PRODUCT KEY FACTS

CSOP Hang Seng TECH Index ETF

a sub-fund of the CSOP ETF Series*(*This includes synthetic ETFs)

CSOP Asset Management Limited

24 April 2025

- ***This is a passive exchange traded fund.***
- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Prospectus.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Stock code:	3033
Trading lot size:	200 units
Fund Manager:	CSOP Asset Management Limited
Trustee and Registrar:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	The Hongkong and Shanghai Banking Corporation Limited
Underlying Index:	Hang Seng TECH Index
Base currency:	Hong Kong Dollar ("**HKD**")
Trading currency:	HKD
Financial year end of this fund:	31 December
Dividend policy:	Subject to the Manager's discretion. Currently the Manager intends to distribute income to Unitholders annually (in December). Distributions may be paid out of capital or effectively out of capital and reduce the Sub-Fund's net asset value ("**NAV**").
Ongoing charges over a year[#]:	1.04%
Tracking difference of the last calendar year[##]:	-1.25%
Sub-Fund Website:	http://www.csopasset.com/en/products/co-chst (this website has not been reviewed by the SFC)

 # The ongoing charges figure is based on expenses for the year ended 31 December 2024. This figure may vary from year to year.
This is the actual tracking difference of the last calendar year. Investors should refer to the Sub-Fund's website for more up to date information on actual tracking difference.

What is this product?

The CSOP Hang Seng TECH Index ETF (the "**Sub-Fund**") is a sub-fund of the CSOP ETF Series*(*This includes synthetic ETFs) ("**Trust**"), which is an umbrella unit trust established under Hong Kong law. The Sub-Fund is a passively managed index tracking fund authorised under Chapter 8.6 of the Code on Unit Trusts and Mutual Funds. The listed class of units of the Sub-Fund are traded on the Stock Exchange of Hong Kong Limited (the "**SEHK**") like stocks.

The Sub-Fund offers both listed class of Units (the "Listed Class of Units") and unlisted class of Units (the "Unlisted Class of Units"). This statement contains information about the offering of the Listed Class of Units, and unless otherwise specified references to "Units" in this statement shall refer to the "Listed Class of Units". Investors should refer to a separate statement for the offering of Unlisted Class of Units.

Objectives and Investment Strategy

Objective

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Underlying Index, namely, Hang Seng TECH Index (the "**Underlying Index**"). There is no assurance that the Sub-Fund will achieve its investment objective.

Investment Strategy

In order to achieve the investment objective of the Sub-Fund, the Manager will primarily use a full replication strategy by directly investing all, or substantially all, of the assets of the Sub-Fund in Securities constituting the Underlying Index ("**Index Securities**") in substantially the same weightings (i.e. proportions) as these Index Securities have in the Underlying Index.

Under exceptional circumstances (i.e. due to restrictions, suspensions of trading, limited availability of certain Index Securities), where it is not feasible to acquire certain securities which are constituents of the Underlying Index due to restrictions or limited availability and/ or it is not cost efficient, by reference to the Sub-Fund's NAV, to use a full replication strategy, the Manager may also use a representative sampling strategy to invest in :

(i) A representative sample whose performance is closely correlated with the Underlying Index, but whose constituents may or may not themselves be constituents of the Underlying Index; and/or

(ii) Other collective investment schemes (CIS). "CIS" means an exchange traded fund and/or an unlisted index tracking fund which tracks an index that has a high correlation with the Underlying Index. The Sub-Fund's ability to invest in other CIS may not exceed 10% of the NAV of the Sub-Fund and the Sub-Fund will not hold more than 10% of any units issued by any single CIS pursuant to the requirement of the Code.

Prior notice will not be given to investors if the Manager switches from a full replication strategy to a representative sampling strategy in exceptional circumstances, or vice versa. If any non-constituent of the Underlying Index is held in the portfolio, for reasons other than Index rebalancing and Index related corporate action, to enhance transparency the Manager will disclose the name and weighting of such non-constituent securities and other CIS on the Manager's website immediately after the purchase and it will be reported daily until its disposal.

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions, with the maximum level for up to 50% and expected level for approximately 20% of its NAV and is able to recall the securities lent out at any time. As part of the securities lending transactions, the Sub-Fund must receive cash and/or non-cash collateral of at least 100% of the value of the securities lent (interests, dividends and other eventual rights included) valued on a daily basis.

The collateral will be safekept by the Trustee or an agent appointed by the Trustee. Non-cash collateral received may not be sold, re-invested or pledged. Any re-investment of cash collateral received shall be subject to the requirements as set out in the Code.

To the extent the Sub-Fund undertakes securities lending transactions, all revenues (net of direct and indirect expenses as reasonable and normal compensation for the services rendered in the context of such transactions to the extent permitted by applicable legal and regulatory requirements) shall be returned to the Sub-Fund.

The Sub-Fund will not invest in derivatives instruments (including structured deposits, products or instruments) for investment or hedging purposes, or in sale and repurchase transactions, reverse repurchase transactions or other similar over-the-counter transactions. The Sub-Fund may also invest not more than 5% of its NAV in cash and money market funds for cash management purpose.

Underlying Index

The Underlying Index is a free float adjusted market capitalisation weighted index the objective of which is to represent the 30 largest technology companies listed in Hong Kong which have high business exposure to selected technology themes, including internet (including mobile), fintech, cloud, e-commerce, or digital activities (with a 8% cap on individual non-foreign companies constituent, 4% cap on individual foreign companies constituent and 10% cap on aggregate foreign companies constituents). The universe of securities of the Underlying Index includes securities of companies listed on the Main Board of the SEHK, but excludes secondary-listed Foreign Companies and investment companies listed under Chapter 21 of the SEHK's Main Board Listing Rules. "Foreign companies" are companies which are (i) incorporated outside Hong Kong; (ii) non-Mainland China companies (i.e. non-H-shares, non-Red-chips and non-P-chips companies); or (iii) companies with history, headquarters, management and a principal place of business outside Hong Kong, Macau, Mainland China, or Taiwan.

It is compiled and managed by Hang Seng Indexes Company Limited ("**HSIL**"). The Manager and its connected persons are independent of HSIL.

The Underlying Index is a net total return index which means that the performance of the Underlying Index constituents is calculated on the basis that any dividends or distributions are reinvested after withholding tax deduction (if any). The Underlying Index is denominated and quoted in HKD.

The Underlying Index was launched on 27 July 2020 and had a base level of 3,000 on 31 December 2014. As of 28 February 2025, it had a total free-float market capitalisation of HKD 2,646.10 billion and 30 constituents.

The constituents of the Underlying Index together with their respective weightings and additional information of the Underlying Index can be found on the website https://www.hsi.com.hk/eng/indexes/all-indexes/hstech (this website has not been reviewed by the SFC).

Bloomberg Index Code: HSTECHN

Use of derivatives / investment in derivatives

The Sub-Fund will not use derivatives for any purposes.

What are the key risks?

Investment involves risks. Please refer to the Prospectus for details including the risk factors.

1. Investment risk

- The Sub-Fund is not principal guaranteed and your investments may suffer losses. There is no assurance that the Sub-Fund will achieve its investment objective.
- The Sub-Fund is not actively managed. The Manager will not have the discretion to adapt to market changes due to the inherent investment nature of the Sub-Fund. Falls in the Underlying Index are expected to result in corresponding falls in the value of the Sub-Fund.

2. Equity market risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

3. New Index risk

- The Underlying Index is a new index. The Sub-Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.

4. Risks related to companies with a technology theme

- The Sub-Fund's investments are concentrated in companies with a technology theme. Many of the companies with a high business exposure to a technology theme have a relatively short operating history. Technology companies are often characterised by relatively higher volatility in price performance when compared to other economic sectors. Companies in the technology sector also face intense competition, and there may also be substantial government intervention, which may have an adverse effect on profit margins. Rapid changes could render obsolete the products and services offered by these companies. These companies are also subject to the risks of loss or impairment of intellectual property rights or licences, cyber security risks resulting in undesirable legal, financial, operational and reputational consequences.
- The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- The Sub-Fund may be exposed to risks associated with different technology sectors and themes (including industries, consumer discretionary, healthcare, financials, information technology, internet (including mobile), fintech, cloud, e-commerce, or digital). A downturn in the business for companies in these sectors or themes may have adverse effects on the Sub-Fund.

5. Geographical concentration risk

- The Underlying Index is subject to concentration risk as a result of tracking the performance of securities incorporated in, or with the majority of revenue derived from, or with a principal place of business in, the Greater China region. The NAV of the Sub-Fund is therefore likely to be more volatile than a more broad-based fund, such as a global or regional fund, as the Underlying Index is more susceptible to fluctuations in value resulting from adverse conditions in a single region.

6. Risks relating to securities lending transactions

- Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

7. Reliance on market makers risk

- Although the Manager will use its best endeavours to put in place arrangements so that at least one market maker will maintain a market for the units and that at least one market maker gives not less than 3 months' notice prior to terminating market making arrangement under the relevant market maker agreement, liquidity in the market for the units may be adversely affected if there is no or only one market maker for the units. There is also no guarantee that any market making activity will be effective.

8. Differences in dealing arrangements between Listed and Unlisted Class of Units risk

- Investors of Listed and Unlisted Classes are subject to different pricing and dealing arrangements. The NAV per Unit of each of the Listed and Unlisted Classes may be different due to different fees and cost applicable to each Class. The dealing deadlines in respect of the Listed and Unlisted Class of Units are also different, subject to the applicable valuation point.
- Units of the Listed Class are traded on the stock exchange on an intraday basis at the prevailing market price (which may diverge from the corresponding NAV), while Units of the Unlisted Class are sold through intermediaries based on the dealing day-end NAV and are dealt at a single valuation point with no access to intraday liquidity in an open market. Depending on market conditions, investors of the Listed Class may be at an advantage or disadvantage compared to investors of the Unlisted Class.

- In a stressed market scenario, investors of the Unlisted Class could redeem their Units at NAV while investors of the Listed Class could not and may have to exit the Sub-Fund at a significant discount. On the other hand, investors of the Listed Class could sell their Units on the secondary market during the day thereby crystallising their positions while investors of the Unlisted Class could not do so in a timely manner until the end of the day.

9. Tracking error risk

- The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Underlying Index exactly. This tracking error may result from the investment strategy used, and fees and expenses. The Manager will monitor and seek to manage such risk in minimising tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Underlying Index.

10. Trading risk

- The trading price of the units on the SEHK is driven by market factors such as the demand and supply of the units. Therefore, the units may trade at a substantial premium or discount to the Sub-Fund's NAV.
- As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell units on the SEHK, investors may pay more than the NAV per unit when buying units on the SEHK, and may receive less than the NAV per unit when selling units on the SEHK.

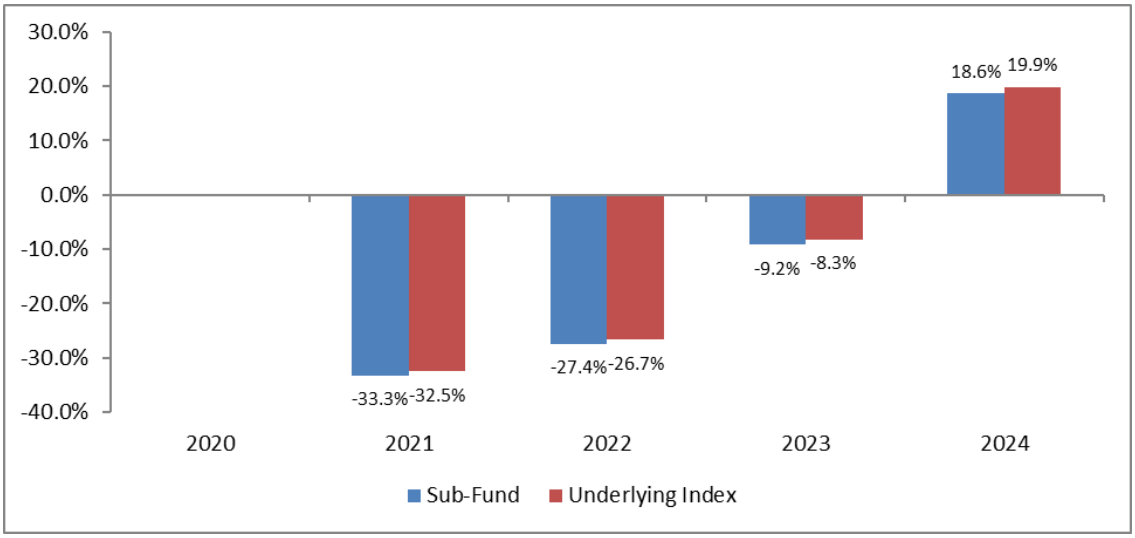
11. Risk of early termination

- The fund may be terminated early under certain circumstances, for example, where the Underlying Index is no longer available for benchmarking or if the size of the Sub-Fund falls below HKD100 million. Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

12. Risk relating to distributions paid out of capital

- Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distributions involving payment of dividends out of capital or effectively out of capital of the Sub-Fund may result in an immediate reduction of the NAV per unit of the Sub-Fund.

How has the fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Sub-Fund increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding your trading costs on SEHK.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 28 August 2020

Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the amount of money you invest.

What are the fees and charges?

Charges incurred when trading of the Units on SEHK

Fee	**What you pay**
Brokerage fee	At market rates[1]
Transaction levy	0.0027%[2]
Accounting and Financial Reporting Council ("AFRC") transaction levy	0.00015%[3]
Trading fee	0.00565%[4]
Stamp duty	Nil

Ongoing fees payable by the Sub-Fund in respect of the Units

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the NAV of the relevant Units of the Sub-Fund which may affect the trading price.

	Annual rate (as a % of the NAV of the Units)
Management Fee*	0.99% per annum
Trustee Fee (inclusive of fees payable to the Custodian)	Included in the Management Fee
Registrar Fee	Included in the Management Fee
Performance Fee	Nil
Administration Fee	Nil
Other Ongoing costs	Please refer to Part 2 of the Prospectus

* Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice to unitholders. Please refer to the section headed "**Fees and Charges**" in Part 1 of the Prospectus for details.

Additional Information

The Manager will publish important news and information in respect of the Sub-Fund, both in English and Chinese language at the following website http://www.csopasset.com/en/products/co-chst (this website has not been reviewed by the SFC), including:

[1] The brokerage fee is payable in the currency decided by the intermediaries used by the buyer and the seller.
[2] Transaction levy of 0.0027% of the trading price of the units, payable by each of the buyer and the seller.
[3] AFRC transaction levy of 0.00015% of the trading price of the units, payable by each of the buyer and the seller.
[4] Trading fee of 0.00565% of the trading price of the units, payable by each of the buyer and the seller.

- the Prospectus (as amended and supplemented from time to time);
- the latest Product Key Facts Statements;
- the latest annual and semi-annual financial reports in English;
- any public announcements made by the Sub-Fund, including information in relation to the relevant Sub-Fund and the Underlying Index, notices of the suspension of the calculation of NAV, changes in fees and charges, the suspension and resumption of the issue, creation and redemption of Units;
- notices relating to material changes to the Sub-Fund which may have an impact on its investors such as material alterations or additions to the offering documents and constitutive documents of the Sub-Fund;
- the near real-time indicative NAV per unit of the Sub-Fund updated every 15 seconds during normal trading hours on the SEHK;
- the last NAV of the Sub-Fund and the last NAV per unit of the Sub-Fund;
- full portfolio information of the Sub-Fund (updated on a daily basis);
- the compositions of the dividends (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months (also available by the Manager on request);
- the tracking different and tracking error of the Sub-Fund;
- the latest list of participating dealers and market makers; and
- the past performance information of the other classes offered to Hong Kong investors.

In respect of the Listed Class of Units:

- the dealing period in respect of each dealing day for a creation application or redemption application commences at 9:00 a.m. (Hong Kong time) on the each Dealing Day and ends at the Dealing Deadline at 3:30 p.m. (Hong Kong time) (for In-Cash Application) or 4:30 p.m. (Hong Kong time) (for In-Kind Applications) on each Dealing Day, as may be revised by the Manager from time to time*; and

- a secondary market investor can buy and sell the Listed Class of Units on the SEHK through his stockbroker at any time the SEHK is open. Investors can buy or sell the Listed Class of Units at market price.

The valuation point is at approximately 4:10 p.m. (Hong Kong time) on the applicable valuation day (which coincides with each dealing day).

* Investors should note that creation and redemption applications for Listed Class of Units received during the dealing period in respect of a dealing day ("Day T") (i.e. between 9:00 a.m. to 3:30 p.m. (Hong Kong time) (for In-Cash Application) or 4:30 p.m. (Hong Kong time) (for In-Kind Applications) on the Dealing Day ("Day T")) will be processed at the NAV per Unit of the Listed Class of Units of Day T, which is determined at the valuation point on Day T. For example:

- a creation or redemption application for Listed Class of Units received at or before 3:30 p.m. (Hong Kong time) (for In-Cash Application) or 4:30 p.m. (Hong Kong time) (for In-Kind Applications) on Day T will be processed at the NAV per Unit of the Listed Class of Units of Day T; and

- a creation or redemption application for Listed Class of Units received at 6:00 p.m. (Hong Kong time) on Day T, i.e. after the dealing deadline of Day T for such class (i.e. 3:30 p.m. (Hong Kong time) (for In-Cash Application) or 4:30 p.m. (Hong Kong time) (for In-Kind Applications), will be processed on the next dealing day (i.e. Day T+1) at the NAV per Unit of Listed Class of Units of Day T+1.

Important

- If you are in doubt, you should seek professional advice.

- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.