

# HSBC Life Chinese Equity Fund

## Second quarter 2024

### Important information

- This is one of the investment choices under an insurance plan ("plan") issued by HSBC Life (International) Limited ("the Company").
- You are not investing in the underlying funds/assets and you do not have any rights or ownership over these underlying funds/assets.
- Your return from investment in the investment choices is calculated with reference to the fluctuation of the performance of the underlying funds/assets. Each of these underlying funds/assets has its own investment objectives and associated risks.
- The return on investments under the plan will be subject to the charges of the plan and may be lower than the return of the investment choices or the underlying funds/assets.
- Please note the following relating to insurance coverage and Insurance Charge:
  - Your policy provides life protection and additional coverage depending on the optional benefits you choose.
  - The Insurance Charge will reduce the Cash Value of your policy account.
  - The Insurance Charge may increase significantly during the policy term due to factors such as the life insured's age and investment loss. This may result in significant or even total loss of your investment.
  - If the Cash Value of your policy account is not enough to cover the policy charges (including Insurance Charge), your policy may be terminated early and you could lose your investment and all benefits unless you can fulfill certain policy terms and conditions (if applicable).
- Investment involves risks. Prior to selecting an investment choice, you should refer to the principal brochure and the prospectus of its underlying fund for full details of investment objectives and risk factors, which will be made available by the Company, and not rely solely on this document.

### Objective

HSBC Life Chinese Equity Fund will be invested in HSBC Global Investment Funds – Chinese Equity. The underlying fund aims to provide long term capital growth by investing in a portfolio of Chinese equities.

The underlying fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, or carry out the larger part of their business activities in the People's Republic of China ("China"), including Hong Kong SAR.

Investments in Chinese equities include, but are not limited to, China A-shares and China B-shares (and such other securities as may be available) listed on stock exchanges in the People's Republic of China ("PRC"). The underlying fund may directly invest in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, subject to applicable quota limitations. Furthermore, the underlying fund may gain exposure to China A-shares indirectly through China A-shares Access Products ("CAAP") such as, but not limited to, participation notes linked to China A-shares.

The underlying fund may invest up to 70% of its net assets in China A-shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect and up to 50% of its net assets in CAAPs. The underlying fund's maximum exposure to China A-shares (through the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connector CAAP) and China B-shares is 70% of its net assets. The underlying fund will not invest more than 10% of its net assets in CAAPs issued by any single issuer of CAAPs.

The underlying fund normally invests across a range of market capitalisations without any capitalisation restriction.

The underlying fund may invest up to 10% of its net assets in units or shares of UCITS and/or other Eligible UCIs (including other sub-funds of HSBC Global Investment Funds).

The underlying fund may use financial derivative instruments for hedging and cash flow management (for example, Equitisation). However, the underlying fund will not use financial derivative instruments extensively for investment purposes. The financial derivative instruments the underlying fund is permitted to use include, but are not limited to, futures and foreign exchange forwards (including non-deliverable forwards). Financial derivative instruments may also be embedded in other instruments in which the underlying fund may invest.

### Investment outlook

The pro-growth policy step-up with a focus on improving policy coordination, boosting private sector confidence and expanding domestic demand helps the cyclical outlook, though policy execution and effectiveness remains key, as well as external demand/ financial conditions. The property sector remains the weakest link, but certain segments of the Chinese economy have proved their resilience, particularly some new economy sectors with intense use or production of innovation and new technologies. The divergent trend across sectors is in line with policy priorities for economic transition toward quality and sustainable growth.

We continue to focus on high-quality growth companies in China, and companies that can gain market share and economy of scale. We try to avoid stocks with earnings downward revision risk amid weak macro environment. Sector wise, we prefer Communication Services, Information Technology,



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Energy and Materials that may offer high visibility in both revenue and earnings growth.

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### Management fee by HSBC Life (International) Limited

Currency	Fund charge (p.a)	Fund switching charge
HKD	1.50%	nil
USD	1.50%	nil

### Investment choice information

Currency	Launch date	Size ('000)	Unit price
HKD	15/03/2004	176,397	264.67
USD	15/03/2004	4,378	27.03

### Cumulative performance

Currency	6 months	12 months	3 years	5 years	Since launch
HKD	-2.20%	-14.15%	-43.68%	-20.20%	164.67%
USD	-1.96%	-13.56%	-43.56%	-18.90%	170.30%

### Calendar Year Performance

Currency	2019	2020	2021	2022	2023	YTD
HKD	22.60%	38.45%	-19.86%	-23.80%	-13.15%	1.87%
USD	23.92%	38.93%	-20.25%	-23.56%	-13.02%	1.88%

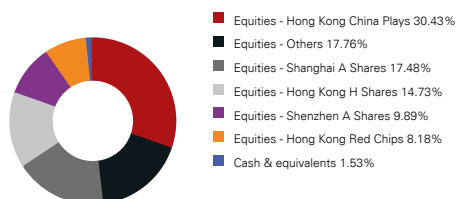
Data as at 28 Mar 2024

Cumulative performance (in percentage return) represents the percentage change of the investment choice unit price as at 28 Mar 2024. Calendar year performance (in percentage return) represents the percentage change between the investment choice unit price of the last available transaction date of each of the previous calendar years. All percentage return figures are based on investment choice unit prices as at 28 Mar 2024, calculated on a unit-price-to-unit price basis and in relevant base currency of the investment choice. YTD performance (in percentage return) represents the change between the investment choice unit price of the last available transaction date of 2023 and 28 Mar 2024.

## Underlying fund information

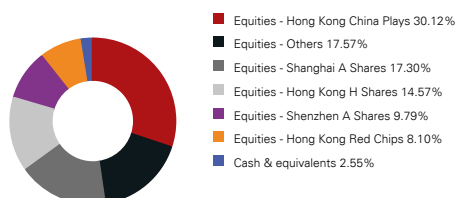
### Asset allocation

HK Dollar



### Asset allocation

US Dollar



### Top 10 holdings

Securities	Industry	%
1. TENCENT HOLDINGS LTD	Communication Services	9.83
2. ALIBABA GROUP HOLDING LTD	Consumer Discretionary	8.80
3. TAIWAN SEMICONDUCTOR MANUFAC	Information Technology	6.44
4. CHINA CONSTRUCTION BANK-H	Financials	5.66
5. NETEASE INC	Communication Services	4.62
6. PDD HOLDINGS INC	Consumer Discretionary	4.48
7. CNOOC LTD	Energy	4.32
8. KWEICHOW MOUTAI CO LTD-A	Consumer Staples	3.87
9. CHINA TELECOM CORP LTD-H	Communication Services	3.23
10. NEW ORIENTAL EDUCATION & TEC	Consumer Discretionary	3.21

Securities	Industry	%
1. TENCENT HOLDINGS LTD	Communication Services	9.73
2. ALIBABA GROUP HOLDING LTD	Consumer Discretionary	8.71
3. TAIWAN SEMICONDUCTOR MANUFAC	Information Technology	6.38
4. CHINA CONSTRUCTION BANK-H	Financials	5.60
5. NETEASE INC	Communication Services	4.58
6. PDD HOLDINGS INC	Consumer Discretionary	4.43
7. CNOOC LTD	Energy	4.27
8. KWEICHOW MOUTAI CO LTD-A	Consumer Staples	3.83
9. CHINA TELECOM CORP LTD-H	Communication Services	3.20
10. NEW ORIENTAL EDUCATION & TEC	Consumer Discretionary	3.18

### Notes :

- The information on Objective, Investment Outlook, Asset Allocation and Top 10 Holdings are provided by HSBC Global Asset Management (Hong Kong) Limited. The rest of the information is supplied by the Company.
- HSBC Life Chinese Equity Fund ("the Investment Choice") is divided into units, the price of which will be determined by the net asset value including investment return and net of charges on the Investment Choice on that transaction date. The investment return includes interest, dividends and realised or unrealised capital and currency gains and losses. The allocation of units is purely notional and for the sole purpose of determining the Cash Value of your policy account and deduction of charges at any time.
- The Investment Choice invests in its respective designated underlying fund. The Investment Choice is linked in its underlying fund in terms of the investment objectives, underlying asset risks and performances.
- The Investment Choice is subject to market fluctuations and to the risks inherent in all investments. The price of units in the Investment Choice and the income from them (if any) may go down as well as up and past performance is not indicative of future performance. For details of the underlying funds, please refer to the relevant prospectus which will be made available by the Company.
- US / Hong Kong dollar based investors are exposed to fluctuations in the US / Hong Kong dollar exchange rate. Since the underlying investment may involve multiple currencies, the value of investment may be subject to possible exchange rate fluctuations.
- Effective from 1 July 2009, except for the word "fund" used in individual investment choice name, all the words "fund" previously used in this document are referred as "investment choice".
- The Investment Objective and Policies of the Investment Choice has been revised with effective from 5 February 2016.
- The Investment Objective of the Investment Choice has been revised with effect from 28 May 2018.
- Investment involves risks. HSBC Life Chinese Equity Fund is an investment option of LifeInvest Protection Plus / RetireInvest Protection Plus / Savings Protection Plus / Super Life. For charges and details, please refer to the relevant principal brochure(s).