

IMPORTANT

This document is important and requires your immediate attention. If you are in any doubt about the Prospectus and this Announcement, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

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ABF HONG KONG BOND INDEX FUND

ABF 香港創富債券指數基金

(a Hong Kong unit trust authorised under section 104 of the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong))
(**Stock Code: 2819**)

Announcement

HSBC Investment Funds (Hong Kong) Limited, as the Manager of ABF Hong Kong Bond Index Fund (the "**Trust**"), hereby announces that the below changes will take effect from the following respective effective dates:

- (1) changes in dividend policy and the Ex-Dividend Date and Record Date – effective on 31 December 2024; and
- (2) changes in cash settled creation and redemption of Units – effective on 6 January 2025.

Unless otherwise defined herein, capitalised terms used herein shall have the same meanings ascribed to them under the prospectus of the Trust (the "**Prospectus**").

1. Changes in dividend policy and the Ex-Dividend Date and Record Date

In order to ensure the dividend policy aligns more closely with actual earnings and market conditions, with effect from 31 December 2024, the following changes will be made:

On each of the Ex-Dividend Date of the interim and final distribution period of the Trust, the Trustee will allocate for distribution among the unitholders of the Trust as at the relevant Record Date at the Manager's determination having due regard of the income entitled to the Trust during the respective distribution period (after deducting therefrom an amount in respect of all fees, costs and expenses properly payable by the Trust and an appropriate provision for the payment of accrued fees, costs and expenses properly payable by the Trust) and/or such amount of any net realized capital gains of the Trust, in each case in respect of the period commencing from the first business day after the respective distribution period.

To facilitate the above changes in the distribution policy and to fulfil the 10 business days prior notice period before the Ex-Dividend Date to the unitholders as generally expected by the Securities and Futures Commission, with effect from 31 December 2024, the Manager will determine the amount of income and/or net realized capital gains available for distribution to unitholders on the Dealing Day (each an "**Ex-Dividend Date**") which falls immediately before the 28 August and 28 February or such other date as shall be determined by the Manager (with the prior approval of the Trustee) (each a "**Record Date**"). The dividend will be paid to unitholders within two weeks after the Ex-Dividend Date.

Other than as described above, there is no other impact on the frequency of dividend payment. The dividend rate will be subject to the net income and/or net realized capital gains of the Trust.

The composition of the latest dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) (if any) for the last 12 months is available from the Manager on request and on the website [ABF Hong Kong Bond Index](#)¹.

¹ Please note that this website has not been reviewed by the SFC.

2. Changes in cash settled creation and redemption of Units

In order to provide investors with greater flexibility, the minimum Unit creation and redemption size for cash settlement will be reduced from 50,000 Units to 10,000 Units and the basket size requirement for cash settled creation and redemption will be removed from 6 January 2025.

As a result, Units may be issued and redeemed in a minimum of 10,000 Units (or any amount above 10,000 Units) if settled in cash.

For the avoidance of doubt, the existing minimum size and basket size requirement (blocks of 50,000 Units (or in multiples thereof)) for Unit creation and redemption in-kind will remain unchanged.

Other updates

On 31 December 2024, the trust deed of the Trust (the "**Trust Deed**") will be amended and superseded by way of a second amended and restated Trust Deed ("**Second Amended and Restated Trust Deed**") to reflect the abovementioned changes. The Second Amended and Restated Trust Deed may be inspected free of charge at the office of the Manager.

Pursuant to Clause 38.1 of the Trust Deed of the Trust, the trustee of the Trust, HSBC Institutional Trust Services (Asia) Limited, with the consent of the Supervisory Committee of the Trust, has certified that in its opinion the alteration, modification or variation to the Trust Deed is not materially prejudicial to the interest of the unitholders, does not to any material extent release the Trustee, the Manager or any other person from any liability to the unitholders and does not increase the costs and charges payable out of the Trust (other than costs incurred in altering, modifying or varying the Trust Deed).

The Manager would also like to announce that Mr. Michael CROSS has been appointed as the director of the Manager with effect from 7 February 2024.

The Prospectus and Product Key Facts of the Trust will be revised to reflect the above changes and posted on the Trust's website ([ABF Hong Kong Bond Index](#))¹ in due course.

The above changes are not intended to have a material impact on the Trust and will not materially prejudice the Trust's existing investors' rights or interests. Save as disclosed in this announcement, there will be no change in the operation and/or manner in which the Trust is being managed, there will be no change in the fee structure in managing the Trust and the changes will not result in any material change to the investment objective and overall risk profile of the Trust.

The costs incurred in connection with the above changes will be borne by the Trust.

Unitholders are advised to consult their advisers regarding the effect of the above in light of their individual circumstances.

The Manager accepts responsibility for the accuracy of the information contained in this announcement.

Investors who have any questions regarding the above may contact the Manager at Level 22, HSBC Main Building, 1 Queen's Road Central, Hong Kong (telephone number: (852) 2284 1229).

HSBC Investment Funds (Hong Kong) Limited
Manager of ABF Hong Kong Bond Index Fund
29 November 2024

As at the date of this announcement, the board of directors of the Manager is comprised as follows: Ms. HO, Wai Fun, Mr. TAM, Chun Pong Stephen, Ms. LAU, Ka Yin Joanne, Mr. Edgar GEHRINGER and Mr. Michael CROSS.