

ChinaAMC Hang Seng TECH Index ETF Included in ETF Connect Scheme

Investment involves risks, including the loss of principle. Past performance is not indicative of future results. Before investing in the ChinaAMC Hang Seng TECH Index ETF (the “Fund”), investor should refer to the Fund’s prospectus for details, including the risk factors. You should not make investment decision based on the information on this material alone. Please note:

- The Fund aims to provide investment result that, before fees and expenses, closely corresponds to the performance of the Hang Seng TECH Index (the “Index”).
- The Fund is passively managed and the Manager will not have the discretion to adapt to market changes. Falls in the Index are expected to result in corresponding falls in the value of the Fund.
- The Fund’s investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors.
- The Index is a new index. The Fund may be riskier than those tracking more established indices with longer operating history.
- The Fund is subject to concentration risks in companies with technology theme and in a single geographical region (i.e. Greater China). The Fund may be more volatile than a broadly-based fund.
- Companies in the technology sector are characterised by relatively higher volatility in price performance when compared to other sectors.
- The Fund may be exposed to risks associated with different technology sectors and themes. A downturn in the business for companies in these sectors or themes may have adverse effects on the Fund.
- The Fund is subject to tracking error risk, which may result from the investment strategy used, and fees and expenses.
- If there is a suspension of the inter-counter transfer of units and/or any limitation on the level of services by brokers and CCASS participants, Unitholders will only be able to trade their units in one counter, which may inhibit or delay an investor dealing. The market price of units traded in each counter may deviate significantly.
- Generally, retail investors can only buy or sell units of the Fund on the SEHK. 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 Fund’s NAV.

HONG KONG – November 2, 2023

ChinaAMC (HK) has announced that the ChinaAMC Hang Seng TECH Index ETF (3088 HK/9088 HK) will be added to the Southbound ETFs (eligible ETFs primarily regulated by SFC and listed on SEHK for Southbound trading) list since November 6, 2023. This is the first product of ChinaAMC (HK) to be included in the “ETF Connect”. Currently, a total of only 8 Southbound ETFs can be traded through the scheme.¹

Launched in July 2022, the “ETF Connect” was poised to include ETFs in the Stock Connect, which facilitates two-way capital flows between mainland China and Hong Kong for ETFs. This has played a pivotal role in deepening the integration of capital markets.

Hang Seng TECH Index represents the 30 largest technology companies listed in Hong Kong that have high business exposure to technology themes and pass the index’s screening criteria.² As US tech stocks reach decade-high valuations, the Hang Seng TECH Index emerges as a compelling prospect, given its comparatively attractive valuation³. The current market consolidation could be perceived as a strategic opportunity by long-term investors. Given the projected high-yield environment and an easing of relations between the US and China, we maintain a confident outlook for a rebound in the Hong Kong tech market.

¹ Source: Shanghai Securities Exchange Co., Ltd, as of November 1, 2023.

² Source: Hang Seng Indexes Company Limited, as of November 1, 2023.

³ Source: Bloomberg, as of November 1, 2023

The ChinaAMC Hang Seng TECH Index ETF (3088 HK/9088 HK), with its Total Expense Ratio (TER) of just 0.60%⁴ and superior tracking accuracy⁵, serves as an optimal instrument for such investment endeavors.

About China Asset Management (Hong Kong) Limited

Founded in 2008, China Asset Management (Hong Kong) Limited ("ChinaAMC(HK)") has been one of leading Chinese fund house in Hong Kong market. The company is a wholly-owned subsidiary of China Asset Management Co. Limited, which was founded in 1998 and has maintained its top position in China's asset management industry, with over \$260 billion in AUM. As a China-focused market leader, the company has amassed an impressive performance history in both active and passive investments over the past 15 years. Boasting robust expertise in a variety of asset classes, such as Greater China equities, Asian and global fixed income, and money markets, ChinaAMC (HK) adopts a global outlook to build a versatile platform catering to institutional and retail investors in the region and worldwide, all while envisioning "Beyond China Expert".

Hang Seng Index Disclaimer

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⁴ Source: ChinaAMC (HK), as of 31 December, 2022. The TER figure is based on expenses for the year ended 31 December 2022. This figure may vary from year to year. It represents the sum of the ongoing expenses chargeable to the Sub-Fund expressed as a percentage of the average Net Asset Value.

⁵ The Tracking Error of ChinaAMC Hang Seng TECH Index ETF is 1.45, data as of October 27, 2023.