7,787	627	1,814	6,600
Hang Lung Properties	9,340	1,041	2,603	7,778
Henderson Land Development	4,381	172	1,119	3,434
Longfor Group	5,397	472	2,452	3,417
Sun Hung Kai Properties	7,315	567	3,064	4,818
Wharf Real Estate Investment	5,502	1,623	1,031	6,094
<b>Telecommunications</b>				
China Mobile	3,544	37	1,509	2,072
China Telecom	–	3,536	273	3,263
China Unicom	1,542	222	449	1,315
<b>Utilities</b>				
CK Infrastructure Holdings	229	–	38	191
ENN Energy	1,245	972	716	1,501
Hong Kong & China Gas	16,123	–	5,415	10,708
<b>Real Estate Investment Trust</b>				
Link REIT	17,518	2,784	5,098	15,204

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

for the year ended 31 December 2025

Investments	HSI ESG Enhanced Select Index ETF			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Futures Contracts</b>				
Mini HSI Index Future August 2025	–	1	1	–
Mini HSI Index Future September 2025	–	2	2	–
Mini HSI Index Future October 2025	–	1	1	–
Mini HSI Index Future November 2025	–	1	1	–
Mini HSI Index Future December 2025	–	1	1	–
Mini HSI Index Future January 2026	–	1	–	1

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

for the year ended 31 December 2025

Investments	Hang Seng High Dividend 30 Index ETF			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Hong Kong Stock Exchange Listed Equities</b>				
<b>Conglomerates</b>				
CITIC Limited	–	2,714,000	2,714,000	–
<b>Consumer Discretionary</b>				
China Education Group Holdings	–	4,480,000	4,480,000	–
Topsports International	–	68,691,664	5,337,220	63,354,444
Yue Yuen Industrial	–	22,826,842	1,771,785	21,055,057
<b>Consumer Staples</b>				
China Feihe	–	5,608,000	5,608,000	–
Hengan International	–	7,617,238	587,365	7,029,873
Uni-President China Holdings	–	3,234,000	3,234,000	–
WH Group	–	22,834,120	1,774,600	21,059,520
<b>Energy</b>				
China Petroleum & Chemical	–	37,356,822	2,984,685	34,372,137
China Shenhua Energy	–	4,930,146	389,705	4,540,441
CNOOC	–	9,282,158	715,965	8,566,193
PetroChina	–	24,680,048	1,905,040	22,775,008
Yankuang Energy	–	21,320,242	1,683,535	19,636,707
<b>Financials</b>				
Bank Of China	–	5,038,000	5,038,000	–
Boc Hong Kong Holdings	–	834,000	834,000	–
China Citic Bank	–	4,304,000	4,304,000	–
China Construction Bank	–	3,822,000	3,822,000	–
China Everbright Bank	–	7,896,000	7,896,000	–
China Minsheng Banking	–	7,549,500	7,549,500	–
Far East Horizon	–	36,118,126	4,075,105	32,043,021
Hang Seng Bank	–	1,316,924	109,020	1,207,904
Hsbc Hldgs Plc	–	311,600	311,600	–
Industrial And Commercial Bank Of China	–	4,801,000	4,801,000	–
New China Life Insurance	–	5,389,354	418,795	4,970,559
<b>Industrials</b>				
Cosco Shipping Holdings	–	19,897,610	1,565,425	18,332,185
Kingboard Laminates Holdings	–	18,401,846	1,428,955	16,972,891
Orient Overseas International	–	1,984,822	154,185	1,830,637
Shenzhen International Holdings	–	27,919,106	2,168,755	25,750,351
Sitc International Holdings	–	7,996,438	632,365	7,364,073
Xinyi Glass Holding Company	–	2,300,000	2,300,000	–
<b>Information Technology</b>				
VTech Holdings	–	4,439,304	344,770	4,094,534
<b>Materials</b>				
China Hongqiao	–	19,599,858	1,522,465	18,077,393

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

for the year ended 31 December 2025

Investments	Hang Seng High Dividend 30 Index ETF			Holdings as at 31 December 2025
	Holdings as at 1 January 2025	Additions	Disposals	
<b>Properties &amp; Construction</b>				
C&D International	–	14,803,253	1,291,616	13,511,637
China Communications Construction	–	3,533,000	3,533,000	–
Hang Lung Properties	–	33,190,745	2,993,750	30,196,995
Henderson Land Development	–	7,241,474	734,395	6,507,079
Hysan Development	–	15,416,372	1,194,810	14,221,562
Kerry Properties	–	9,162,616	708,430	8,454,186
Sino Land	–	22,045,514	2,311,189	19,734,325
<b>Telecommunications</b>				
China Mobile	–	266,500	266,500	–
PCCW Limited	–	36,405,228	6,237,190	30,168,038
<b>Utilities</b>				
Beijing Enterprises Water Group	–	57,337,490	4,579,575	52,757,915
China Everbright Environment Group	–	39,482,612	3,167,010	36,315,602
China Gas Holdings	–	22,280,364	1,731,770	20,548,594
<b>Real Estate Investment Trust</b>				
Link REIT	–	3,963,970	551,425	3,412,545
<b>Futures Contracts</b>				
Mini HSI Index Future April 2025	–	3	3	–
Mini HSI Index Future May 2025	–	11	11	–
Mini HSI Index Future June 2025	–	45	45	–
Mini HSI Index Future July 2025	–	27	27	–
Mini HSI Index Future August 2025	–	21	21	–
Mini HSI Index Future September 2025	–	65	65	–
Mini HSI Index Future October 2025	–	54	54	–
Mini HSI Index Future November 2025	–	35	35	–
Mini HSI Index Future December 2025	–	32	32	–
Mini HSI Index Future January 2026	–	51	–	51

# Statement of Assets and Liabilities

as at 31 December 2025

	Notes	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select 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	50,288,166,762	39,367,247,980	19,388,070	15,112,659
Dividend receivable		120,568,214	–	18,853	–
Amounts receivable on subscription of units		213,927,810	110,123,176	–	–
Amounts receivable on sale of investments		97,468,875	37,941,276	–	–
Other accounts receivable	10(e)	47,064	47,353	77,836	74,807
Cash and cash equivalents	10(e)	48,112,201	42,459,656	179,014	7,898
Margin deposits		15,510,412	–	23,263	–
<b>Total Assets</b>		<b>50,783,801,338</b>	<b>39,557,819,441</b>	<b>19,687,036</b>	<b>15,195,364</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss		2,175,300	–	3,210	–
Amounts payable on redemption of units		304,314,955	191,011,989	–	–
Accrued expenses and other payables	10(a),(c),(d)&(g)	7,223,195	5,659,202	217,421	210,577
<b>Total Liabilities</b>		<b>313,713,450</b>	<b>196,671,191</b>	<b>220,631</b>	<b>210,577</b>
<b>Net assets attributable to unitholders</b>		<b>50,470,087,888</b>	<b>39,361,148,250</b>	<b>19,466,405</b>	<b>14,984,787</b>
Representing:					
<b>Total Equity</b>		<b>50,470,087,888</b>	<b>39,361,148,250</b>	<b>19,466,405</b>	<b>14,984,787</b>
<b>Total number of units in issue</b>	10(h),11	<b>1,879,489,464</b>	<b>1,935,191,863</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Net asset value per unit</b>		<b>26.8531</b>	<b>20.3397</b>	<b>12.9776</b>	<b>9.9899</b>

The notes on page 38 to page 63 form part of the financial statements.

# Statement of Assets and Liabilities (continued)

as at 31 December 2025

	Notes	Hang Seng High Dividend 30 Index ETF*
		31-12-2025 (HKD)
<b>Assets</b>		
Financial assets at fair value through profit or loss	5,6,15	6,526,825,099
Dividend receivable		2,370,500
Amounts receivable on subscription of units		264,266,404
Amounts receivable on sale of investments		–
Other accounts receivable	10(e)	380,545
Cash and cash equivalents	10(e)	23,468,955
Margin deposits		5,880,414
<b>Total Assets</b>		<b>6,823,191,917</b>
<b>Liabilities</b>		
Financial liabilities at fair value through profit or loss		766,950
Amounts payable on purchase of investments		236,595,007
Amounts payable on redemption of units		204,820
Accrued expenses and other payables	10(a),(c), (d)&(g)	4,914,994
<b>Total Liabilities</b>		<b>242,481,771</b>
<b>Net assets attributable to unitholders</b>		<b>6,580,710,146</b>
Representing:		
<b>Financial liability – Net assets attributable to unitholders</b>		<b>6,580,710,146</b>
<b>Total number of units in issue</b>	10(h),11	
Listed Class		305,200,000
Unlisted Class – Income Unit – Class A HKD		22,852,153
Unlisted Class – Income Unit – Class A (RMB Hedged)		4,738,465
Unlisted Class – Income Unit – Class A USD		1,652,837
<b>Net asset value per unit</b>		
Listed Class		19.6174
Unlisted Class – Income Unit – Class A HKD		14.4999
Unlisted Class – Income Unit – Class A (RMB Hedged)		16.0380
Unlisted Class – Income Unit – Class A USD		112.6170

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

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

\* The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

The notes on page 38 to page 63 form part of the financial statements.

# Statement of Comprehensive Income

for the year ended 31 December 2025

	Notes	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select 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	7,10(f)	1,678,993,551	1,583,244,331	599,391	575,860
Interest income	8,10(e)	542,953	1,313,837	897	685
Manager's reimbursement	10(a)	–	–	602,615	908,955
Other income		–	–	10,878	–
		1,679,536,504	1,584,558,168	1,213,781	1,485,500
<b>Expenses</b>					
Auditor's remuneration		(598,410)	(599,905)	(86,742)	(80,083)
Legal and professional fees		(448,574)	(1,663,205)	(158)	(615)
Management fees	10(a)	(14,461,293)	(12,551,119)	(14,969)	(13,625)
Registrar's fees	10(g)	(15,600)	(15,600)	(15,600)	(15,600)
Safe custody and bank charges	10(c)	(1,696,851)	(1,461,531)	(1,680)	(1,397)
Sundry expenses	10(d)&(g)	(7,684,570)	(5,857,168)	(345,194)	(362,082)
Investment transaction costs	10(b)	(27,594,754)	(18,694,410)	(13,175)	(8,116)
Transaction fees paid to administrator	10(g)	(215,500)	(213,000)	(8,000)	(8,000)
Trustee's fees	10(g)	(2,804,891)	(2,188,473)	(35,099)	(35,099)
Fund administration fees	10(g)	(11,219,565)	(8,753,894)	(118,660)	(160,934)
Valuation fees	10(g)	(98,400)	(98,400)	–	–
		(66,838,408)	(52,096,705)	(639,277)	(685,551)
<b>Income before gains on investments</b>		1,612,698,096	1,532,461,463	574,504	799,949
<b>Gains/(losses) on investments</b>					
Net gains/(losses) on investments	9	10,906,132,093	6,094,673,387	4,225,886	(6,801,893)
Net foreign exchange gains/ (losses)		213,122	2,257	(375)	488
Securities expenses	10(c)	(448,044)	(378,819)	(1,000)	(355)
		10,905,897,171	6,094,296,825	4,224,511	(6,801,760)
<b>Income/(loss) before finance costs</b>		12,518,595,267	7,626,758,288	4,799,015	(6,001,811)
<b>Finance costs</b>					
Interest expenses	10(j)	(314,698)	(21,641)	–	(14,187)
<b>Income/(loss) before taxation</b>		12,518,280,569	7,626,736,647	4,799,015	(6,015,998)
Taxation	4,7	(85,566,413)	(72,305,277)	(17,397)	(15,507)
<b>Income/(loss) attributable to unitholders and total comprehensive income for the year</b>		12,432,714,156	7,554,431,370	4,781,618	(6,031,505)

The notes on page 38 to page 63 form part of the financial statements.

# Statement of Comprehensive Income (continued)

for the year ended 31 December 2025

	Notes	Hang Seng High Dividend 30 Index ETF
		Period from 03 April 2025 (date of commencement) to 31 December 2025 (HKD)
<b>Income</b>		
Dividend income	7,10(f)	145,743,657
Interest income	8,10(e)	63,031
Manager's reimbursement	10(a)	379,699
Other income		3,094,487
		149,280,874
<b>Expenses</b>		
Auditor's remuneration		(465,069)
Legal and professional fees		(30)
Management fees	10(a)	(13,630,095)
Formation cost		(428,169)
Registrar's fees	10(g)	(11,711)
Safe custody and bank charges	10(c)	(199,467)
Sundry expenses	10(d)&(g)	(1,058,797)
Investment transaction costs	10(b)	(4,965,571)
Transaction fees paid to administrator	10(g)	(93,101)
Trustee's fees	10(g)	(209,281)
Fund administration fees	10(g)	(930,139)
		(21,991,430)
<b>Income before gains on investments</b>		127,289,444
<b>Gains on investments</b>		
Net gains on investments	9	594,021,814
Net foreign exchange (losses)		(9,354)
Securities expenses	10(c)	(819,588)
		593,192,872
<b>Income before finance costs</b>		720,482,316
<b>Finance costs</b>		
Interest expenses	10(j)	(304)
Distributions to unitholders	14	(158,187,475)
<b>Income before taxation</b>		562,294,537
Taxation	4,7	(3,962,906)
<b>Income attributable to unitholders and total comprehensive income for the period</b>		558,331,631

\* The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

The notes on page 38 to page 63 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 Index Tracking Fund		HSI ESG Enhanced Select 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>		39,361,148,250	35,279,909,704	14,984,787	66,318,872
<b>Income/(loss) attributable to unitholders and total comprehensive income for the year</b>		12,432,714,156	7,554,431,370	4,781,618	(6,031,505)
<b>Transactions with owners (i.e. unitholders), recorded directly in equity</b>					
Received and receivable on issue of units	10(i),11	29,599,324,226	17,487,034,878	–	–
Paid and payable on redemption of units	10(i),11	(30,923,098,744)	(19,455,072,075)	–	(44,942,580)
Distributions to unitholders	10(h),14	–	(1,505,155,627)	(300,000)	(360,000)
<b>Total transactions with owners (i.e. unitholders)</b>		(1,323,774,518)	(3,473,192,824)	(300,000)	(45,302,580)
<b>Balance at year end</b>		50,470,087,888	39,361,148,250	19,466,405	14,984,787

	Notes	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>					
Number of units bought forward		1,935,191,863	2,038,686,120	1,500,000	6,900,000
Number of units issued during the year		1,194,304,134	929,034,353	–	–
Number of units redeemed during the year		(1,250,006,533)	(1,032,528,610)	–	(5,400,000)
Number of units carried forward	11	1,879,489,464	1,935,191,863	1,500,000	1,500,000

The notes on page 38 to page 63 form part of the financial statements.

# 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 High Dividend 30 Index ETF*
		Period from 03 April 2025 (date of commencement) to 31 December 2025 (HKD)
<b>Balance at beginning of period</b>		–
<b>Income attributable to unitholders and total comprehensive income for the period</b>		558,331,631
<b>Transactions with owners (i.e. unitholders), recorded directly in equity</b>		
Received and receivable on issue of units	10(i),11	6,635,322,573
Paid and payable on redemption of units	10(i),11	(612,944,058)
<b>Total transactions with owners (i.e. unitholders)</b>		6,022,378,515
<b>Balance at period end</b>		6,580,710,146

	Notes	Number of units bought forward	Number of units issued during the period	Number of units redeemed during the period	Period from 03 April 2025 (date of commencement) to 31 December 2025 (HKD)
					Number of units carried forward
<b>Movement of units in issue is listed below:</b>					
Listed Class	11	–	326,400,000	(21,200,000)	305,200,000
Unlisted Class – Class A HKD – Income Unit	11	–	33,091,976	(10,239,823)	22,852,153
Unlisted Class – Class A (RMB hedged) - Income Unit	11	–	5,364,542	(626,077)	4,738,465
Unlisted Class – Class A USD – Income Unit	11	–	2,230,938	(578,101)	1,652,837

\* The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

The notes on page 38 to page 63 form part of the financial statements.

# Statement of Cash Flows

for the year/period ended 31 December 2025

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select 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	(396,635)	(858,057)	(142)	(301)
Payment for auditor's remuneration	(202,935)	(608,757)	(81,174)	(91,167)
Payment for management fees	(14,240,459)	(12,436,487)	(14,618)	(16,965)
Payment for fees paid to trustee	(2,735,635)	(2,160,044)	(35,100)	(35,100)
Payment for investment transaction costs	(27,594,754)	(18,694,410)	(13,175)	(8,116)
Payment for fees paid to administrator	(11,394,971)	(9,344,808)	(193,287)	(234,625)
Payment for safe custody and bank charges	(1,830,355)	(1,447,676)	(1,808)	(1,832)
Other income received	–	–	610,464	894,957
Payment for other operating expenses	(6,668,769)	(5,345,275)	(293,504)	(308,936)
<b>Net cash (used in)/generated from operating activities</b>	<b>(65,064,513)</b>	<b>(50,895,514)</b>	<b>(22,344)</b>	<b>197,915</b>
<b>Investing activities</b>				
Payment for securities expenses	(444,824)	(808,305)	(1,000)	(852)
Dividend income received	1,468,545,437	1,541,475,806	563,141	582,836
Interest received	543,242	1,269,321	897	685
Proceeds from sale of investments	11,115,923,107	8,463,060,332	5,447,761	47,991,610
Payments for purchase of investments	(11,220,792,558)	(6,540,605,025)	(5,516,466)	(3,636,356)
Proceeds from settlement of futures contracts	41,419,729	–	28,220	–
Payments for settlement of futures contracts	(4,375,779)	–	(5,830)	–
Margin deposits withdrawn placed with brokers	(15,510,412)	–	(23,263)	–
<b>Net cash generated from investing activities</b>	<b>1,385,307,942</b>	<b>3,464,392,129</b>	<b>493,460</b>	<b>44,937,923</b>
<b>Financing activities</b>				
Payment for interest expenses	(314,698)	(21,641)	–	(14,187)
Proceeds on issue of units	29,495,519,592	17,485,986,418	–	–
Payments on redemption of units	(30,809,795,778)	(19,569,510,884)	–	(44,942,580)
Distributions paid to unitholders	–	(1,505,155,627)	(300,000)	(360,000)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(1,314,590,884)</b>	<b>(3,588,701,734)</b>	<b>(300,000)</b>	<b>(45,316,767)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,652,545</b>	<b>(175,205,119)</b>	<b>171,116</b>	<b>(180,929)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>42,459,656</b>	<b>217,664,775</b>	<b>7,898</b>	<b>188,827</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>48,112,201</b>	<b>42,459,656</b>	<b>179,014</b>	<b>7,898</b>

# Statement of Cash Flows (continued)

for the year/period ended 31 December 2025

	Hang Seng High Dividend 30 Index ETF*
	Period from 03 April 2025 (date of commencement) to 31 December 2025 (HKD)
<b>Operating activities</b>	
Payment for legal and professional fees	(30)
Payment for management fees	(10,302,361)
Payment for investment transaction costs	(4,965,571)
Payment for formation cost	(428,169)
Payment for fees paid to administrator	(731,861)
Payment for safe custody and bank charges	(199,467)
Other income received	3,094,487
Payment for other operating expenses	(478,843)
<b>Net cash used in operating activities</b>	<b>(14,011,815)</b>
<b>Investing activities</b>	
Payment for securities expenses	(799,131)
Dividend income received	131,024,154
Interest received	62,185
Proceeds from sale of investments	561,452,008
Payments for purchase of investments	(3,363,041,367)
Proceeds from settlement of forward contracts	1,184,591
Payments for settlement of forwards contracts	(595,990)
Proceeds from settlement of futures contracts	4,733,024
Payments for settlement of futures contracts	(2,231,374)
Margin deposits withdrawn placed with brokers	(5,880,414)
Increase/(decrease) in foreign exchange swaps payables	55
<b>Net cash used in investing activities</b>	<b>(2,674,092,259)</b>
<b>Financing activities</b>	
Payment for interest expenses	(304)
Proceeds on issue of units	3,112,439,048
Payments on redemption of units	(242,678,240)
Distributions paid to unitholders	(158,187,475)
<b>Net cash flows generated from financing activities</b>	<b>2,711,573,029</b>
<b>Net increase in cash and cash equivalents</b>	<b>23,468,955</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>–</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>23,468,955</b>

Major non-cash transactions:

- (i) During the year, unitholders tendered Nil units of the Hang Seng Index Tracking Fund (2024: 5,400,000 units) in exchange for a basket of the constituent stocks of Hang Seng Index with a market value of HKDNil (2024: HKD44,857,315).
- (ii) During the period, unitholders subscribed for 185,400,000 units of the Hang Seng High Dividend 30 Index ETF in exchange for a basket of the constituent stocks of Hang Seng High Dividend 30 Index ETF with a market value of HKD3,450,771,920.
- (iii) During the period, unitholders tendered for 19,800,000 units of the Hang Seng High Dividend 30 Index ETF in exchange for a basket of the constituent stocks of Hang Seng High Dividend 30 Index ETF with a market value of HKD370,060,998.
- (iv) During the year, the Hang Seng Index Tracking Fund had dividend re-investment amounting to HKD4,313,487 (2024: HKD13,958,683).
- (v) During the year, HSI ESG Enhanced Select Index ETF had dividend re-investment amounting to HKDNil (2024: HKD26,325).
- (vi) During the year, Hang Seng High Dividend 30 Index ETF had dividend re-investment amounting to HKD8,386,097.

\* The date of commencement for Hang Seng High Dividend 30 Index ETF was 03 April 2025.

# Notes to the Financial Statements

## 1. Background

Hang Seng Index Tracking Fund (formerly known as Hang Seng Index ETF), HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 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 is governed by the Hong Kong Code on Unit Trusts and Mutual Funds ( “the SFC Code” ).

Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF ( “the Funds” ), are sub-funds created under Hang Seng Investment Index Funds Series II (the “Trust” ) which is an umbrella unit trust established under the law of Hong Kong by its Trust Deed dated 10 September 2004, as amended from time to time. Hang Seng Index Tracking Fund was registered on 13 September 2004 under the laws of Hong Kong, HSI ESG Enhanced Select Index ETF was registered on 22 February 2022 and Hang Seng High Dividend 30 Index ETF was registered on 3 April 2025 under the laws of Hong Kong.

Following the delisting, Hang Seng Index Tracking Fund continue to operate as an unlisted index fund as defined under Chapter 8.6 of the Code authorised by the SFC pursuant to Section 104(1) of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong). The Manager continue to manage the Hang Seng Index Tracking Fund in accordance with applicable laws and regulations (including the Code) as well as the Trust Deed.

After the delisting, Hang Seng Index Tracking Fund (the “Sub-Fund” ) remain a sub-fund of the Trust and authorised by the SFC as an unlisted index fund as defined under Chapter 8.6 of the Code and will continue to be subject to Hong Kong regulation by the SFC under the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structural Products including the Code.

Unless otherwise provided in announcements and notices, the Manager confirms that:

- i. there is no change in the operation and/or manner in which the Sub-Fund is being managed. The investment objective, investment strategy, underlying index and underlying investments of the Sub-Fund remain unchanged;
- ii. there is no material change to the risk profile of the Sub-Fund; and
- iii. the Delisting does not give rise to any matter or impact that may materially prejudice the rights or interests of the existing Unitholders of the Sub-Fund.

The investment objective of the Funds is to provide investment results that, before fees and expenses, closely correspond to the performance of Hang Seng Index, HSI ESG Enhanced Select Index and Hang Seng High Dividend 30 Index ETF (each “Hang Seng Index” , “HSI ESG Enhanced Select Index” , “Hang Seng High Dividend 30 Index” , collectively the “Indexes” ).

As at 31 December 2025, 75% (2024: 72%) of the redeemable units of Hang Seng Index Tracking Fund were held by HSBC Mandatory Provident Fund – SuperTrust Plus – Hang Seng Index Tracking Fund ( “HSBC MPF SuperTrust Plus – Hang Seng Index Tracking Fund” ), which is considered as the parent of the Hang Seng Index Tracking Fund.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies

### (a) Statement of compliance

The financial statements of the Funds have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ( "HKFRSs" ), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, 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. A summary of the material accounting policies adopted by the Funds is set out below.

The HKICPA has issued certain amendments to HKFRSs 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.

For Hang Seng High Dividend 30 Index ETF, this is the first financial statements prepared in accordance with HKFRS Accounting Standards.

### (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 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 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.

### (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-distribution. Dividend income and interest income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss. All other income and expenses are accounted for on an accruals 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.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (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;
- 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 and cash and cash equivalents. These financial assets are held to collect contractual cash flows.
- Other business model: this includes equity instruments and collective investment schemes. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### *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 collective investment schemes 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 receivable 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.

### *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.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (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.

### (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.

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.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

### (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.

### (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.

# Notes to the Financial Statements (continued)

## 2. Material accounting policies (continued)

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 Index Tracking Fund and HSI ESG Enhanced Select Index ETF have only one class in issue and their redeemable units meet all of these conditions and are classified as equity instruments.

Hang Seng High Dividend 30 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.

### (l) Investment transaction costs

Investment transaction costs are costs incurred to 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) Formation costs

Formation costs of the Fund are charged to profit or loss as incurred.

# Notes to the Financial Statements (continued)

## 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 18).

## 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.

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

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

	Hang Seng Index Tracking Fund Market Value		HSI ESG Enhanced Select Index ETF Market Value	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Listed equities	50,005,694,919	39,104,703,356	18,859,883	14,537,193
Collective Investment Schemes	282,471,843	262,544,624	528,187	575,466
<b>Total financial assets at fair value through profit or loss</b>	<b>50,288,166,762</b>	<b>39,367,247,980</b>	<b>19,388,070</b>	<b>15,112,659</b>
Future Contracts	(2,175,300)	–	(3,210)	–
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(2,175,300)</b>	<b>–</b>	<b>(3,210)</b>	<b>–</b>

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
Listed equities	6,407,747,443	N/A
Forward contracts	525,843	N/A
Collective Investment Schemes	118,551,813	N/A
<b>Total financial assets at fair value through profit or loss</b>	<b>6,526,825,099</b>	<b>N/A</b>
Future Contracts	(766,950)	N/A
<b>Total financial liabilities at fair value through profit or loss</b>	<b>(766,950)</b>	<b>N/A</b>

# Notes to the Financial Statements (continued)

## 6. Financial risk management

The Funds maintain investment portfolio in the constituent stocks of the Index as dictated by its investment management strategy, but is not limited to equities and collective investment schemes. The Funds' investment objective is to match, before expenses, as closely as practicable, the performance of the Index 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 Index or the weighting of the constituent stocks in the Index, the Manager will be responsible for implementing any adjustment to the Funds' portfolio of equities and collective investment schemes to ensure that the Funds' investment portfolio closely correspond to the composition of the Indexes and the weighting of each constituent stock.

The Funds' investing activities expose it to various types of risks that are associated with the financial instruments and markets in which it 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 investment in the Funds can be found in the Funds' Hong Kong Offering Document ( "HKOD" ).

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 currency risk, interest rate risk and price 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 collective investment schemes.

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 equities or collective investment schemes, or to take defensive position in declining market. Hence, any fall in the underlying index will result in a corresponding fall in the value of the Funds.

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Price risk (continued)

All investments of the Funds are constituent stocks of the Index listed on The Stock Exchange of Hong Kong Limited ( "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	Estimated Increase/(Decrease) in Net Assets Attributable to Unitholders					
	Currency	Index	If the Relevant Index Increased by 20% 2025	If the Relevant Index Increased by 20% 2024	If the Relevant Index Decreased by 20% 2025	If the Relevant Index Decreased by 20% 2024
Hang Seng Index Tracking Fund	HKD	Hang Seng Index	10,091,745,192	7,873,449,596	(10,091,745,192)	(7,873,449,596)
HSI ESG Enhanced Select Index ETF	HKD	HSI ESG Enhanced Select Index	3,928,910	3,022,532	(3,928,910)	(3,022,532)
Hang Seng High Dividend 30 Index ETF	HKD	Hang Seng High Dividend 30 Index	1,318,340,331	N/A	(1,318,340,331)	N/A

#### (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

All the financial assets and liabilities of the Funds are denominated in Hong Kong dollars, the functional currency of the Funds, and 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.

Cititrust 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.

Majority 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.

### (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 provide 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 equities and collective investment schemes 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.

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

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

- through participating dealers by any investor with a basket of constituent stocks of the Index and a minor cash component, or wholly with cash. The minimum redemption units for HSI ESG Enhanced Select Index ETF are 300,000 units; and
- through the Manager by the Hang Seng Funds, with a basket of constituent stocks of the Index and a minor cash component or wholly with cash at a minimum of 1 unit.

Subject as otherwise provided in the relevant Term Sheet, the Manager does not require a minimum investment or holding for Hang Seng Index Tracking Fund.

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 Index is not compiled or published, etc. in accordance with the HKOD.

### (d) 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.

### (e) Derivatives

The Fund uses forward contracts to hedge and manage currency exposures arising from RMB-denominated cash flows and assets, thereby reducing the effect of RMB/HKD exchange rate movements on the Fund's net asset value.

The table below states the Funds' holdings in forward contracts as at 31 December 2025 translated into their reporting currencies.

Fund	Year	Expiration date	Underlying parameters	Fair value assets/ (liabilities) (HKD)
Hang Seng High Dividend 30 Index ETF	2025	09/01/2026	Foreign currency (HKD)	9
		09/01/2026	Foreign currency (RMB)	31
		09/01/2026	Foreign currency (RMB)	40
		09/01/2026	Foreign currency (RMB)	117
		09/01/2026	Foreign currency (RMB)	2,456
		09/01/2026	Foreign currency (RMB)	3,142
		09/01/2026	Foreign currency (RMB)	520,048

# Notes to the Financial Statements (continued)

## 6. Financial risk management (continued)

The Funds use 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 below states the Funds' holdings in futures contracts as of the year end date translated into their reporting currencies.

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 Index Tracking Fund	HKD	2025	133	25,975	172,734,500	29/01/2026	Hang Seng Index	-	(2,175,300)
HSI ESG Enhanced Select Index ETF	HKD	2025	1	25,969	259,690	29/01/2026	HSI ESG Enhanced Select Index	-	(3,210)
Hang Seng High Dividend 30 Index ETF	HKD	2025	51	25,949	66,169,350	29/01/2026	Hang Seng High Dividend 30 Index	-	(766,950)

## 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 Index Tracking Fund	HKD	1,678,993,551	1,583,244,331	(85,566,413)	(72,305,277)	1,593,427,138	1,510,939,054
HSI ESG Enhanced Select Index ETF	HKD	599,391	575,860	(17,397)	(15,507)	581,994	560,353
Hang Seng High Dividend 30 Index ETF	HKD	145,743,657	N/A	(3,962,906)	N/A	141,780,751	N/A

# 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	Interest income from cash and cash equivalent		Net Interest Income	
		2025	2024	2025	2024
Hang Seng Index Tracking Fund	HKD	542,593	1,313,837	542,593	1,313,837
HSI ESG Enhanced Select Index ETF	HKD	897	685	897	685
Hang Seng High Dividend 30 Index ETF	HKD	63,031	–	63,031	–

## 9. Net gains/(losses) on investments

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

Fund	Currency	Net gains/(losses) on investments in equity instruments		Net gains on investments in derivatives		Net gains/(losses) on investments in collective investment schemes		Net gains/(losses) on investments	
		2025	2024	2025	2024	2025	2024	2025	2024
Hang Seng Index Tracking Fund	HKD	10,854,470,665	6,183,835,538	34,868,650	–	16,792,778	(89,162,151)	10,906,132,093	6,094,673,387
HSI ESG Enhanced Select Index ETF	HKD	4,142,513	(6,234,845)	19,180	–	64,193	(567,048)	4,225,886	(6,801,893)
Hang Seng High Dividend 30 Index ETF	HKD	610,497,341	–	2,849,145	–	(19,324,672)	–	594,021,814	–

Fund	Currency	Realised losses from investments		Movement on unrealised gains/(losses)		Net gains/(losses) on investments	
		2025	2024	2025	2024	2025	2024
Hang Seng Index Tracking Fund	HKD	1,341,331,078	(1,918,786,988)	9,564,801,015	8,013,460,375	10,906,132,093	6,094,673,387
HSI ESG Enhanced Select Index ETF	HKD	(65,768)	(28,515,835)	4,291,654	21,713,942	4,225,886	(6,801,893)
Hang Seng High Dividend 30 Index ETF	HKD	63,572,866	–	530,448,948	–	594,021,814	–

# 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 Funds 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 Funds, 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 Funds did not have any other transactions with 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 0.045% per annum on the first HKD15 billion of net asset value, 0.030% per annum on the next HKD15 billion of net asset value, 0.020% per annum on the next HKD15 billion of net asset value and 0.015% per annum on the remaining balance of net asset value of Hang Seng Index Tracking Fund. The Manager earns management fees at a rate of 0.08% of net asset value per annum for HSI ESG Enhanced Select Index ETF. The Manager earns management fees at a rate of 0.55% of net asset value per annum for Hang Seng High Dividend 30 Index ETF. Management fees are calculated as at each dealing day and payable monthly. Manager's reimbursement received during the year, manager's reimbursement receivable at the year end date, management fees paid during the year and management fees payable to the Manager at the year end date are shown below.

During the year/period ended 31 December 2025 and 2024, HSVM has reimbursed certain expenses incurred by HSI ESG Enhanced Select Index ETF.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Management fees paid during the year	14,461,293	12,551,119	14,969	13,625
Management fees payable	1,365,340	1,144,506	1,435	1,084
Management's reimbursement during the year	–	–	602,615	908,955
Management's reimbursement receivable	–	–	–	74,807

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
Management fees paid during the period	13,630,095	N/A
Management fees payable	3,327,734	N/A
Management's reimbursement during the period	379,699	N/A

# Notes to the Financial Statements (continued)

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

(b) The Funds utilise the services of HSBC in part of its purchase and sale of investments. Details of such transactions executed and fees paid are shown.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Value of transactions executed through HSBC (in HKD)	4,638,803,230	5,957,901,866	–	46,436,521
Share of total value of transactions of the Fund	21.99%	35.53%	–	58.40%
Commission paid to HSBC (in HKD)	641,670	911,082	–	171
Average commission rate	0.00%	0.02%	–	0.00%

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	
Value of transactions executed through HSBC (in HKD)	220,826,847	
Share of total value of transactions of the Fund	2.85%	
Commission paid to HSBC (in HKD)	43,864	
Average commission rate	0.00%	

(c) The Funds utilise the services of HSBC in its depository of securities and paid 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/period end date are shown below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Securities expenses paid to HSBC during the year	448,044	378,819	1000	355
Safe custody and bank charges paid to HSBC during the year	1,696,851	1,461,531	1,680	1,397
Securities expenses payable to HSBC as of year end	20,020	16,800	–	–
Safe custody payable to HSBC as of year end	–	133,504	–	128

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
Securities expenses paid to HSBC during the period	819,588	N/A
Safe custody and bank charges paid to HSBC during the period	199,467	N/A
Securities expenses payable to HSBC as of period end	20,456	N/A

# Notes to the Financial Statements (continued)

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

(d) The Funds have been licensed by Hang Seng Indexes Company Limited ( "HSIL" ) to use the Index to create, offer, market and sell the Funds during the year. License fee paid to HSIL during the year amounted to HKD7,012,228 (2024: HKD5,476,184) for Hang Seng Index Tracking Fund, HKD150,000 (2024: HKD149,180) for HSI ESG Enhanced Select Index ETF and HKD930,329 for Hang Seng High Dividend 30 Index ETF. License fee payable to HSIL at the year/period end was HKD1,926,642 (2024: HKD1,512,966) for Hang Seng Index Tracking Fund and HKD37,500 (2024: HKD37,500) for HSI ESG Enhanced Select Index ETF and HKD550,132 for Hang Seng High Dividend 30 Index ETF.

(e) Certain bank accounts are maintained with HSBC. The bank balances at the year end date and interest income earned during the year are shown below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
HSBC bank balances as of year end	48,112,201	42,459,656	179,014	7,898
Interest income earned from HSBC during the year	542,953	1,313,837	897	685
Interest receivable from HSBC as of year end	47,064	47,353	–	–

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
HSBC bank balances as of period end	23,468,955	N/A
Interest income earned from HSBC during the period	63,031	N/A
Interest receivable from HSBC as of period end	845	N/A

(f) During the year, the Funds made investments in the stocks of HSBC Holdings PLC and HSB. Details of such investments held as at the year/period end date are shown in the Investment Portfolio. Dividend income earned from these investments during the year/period is shown below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
HSBC Holdings PLC	205,937,624	287,129,050	56,361	65,028
Hang Seng Bank	16,363,667	16,707,468	14,104	17,154

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
HSBC Holdings PLC	102,544	N/A
Hang Seng Bank	2,136,982	N/A

# Notes to the Financial Statements (continued)

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

- (g) Cititrust Limited is the Trustee of the Funds. Trustee's fees are calculated as at each dealing day and payable monthly. HSBC Institutional Trust Services (Asia) Limited, a member of the HSBC Group, is the administrator of the Funds. The minimum monthly trustee fees that payable to HSBC Institutional Trust Services (Asia) Limited are waived for HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF from 1 April 2024 to 31 March 2025 and from 3 April 2025 to 2 April 2027 respectively.

The Trustee earns trustee's fees based on the fee table below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Trustee's fee rate (including the Fund Administration fees)	0.030%	0.030%	0.049%	0.049%
– paid to Cititrust Limited	0.006%	0.006%	0.009%	0.009%
– paid to HSBC Institutional Trust Services (Asia) Limited	0.024%	0.024%	0.040%	0.040%
Minimum monthly trustee's fees	–	–	15,925	15,925
– payable to Cititrust Limited	–	–	2,925	2,925
– payable to HSBC Institutional Trust Services (Asia) Limited	–	–	13,000	13,000
Trustee's fees				
– paid to Cititrust Limited	2,804,891	2,188,473	35,099	35,099
Fees payable to Trustee				
– payable to Cititrust Limited	–	205,647	1,052	1,053

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
Trustee's fee rate (including the Fund Administration fees)	0.049%	N/A
– paid to Cititrust Limited	0.009%	N/A
– paid to HSBC Institutional Trust Services (Asia) Limited	0.040%	N/A
Minimum monthly trustee's fees	10,425	N/A
– payable to Cititrust Limited	2,925	N/A
– payable to HSBC Institutional Trust Services (Asia) Limited	7,500	N/A
Trustee's fees		
– paid to Cititrust Limited	209,281	N/A
Fees payable to Trustee		
– payable to Cititrust Limited	209,281	N/A

# Notes to the Financial Statements (continued)

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

The administrator also earned fees for providing various services to the Funds during the year/period as shown below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Processing fee for handling each purchase or sale of investments (in HKD)	35	35	35	35
Valuation fee per valuation (in HKD)	400	400	N/A	N/A
Processing fee for handling each creation/redemption/transfer of units (in HKD)	100	100	100	100

	Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)
Processing fee for handling each purchase or sale of investments (in HKD)	N/A	N/A
Valuation fee per valuation (in HKD)	N/A	N/A
Processing fee for handling each creation/redemption/transfer of units (in HKD)	100	N/A

Details of such fee paid during the year/period and such fees payable at the year/period end date shown below.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF		Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Transaction fees paid to administrator						
– paid to HSBC Institutional Trust Services (Asia) Limited	215,500	213,000	8,000	8,000	93,101	N/A
Registrar's fees						
– paid to HSBC Institutional Trust Services (Asia) Limited	15,600	15,600	15,600	15,600	11,711	N/A
Valuation fees						
– paid to HSBC Institutional Trust Services (Asia) Limited	98,400	98,400	–	–	–	N/A
Financial reporting fee						
– paid to HSBC Institutional Trust Services (Asia) Limited	388,970	360,937	46,363	48,056	37,472	N/A
Fund administration fee						
– paid to HSBC Institutional Trust Services (Asia) Limited	11,219,565	8,753,894	118,660	160,934	930,139	N/A
Transaction fees payable to administrator						
– payable to HSBC Institutional Trust Services (Asia) Limited	–	1,202,934	1,052	64,690	–	N/A

# Notes to the Financial Statements (continued)

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

(h) HSBC MPF SuperTrust Plus – Hang Seng Index Tracking Fund, as the parent of the Fund, invests in the Hang Seng Index Tracking Fund and earns the Fund’s distributions to unitholders. At the year end date, HSBC MPF SuperTrust Plus – Hang Seng Index Tracking Fund held 1,345,711,939 units (2024: 1,387,838,591 units) of the Hang Seng Index Tracking Fund (formerly known as Hang Seng Index ETF). During the year, distributions to unitholders earned by HSBC MPF SuperTrust Plus – Hang Seng Index Tracking Fund was HKDNil (2024: HKD1,079,065,587).

Hang Seng Mandatory Provident Fund – SuperTrust Plus – Hang Seng Index Tracking Fund ( “Hang Seng MPF SuperTrust Plus – Hang Seng Index Tracking Fund” ), invests in the Hang Seng Index Tracking Fund and earns the Fund’s distributions to unitholders. At the year end date, Hang Seng MPF SuperTrust Plus – Hang Seng Index Tracking Fund held 529,729,977 units (2024: 542,399,422 units) of the Fund. During the year, distributions to unitholders earned by Hang Seng MPF SuperTrust Plus – Hang Seng Index Tracking Fund was HKDNil (2024: HKD422,172,698).

(i) HSBC MPF SuperTrust Plus – Hang Seng Index Tracking Fund, subscribed 839,213,108 units (2024: 650,332,629 units) and redeemed 881,339,760 units (2024: 729,872,010 units) of the Hang Seng Index Tracking Fund, at amounts of HKD20,817,211,104 (2024: HKD12,248,765,099) and HKD21,818,613,817 (2024: HKD13,741,308,979) respectively during the year.

Hang Seng MPF SuperTrust Plus – Hang Seng Index Tracking Fund, subscribed 354,772,729 units (2024: 278,401,783 units) and redeemed 367,442,173 units (2024: 301,883,935 units) of the Hang Seng Index Tracking Fund, at amounts of HKD8,782,113,122 (2024: HKD5,238,269,779) and HKD9,082,195,759 (2024: HKD5,704,744,523) respectively during the year.

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

Fund	Currency	Year	Uncommitted overdraft facility as at 31 December	Interest rate	Interest expenses paid during the year/period
Hang Seng Index Tracking Fund	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	314,698
		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	21,641
HSI ESG Enhanced Select Index ETF	HKD	2025	N/A	N/A	–
		2024	N/A	N/A	14,187
Hang Seng High Dividend 30 Index ETF	HKD	2025	N/A	N/A	304

(k) The directors and officers of the Manager may transact in the units of the Fund as principal. As at 31 December 2025, the directors and officers of the Manager together held 111,521 units in Hang Seng High Dividend 30 Index ETF.

# 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 Index Tracking Fund	Listed Class (HKD)	1,879,489,464	26.8531	1,935,191,863	20.3397
HSI ESG Enhanced Select Index ETF	Listed Class (HKD)	1,500,000	12.9776	1,500,000	9.9899
Hang Seng High Dividend 30 Index ETF	Listed Class (HKD)	305,200,000	19.6174	–	–
	Unlisted Class – Class A (HKD) Income Unit	22,852,153	14.4999	–	–
	Unlisted Class – Class A (RMB hedged) – Income Unit	4,738,465	16.0380	–	–
	Unlisted Class – class A (USD) – Income Unit	1,652,837	112.6170	–	–

## 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.

Per the HKOD of HSI ESG Enhanced Select Index ETF, the formation cost is amortised over the first five accounting periods of the fund and as of 31 December 2025, the remaining amortisation period was 14 (2024: 26) months and the balance was HKD294,253 (2024: HKD551,812).

Per the HKOD of Hang Seng High Dividend 30 Index ETF, the formation cost is amortised over the first five accounting periods of the fund and as of 31 December 2025, the remaining amortisation period was 51 months and the balance was HKD373,865.

A 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.

	HSI ESG Enhanced Select Index ETF		Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
Net assets attributable to unitholders as reported in the financial statements	19,466,405	14,984,787	6,580,710,146	N/A
Adjustments for different principles adopted by the Fund in arriving at the adjusted total net assets for valuation purposes:				
– Formation costs	294,253	551,812	373,865	N/A
Adjusted total net assets for valuation purposes	19,760,658	15,536,599	6,581,084,011	N/A

## 13. Soft dollar commission

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

# Notes to the Financial Statements (continued)

## 14. Distributions

Details of distributions during the year are shown below:

Fund	Date of Cash Dividend Determination 2025	Date of Cash Dividend Determination 2024	Distribution per Unit 2025	Distribution per Unit 2024
<b>Hang Seng Index Tracking Fund</b> Unlisted Class	–	20-09-2024	–	HKD0.42
	–	27-06-2024	–	HKD0.28
	–	27-03-2024	–	HKD0.06
<b>HSI ESG Enhanced Select Index ETF</b> Listed Class	–	17-12-2024	–	HKD0.02
	17-09-2025	20-09-2024	HKD0.1	HKD0.12
	27-06-2025	27-06-2024	HKD0.1	HKD0.1
<b>Hang Seng High Dividend 30 Index ETF</b> Listed Class	01-12-2025	–	HKD0.13	–
	03-11-2025	–	HKD0.12	–
	02-10-2025	–	HKD0.12	–
	01-09-2025	–	HKD0.12	–
	01-08-2025	–	HKD0.11	–
	02-07-2025	–	HKD0.1	–
	02-06-2025	–	HKD0.1	–
	02-05-2025	–	HKD0.09	–
Unlisted Class – Class A HKD – Income Unit	01-12-2025	–	HKD0.1	–
	03-11-2025	–	HKD0.09	–
	02-10-2025	–	HKD0.09	–
	01-09-2025	–	HKD0.09	–
	01-08-2025	–	HKD0.08	–
	02-07-2025	–	HKD0.08	–
	02-06-2025	–	HKD0.07	–
	02-05-2025	–	HKD0.07	–
Unlisted Class – Class A (RMB hedged) – Income Unit	01-12-2025	–	RMB0.08	–
	03-11-2025	–	RMB0.08	–
	02-10-2025	–	RMB0.09	–
	01-09-2025	–	RMB0.09	–
	01-08-2025	–	RMB0.08	–
	02-07-2025	–	RMB0.08	–
	02-06-2025	–	RMB0.07	–
	02-05-2025	–	RMB0.07	–
Unlisted Class – Class A USD – Income Unit	01-12-2025	–	USD0.1	–
	03-11-2025	–	USD0.09	–
	02-10-2025	–	USD0.09	–
	01-09-2025	–	USD0.09	–
	01-08-2025	–	USD0.08	–
	02-07-2025	–	USD0.08	–
	02-06-2025	–	USD0.07	–
	02-05-2025	–	USD0.07	–

# Notes to the Financial Statements (continued)

## 14. Distributions (continued)

	Hang Seng Index Tracking Fund	
	Year ended 31 December 2025	Year ended 31 December 2024
Undistributed income brought forward	6,913,953,850	6,984,596,047
Income before losses on investments	1,612,698,096	1,532,461,463
Interest expenses	(314,698)	(21,641)
Taxation	(85,566,413)	(72,305,277)
Income portion of received and receivable on issue of units	788,869,565	304,471,295
Income portion of paid and payable on redemption of units	(805,973,319)	(330,092,410)
Amount available for distribution to unitholders	8,423,667,081	8,419,109,477
Distribution to unitholders	–	(1,505,155,627)
Undistributed income carried forward	8,423,667,081	6,913,953,850

	HSI ESG Enhanced Select Index ETF	
	Year ended 31 December 2025	Year ended 31 December 2024
Undistributed income brought forward	(440,595)	(797,930)
Income before losses on investments	574,504	799,949
Interest expenses	–	(14,187)
Taxation	(17,397)	(15,507)
Income portion of received and receivable on issue of units	–	–
Income portion of paid and payable on redemption of units	–	(52,920)
Amount available for distribution to unitholders	116,512	(80,595)
Distribution to unitholders	(300,000)	(360,000)
Undistributed income carried forward	(183,488)	(440,595)

	Hang Seng High Dividend 30 Index ETF	
	Year ended 31 December 2025	Year ended 31 December 2024
Undistributed income brought forward	–	N/A
Income before losses on investments	127,289,444	N/A
Interest expenses	(304)	N/A
Taxation	(3,962,906)	N/A
Income portion of received and receivable on issue of units	52,896,750	N/A
Income portion of paid and payable on redemption of units	(5,657,850)	N/A
Amount available for distribution to unitholders	170,565,134	N/A
Distribution to unitholders	(158,187,475)	N/A
Undistributed income carried forward	12,377,659	N/A

# 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 dividend receivable, amounts receivable on subscription of units, amounts receivable on sale of investment, other accounts receivable, 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 investments held by the Funds are listed on SEHK and their fair values are based on quoted market prices in active markets. For all other financial instruments, their carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

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.

	Hang Seng Index Tracking Fund		HSI ESG Enhanced Select Index ETF		Hang Seng High Dividend 30 Index ETF	
	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)	2025 (HKD)	2024 (HKD)
<b>Assets</b>						
<b>Level 1</b>						
– Listed equities	50,005,694,919	39,104,703,356	18,859,883	14,537,193	6,407,747,443	N/A
– Collective investment schemes	282,471,843	262,544,624	528,187	575,466	118,551,813	N/A
<b>Level 2</b>						
– Derivatives	–	–	–	–	525,843	N/A
<b>Total</b>	<b>50,288,166,762</b>	<b>39,367,247,980</b>	<b>19,388,070</b>	<b>15,112,659</b>	<b>6,526,825,099</b>	<b>N/A</b>
<b>Liabilities</b>						
<b>Level 1</b>						
– Derivatives	(2,175,300)	–	(3,210)	–	(766,950)	N/A
<b>Total</b>	<b>(2,175,300)</b>	<b>–</b>	<b>(3,210)</b>	<b>–</b>	<b>(766,950)</b>	<b>N/A</b>

During the year/period ended 31 December 2025 and 31 December 2024, there were no transfers of financial instruments between Level 1 and Level 2, or transfers into or out of Level 3 (2024: Nil).

# Notes to the Financial Statements (continued)

## 16. Involvement with unconsolidated structured entities

The Funds have concluded that collective investment schemes in which the Funds invest, but that they do not consolidate, meet the definition of structured entities because:

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

The tables below describe the types of structured entities that the Funds do not consolidate but in which they hold an interest; and set out interests held by the Funds in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held by the Funds. During the year, except for the amounts invested in the unconsolidated structured entities, the Funds did not provide financial support to the unconsolidated structured entities and had no intention of providing financial or other support.

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

Fund	Currency	Structured entities	As at 31 December							
			Number of collective investment schemes invested by the Funds		Total market capitalization of the structured entities		Carrying amount included in financial assets at fair value through profit or loss		Carrying amount as a % of total net assets attributable to unitholders	
			2025	2024	2025	2024	2025	2024	2025	2024
Hang Seng Index Tracking Fund	HKD	Listed real estate investment trusts	1	1	90,287,141,659	84,979,019,990	282,471,843	262,544,624	0.56%	0.67%
HSI ESG Enhanced Select Index ETF	HKD	Listed real estate investment trusts	1	1	90,287,141,659	84,979,019,990	528,187	575,466	2.71%	3.84%
Hang Seng High Dividend 30 Index ETF	HKD	Listed real estate investment trusts	1	N/A	90,287,141,659	N/A	118,551,813	N/A	1.80%	N/A

## 17. 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 Index with the objective to match, before expenses, as closely as practicable, the performance of the Index 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 and a collective investment scheme. 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 and a collective investment scheme listed in Hong Kong. Please refer to note 5 for details.

# Notes to the Financial Statements (continued)

## 18. Possible impact of amendments, new standards and interpretation issued but not yet effective for the year/period ended 31 December 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments or amended standards, which are not yet effective for the year/period 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, Financial instruments and HKFRS 7, Financial instruments: disclosures – <i>Contracts referencing nature – dependent electricity</i>	1 January 2026
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – <i>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.

# Performance of the Indices and the Funds (Unaudited)

For the year ended 31 December 2025 and the comparison with the same period in 2024

Performance in HK Dollar

Fund/Index	For the Year ended from 1 January 2025 to 31 December 2025	For the Year ended from 1 January 2024 to 31 December 2024
Hang Seng Index Tracking Fund*	32.02%	22.51%
Hang Seng Index <sup>#</sup>	32.26%	22.69%
HSI ESG Enhanced Select Index ETF*	29.87%	8.71%
HSI ESG Enhanced Select Index <sup>#</sup>	31.82%	9.62%

Fund/Index	Period from 2 April 2025 (date of commencement) to 31 December 2025
Hang Seng High Dividend 30 Index ETF*	37.52%
Hang Seng High Dividend 30 Index <sup>#</sup>	38.76%

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

\* For Hang Seng Index Tracking Fund, performance is calculated in base currency with Unit-price to Unit-price, total return with dividend (if any) reinvested.

For HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF, performance is calculated in base currency with NAV to NAV, total return with 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.

To achieve comparability among funds' performance presentations in the market for investors, the Manager is to change the methodology used to calculate portfolio and composite returns with effective from 1 September 2022 onward. The change is the total return with dividend reinvested at ex-dividend date instead of payment date. Performance data published prior to 1 September 2022 is incomparable with the performance calculated by the new calculation methodology.

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

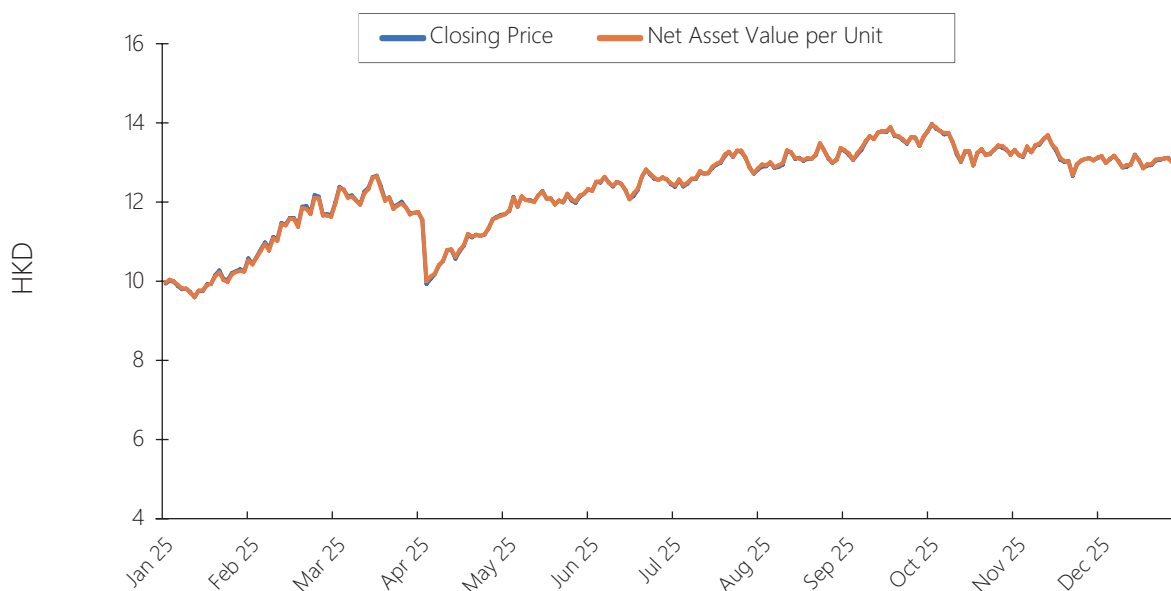
Investors should note that all investment involves risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the relevant fund's offering documents (including the 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)

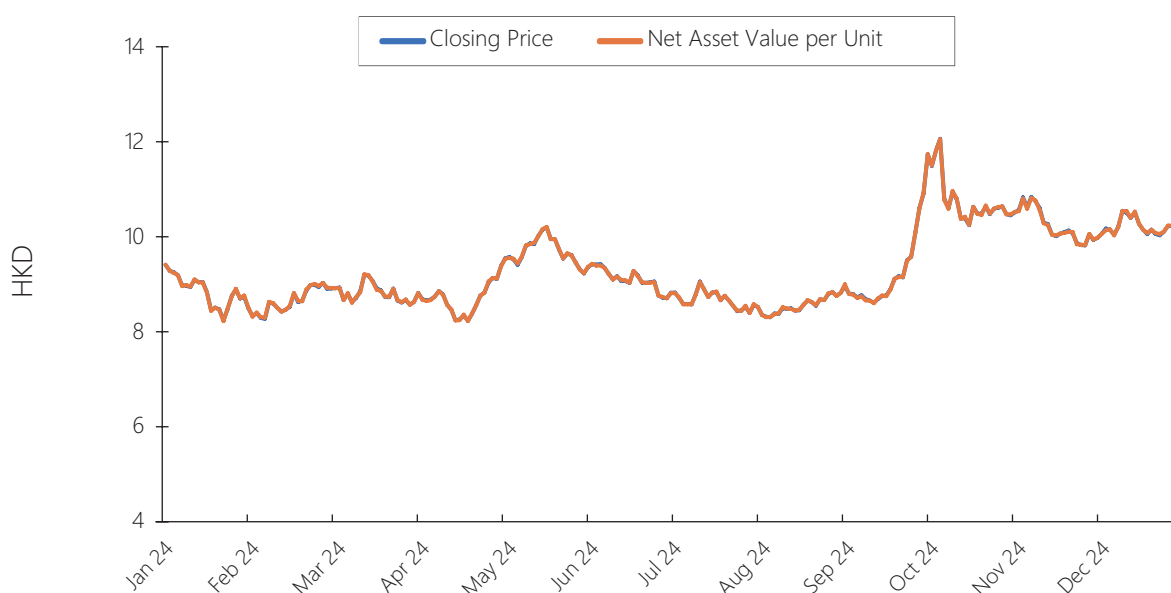
For the year/period ended 31 December 2025 and the comparison with the same period in 2024

## HSI ESG Enhanced Select 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

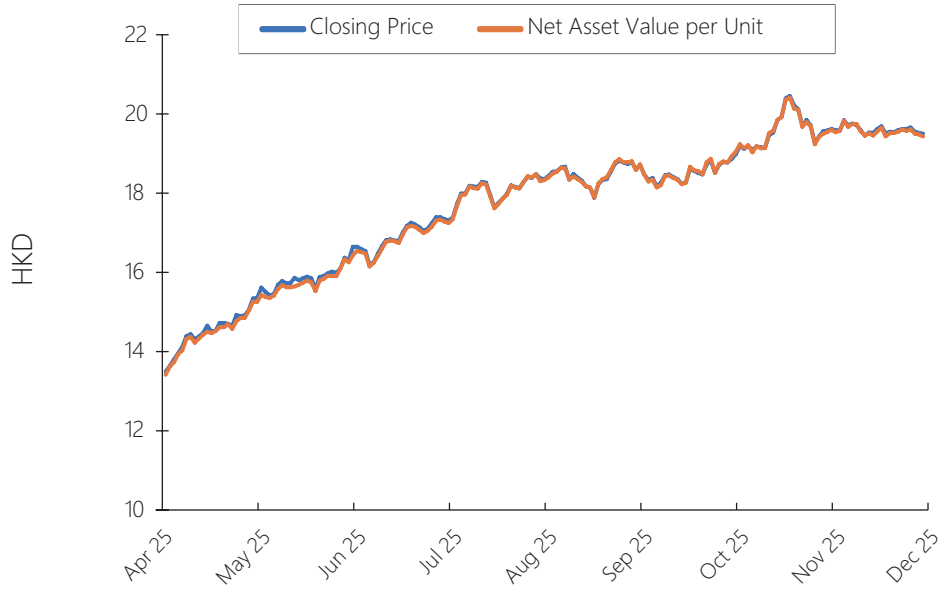


# Comparison of Daily Closing Price and Net Asset Value per Unit of the ETFs (Unaudited) (continued)

For the year/period ended 31 December 2025 and the comparison with the same period in 2024

## Hang Seng High Dividend 30 Index ETF

Comparison of Daily Closing Price and Net Asset Value per Unit for the period from 7 April 2025 (listing date) to 31 December 2025



# Index Constituent Stocks Disclosure (Unaudited)

As at 31 December 2025

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 Index Tracking Fund		As of 31 December 2025, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng Index.	
HSI ESG Enhanced Select Index ETF		As of 31 December 2025, there was no constituent stock that accounted for more than 10% of the weighting of the HSI ESG Enhanced Select Index.	
Hang Seng High Dividend 30 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 High Dividend 30 Index.	

## As at 31 December 2024

Fund	Index	Constituent Stocks	Weighting of the Index (%)
Hang Seng Index Tracking Fund		As of 31 December 2024, there was no constituent stock that accounted for more than 10% of the weighting of the Hang Seng Index.	
HSI ESG Enhanced Select Index ETF		As of 31 December 2024, there was no constituent stock that accounted for more than 10% of the weighting of the HSI ESG Enhanced Select Index.	

# Report on Investment Overweight in Constituent Stocks of the Indexes by the Funds (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 Funds, 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 Hang Seng Index, HSI ESG Enhanced Select Index and High Dividend 30 Index (the "Indexes" ) 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%

During the period from 1 January 2025 to 31 December 2025, the Manager has adopted a full replication strategy when investing for Hang Seng Index Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index 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.

# ESG Periodic assessment and reporting for HSI ESG Enhanced Select Index ETF (Unaudited)

From 1 January 2025 to 31 December 2025

HSI ESG Enhanced Select Index ETF (the “Fund” ) aims to match, before fees and expenses, as closely as practicable the total return performance (net of withholding tax) of the HSI ESG Enhanced Select Index (the “Index” ) through investing primarily in the constituent securities of the Index and promotes the following ESG focus:

- Combined the Hang Seng Index (the “Base Index” ) with environmental, social and governance ( “ESG” ) initiatives from international lens. (i.e. by applying internationally recognised ESG principles, data, research and ratings).
- Achieve at least 20% improvement in ESG Risk Rating over the Base Index.

The Index constituents are selected after screening the Base Index for ESG Risk Ratings, United Nations Global Compact ( “UNGC” ) principles and controversial product involvement<sup>Note 1</sup>. The Index excludes securities from the Base Index, if the securities:

- 1.) are the 10 constituents in the Base Index with the highest ESG risk in descending order (i.e. Rank 1 corresponds to the highest ESG risk); or
- 2.) reaches any designated thresholds in any controversial product Involvement screening ( “Product Involvement Screening” ); or
- 3.) are rated as non-compliant based on UNGC ratings. Weights of constituents with lower (higher) ESG Risk Ratings are tilted to be higher (lower), subject to an 8% cap on individual constituent weight for each Index constituent (same as the constituent weight cap in respect of the Base Index).

For details of the index methodology of Index ( “Index Methodology” ), please refer to link below:

[https://www.hsi.com.hk/static/uploads/contents/en/dl\\_centre/methodologies/IM\\_hsisuie.pdf](https://www.hsi.com.hk/static/uploads/contents/en/dl_centre/methodologies/IM_hsisuie.pdf)

Note 1: The Index Provider subscribed to Sustainalytics data (including ESG Risk Ratings, Product Involvement Screening data and UNGC principles rating data) to administer the Index.

98.1% underlying investments (previous year was 97.9% as of 31 December 2024) were commensurate with the Fund’s ESG focus and the remained 1.9% weight was cash and cash equivalents (previous year was 2.1% as of 31 December 2024) in the Fund as of 31 December 2025.

It is important to note that the ( “Index Methodology” ) is determined by the Hang Seng Indexes Company ( “Index Provider” ) and it is reasonable to expect the Index Methodology that aims to achieve an ESG focus at the index level.

The Fund was an index fund. The Index eliminated 17.7% weight (previous year was 17.7% as of 31 December 2024) of the Base Index as for 31 December 2025 to construct the Index.

As the Fund was index tracking, a comparison of the performance of the Fund’s ESG factors against the designated reference benchmark was not applicable.

The fund manager approach to engagement and proxy voting is outline in the Stewardship and Engagement Policy, and Proxy Voting Guideline.

# ESG Periodic assessment and reporting for HSI ESG Enhanced Select Index ETF (Unaudited) (continued)

From 1 January 2025 to 31 December 2025

Proxy voting aggregate statistic is listed below.

Period	No. of Resolutions	For	Against
2025 whole year	970	772	198
2024 whole year	898	743	155

N.B. No. of resolutions consists of AGM/EGM/SGM resolutions

The fund manager's principles and approach to responsible investment, climate change, stewardship and engagement, and proxy voting can be found below:

## Responsible Investment Policy

[https://www.hangsenginvestment.com/cms/ivp/hsvm/document/RI\\_en.pdf](https://www.hangsenginvestment.com/cms/ivp/hsvm/document/RI_en.pdf)

## Climate Change Policy

[https://www.hangsenginvestment.com/cms/ivp/hsvm/document/ClimateChangePolicy\\_%20EN.pdf](https://www.hangsenginvestment.com/cms/ivp/hsvm/document/ClimateChangePolicy_%20EN.pdf)

## Stewardship and Engagement Policy

[https://www.hangsenginvestment.com/cms/ivp/hsvm/document/SnE\\_Policy\\_EN.pdf](https://www.hangsenginvestment.com/cms/ivp/hsvm/document/SnE_Policy_EN.pdf)

## Proxy Voting Guidelines

<https://cms.hangsenginvestment.com/cms/ivp/hsvm/document/ProxyVotingGuidelines.pdf>

In assessing how the Fund attained its ESG focus, the Manager collected information from the Index Provider and various sources and monitored the performance deviation between the Fund and its Index.

Estimations and limitations:

- There was tracking error between the Fund and the Index. The tracking error were assessed to be small and not to materially affect the assessment.
- The data provided by Sustainalytics incorporate proprietary methodologies and data inputs from public disclosures, questionnaires, or third-party data, among other sources, which may be inherently limited, delayed, or inconsistent across issuers. The Index Provider has implemented its own ESG ratings and data due diligence policy to evaluate and monitor the suitability of sustainability assessment methodologies, and the effectiveness of sustainability rating process.
- Any gaps or limitations in these Sustainalytics data (e.g., delayed updates, uneven coverage of smaller issuers) can affect a security's ESG score and thus its eligibility. Data gaps can also lead to elimination from the universe if no reliable ESG information is available.
- A buffer zone approach, adapted to alleviate the issue of incessant turnovers as per the industry's common practices, helps manage borderline cases, but certain companies may be excluded or included due to small scoring differences.
- For details of the buffer zone, please refer to the Index Methodology.

# Management and Administration

**Manager (for both Hang Seng Tracking Fund, HSI ESG Enhanced Select Index ETF and Hang Seng High Dividend 30 Index ETF)**

**Listing Agent (for HSI ESG Enhanced Select Index ETF only)**

Hang Seng Investment Management Limited  
83 Des Voeux Road  
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**

Cititrust Limited  
50/F, Champion Tower  
3 Garden Road  
Central  
Hong Kong

**Registrar**

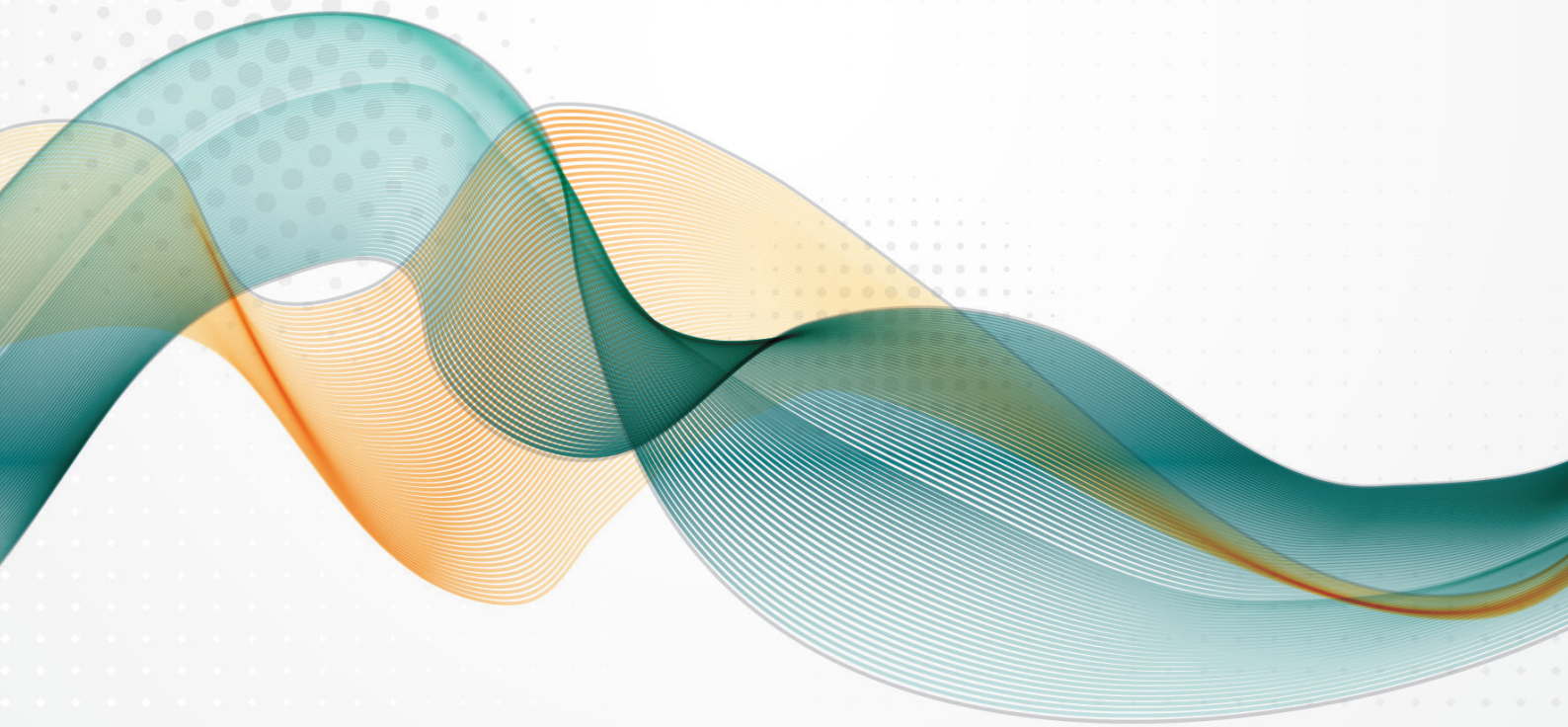
HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Central  
Hong Kong

**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

**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)