

Important Notes:

- Investment involves risks and BOCHK Hong Kong Equity Fund (the "Sub-Fund") may not be suitable for everyone. Past performance is not indicative of future performance. The Sub-Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of Units and the income (if any) generated from the Sub-Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
- The key risks to which the Sub-Fund is subject to include: general investment risk, equity market risk, concentration risk, foreign exchange and RMB currency and conversion risks, derivative instruments risk and cross-class liability risk.
- Please refer to the offering document of the Sub-Fund for further details including investment objectives and policies, charges and expenses, and risk factors, before making any investment decision.

CUMULATIVE PERFORMANCE [Gross Distribution Reinvested]

Sub-Fund — Class A	HKD Units	RMB Units ^Δ	3 Months	Year to date	1 Year	3 Years	5 Years	Since Inception
Hang Seng Total Return Index ^Δ	HKD Units	RMB Units	-1.72%	-5.92%	6.32%	12.29%	27.06%	360.38%
	HKD Units	RMB Units	-2.75%	-7.58%	1.34%	3.88%	19.53%	18.01%
	HKD Units	RMB Units	-1.64%	-4.47%	8.03%	11.56%	30.77%	366.83%
	HKD Units	RMB Units	-2.68%	-6.15%	2.98%	3.21%	23.07%	24.71%

CALENDAR YEAR PERFORMANCE

	Sub-Fund — Class A		Hang Seng Total Return Index ^Δ	
	HKD Units	RMB Units	HKD Units	RMB Units
2016	1.37%	7.48%	4.30%	10.57%
2017	39.91%	29.68%	41.29%	30.99%
2018	-12.55%	-7.89%	-10.54%	-5.77%
2019	12.62%	14.72%	13.04%	15.15%
2020	2.67%	-3.76%	-0.29%	-6.54%

TOP 10 HOLDINGS

1	MEITUAN-W-CLASS B	9.1%
2	TENCENT HOLDINGS LTD	8.4%
3	AIA GROUP LTD	7.8%
4	HSBC HOLDINGS PLC	7.7%
5	ALIBABA GROUP HOLDING LTD	7.0%
6	HONG KONG EXCHANGES & CLEAR	4.7%
7	CHINA CONSTRUCTION BANK-H	4.1%
8	WUXI BIOLOGICS CAYMAN INC	3.3%
9	XIAOMI CORP-CLASS B	2.8%
10	PING AN INSURANCE GROUP CO-H	2.7%

FUND DATA (Class A)

Investment Manager	Mandy TONG & Team	
Fund Size (Million)	HKD 1,763.95	
Inception Date	Class A – HKD Units	Class A – RMB Units
	12 July 2002	29 June 2015
Base Currency	HKD	
Currency Class	HKD / RMB	
Management Fee (p.a.)	1%	
Initial Charge	5%	
Switching Fee	Class A – HKD Units	Class A – RMB Units
	1% or Nil ^{ΔΔ}	1% or Nil ^{ΔΔ}
NAV per unit	HKD 46.0384	RMB 37.8928
12 Months NAV ^{††}	Highest: HKD 52.3690	RMB 43.3996
	Lowest: HKD 44.7907	RMB 37.1345
Morningstar Overall Rating ^{†††}	Class A – HKD Units ★★	Class A – RMB Units ★★
Risk Level [*]	High	
Standard Deviation	Class A – HKD Units	Class A – RMB Units
	17.90%	15.26%
Beta	Class A – HKD Units	Class A – RMB Units
	1.01	1.01
Bloomberg Tickers	Class A – HKD Units	BOCHKEA HK EQUITY
	Class A – RMB Units	BOCHKYA HK EQUITY
ISIN Codes	Class A – HKD Units	HK0000039799
	Class A – RMB Units	HK0000257672

The value of the investment products managed by BOCI-Prudential Asset Management Limited represents 0.0% of the Sub-Fund's fund size.

Fund performance is calculated in the base currency of the Sub-Fund or the denominated currency of the relevant class of Units on a NAV-to-NAV basis with gross distribution reinvested.

^Δ © 2021 Hang Seng Indexes Company Limited. All Rights Reserved. The Hang Seng Total Return Index is denominated in HKD. For the purpose of performance comparison with the Sub-Fund's Class A – RMB Units, index performance is also presented in CNH and calculated by referring to the foreign exchange rates for HKD/CNH quoted by WWM/Reuters at 4:00 p.m. GMT on the corresponding dealing dates.

^{ΔΔ} Such Class A – RMB Units is only available to investors of Mainland China, and is not offered in Hong Kong.

[†] Data Source – © 2021 Morningstar, Inc. All Rights Reserved.

^{ΔΔΔ} The Sub-Fund is approved as "Eligible Collective Investment Scheme" under "Capital Investment Entrant Scheme" ("CIES") of Hong Kong Special Administrative Region ("HKSAR"). The HKSAR Government has announced that the CIES has been suspended with effect from 15 January 2015 until further notice. The Immigration Department of HKSAR ("Immigration Department") will continue to process applications received on or before 14 January 2015, whether already approved (including approval-in-principle and formal approval) or still being processed. For further details and the related Frequently Asked Questions, please visit the website of the Immigration Department at http://www.immd.gov.hk/eng/services/visas/capital_investment_entrant_scheme.html.

^{**} With effect from 17 December 2018, sector classification methodology for the Sub-Fund has been updated slightly. Accordingly, the sector allocation has been restructured and the sector named "Telecom" has been replaced by "Communication Services".

[§] "Net Liquidity" was formerly named as "Cash & Deposit".

^{¶¶} The manager's comment above solely reflects the opinion, view and interpretation of the fund managers as of the date of issuance of this document. Investors should not solely rely on such information to make any investment decision.

[•] Risk levels are categorized into low, low to medium, medium, medium to high and high. The risk levels are determined by BOCI-Prudential Asset Management Limited based on the investment mix of each Sub-Fund and/or its underlying investments, and represent only the views of BOCI-Prudential Asset Management Limited in respect of the relevant Sub-Fund. Such risk levels are for reference only and should not be regarded as investment advice. You should not rely on the risk levels only when making any investment decision. The risk level is determined based on data as at 31 December 2020 and will be reviewed and (if appropriate) updated at least annually without prior notice, taking into account the prevailing market circumstances. If you are in doubt about the information of risk level, you should seek independent financial and professional advice.

^{††} 12 Months Highest / Lowest NAV per Unit was calculated by reference to the NAV per Unit on each month's last dealing day.

^Δ For switching into a different class (denominated in a different currency) of Class A Units relating to the same Sub-Fund or switching into Class A Units of another Sub-Fund which is not a Money Market Sub-Fund (as defined in the Explanatory Memorandum).

^{ΔΔ} For switching into Units of a Money Market Sub-Fund.

Investors should note that Bank of China (Hong Kong) Limited is not the Manager of the Sub-Fund and will only act as the Sponsor and Distributor whilst BOCI-Prudential Asset Management Limited is the Manager. The data for "Standard Deviation", "Beta" and "Morningstar Overall Rating^{†††}" will not be shown for the Sub-Fund or the relevant class of the Units of the Sub-Fund with less than 3-year history. "Standard Deviation", a risk measurement, is based on the monthly return of the Sub-Fund or the relevant class of Units of the Sub-Fund over the past 3 years in the base currency of the Sub-Fund or the denominated currency of the relevant class of Units of the Sub-Fund. "Beta" measures the sensitivity of the return of the Sub-Fund or the relevant class of Units of the Sub-Fund to the changes in its reference index. This document is issued by BOCI-Prudential Asset Management Limited and has not been reviewed by the SFC.

INVESTMENT OBJECTIVES AND POLICIES

The BOCHK Hong Kong Equity Fund seeks to achieve long-term capital growth through investment mainly (at least 70% of its non-cash assets) in the listed equities and equity related securities (including warrants and convertible securities) of companies operating principally in Hong Kong, or linked either directly or indirectly to the Hong Kong economy. The Sub-Fund may employ a portion of its assets in futures contracts, options or forward currency transactions for the purposes of efficient portfolio management and hedging against exchange rate risk.

MANAGER'S COMMENT^{¶¶}

- The Hang Seng Index rebounded in October on the back of improved sentiment. The Policy Address reinforces hope of improved long term housing supply with greater government and private sector co-operation. Positive progress on some lingering issue such as Evergrande's spillover should be manageable and removal fines for selected internet play.
- Underweight Internet retailer and Hong Kong Utilities subtracted value from the portfolio.
- In the short run, Hang Seng Index would likely continue to hover at lower band of the trading range.
- Market neutral would remain the core strategy.
- Remain cautiously optimistic on China's long term potential. Hence would maintain a positive bias on quality China names for long term investment.

SECTOR ALLOCATION^{**}

