



Tracker Fund of Hong Kong

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INTERIM REPORT 2026



恒生投資

HANG SENG INVESTMENT

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



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

CONDENSED STATEMENT OF NET ASSETS (UNAUDITED)

AS AT 30TH JUNE 2026

		(UNAUDITED) 30.06.2026 HK\$	(AUDITED) 31.12.2025 HK\$
	Notes		
Assets			
Current assets			
Investments	13	121,848,112,248	135,988,481,181
Dividend receivable		679,618,930	332,977,425
Amounts receivable on creation of units		6,378,975	4,145,568
Other receivable		165,001	180,001
Bank balances		1,089,804,473	232,036,179
Total assets		123,624,079,627	136,557,820,354
Liabilities			
Current liabilities			
Management fee payable	7(d)	6,457,447	6,964,240
Trustee fee payable	7(e)	6,457,447	6,964,240
Index license fee payable	7(i)	4,962,175	5,326,652
Registrar fee payable		151,347	161,245
Amounts payable on redemption of units		92,634,369	11,837,642
Other accounts payable and accruals		7,385,073	7,784,345
Liabilities (excluding net assets attributable to unitholders of redeemable units)		118,047,858	39,038,364
Net assets attributable to unitholders of redeemable units	5	123,506,031,769	136,518,781,990

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

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

		(UNAUDITED)	
		For the	For the
		half-year ended	half-year ended
		30.06.2026	30.06.2025
	Notes	HK\$	HK\$
Income			
Dividend income		2,243,098,956	3,375,026,506
Bank interest income	4(c)	7,034,625	13,460,107
Net transaction fee income	4(a)	1,563,000	1,662,000
Other income	4(b)	1,427,682	1,429,491
Net (loss)/gain on investments	3	(14,425,319,775)	26,308,299,884
Total investment (loss)/income		<u>(12,172,195,512)</u>	<u>29,699,877,988</u>
Expenses			
Management fee	7(d)	13,211,619	14,174,861
Trustee fee	7(e)	13,211,619	14,174,861
Index license fee	7(i)	10,131,070	10,491,410
Transaction costs on investments	8	25,193,201	26,321,654
Registrar fee		995,721	975,420
Publication and printing expenses		839,934	962,715
Audit fee		150,453	212,700
Bank charges		33,960	467,718
Legal and other professional fees		–	427,025
Other operating expenses		627,065	1,198,902
Total operating expenses		<u>64,394,642</u>	<u>69,407,266</u>
Operating (loss)/profit		<u>(12,236,590,154)</u>	<u>29,630,470,722</u>
Finance costs			
Distributions to unitholders of redeemable units	15	(1,014,788,575)	(1,342,658,350)
(Loss)/profit after distributions and before tax		<u>(13,251,378,729)</u>	<u>28,287,812,372</u>
Withholding tax	6	(71,172,192)	(154,668,801)
(Decrease)/increase in net assets attributable to unitholders of redeemable units from operations		<u>(13,322,550,921)</u>	<u>28,133,143,571</u>

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

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

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

	Notes	(UNAUDITED)			
		For the half-year ended 30.06.2026 Units	For the half-year ended 30.06.2026 HK\$	For the half-year ended 30.06.2025 Units	For the Half-year ended 30.06.2025 HK\$
Net assets attributable to unitholders of redeemable units at 1st January		5,281,992,500	136,518,781,990	6,866,992,500	138,761,150,690
Issue of units					
– In-kind	5, 10	7,503,000,000	193,497,302,549	8,519,000,000	190,387,770,003
– Cash component	10	–	1,143,272,951	–	1,370,626,597
		<u>7,503,000,000</u>	<u>194,640,575,500</u>	<u>8,519,000,000</u>	<u>191,758,396,600</u>
Redemption of units					
– In-kind	5, 10	(7,483,000,000)	(193,241,149,674)	(9,171,000,000)	(204,786,853,090)
– Cash component	10	–	(1,089,625,126)	–	(1,441,519,310)
		<u>(7,483,000,000)</u>	<u>(194,330,774,800)</u>	<u>(9,171,000,000)</u>	<u>(206,228,372,400)</u>
Net issue/(redemption) of units		<u>20,000,000</u>	<u>309,800,700</u>	<u>(652,000,000)</u>	<u>(14,469,975,800)</u>
(Decrease)/increase in net assets attributable to unitholders of redeemable units from operations		<u>–</u>	<u>(13,322,550,921)</u>	<u>–</u>	<u>28,133,143,571</u>
Net assets attributable to unitholders of redeemable units at 30th June		<u><u>5,301,992,500</u></u>	<u><u>123,506,031,769</u></u>	<u><u>6,214,992,500</u></u>	<u><u>152,424,318,461</u></u>

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

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

		(UNAUDITED)	
		For the half-year ended 30.06.2026	For the half-year ended 30.06.2025
	Notes	HK\$	HK\$
Cash flows from operating activities			
Proceeds from sale of investments		10,764,144,357	11,040,711,998
Payments for purchase of investments		(10,792,942,324)	(11,015,912,567)
Dividends received		1,825,285,259	2,456,082,909
Bank interest received		7,034,625	13,460,107
Transaction fee received		7,650,000	8,370,000
Other income received		67,322	–
Management fee paid		(13,718,412)	(14,518,334)
Trustee fee paid		(13,718,412)	(14,518,334)
Index license fee paid		(10,495,547)	(10,804,636)
Registrar fee paid		(1,005,619)	(1,122,453)
Publication and printing expenses paid		(1,191,712)	(1,054,584)
Transaction costs on investments paid		(25,193,201)	(26,321,654)
Conversion agent fee paid		(6,216,000)	(6,564,000)
Bank charges paid		(33,960)	(467,718)
Legal and other professional fees paid		–	(486,525)
Other operating expenses paid		(681,012)	(2,229,183)
Net cash generated from operating activities		1,738,985,364	2,424,625,026
Cash flows from financing activities			
Cash component received on issue of units	10	1,141,039,544	1,328,999,168
Cash component paid on redemption of units	10	(1,008,828,399)	(1,413,029,181)
Interim distribution paid	4(b), 15	(1,013,428,215)	(1,341,228,819)
Net cash used in financing activities		(881,217,070)	(1,425,258,832)
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		857,768,294	999,366,194
		232,036,179	407,170,052
Cash and cash equivalents at the end of the year			
		1,089,804,473	1,406,536,246
Analysis of balances of cash and cash equivalents:			
Bank balances	7(f)	1,089,804,473	1,406,536,246

Please refer to note 10 for details of major non-cash transactions.
The notes on pages 5 to 20 form part of these financial statements.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1 General Information

Tracker Fund of Hong Kong (the “Fund”) is a unit trust which is governed by its Trust Deed relating to the Fund originally made on 23rd October 1999, as amended and restated by a First Amended and Restated Deed dated 24th December 2019, a Second Amended and Restated Deed dated 19th September 2022, a Third Amended and Restated Deed dated 23rd September 2024 and Fourth Amended and Restated Deed dated 8th October 2025 (as the same is amended and supplemented from time to time, the “Trust Deed”) and Deed of Retirement and Appointment of Trustee dated 8th October 2025. The Fund is authorized by the Securities and Futures Commission of Hong Kong under Section 104(1) of the Hong Kong Securities and Futures Ordinance. The Fund is also listed on The Stock Exchange of Hong Kong Limited (a subsidiary of the Hong Kong Exchanges and Clearing Limited).

The manager of the Fund is Hang Seng Investment Management Limited (the “Manager”).

Up to 7th October 2025, the trustee of the Fund was State Street Bank and Trust Company (the “Former Trustee”). On 7th August 2025 and 15th September 2025, the Manager issued a notice to inform the unitholders of the Fund that State Street Bank and Trust Company has decided to retire as the trustee of the Fund and HSBC Institutional Trust Services (Asia) Limited is appointed as the new trustee of the Fund in accordance with the applicable provision in the Trust Deed of the Fund, subject to regulatory approval. The transition to the new trustee was completed on 8th October 2025, following regulatory approvals and satisfaction of certain conditions in the Trust Deed. With effect from 8th October 2025, HSBC Institutional Trust Services (Asia) Limited became the trustee of the Fund (the “Trustee”).

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

These unaudited condensed interim financial statements were approved for issue on 21st August 2026. The financial statements have been reviewed, not audited.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

2 Basis of preparation and accounting policies

These unaudited condensed interim financial statements for the half-year ended 30th June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The unaudited condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st December 2025, which have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.

The accounting policies and methods of computation applied are consistent with those of the annual financial statements for the year ended 31st December 2025. Amendments to HKFRS Accounting Standards effective for the financial year ending 31st December 2026 are not expected to have a material impact on the Fund.

3 Net (loss)/gain on investments

	(UNAUDITED)	
	For the half-year ended 30.06.2026 HK\$	For the half-year ended 30.06.2025 HK\$
Change in unrealized (loss)/gain on investments	(14,985,393,314)	1,230,514,427
Realized gain on sale of investments	560,073,539	25,077,785,457
	<u>(14,425,319,775)</u>	<u>26,308,299,884</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

4 Income

(a) Net transaction fee income

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

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

(b) Other income

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

(c) Bank interest income

Under the terms of the Trust Deed, interest income that is earned in the Distribution Account is transferred to the Fund on an annual basis. During the half-year ended 30th June 2026, the Fund received interest income of HK\$1,025,682 (for the half-year ended 30th June 2025: HK\$1,301,002) from the Distribution Account.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

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

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

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

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

	(UNAUDITED)		
	Number of units		
	01.01.2026 to 30.06.2026	01.07.2025 to 31.12.2025	01.01.2025 to 30.06.2025
Units in issue at the beginning of the period	5,281,992,500	6,214,992,500	6,866,992,500
Issue of units	7,503,000,000	7,121,000,000	8,519,000,000
Redemptions of units	(7,483,000,000)	(8,054,000,000)	(9,171,000,000)
Units in issue at the end of the period	<u>5,301,992,500</u>	<u>5,281,992,500</u>	<u>6,214,992,500</u>
	HK\$	HK\$	HK\$
Net assets attributable to unitholders of redeemable units	<u>123,506,031,769</u>	<u>136,518,781,990</u>	<u>152,424,318,461</u>
Net assets attributable to unitholders of redeemable units (per unit)	<u>23.29</u>	<u>25.85</u>	<u>24.53</u>
Net asset value per Creation Unit (1 Creation Unit is equivalent to 1,000,000 units)	<u>23,294,268</u>	<u>25,846,076</u>	<u>24,525,262</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

6 Taxation

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

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

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

WIT of 10% was charged on dividend income received from H-shares and Red Chips (which had applied to be treated as PRC tax resident enterprises) during the half-years ended 30th June 2026 and 2025.

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

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

(a) Manager's holding in the Fund

The Manager, and its directors and officers, may transact in the units of the Fund as principal. As at 30th June 2026, the Manager, and its directors and officers together held 145,338 units in the Fund (as at 31st December 2025: 90,500 units).

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

The group companies of the Manager, being Connected Persons to the Manager, may transact in the units of the Fund as principal. As at 30th June 2026, the group companies of the Manager together held 91,486,508 units in the Fund (as at 31st December 2025: 70,692,350 units).

(c) Trustee's holding in the Fund

The Trustee, and its directors and officers and Connected Persons may transact in the units of the Fund as principal. As at 30th June 2026, the Trustee, and its related parties and Connected Persons together did not hold any units in the Fund (as at 31st December 2025: did not hold any unit).

(d) Management fee

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

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

Effective from 19th September 2025, the effective management fee will be subject to a cap of 0.019% per annum ("Cap"), so that the tiered fee as set out above will be compared to the Cap and the lower will apply. The applicable management fee may be lower than the Cap, depending on the Net Asset Value of the Fund at the relevant time.

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

Management fee paid to the Manager during the half-year amounted to HK\$13,211,619 (for the half-year ended 30th June 2025: HK\$14,174,861). Management fee payable to the Manager as at 30th June 2026 was HK\$6,457,447 (as at 31st December 2025: HK\$6,964,240).

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

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

(e) Trustee fee

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

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

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

The Trustee adopt the same trustee fee arrangement as Former Trustee from the date of its appointment.

Effective from 19th September 2025, the effective trustee fee will be subject to a cap of 0.019% per annum ("Cap"), so that the tiered fee as set out above will be compared to the Cap and the lower will apply. The applicable trustee fee may be lower than the Cap, depending on the Net Asset Value of the Fund at the relevant time.

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

Trustee fee paid to the Trustee during the half-year amounted to HK\$13,211,619 (Former Trustee for the half-year ended 30th June 2025: HK\$14,174,861). Trustee fee payable to the Trustee as at 30th June 2026 was HK\$6,457,447 (Trustee as at 31st December 2025: HK\$6,434,352 and Former Trustee as at 31st December 2025: HK\$529,888).

(f) Bank balances

Bank balance held with The Hongkong and Shanghai Banking Corporation Limited ("HBAP"), which is the intermediate holding company of the Manager and the Trustee, amounted to HK\$17,910,082 with interest bearing as at 30th June 2026 (as at 31st December 2025: HK\$10,006,261). Interest income amounting to HK\$1,372,551 was recognised and received for the half-year ended 30th June 2026 with respect to the bank balance held with HBAP (as at 31st December 2025, interest income amounting to HK\$1,098,468 was recognised and received).

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

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

(g) Bank charges

Bank charges amounting to HK\$33,960 was incurred during the half-year with respect to the bank balance held with HBAP (for the half-year ended 30th June 2025: HK\$467,718).

(h) Dividend income

During the half-year, the Fund made investments in the stocks of HSBC Holdings Plc ("HSBC"), the ultimate holding company of the Manager and Trustee, and Hang Seng Bank Limited, the immediate holding company of the Manager. Details of such investments held as at the half-year end date are shown in the Investment Portfolio. Dividend income earned from these investments for the half-years ended 30th June 2026 and 30th June 2025 is as follows:

	For the half-year ended 30.06.2026 HK\$	For the half-year ended 30.06.2025 HK\$
Hang Seng Bank Limited	–	35,023,141
HSBC Holdings Plc	347,483,630	480,904,520

(i) Index license fee

The Fund has been licensed by Hang Seng Indexes Company Limited ("HSIL"), an affiliate of the Manager, to use the Index to create, offer, market and sell the Fund during the half-year. License fee paid to HSIL for the half-year ended 30th June 2026 amounted to HK\$10,131,070 (for the half-year ended 30th June 2025: HK\$10,491,410). License fee payable to HSIL at the half-year end was HK\$4,962,175 (as at 31st December 2025: HK\$5,326,652).

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

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

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

(j) Commission fee

The Fund uses the services of HBAP to process some investment transactions. The following are the details of the fund's transactions processed by HBAP for the half-years ended 30th June 2026 and 30th June 2025:

Value of transactions executed through HBAP		Share of the total value of transactions of the Fund		Commission paid to HBAP		Average commission rate	
For the half-year ended	For the half-year ended	For the half-year ended	For the half-year ended	For the half-year ended	For the half-year ended	For the half-year ended	For the half-year ended
30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025	30.06.2026	30.06.2025
HK\$	HK\$			HK\$	HK\$		
776,390,079	6,489,147,512	0.19%	1.55%	30,403	320,794	0.0039%	0.0049%

8 Transaction costs on investments

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

9 Other fees

(a) Registrar fee

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

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

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

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

(b) Conversion agent fee

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

10 Major non-cash transactions

In accordance with the Trust Deed, units are issued through an in-kind creation of an Index Basket with the remaining balances in cash. For each Creation Unit (of 1,000,000 units), the Fund receives an Index Basket consisting of constituent shares as determined by the Manager on a daily basis. During the half-year ended 30th June 2026, the Fund issued 7,503,000,000 units (for the half-year ended 30th June 2025: 8,519,000,000 units), totaling HK\$194,640,575,500 (for the half-year ended 30th June 2025: HK\$191,758,396,600) in exchange for Index Baskets consisting of investments valued at HK\$193,497,302,549 (for the half-year ended 30th June 2025: HK\$190,387,770,003) plus the relevant cash component of HK\$1,143,272,951 (for the half-year ended 30th June 2025: HK\$1,370,626,597).

In accordance with the Trust Deed, units are redeemed in-kind with the remaining balances in cash. During the half-year ended 30th June 2026, the Fund redeemed 7,483,000,000 units (for the half-year ended 30th June 2025: 9,171,000,000 units), totaling HK\$194,330,774,800 (for the half-year ended 30th June 2025: HK\$206,228,372,400) by delivering Index Baskets consisting of investments valued at HK\$193,241,149,674 (for the half-year ended 30th June 2025: HK\$204,786,853,090) plus the relevant cash component of HK\$1,089,625,126 (for the half-year ended 30th June 2025: HK\$1,441,519,310).

11 Soft dollar practices

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

12 Investment limitations and prohibitions under the SFC Code

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

As at 30th June 2026 and 31st December 2025, there were no securities that individually accounted for more than 10% of the net asset value of the Fund.

During the half-year ended 30th June 2026, the Hang Seng Index decreased by 10.73% (for the half-year ended 30th June 2025: increased by 20.00%), while the net asset value per unit of the Fund decreased by 9.87% (for the half-year ended 30th June 2025: increased by 21.37%).

13 Financial risk management

(a) Fair value estimation

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

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

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

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

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

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

The following table analyses within the fair value hierarchy the Fund’s investments (by class) measured at fair value as at 30th June 2026 and 31st December 2025.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

All fair value measurements disclosed are recurring fair value measurements.

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 30.06.2026				
Assets				
Financial assets at fair value through profit or loss:				
– Equity securities	121,075,386,041	–	–	121,075,386,041
– Collective Investment Scheme	772,726,207	–	–	772,726,207
Total	<u>121,848,112,248</u>	<u>–</u>	<u>–</u>	<u>121,848,112,248</u>

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 31.12.2025				
Assets				
Financial assets at fair value through profit or loss:				
– Equity securities	135,225,335,511	–	–	135,225,335,511
– Collective Investment Scheme	763,145,670	–	–	763,145,670
Total	<u>135,988,481,181</u>	<u>–</u>	<u>–</u>	<u>135,988,481,181</u>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

13 Financial risk management (Continued)

(a) Fair value estimation (Continued)

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As at 30th June 2026 and 31st December 2025, the Fund did not hold any investments classified in level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As at 30th June 2026 and 31st December 2025, the Fund did not hold any investments classified in level 3.

During the half-year ended 30th June 2026 and the year ended 31st December 2025, there were no transfers of financial instruments between levels.

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

14 Involvement with unconsolidated structured entities

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

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

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

14 Involvement with unconsolidated structured entities (Continued)

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

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

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

As at 30th June 2026

Structured entities	Number of collective investment scheme invested by the fund	Total market capitalization of the structured entity HK\$	Carrying amount included in investments at fair value through profit or loss HK\$	Carrying amount as a % of total net assets attributable to unitholders
Listed real estate investment trust	1	94,861,274,340	772,726,207	0.63%

As at 31st December 2025

Structured entities	Number of collective investment scheme invested by the fund	Total market capitalization of the structured entity HK\$	Carrying amount included in investments at fair value through profit or loss HK\$	Carrying amount as a % of total net assets attributable to unitholders
Listed real estate investment trust	1	90,287,141,659	763,145,670	0.56%

During the half-year ended 30th June 2026 and year ended 31st December 2025, except for the amounts invested in the unconsolidated structured entity, the Fund did not provide financial support to the unconsolidated structured entity and had no intention of providing financial or other support.

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS (Continued)

15 Distributions

	(UNAUDITED)	
	2026	2025
	HK\$	HK\$
Interim distribution		
– HK\$0.22 on 6,102,992,500 units paid on 30th May 2025	–	1,342,658,350
– HK\$0.19 on 5,340,992,500 units paid on 29th May 2026	<u>1,014,788,575</u>	<u>–</u>

16 Segment information

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

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

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

There were no changes in the reportable segment during the half-year ended 30th June 2026 and the year ended 31st December 2025.

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

The Fund has no assets classified as non-current assets. The Fund has a portfolio that closely corresponds to the security weight and industry weight of the relevant tracked index. As at 30th June 2026 and 31st December 2025, there were no securities that individually accounted for more than 10% of the net asset value of the Fund.

The Fund also has a diversified unitholder population. However, as at 30th June 2026 and 31st December 2025, there was one nominee company that held more than 10% of the Fund's net assets. The nominee company's holdings were 94.82% as at 30th June 2026 and 96.15% as at 31st December 2025.

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30TH JUNE 2026

	Holdings	Fair value HK\$	% of net assets
Hong Kong			
Listed investments (98.66%)			
Equities (98.03%)			
Conglomerates (1.58%)			
CITIC Ltd.	47,393,080	502,840,579	0.41%
CK Hutchison Holdings Ltd.	21,839,227	1,446,848,789	1.17%
		1,949,689,368	1.58%
Consumer Discretionary (20.66%)			
Alibaba Group Holding Ltd.	84,778,046	7,871,641,571	6.37%
ANTA Sports Products Ltd.	11,390,774	809,314,493	0.66%
Baidu Inc.	12,321,330	1,350,417,768	1.09%
BYD Company Ltd.	30,004,464	2,173,823,417	1.76%
Chow Tai Fook Jewellery Group Ltd.	16,071,735	175,181,911	0.14%
Galaxy Entertainment Group Ltd.	16,053,421	472,291,646	0.38%
Geely Automobile Holdings Ltd.	52,775,251	889,790,732	0.72%
Haidilao International Holding Ltd.	15,892,243	168,775,621	0.14%
Haier Smart Home Co. Ltd.	19,758,198	394,768,796	0.32%
JD.com Inc.	12,982,678	1,288,530,791	1.04%
Kuaishou Technology	24,822,701	1,032,624,362	0.84%
Laopu Gold Co. Ltd.	526,224	182,283,994	0.15%
Li Auto Inc.	11,432,490	526,809,139	0.43%
Li Ning Co. Ltd.	18,950,361	278,949,314	0.23%
Meituan	45,266,095	3,100,727,507	2.51%
Midea Group Co Ltd.	5,036,690	416,030,594	0.34%
MTR Corporation Ltd.	15,212,131	463,969,995	0.37%
New Oriental Education & Technology Group Inc.	6,283,694	225,458,941	0.18%
Pop Mart International Group Ltd.	6,008,181	929,465,601	0.75%
Sands China Ltd.	19,778,515	258,109,621	0.21%
Shenzhou International Group Holdings Ltd.	6,733,766	265,041,030	0.21%
Techtronic Industries Co. Ltd.	11,923,929	1,544,148,805	1.25%
Trip.com Group Ltd.	2,246,530	700,018,748	0.57%
		25,518,174,397	20.66%

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2026

	Holdings	Fair value HK\$	% of net assets
Consumer Staples (1.84%)			
Budweiser Brewing Co. APAC Ltd.	16,181,812	98,709,053	0.08%
China Mengniu Dairy Co. Ltd.	25,278,296	406,727,783	0.33%
China Resources Beer Holdings Co. Ltd.	13,213,386	281,180,854	0.23%
Hengan International Group Co. Ltd.	5,201,169	113,073,414	0.09%
Nongfu Spring Co. Ltd.	16,404,762	649,956,670	0.53%
Tingyi Cayman Islands Holding Corporation	16,070,262	157,167,162	0.13%
WH Group Ltd.	67,933,764	563,170,904	0.45%
		2,269,985,840	1.84%
Energy (4.71%)			
China Petroleum & Chemical Corporation	184,043,713	736,174,852	0.59%
China Shenhua Energy Co. Ltd.	26,136,920	1,048,613,230	0.85%
CNOOC Ltd.	126,985,705	2,580,349,526	2.09%
PetroChina Co. Ltd.	171,869,263	1,457,451,350	1.18%
		5,822,588,958	4.71%
Financials (33.58%)			
AIA Group Ltd.	85,599,014	6,116,049,550	4.95%
Bank of China Ltd.	578,998,930	2,889,204,661	2.34%
BOC Hong Kong (Holdings) Ltd.	30,143,932	1,277,499,838	1.03%
China Construction Bank Corporation	783,360,954	6,321,722,899	5.12%
China Life Insurance Co. Ltd.	60,615,148	1,615,999,846	1.31%
China Merchants Bank Co. Ltd.	31,787,621	1,427,899,935	1.16%
Hong Kong Exchanges and Clearing Ltd.	9,811,280	3,561,494,640	2.88%
HSBC Holdings Plc	75,390,248	11,150,217,679	9.03%
Industrial and Commercial Bank of China Ltd.	671,661,107	4,318,780,918	3.50%
Ping An Insurance (Group) Co. of China Ltd.	54,600,575	2,787,359,354	2.26%
		41,466,229,320	33.58%

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2026

	Holdings	Fair value HK\$	% of net assets
Healthcare (5.10%)			
Alibaba Health Information Tech Ltd.	52,706,126	162,334,868	0.13%
BeOne Medicines Ltd.	9,876,115	1,682,889,996	1.36%
CSPC Pharmaceutical Group Ltd.	65,702,466	457,946,188	0.37%
Hansoh Pharmaceutical Group Co. Ltd.	12,331,897	365,270,789	0.30%
Innovent Biologics Inc.	13,428,364	1,068,897,774	0.87%
JD Health International Inc.	9,154,104	300,620,775	0.24%
Sino Biopharmaceutical Ltd.	84,052,555	370,671,768	0.30%
Sinopharm Group Co. Ltd.	10,930,262	173,900,468	0.14%
WuXi AppTec Co. Ltd.	3,950,349	607,168,641	0.49%
WuXi Biologics (Cayman) Inc.	32,020,977	1,107,925,804	0.90%
		6,297,627,071	5.10%
Industrials (2.50%)			
Contemporary Amperex Technology Co. Ltd.	1,689,368	1,185,936,336	0.96%
J&T Global Express Ltd.	47,092,528	393,693,534	0.32%
JD Logistics Inc.	21,741,261	255,459,817	0.21%
Orient Overseas International Ltd.	1,076,040	131,276,880	0.11%
Sunny Optical Tech Co. Ltd.	5,713,058	348,496,538	0.28%
Xinyi Glass Holdings Ltd.	18,019,658	153,707,683	0.12%
Xinyi Solar Holdings Ltd.	37,255,832	76,747,014	0.06%
ZTO Express (Cayman) Inc.	3,135,714	538,088,522	0.44%
		3,083,406,324	2.50%
Information Technology (16.35%)			
BYD Electronic International Co. Ltd.	6,424,113	134,392,444	0.11%
Lenovo Group Ltd.	55,576,479	1,279,370,547	1.04%
NetEase Inc.	12,902,934	2,611,553,842	2.11%
Semiconductor Manufacturing International Corporation	34,223,553	3,059,585,638	2.48%
Tencent Holdings Ltd.	23,042,809	9,903,799,308	8.02%
Xiaomi Corporation	147,878,888	3,200,099,136	2.59%
		20,188,800,915	16.35%
Materials (2.09%)			
Aluminum Corporation of China Ltd.	30,522,498	227,697,835	0.18%
China Hongqiao Group Ltd.	28,449,992	570,706,840	0.46%
CMOC Group Ltd.	30,439,589	462,072,961	0.37%
Zijin Mining Group Co. Ltd.	48,785,620	1,336,725,988	1.08%
		2,597,203,624	2.09%

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30TH JUNE 2026

	Holdings	Fair value HK\$	% of net assets
Properties & Construction (3.39%)			
China Overseas Land & Investment Ltd.	31,204,818	376,330,105	0.30%
China Resources Land Ltd.	26,139,802	784,194,060	0.63%
China Resources Mixc Lifestyle Services Ltd.	5,578,023	204,601,884	0.17%
CK Asset Holdings Ltd.	15,680,050	692,744,609	0.56%
Hang Lung Properties Ltd.	14,417,544	99,336,878	0.08%
Henderson Land Development Co. Ltd.	11,831,341	293,417,257	0.24%
Longfor Group Holdings Ltd.	20,076,382	120,056,764	0.10%
Sun Hung Kai Properties Ltd.	11,802,826	1,325,457,360	1.07%
Wharf Real Estate Investment Co. Ltd.	13,603,391	290,840,500	0.24%
		<u>4,186,979,417</u>	<u>3.39%</u>
Telecommunications (3.75%)			
China Mobile Ltd.	50,719,790	3,862,312,008	3.13%
China Telecom Co. Ltd.	107,392,796	458,567,239	0.37%
China Unicom (Hong Kong) Ltd.	49,851,194	304,590,795	0.25%
		<u>4,625,470,042</u>	<u>3.75%</u>
Utilities (2.48%)			
China Resources Power Holdings Co. Ltd.	16,870,097	285,442,041	0.23%
CK Infrastructure Holdings Ltd.	5,131,570	306,354,729	0.25%
CLP Holdings Ltd.	13,377,141	979,206,721	0.79%
ENN Energy Holdings Ltd.	6,453,816	261,121,395	0.21%
Power Assets Holdings Ltd.	11,283,748	644,302,011	0.52%
The Hong Kong and China Gas Co. Ltd.	91,200,595	592,803,868	0.48%
		<u>3,069,230,765</u>	<u>2.48%</u>
Total Listed equities		<u>121,075,386,041</u>	<u>98.03%</u>
Real Estate Investment Trust (0.63%)			
Link Real Estate Investment Trust	21,170,581	772,726,207	0.63%
Total investments, at cost		<u>136,301,489,057</u>	

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

		(UNAUDITED)		
		Holdings		
	31.12.2025	Additions	Disposals	30.06.2026
Hong Kong				
Listed investments				
Equities				
Conglomerates				
CITIC Ltd.	49,397,181	69,970,540	(71,974,641)	47,393,080
CK Hutchison Holdings Ltd.	22,762,661	32,244,155	(33,167,589)	21,839,227
Consumer Discretionary				
Alibaba Group Holding Ltd.	70,533,259	125,627,056	(111,382,269)	84,778,046
ANTA Sports Products Ltd.	11,917,099	16,843,181	(17,369,506)	11,390,774
Baidu Inc.	10,507,408	17,214,972	(15,401,050)	12,321,330
BYD Company Ltd.	31,273,115	44,297,922	(45,566,573)	30,004,464
Chow Tai Fook Jewellery Group Ltd.	16,751,170	23,728,204	(24,407,639)	16,071,735
Galaxy Entertainment Group Ltd.	16,714,425	23,693,124	(24,354,128)	16,053,421
Geely Automobile Holdings Ltd.	51,545,439	79,875,989	(78,646,177)	52,775,251
Haidilao International Holding Ltd.	16,563,353	23,462,953	(24,134,063)	15,892,243
Haier Smart Home Co. Ltd.	20,621,071	29,188,034	(30,050,907)	19,758,198
JD.com Inc.	14,884,798	19,949,199	(21,851,319)	12,982,678
Kuaishou Technology	25,686,575	36,415,714	(37,279,588)	24,822,701
Laopu Gold Co. Ltd.	–	1,068,347	(542,123)	526,224
Li Auto Inc.	11,814,856	16,755,513	(17,137,879)	11,432,490
Li Ning Co. Ltd.	19,750,984	27,975,563	(28,776,186)	18,950,361
Meituan	46,698,226	66,252,268	(67,684,399)	45,266,095
Midea Group Co Ltd.	5,239,560	7,429,429	(7,632,299)	5,036,690
MTR Corporation Ltd.	15,855,279	22,459,242	(23,102,390)	15,212,131
New Oriental Education & Technology				
Group Inc.	6,549,358	9,279,230	(9,544,894)	6,283,694
Pop Mart International Group Ltd.	6,271,100	8,880,636	(9,143,555)	6,008,181
Sands China Ltd.	20,614,355	29,201,640	(30,037,480)	19,778,515
Shenzhou International Group Holdings Ltd.	7,019,513	9,942,333	(10,228,080)	6,733,766
Techtronic Industries Co. Ltd.	12,435,517	17,608,534	(18,120,122)	11,923,929
Trip.com Group Ltd.	2,048,753	3,170,849	(2,973,072)	2,246,530
Zhonasheng Group Holdings Ltd.	6,028,955	3,065,946	(9,094,901)	–

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

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

		(UNAUDITED)		
		Holdings		
	31.12.2025	Additions	Disposals	30.06.2026
Consumer Staples				
Budweiser Brewing Co. APAC Ltd.	16,866,101	23,889,360	(24,573,649)	16,181,812
China Mengniu Dairy Co. Ltd.	26,515,153	37,419,319	(38,656,176)	25,278,296
China Resources Beer Holdings Co. Ltd.	13,771,944	19,509,759	(20,068,317)	13,213,386
Hengan International Group Co. Ltd.	5,420,421	7,678,708	(7,897,960)	5,201,169
Nongfu Spring Co. Ltd	17,098,263	24,220,907	(24,914,408)	16,404,762
Tingyi Cayman Islands Holding Corporation	16,749,986	23,721,959	(24,401,683)	16,070,262
WH Group Ltd.	70,806,008	100,299,217	(103,171,461)	67,933,764
Energy				
China Petroleum & Chemical Corporation	193,137,937	272,479,306	(281,573,530)	184,043,713
China Shenhua Energy Co. Ltd.	27,242,207	38,587,813	(39,693,100)	26,136,920
CNOOC Ltd.	132,354,409	187,483,997	(192,852,701)	126,985,705
PetroChina Co. Ltd.	179,135,908	253,749,789	(261,016,434)	171,869,263
Financials				
AIA Group Ltd.	89,185,555	126,353,325	(129,939,866)	85,599,014
Bank of China Ltd.	603,479,978	854,845,853	(879,326,901)	578,998,930
BOC Hong Kong (Holdings) Ltd.	31,418,137	44,506,000	(45,780,205)	30,143,932
China Construction Bank Corporation	816,483,966	1,156,570,368	(1,189,693,380)	783,360,954
China Life Insurance Co. Ltd.	63,177,802	89,493,287	(92,055,941)	60,615,148
China Merchants Bank Co. Ltd.	33,131,508	46,930,957	(48,274,844)	31,787,621
Hang Seng Bank Ltd.	6,370,190	675,360	(7,045,550)	–
Hong Kong Exchanges and Clearing Ltd.	10,226,066	14,487,657	(14,902,443)	9,811,280
HSBC Holdings Plc	99,763,381	125,136,852	(149,509,985)	75,390,248
Industrial and Commercial Bank of China Ltd.	700,060,681	991,652,222	(1,020,051,796)	671,661,107
Ping An Insurance (Group) Co. of China Ltd.	56,908,693	80,613,755	(82,921,873)	54,600,575
Healthcare				
Alibaba Health Information Tech Ltd.	54,760,644	77,715,674	(79,770,192)	52,706,126
BeOne Medicines Ltd.	–	11,850,895	(1,974,780)	9,876,115
CSPC Pharmaceutical Group Ltd.	68,480,150	97,002,890	(99,780,574)	65,702,466
Hansoh Pharmaceutical Group Co. Ltd.	12,852,172	18,204,645	(18,724,920)	12,331,897
Innovent Biologics Inc.	13,821,032	19,722,181	(20,114,849)	13,428,364
JD Health International Inc.	9,513,505	13,497,654	(13,857,055)	9,154,104
Sino Biopharmaceutical Ltd.	87,606,030	124,095,570	(127,649,045)	84,052,555
Sinopharm Group Co. Ltd.	11,392,355	16,139,067	(16,601,160)	10,930,262
WuXi AppTec Co. Ltd.	3,971,688	5,849,334	(5,870,673)	3,950,349
WuXi Biologics (Cayman) Inc.	31,236,245	45,520,033	(44,735,301)	32,020,977

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

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

		(UNAUDITED)		
		Holdings		
	31.12.2025	Additions	Disposals	30.06.2026
Industrials				
Contemporary Amperex Technology Co. Ltd.	–	2,899,279	(1,209,911)	1,689,368
J&T Global Express Ltd.	–	56,507,459	(9,414,931)	47,092,528
JD Logistics Inc.	22,601,244	32,032,013	(32,891,996)	21,741,261
Orient Overseas International Ltd.	1,121,244	1,590,085	(1,635,289)	1,076,040
Sunny Optical Tech Co. Ltd.	6,041,872	8,538,875	(8,867,689)	5,713,058
Xinyi Glass Holdings Ltd.	18,641,678	26,939,720	(27,561,740)	18,019,658
Xinyi Solar Holdings Ltd.	38,540,142	54,836,291	(56,120,601)	37,255,832
ZTO Express (Cayman) Inc.	3,756,593	5,190,876	(5,811,755)	3,135,714
Information Technology				
BYD Electronic International Co. Ltd.	6,695,787	9,482,576	(9,754,250)	6,424,113
Lenovo Group Ltd.	63,191,958	85,085,026	(92,700,505)	55,576,479
NetEase Inc.	12,103,524	18,279,893	(17,480,483)	12,902,934
Semiconductor Manufacturing International Corporation	38,207,244	51,986,589	(55,970,280)	34,223,553
Tencent Holdings Ltd.	17,947,640	34,340,830	(29,245,661)	23,042,809
Xiaomi Corporation	154,688,982	219,075,107	(225,885,201)	147,878,888
Materials				
Aluminum Corporation of China Ltd.	–	36,681,869	(6,159,371)	30,522,498
China Hongqiao Group Ltd.	28,312,448	42,043,038	(41,905,494)	28,449,992
CMOC Group Ltd.	–	62,200,142	(31,760,553)	30,439,589
Zijin Mining Group Co. Ltd.	50,846,138	72,027,133	(74,087,651)	48,785,620
Properties & Construction				
China Overseas Land & Investment Ltd.	32,523,694	46,069,080	(47,387,956)	31,204,818
China Resources Land Ltd.	27,244,851	38,592,314	(39,697,363)	26,139,802
China Resources Mixc Lifestyle Services Ltd.	5,813,677	8,233,089	(8,468,743)	5,578,023
CK Asset Holdings Ltd.	16,342,742	23,150,632	(23,813,324)	15,680,050
Hang Lung Properties Ltd.	15,026,237	21,287,841	(21,896,534)	14,417,544
Henderson Land Development Co. Ltd.	12,331,865	17,466,906	(17,967,430)	11,831,341
Longfor Group Holdings Ltd.	20,924,766	29,857,311	(30,705,695)	20,076,382
Sun Hung Kai Properties Ltd.	12,301,540	17,426,128	(17,924,842)	11,802,826
Wharf Real Estate Investment Co. Ltd	14,178,243	20,082,813	(20,657,665)	13,603,391
Telecommunications				
China Mobile Ltd.	52,785,685	74,815,346	(76,881,241)	50,719,790
China Telecom Co. Ltd.	111,932,418	158,554,155	(163,093,777)	107,392,796
China Unicom (Hong Kong) Ltd.	51,956,393	73,597,385	(75,702,584)	49,851,194

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

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

	31.12.2025	(UNAUDITED) Holdings		30.06.2026
		Additions	Disposals	
Utilities				
China Resources Power Holdings Co. Ltd.	17,581,921	24,905,219	(25,617,043)	16,870,097
CK Infrastructure Holdings Ltd.	5,348,025	7,576,965	(7,793,420)	5,131,570
CLP Holdings Ltd.	17,160,154	21,601,659	(25,384,672)	13,377,141
ENN Energy Holdings Ltd.	6,723,225	9,526,864	(9,796,273)	6,453,816
Power Assets Holdings Ltd.	11,760,804	16,658,913	(17,135,969)	11,283,748
The Hong Kong and China Gas Co. Ltd.	95,056,868	134,650,289	(138,506,562)	91,200,595
Real Estate Investment Trust				
Link Real Estate Investment Trust	21,967,348	31,199,260	(31,996,027)	21,170,581

PERFORMANCE RECORD (UNAUDITED)

FOR THE HALF-YEAR ENDED 30TH JUNE 2026

Fund Performance

During the half-year ended 30th June 2026, the Hang Seng Index decreased by 10.73% (for the half-year ended 30th June 2025: increased by 20.00%), while the net asset value per unit of the Fund decreased by 9.87% (for the half-year ended 30th June 2025: increased by 21.37%).

ADMINISTRATION AND MANAGEMENT

Directors of the Manager

Ms. Ka Wai Kathy Cheung
Ms. Wai Man Vivien Chiu
Ms. Pui Shan Lee
(resigned on 1st February 2026)
Mr. King Fung William Wong
(assigned on 2nd February 2026)
Ms. Wah Lun Rannie Lee
Ms. Say Pin Saw
(resigned on 1st March 2026)
Mr. Jonathon Glyn Lee
(assigned on 1st March 2026)
Mr. Ho Ching Paul So
(assigned on 28th November 2025)
Mr. Dominic Adam Skevington
(resigned on 1st September 2025)
Ms. Husne Ozge Usta
(assigned on 1st September 2025)

Members of the Supervisory Committee

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

Trustee and custodian

State Street Bank and Trust Company
68th Floor
Two International Finance Centre
8 Finance Street
Central
Hong Kong
(Prior to 8th October 2025)

HSBC Institutional Trust Services (Asia)
Limited
1 Queen's Road Central
Central
Hong Kong
(with effect from 8th October 2025)

Registrar

Computershare Hong Kong
Investor Services Limited
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Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Manager

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Hong Kong

Promoter

Exchange Fund Investment Limited
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8 Finance Street
Central
Hong Kong

Conversion agent

HK Conversion Agency Services Limited
8/F One & Two Exchange Square
8 Connaught Place
Central
Hong Kong

Auditor

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8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong