

**Hang Seng Investment Index Funds Series III
(the “Trust”)**

**Hang Seng FTSE China 50 Index ETF
(Stock Code: 2838)
(the “Fund”)**

Announcement

This document is important and requires your immediate attention. If you are in doubt about the contents of this document, you should seek independent professional advice.

Capitalized terms used herein but not otherwise defined will have the same meanings as defined in the Hong Kong Offering Document of the Fund.

Investors should note that all investments involve risks (including the possibility of loss of the capital invested), prices of fund units may go up as well as down and past performance is not indicative of future performance. Investors should read the Fund’s Hong Kong Offering Document (including the Product Key Facts Statement and the full text of the risk factors stated therein) in detail before making any investment decision.

The Stock Exchange of Hong Kong Limited (the “SEHK”), Hong Kong Securities Clearing Company Limited (the “HKSCC”) and the Securities and Futures Commission (the “SFC”) take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

SFC authorisation is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Dear Unitholders

Amendments to the Hong Kong Offering Document of the Fund

We, as the Manager of the Fund, are writing to inform you that with effect from the date of this document, certain amendments have been made to the Hong Kong Offering Document of the Fund to reflect (i) updates to prohibited securities related risk disclosure; (ii) updates of stamp duty related disclosure; (iii) updates to index information; and (iv) renaming of FRC to AFRC. Please refer to the “Amendments to the Hong Kong Offering Document of the Fund” enclosed for details.

For the avoidance of doubt: (i) the amendments outlined in this document do not amount to a material change to the Fund; (ii) there will be no material change or increase in the overall risk profile of the Fund as a result of the amendments outlined in this document; and (iii) the amendments outlined in this document do not have any material adverse impact on the rights or interests of the Unitholders of the Fund.

The updated Product Key Facts Statement of the Fund reflecting the amendments as described above (if applicable) is available at the Manager’s website at www.hangsenginvestment.com (this website has not been reviewed by the SFC) and/or the website of Hong Kong Exchanges and Clearing Limited at www.hkex.com.hk (this website has not been reviewed by the SFC) from the date of this document.

If you have any queries concerning the above, please contact us at (852) 2198 5890 during office hours.

We accept full responsibility for the accuracy of the contents of this document as at the date of its publication.

Hang Seng Investment Management Limited
30 April 2024

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Amendments to the Hong Kong Offering Document of the Fund

The following amendments have been made to the Hong Kong Offering Document of the Fund with effect from the date of this document. These amendments form part of and should be read in conjunction with the Hong Kong Offering Document of the Fund.

A. All references to “FRC” and “the Financial Reporting Council” have been replaced with “AFRC” and “the Accounting and Financial Reporting Council” respectively.

B. What are the Risks of Investing in the HS FCI50 ETF?

The risk factor headed “*Prohibited securities risks*” under this section has been deleted in its entirety and replaced by the following:

“*Prohibited securities risks*”

The HS FCI50 ETF may not invest in securities of certain companies, for example, companies and/or securities deemed incompatible with the best interest of investors, such as those subject to sanctions, ESG or sustainability concerns or those with potential tax issues (“non-investment in incompatible companies and/or securities”). In addition, in accordance with HSBC Group policy (which applies as the Manager is a member of the HSBC Group) (“HSBC Group policy”, together with “non-investment in incompatible companies and/or securities”, defined as “policy”), the HS FCI50 ETF may not invest in the securities of companies considered to be involved directly in the use, development, manufacturing, stockpiling, transfer or trade of controversial weapons banned by international convention. As this policy aims to prohibit investment in certain types of securities, investors should be aware that this reduces the investment universe and prevents the HS FCI50 ETF from benefitting from any potential returns from these companies (in case there is originally no such restriction at the fund or index level). The HSBC Group policy does not apply to third party funds or derivative instruments the HS FCI50 ETF may invest in.”

C. Taxes and Duties Payable by the HS FCI50 ETF

The last paragraph in the part headed “*Stamp Duty*” under the sub-section headed “Hong Kong” under this section has been deleted in its entirety and replaced by the following:

“The sale and purchase of the Index Constituent Stocks by the HS FCI50 ETF will be subject to Hong Kong stamp duty under the Stamp Duty Ordinance (Cap. 117).”

D. Appendix 2 – Information about the Index

The fifth paragraph under this section has been deleted in its entirety and replaced by the following:

“As at 28 March 2024, the Index comprised 50 constituents with total market capitalisation of HKD 8,155.7 billion.”

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Hang Seng Investment Management Limited
30 April 2024