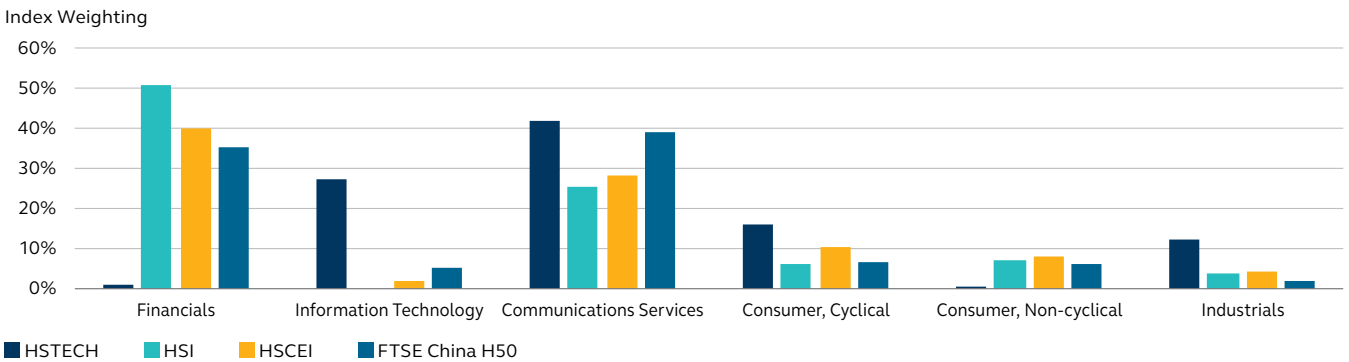


Diversify Exposure to China's Tech Companies

The Hang Seng TECH Index (HSTECH) represents the 30 largest technology companies listed in Hong Kong. Launched on 27 July 2020, HSTECH has already become an international benchmark for investors seeking a diversified exposure to China's innovative and technology sectors.

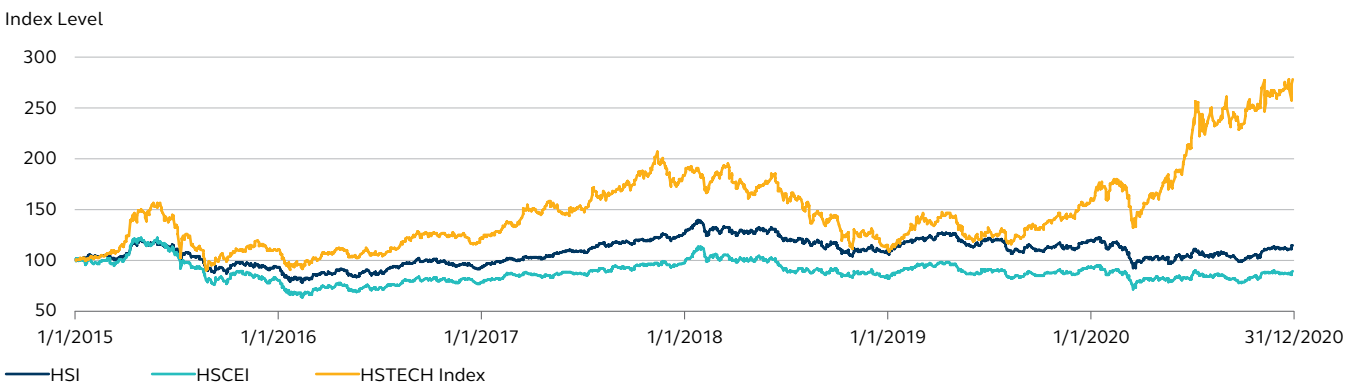
Capture Growth Opportunities in New Economy



Calculated based on data of the indexes on 31 December 2020.

HSTECH is a diversified portfolio of new economy stocks. It complements Hang Seng Index (HSI) and Hang Seng China Enterprises Index (HSCEI) by providing investors with an extensive exposure to China's technology stocks.

Potential for Growth



Index level rebased to 100 on 1 Jan 2015.

HSTECH has consistently outperformed HSI and HSCEI, according to back-tested data. The index gained 180.8% in the 5-year period up to end December and 78.7% in 2020.

Capitalise Diversification

HSTECH has a generally higher volatility than HSI and HSCEI; its correlations with the two indices are approximately 0.6-0.8. The Hang Seng TECH Index Futures and Options provide investors with another tool to manage their specific exposure alongside HSI (broad Hong Kong market exposure) and HSCEI (offshore Chinese stock exposure).

Volatility (as of 31 Dec 2020)	30 day Vol	60 day Vol	90 day Vol	Correlation of HSTECH with HSI & HSCEI		
				Period	HSI	HSCEI
HSI	13.41	15.62	15.54	6 M (Jul to Dec 2020)	0.595	0.682
HSCEI	15.48	17.24	16.64	1 Y (2020)	0.734	0.767
HSTECH	28.78	34.38	33.75	3 Y (2018-2020)	0.767	0.743
				5 Y (2016-2020)	0.752	0.723

Index methodology

Universe	Securities of Greater China companies that are listed on the Main Board of the HKEX
Weighting	Free-float-adjusted market capitalisation weighted
Capping	8% on individual securities
Theme requirements	High business exposure to at least one of the below tech themes: <ul style="list-style-type: none"> - Internet (including mobile); - FinTech; - Cloud; - E-commerce; or - Digital
Innovation screening	Meeting at least one of the below criteria: <ul style="list-style-type: none"> - Technology-enabled business (e.g. via internet/mobile platform); or - R&D expense to revenue ratio $\geq 5\%$; or - YoY revenue growth $\geq 10\%$
Number of constituents	Fixed at 30
Review frequency	Quarterly (Data cut-off end-March / June / September / December)
Fast entry	A newly listed security will be added to index if its full market capitalisation ranks within the top 10 of the existing constituents on its first trading day. The ad hoc addition will normally be implemented after the close of the 10th trading day of the new issue.

Information vendor access codes

Bloomberg L.P.	HSTECH Index
Refinitiv	.HSTECH

Please refer to the latest information vendor access codes on HKEX's website.



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