

3110 HK

Annual Commentary

Global X Hang Seng High Dividend Yield ETF (3110 HK)

Investors should not base investment decisions on this material alone. Please refer to the Prospectus for details including product features and the risk factors. Investment involves risks. Past performance is not indicative of future performance. There is no guarantee of the repayment of the principal. Investors should note:

- **Global X Hang Seng High Dividend Yield ETF's** (the "Fund's") investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer specific factors.
- There is no assurance that dividends will be declared and paid in respect of the securities comprising the Hang Seng High Dividend Yield Index (the "Index"). Dividend payment rates in respect of such securities will depend on the performance of the companies or REITs of the constituent securities of the Index as well as factors beyond the control of the Manager including but not limited to, the dividend distribution policy of these companies or REITs.
- Whether or not distributions will be made by the Fund is at the discretion of the Manager taking into account various factors and its own distribution policy. There can be no assurance that the distribution yield of the Fund is the same as that of the Index.
- The Manager may at its discretion pay dividend out of the capital or gross income of the fund. Payment of dividends out of capital to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital may result in an immediate reduction of the Net Asset Value per Unit.
- The trading price of the Fund's unit (the "Unit") on the Stock Exchange of Hong Kong is driven by market factors such as demand and supply of the Unit. Therefore, the Units may trade at a substantial premium or discount to the Fund's net asset value.
- As part of the securities lending transactions, there is a risk of shortfall of collateral value due to inaccurate pricing of the securities lent or change of value of securities lent. This may cause significant losses to the Fund. The borrower may fail to return the securities in a timely manner or at all. The Fund may suffer from a loss or delay when recovering the securities lent out. This may restrict the Fund's ability in meeting delivery or payment obligations from realisation requests.

Disclaimer

This document contains the opinions of Mirae Asset Global Investments (Hong Kong) Limited ("MAGIHK") and is intended for your use only. It is not a solicitation, offer or recommendation to buy or sell any security or other financial instrument and shall not constitute any form of regulated financial advice, legal, tax or other regulated service. Information contained herein has been obtained from sources believed to be reliable, but is not guaranteed. MAGIHK makes no representation as to their accuracy or completeness and therefore do not accept any liability for a loss arising from the use of this document.

Investment involves risk. Forecasts, past information and estimates have certain inherent limitations. Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these opinions are suitable for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

Past performance information presented is not indicative of future performance. Before making any investment decision, investors should read the fund's offering document for further details including the risk factors. Investors should ensure they fully understand the risks associated with the applicable investment and should also consider their own investment objective and risk tolerance level. Investors are advised to seek independent professional advice if in doubt.

Issuer: Mirae Asset Global Investments (Hong Kong) Limited (Licensed by the Securities and Futures Commission for Types 1, 4 and 9 regulated activities under the Securities and Futures Ordinance). This document has not been reviewed by the Securities and Futures Commission or the applicable regulator in the jurisdiction which this article is posted and no part of this publication may be reproduced in any form, or referred to in any other publication, without express written permission of MAGIHK. Authors: Xinyi Sun (Licensed by the Securities and Futures Commission for Types 1, 4 and 9 regulated activities under the Securities and Futures Ordinance), and Yimin Huang (Licensed by the Securities and Futures Commission for Types 1 and 4 regulated activities under the Securities and Futures Ordinance) The authors and their associate(s) do not hold the securities/fund mentioned in the article.

Copyright © 2025 Mirae Asset Global Investments. All rights reserved. COM-2025.01.13-MKT-3110Flyer



Monthly Commentary

Global X Hang Seng High Dividend Yield ETF

For Hong Kong Investors Only

Hang Seng High Dividend Yield ETF (3110)

- Performance Review :** In December, Hang Seng High Dividend Yield Index generated total returns of 6.2%. Total returns for 2024 reached 33.6%, with 10.7% excess returns compared to Hang Seng Index. HSHDYI has been outperforming the overall market throughout different cycles over the past 10 years, delivering an **annualized excess return of 5.0%** over HSI. The stable dividend yields for 3110 HK would appear more appealing in a global rate cutting cycle, and high dividend strategy has been gaining traction in the past months as investors seek for better income visibility amid market uncertainty. High dividend strategy is also a key beneficiary for China's forceful stimulus package and policy supports, which urge corporates to raise shareholder returns through cash dividend and share repurchase.
- LTM dividend yield:** 3110 HK distributed semi-annual dividend of HK\$1.36/share to investors on 30 September, representing Last 12 Month (LTM) dividend yield of 7.08%¹
- DPS trend:** According to Bloomberg Consensus, weighted average dividend per share (DPS) in the index will increase by 4.4% YoY in FY24, and 64% of constituents are expected to pay higher DPS in FY24E than FY23.

Source: Bloomberg. Note: 1. Annualized dividend yield is calculated by LTM dividend/NAV per share as of 8 January 2025. Distribution is not guaranteed and may be paid out of capital. Positive yield does not mean positive return.

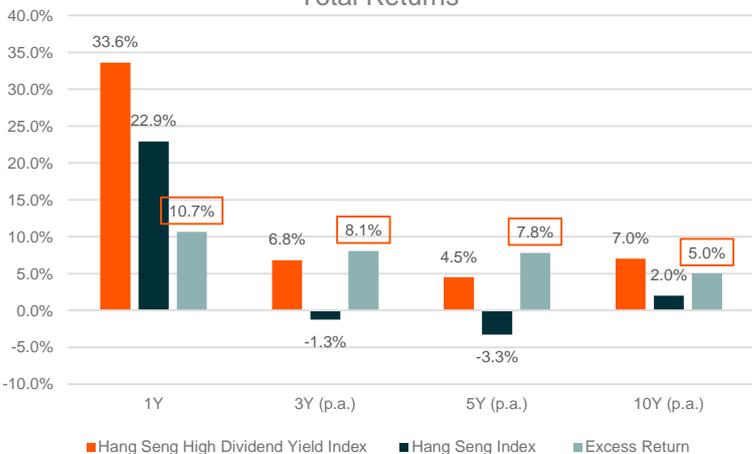
Performance

	3 Mths	6 Mths	YTD	Since Listing	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fund	0.83%	15.43%	31.36%	102.00%	31.36%	-3.3%	-7.3%	7.1%	-7.0%	9.4%	-5.9%	40.5%	3.7%	0.0%
Index	1.07%	16.30%	33.08%	119.90%	33.08%	-2.4%	-7.3%	8.4%	-6.2%	10.2%	-5.5%	42.0%	4.9%	0.2%

Source: Mirae Asset, 31 December 2024. Past performance information is not indicative of future performance. These figures show how much the Fund increased or decreased in value during the calendar year shown. The computation basis of the Performance is calculated on NAV to NAV basis in HKD with dividends (if any) reinvested. Change indicates the change since the previous business day. For more information on calculation of NAV, please refer to the Prospectus. Fund (listed class) launch date: 11 June 2013,

HSHDYI Delivers Substantial Outperformance

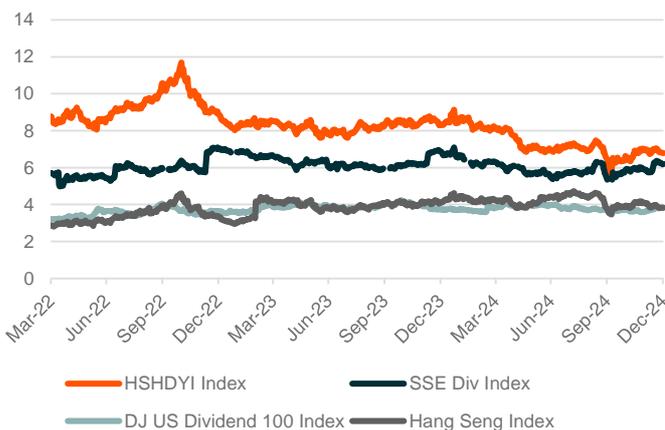
Total Returns



Source: Bloomberg, Mirae Asset. Data as of 31 December 2024

HSHDYI Generates Higher Dividend Yield

Dividend Yield, LTM (%)



Source: Bloomberg, Mirae Asset. Data as of 31 December 2024

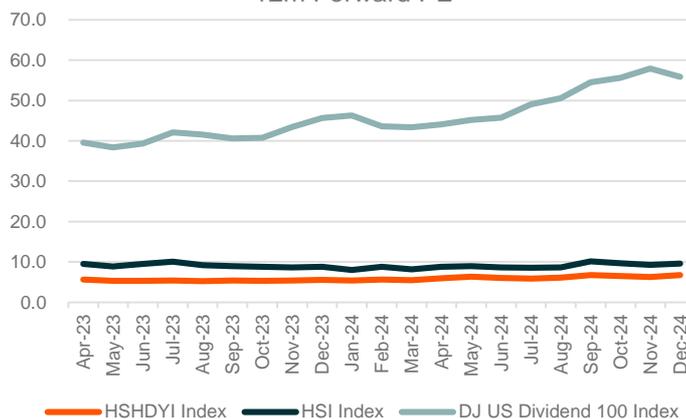
HSHDYI Generates Higher Total Return Throughout Different Cycles

Year	HSHDYI	HSI	Excess Return
2015	0%	-4%	4%
2016	5%	4%	1%
2017	42%	41%	1%
2018	-5%	-11%	5%
2019	10%	13%	-3%
2020	-6%	0%	-6%
2021	9%	-12%	21%
2022	-7%	-13%	6%
2023	-2%	-10%	8%
2024	34%	23%	11%

Source: Bloomberg, Total Return Data. Data as of 31 December 2024

HSHDYI Trades at Substantial Discount

12m Forward PE



Source: Bloomberg, Mirae Asset. Data as of 31 December 2024