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Hang Seng Launches Financial Solutions for the ‘Sandwich Generation’ *Comprehensive Investment and Life Insurance Solutions Help Customers Preserve and Pass on Wealth*

Hang Seng Bank (‘Hang Seng’) has introduced a comprehensive wealth management solution aimed at assisting the ‘sandwich-generation’ – those supporting both elders and children – in achieving their immediate and future financial goals. This offering combines investment and insurance to facilitate sustainable wealth planning and balance living standards.

A recent survey conducted by Hang Seng investigated the financial concerns of over 300 individuals in this demographic across Hong Kong. Findings revealed that each income earner supports an average of 3.8 dependents, with a significant 70% unprepared for their parents’ healthcare costs and their children’s educational needs.

More Than 70% of Respondents Need to Get Prepared for Parents’ Medical Expenses and Children’s Education

The analysis highlighted that short-term anxieties focus on healthcare costs, with 43% worried about aging parents and 31% about family health issues. Education costs are also a concern for 30% of respondents. Long-term, 45% fear a drop in living standards post-retirement, while 33% are anxious about health declines affecting themselves or their partners.

To address family obligations, 77% prioritise family needs over personal spending. Investment and prudent financial management are seen as essential by more than half of the respondents, with 51% opting to reduce unnecessary expenses.

Despite these efforts, the survey notes that a majority have not yet secured adequate retirement funds, aiming to leave an average of 4.5 million in assets to their heirs.

New Life Insurance and Wealth Management Tools

To address these concerns, Hang Seng is rolling out ‘LegendPower’, a Life Insurance Plan that offers a combination of asset growth, wealth inheritance, and lifelong protection. This product is specifically tailored to assist accumulate wealth and lock-in returns of the sandwich generation. It aims to enable policyholders to build a substantial asset base with a potential annualised return of up to 7%¹, along with Unlimited Changes of the Life Insured² and options to designate a Contingent Owner² and Contingent Insured² to allow seamless wealth accumulation across generations.

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In addition to this, Hang Seng is allowing customers the opportunity to open Prestige Bank accounts, which provide additional services and benefits that cater to the sophisticated needs of this demographic. Moreover, Hang Seng Introduces ‘Wealth Master’³, an innovative digital investment platform that enhances the investment experience by allowing customers to manage their portfolios on their mobile devices. Supported by up-to-date data from Morningstar, this platform facilitates personalised investment strategies and legacy planning. Hang Seng also offers the largest number of index funds in Hong Kong and up to 240 choices of funds⁴ to help customers diversify risks and explore potential returns. This allows customers to achieve long-term wealth appreciation goals and seize potential investment opportunities in global markets, including the stock and bond markets.

Comprehensive Financial Investment Solutions Help the Sandwich Generation Instantly Generate Passive Income at Different Stages

In order to assist the sandwich generation in balancing their future and present needs while maintaining their current living standards through passive income streams, Hang Seng introduces the ‘IncomePower’ Life Insurance Plan. This plan offers the chance to generate an annual non-guaranteed income of up to 5%⁵ of the Total Premiums Paid, with non-guaranteed monthly income payments beginning from the 25th monthiversary. This feature enables customers to start receiving long-term passive income, which can be crucial for those juggling the financial demands of caring for both children and elderly parents.

In addition, customers with the plan can benefit from the Medical Advance Benefit⁶, which covers three major critical illnesses, guaranteed acceptance without the need for a physical examination. This foresight in health protection provides peace of mind and further financial stability.

Hang Seng offers a broad range of comprehensive financial investment solutions. Customers can choose from over 60 fixed income funds and capital-protected structured products that span 5 major asset classes – foreign exchange, funds, stocks, indices, and interest rates⁷. These options facilitate the generation of passive income without compromising the customers’ current standard of living.

To provide additional value, Hang Seng is offering substantial rewards and privileges. Customers who open a Prestige Banking account and subscribe to related wealth management products can enjoy rewards and privileges worth up to \$67,800⁸. Furthermore, a premium discount of up to 25% is available for the first year to customers who apply for the ‘LegendPower’ or ‘IncomePower’ Life Insurance Plans⁸.

All offerings and services come with terms and conditions, and it is important for customers to be aware of the associated product risks. For complete details, please visit hangseng.com/wem.

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Ms Rannie Lee, Head of Wealth and Personal Banking at Hang Seng Bank, shared her perspective on the new initiatives: “The financial journey is unique at every stage of life, particularly for the sandwich generation, who are tasked with supporting both their children and aging parents. It’s essential that they establish a plan for managing and growing their wealth early on, to smoothly transition into a stage of life where financial freedom is within reach. Our role is to provide a suite of investment and insurance options that cater to these needs without compromising their current lifestyle. By integrating cutting-edge fintech with our suite of professional services, Hang Seng is here to guide our customers in securing their financial future and successfully managing wealth across generations, all while managing the delicate balance of their present obligations.”

Leo Ku Joins Financial Awareness Drive for Sandwich Generation

Renowned Hong Kong artist Leo Ku steps into the spotlight in a new advertising campaign, directly addressing the financial challenges of the sandwich generation. Leo, a part of this demographic himself, brings a genuine understanding to the campaign, showcasing how Hang Seng’s financial solutions are designed to ease the burden of those juggling responsibilities for their children and aging parents.

The campaign will highlight Leo’s personal journey and the role of strategic financial planning, aiming to resonate with viewers facing similar situations. Through his songs ‘Love to Go Home’ and ‘Shower’, the campaign will reveal the benefits of Hang Seng’s services, reinforcing the importance of securing financial stability for family and future.

Launching on January 12th, the campaign will be accessible on Hang Seng’s YouTube channel (<https://youtu.be/8rKl7CY0Dwc>), with details also available at hangseng.com/wem.

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Photo Caption

Photo 1 and 2

Hang Seng invited Leo Ku to re-interpret his newly arranged songs of Love to Go Home and Shower in the latest commercial, to tell Hong Kong's Little Great Stories with his singing and the commercial's touching scenes.



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Remarks:

- 1. The projected annualised total rate of return at the end of Policy Year 70 is up to 7%. It is not guaranteed, for single premium policy in USD and assumes that during the policy term: a) all premiums are paid in full when due; b) no benefit has been paid and no partial surrender has been made; c) no policy loan has been taken; d) no policy changes has been made; e) no Policy Value Management Option has been exercised. For details of LegendPower Life Insurance Plan, please visit hangseng.com/legendpower.*
- 2. Change of Life Insured, Contingent Owner and Contingent Insured are subject to specified terms and conditions. Please refer to policy provisions for the full details and conditions.*
- 3. Wealth Master aims to help customers understand their asset allocation and facilitate their investment planning to achieve their own financial goals. No asset allocation and/or product recommendation will be made by Hang Seng Bank Limited (“The Bank”). No representation is made to the appropriateness of any of the securities and/or investment products referred to herein for any particular person’s circumstances. The information of Wealth Master is for general reference only and information presented is not indicative of future performance of any assets. There is no guarantee that target portfolio can achieve any results or can be used as reference under any market conditions. Wealth Master does not and is not intended to provide any professional financial, investment or other opinion or advice, nor should it be considered as a recommendation to deal in any investment products, investment portfolio management service or ongoing portfolio monitoring services. No financial or investment decision should be made solely based on Wealth Master (including the results). Investment involves risks (including the possibility of loss of the capital invested). Investors should read in detail of the the Risk Disclosure Statement of the relevant investment products.*
- 4. According to the study on the number of index funds in "Index Funds (Ch 8.6)" under "Product" at "Unit Trusts & Mutual Funds" under the category of "Unlisted Products" on Securities and Futures Commission website, through Hang Seng Bank on 7 December 2023. As of 14 December 2023, the funds available for subscription in "Hang Seng Fund SuperMart" (hangseng.com/Fundsupermart).*
- 5. Non-guaranteed Monthly Income is payable on each monthiversary starting from the 25th monthiversary until policy maturity (i.e. 50th monthiversary). The annual total income is projected to be 5% of the Total Premiums Paid, based on the assumptions of a USD policy, single premium payment, and our prevailing projections for investment returns and dividend rates. This is not guaranteed and Hang Seng Insurance Company Limited has the absolute discretion in making such distributions. The future actual benefit may be higher or lower. For details of IncomePower Life Insurance Plan, please visit hangseng.com/incomepower.*
- 6. Applicable before the Life Insured attains the Insurance Age of 90, if the Life Insured is first diagnosed with Cancer, Heart Attack or Stroke; or is admitted to Hospital for a Confinement of 25 or more consecutive days.*
- 7. As of 7 December 2023, Fixed Income Funds are dividend-paying funds defined as "Bond Funds" based on fund type in "Hang Seng Fund SuperMart" (hangseng.com/Fundsupermart). General speaking, fixed income fund is a bond fund with fixed distribution policy for income distribution. Fixed income funds fit for customers who seek recurring income as their primary investment objective. The fund manager will allocate a proportion of your assets to dividend-paying stocks, bonds, other fixed-income securities, and currencies for a more stable potential dividend income. Past dividend income record is for information and reference only and there can be no guarantee in respect of the amount of income distribution and the distribution policy may change. Income distribution is subject to the fund manager’s discretion. For more details, please visit [How to build a dividend paying portfolio| Hang Seng Bank \(hangseng.com/invedu\)](https://hangseng.com/invedu)*
- 8. The promotion period of first year premium discount for LegendPower Life Insurance Plan is from 8 January 2024 to 31 March 2024 (both days inclusive). The promotion period of first year premium discount for IncomePower Life Insurance Plan is from 1 January 2024 to 31 March 2024 (both days inclusive). The promotion period of account opening and relevant investment product subscription offer is from 1 January 2024 to 28 March 2024. (both dates inclusive). The LegendPower Life Insurance Plan*

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and the IncomePower Life Insurance Plan are underwritten by Hang Seng Insurance Company Limited. Please note the relevant product risks. Investment involves risks. Terms and Conditions apply.

9. *The promotion is intended for persons in Hong Kong.*

Disclosure of Information of Life Insurance Plans:

The above information is a product summary of information for reference only. The Plan is intended only for sale in the Hong Kong SAR. It shall not be construed as an offer to sell or solicitation of an offer or recommendation to purchase or sale or provision of any products of Hang Seng Insurance Company Limited (“Hang Seng Insurance”). Please refer to the promotion leaflets/flyers and contracts for the important information such as detailed coverage, exact Terms and Conditions and exclusions of the relevant Life Insurance Plan. Please refer to the product brochure for the relevant product risks.

The above Life Insurance Plan is underwritten by Hang Seng Insurance. Hang Seng Insurance is authorised and regulated by the Insurance Authority of the HKSAR. Hang Seng Bank is an insurance agent authorised by Hang Seng Insurance and the insurance products are the products of Hang Seng Insurance but not Hang Seng Bank. In respect of an eligible dispute (as defined in the Terms of Reference for the Financial Dispute Resolution Centre in relation to the Financial Dispute Resolution Scheme) arising between Hang Seng Bank and you out of the selling process or processing of the related insurance product transaction, Hang Seng Bank will enter into a Financial Dispute Resolution Scheme process with you; however any dispute over the contractual terms of the insurance products should be resolved between Hang Seng Insurance and you directly. If you surrender the Policy after the expiry of the cooling-off period, the surrender proceeds to be received may be significantly less than the Total Premiums Paid. Please refer to the illustration summary of this Plan for the projected surrender values.

Remark: The benefits and/or returns mentioned throughout this material are not guaranteed and for illustrative purpose only. The actual future amounts of benefits and/or returns may be lower than or higher than the currently quoted benefits and/or returns. The policyholder is subject to the credit risk of Hang Seng Insurance. If the policyholder discontinues and/or surrenders this policy in early policy years, the amount of benefits he/she will get back may be considerably less than the total premiums he/she has paid. All details regarding policy surrender should be referred to the relevant policy provisions.

Risk Disclosure of Investment Funds:

Investors should note that all investments involve risks (including the possibility of loss of the capital invested), prices or value of investment fund units may go up as well as down and past performance information presented is not indicative of future performance. Investors should read carefully and understand the relevant offering documents of the investment funds (including the fund details and full text of the risk factors stated therein) and the Notice to Customers for Fund Investing before making any investment decision. Investment funds are investment products and some may involve derivatives. Investors should carefully consider their own circumstances whether an investment is suitable for them in view of their own investment objectives, investment experience, preferred investment tenor, financial situation, risk tolerance abilities, tax implications and other needs, etc., and should understand the nature, terms and risks of the investment products. Investors should obtain independent professional advice if they have concerns about their investment.

Risk Disclosure of Structured Products:

- Structured Products involve derivatives. The investment decision is yours but you should not invest in a Structured Product unless the intermediary who sells it to you has explained to you that the Structured Product is suitable for you having regard to your financial situation, investment experience and investment objectives. Structured Product is a complex product and you should exercise caution in relation to Structured Products. The market value of the Structured Products may fluctuate and investors may sustain a total loss of their investment. Prospective investors should therefore ensure that they understand the nature of the Structured Products and carefully study the risk factors set out in the offering

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documents for the Structured Products and, where necessary, seek independent professional advice, before they decide whether to invest in any Structured Products. If you purchase the Structured Products, you are relying upon the creditworthiness of the Issuer of the Structured Products.

- Liquidity risk - Structured Products are designed to be held to its maturity. You may not be able to sell your investment in the Structured Products before maturity. If you try to sell the Structured Products before maturity, the amount you receive may be substantially less than the investment amount you paid for the Structured Products.
- Credit risk of the Structured Products issuer - Structured Products constitute general unsecured and unsubordinated contractual obligations of the issuer. When you buy Structured Products, you will be relying on the creditworthiness of the Structured Products issuer and of no other person. You have no rights under the terms and conditions of the Structured Products against any issuer of any linked underlying(s). If the relevant Structured Products issuer becomes insolvent or default on its obligations under the Structured Products, in the worst case scenario, you could lose all of your investment.
- Not the same as investing in linked underlying(s) - Investing in Structured Products is not the same as investing in the linked underlying(s). Changes in the market price or level of any linked underlying(s) may not lead to a corresponding change in the market value of, or your potential gain or loss under, the Structured Products.
- Before making any investment, investors should
 - i. read and fully understand all the offering documents relating to Structured Products and all the risk disclosure statements and risk warnings therein; and
 - ii. make investment decisions in light of your own investment objectives, financial position and particular needs and where necessary consult your own professional advisers before investing.

Risk disclosure of Bond or Certificate of Deposit Product:

- Bonds and Certificates of Deposit (CDs) are investment products. The investment decision is yours but you should not invest in a bond/CD unless the intermediary who sells it to you has explained to you that the bond/CD is suitable to you having regard to your financial situation, investment experience and investment objectives. Your intermediary is under a duty to assure that you understand the nature and risks of this product, and that you have sufficient net worth to be able to assume the risks and bear the potential losses of trading in this product.
- Bonds are not deposits and should not be treated as substitute for conventional time deposits.
- Certificate of Deposit is not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.
- Investors who purchase bonds/CDs are exposed to the credit risk of the issuer and guarantor (if any) of the bonds/CDs. There is no assurance of protection against a default by the issuer/guarantor in respect of the repayment obligations. In the worst case scenario, any failure by the issuer and the guarantor (if any) to perform their respective obligations under the bonds/CDs when due may result in a total loss of all of your investment.
- Renminbi (RMB) is not a freely convertible currency. As such, investors trading bonds and/or CDs denominated in RMB are subject to additional risks (such as currency risk).
- The above is not an exhaustive list of risk factors. Please refer to the section on “Risk Factors” in the relevant “Bond / Certificate of Deposit Trading Services” Factsheet to understand other risk factors applicable to bonds and CDs.
- The information displayed does not constitute nor is it intended to be construed as any professional advice, offer, solicitation or recommendation to deal in Bonds / CDs. Investors should be aware that all investments involve risks (including the possibility of loss of the capital invested). The prices of Bonds and CDs may go up as well as down and past performance is not indicative of future performance. Investors should not only base on this information alone to make investment decisions, and should carefully consider whether an investment is suitable for them in view of their own investment objectives, investment experience, investment tenor, financial situation, risk tolerance abilities, tax implications and other needs, etc., and should read the relevant product offering documents and terms and conditions (including the full text of the risk factors therein) in detail before making any investment decisions. Investors should obtain independent professional advice if they have concerns about their investment.

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- No guarantee, representation, warranty or undertaking, express or implied, is made as to the fairness, accuracy, timeliness, completeness or correctness of any general financial and market information, news services and market analysis, projections and/or opinions (“Market Information”) provided above and the basis upon which any such Market Information have been made, and no liability or responsibility is accepted by the Bank in relation to the use of or reliance on any such Market Information whatsoever provided in the webinar.
- Investors must make their own assessment of the relevance, accuracy and adequacy of the information provided and make such independent research/investigations as they may consider necessary or appropriate for the purpose of such assessment. The Bank does not make any representation or recommendation or assessment as to whether or not any of the investment(s) mentioned are suitable or applicable to any persons and thus shall not be held responsible in this regard.

Risk Disclosure of MaxiInterest Investment Deposit

- This is a structured product involving derivatives. The investment decision is yours but you should not invest in the MaxiInterest Investment Deposit unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives. Investors should read the relevant Important Facts Statement, Terms and Conditions and risk disclosure statement before making any investment decision.
- Investors should note that this product is not capital protected and is not a normal time deposit, and thus should not be considered as normal time deposit or its alternative.
- Earnings on this product are limited to the nominal interest payable. As the principal and the earning will be paid in the Deposit Currency or the Linked Currency, whichever has depreciated against the other, investors will have to bear the potential losses due to currency depreciation, which may be substantial. If the product is withdrawn before maturity, investors will also have to bear the costs involved. Such losses and costs may reduce the earnings and the principal amount of this product. Investors should seek professional advice where necessary. The relevant Terms and Conditions of this product are available upon request to the staff of the Bank.
- This product is not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.
- Investment in this product is subject to the credit risk of the Bank.
- Renminbi (RMB) is subject to foreign exchange control by the PRC government and thus investors investing in the MaxiInterest Investment Deposit involving RMB are subject to the currency risk of RMB.

Risk Disclosure of Capital Protected Investment Deposit

- This is a structured product involving derivatives. The investment decision is yours but you should not invest in the Capital Protected Investment Deposit unless the intermediary who sells it to you has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives. Investor should read the Important Facts Statement of the relevant investment type, the relevant term sheet, Terms and Conditions and risk disclosure statement before making any investment decision.
- Investor should note that this product is not normal time deposit and thus should not be considered as normal time deposit or its alternative.
- This product is not a protected deposit and is not protected by the Deposit Protection Scheme in Hong Kong.
- Investment in this product is subject to the credit risk of the Bank.
- Renminbi (RMB) is subject to foreign exchange control by the PRC government and thus investors investing in the Currency-Linked Capital Protected Investment Deposit involving RMB are subject to the currency risk of RMB.

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Risk Disclosure of Securities Services:

- Investors should note that investment involves risks. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.
- Investors should note that investing in different Renminbi-denominated securities and products involves different risks (including but are not limited to currency risk, exchange rate risk, credit risk of issuer / counterparty, interest rate risk, liquidity risk (where appropriate)). The key risks of investing in securities via the Stock Connect Northbound Trading include:
- Before making any investment, investors should
 - Once the respective quota is used up, trading will be affected or will be suspended.
 - Stock Connect Northbound Trading will only operate on days when both markets are open for trading. Investors should take note of the days the Stock Connect Northbound Trading is open for business and decide according to their own risk tolerance whether or not to take on the risk of price fluctuations in securities during the time when Stock Connect Northbound Trading is not trading.
 - When a security is recalled from the scope of eligible securities for trading via Stock Connect Northbound Trading, that security can only be sold but NOT bought.
 - Investors will be exposed to currency risk if conversion of the local currency into RMB is required.

Foreign securities carry additional risks not generally associated with securities in the domestic market. The value or income (if any) of foreign securities may be more volatile and could be adversely affected by changes in many factors. Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap.571) and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

- Investors should note that ETF is different from a typical unit trust and many factors will affect its performance. In general, the market price per ETF unit may be significantly higher or lower than its net asset value per unit due to market demand and supply, liquidity, and scale of trading spread in the secondary market and will fluctuate during the trading day. ETF is different from stocks, investors should read the offering documents of the relevant ETF and understand the features and risks of ETF etc.
- Investors should not only base on this material alone to make any investment decision, but should read in detail the relevant risk disclosure statements.

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About Hang Seng Bank

Founded in 1933, Hang Seng has continually innovated to provide best-in-class, customer-centric banking, investment and wealth management services for individuals and businesses. It is widely recognised as the leading domestic bank in Hong Kong, currently serving more than 3.9 million customers.

Combining its award-winning mobile app and strong digital capabilities with a vast network of over 260 service outlets in Hong Kong, Hang Seng offers a seamless omni-channel experience for customers to take care of their banking and financial needs anytime, anywhere.

Its wholly owned subsidiary, Hang Seng Bank (China) Limited, operates a strategic network of outlets in almost 20 major cities in mainland China to serve a growing base of mainland customers locally and those with cross-boundary banking needs. The Bank also operates branches in Macau and Singapore, and a representative office in Taipei.

As a homegrown financial institution, Hang Seng is closely tied to the Hong Kong community. It supports the community with a dedicated programme of social and environmental initiatives focused on future skills for the younger generation, sustainable finance and financial literacy, addressing climate change and caring for the community.

Hang Seng is a principal member of the HSBC Group, one of the world’s largest banking and financial services organisations. More information on Hang Seng is available at www.hangseng.com.