



3110

For Hong Kong Investors Only

Global X Hang Seng High Dividend Yield ETF



<https://www.globalxetfs.com.hk/>

Important Information

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

COM-2024-04-11-HK-R-MKT-HSHighDividendYield-Flyer-EN

Global X Hang Seng High Dividend Yield ETF (3110)



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Investment Case



High Dividend Yield with low volatility



Hong Kong's largest and most liquid high dividend ETF¹



5-star rated by Morningstar²

1. Source: Source: HKEX (Exchange Traded Products, Investment Focus as Equity Income, Geographic Focus as Greater China, Excluding REITs), Data as of 2 April 2024. 2. Morningstar rating as of 31 Mar 2024. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Morningstar Category: EAA Fund Hong Kong Equity.

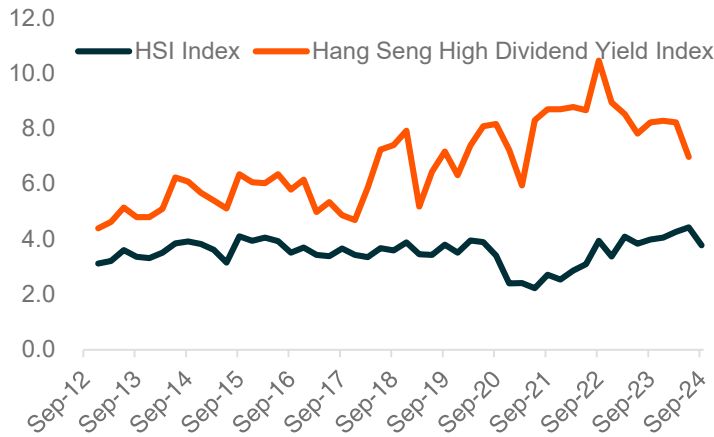
Key Information

Listing Date	2013.06.17
Ongoing Charges over a Year ¹	0.68%
Exchange	HKEX
Reference Index ²	Hang Seng High Dividend Yield Index
Distribution ³	Semi-annually at the Manager's discretion (Mar and Sep)

1. The Fund adopts a single management fee structure, whereby a single flat fee will be paid out of the assets of the Fund to cover all of the costs, fees and expenses of the Fund. The ongoing charges figure is an annualized figure based on the ongoing expenses of the Fund, expressed as a percentage of the Fund's average net asset value over the same period. The figure may vary from year to year. The Fund adopts a single management fee structure, whereby a single flat fee will be paid out of the assets of the Fund to cover all of the costs, fees and expenses of the Fund. The ongoing charges of the Fund are fixed at 0.68% of the Fund's net asset value, which is equal to the current rate of the management fee of the Fund. For the avoidance of doubt, any ongoing expenses of the Fund exceeding the ongoing charges of the Fund (i.e. the management fee) shall be borne by the Manager and shall not be charged to the Fund. Please refer to the Key Facts Statement and the Prospectus for further details. 2. The Underlying Index is a net total return index weighted by net dividend yield – i.e. dividend yield after deducting withholding tax – with a 10% cap on individual constituent weightings. The index tracks the overall performance of high-yield securities listed in Hong Kong. It comprises 50 constituents and its universe comprises all stocks and REITs that have their primary listings on the Hong Kong Exchanges and Clearing Limited ("HKEX"), excluding stocks that are secondary listings, preference shares, debt securities, mutual funds or other derivatives. A net total return index reflects the reinvestment of dividends or coupon payments, after deduction of any withholding tax (including any surcharges for special levies, if applicable). 3. Dividend rate is not guaranteed, distributions may be made out of capital or income at the Manager's discretion and please refer to clause 4 in important information on the cover page.

Higher Dividend Yield

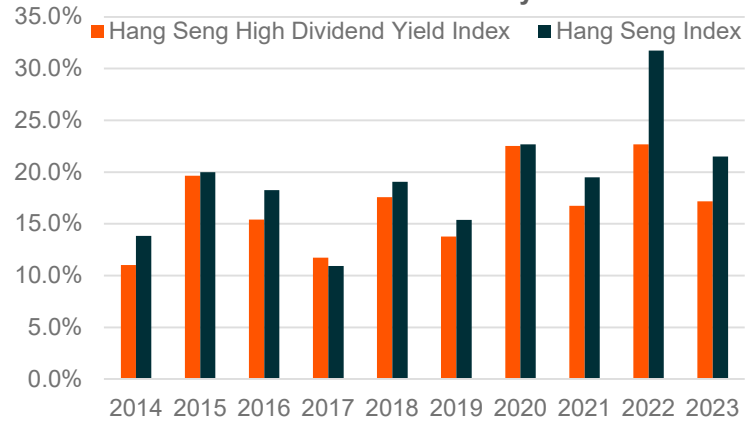
Historical Dividend Yield



Source: Bloomberg, Hang Seng, Oct 2024

Less Volatile and More Resilience

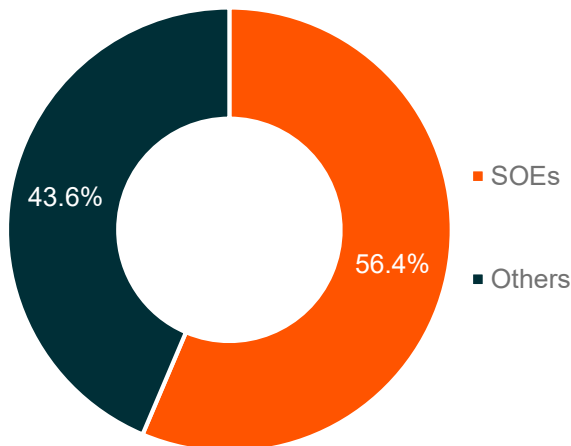
Annualized Volatility



Source: Bloomberg; Data as of December 2023.

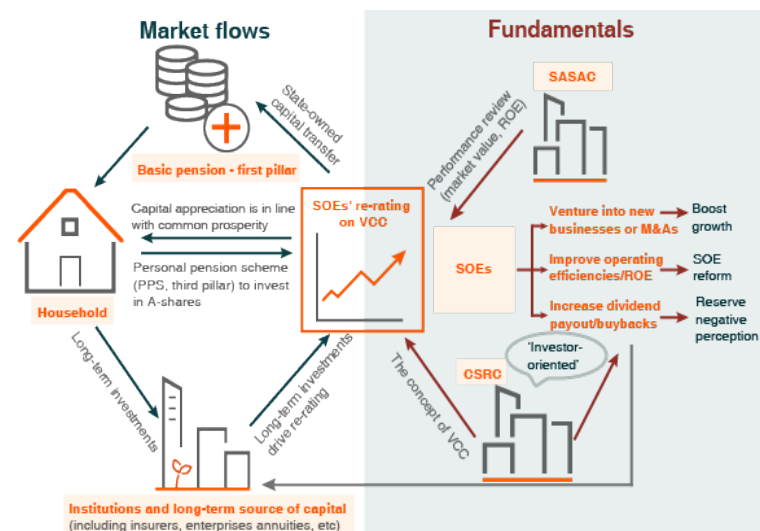
Over 55% of Index Constituents are SOEs

Index Constituents breakdown



Source: Hang Seng, Bloomberg, 30 Aug 2024.

Valuation System With Chinese Characteristic to Drive Re-Rating of SOEs



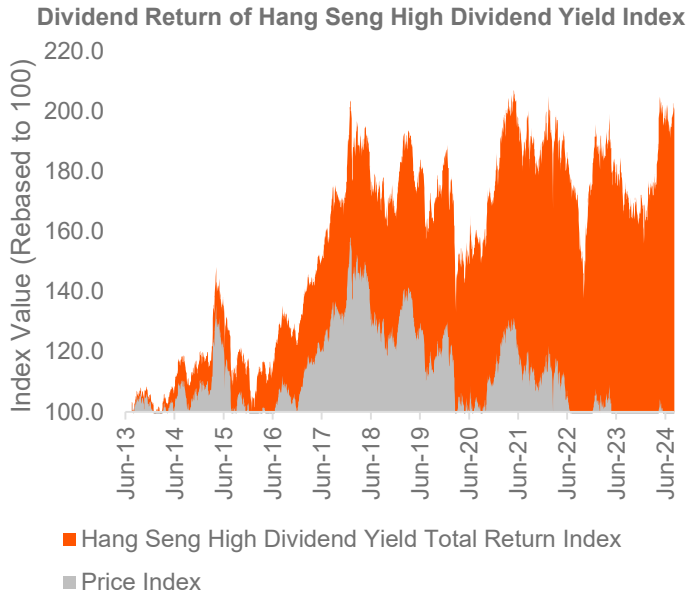
Source: UBS-S

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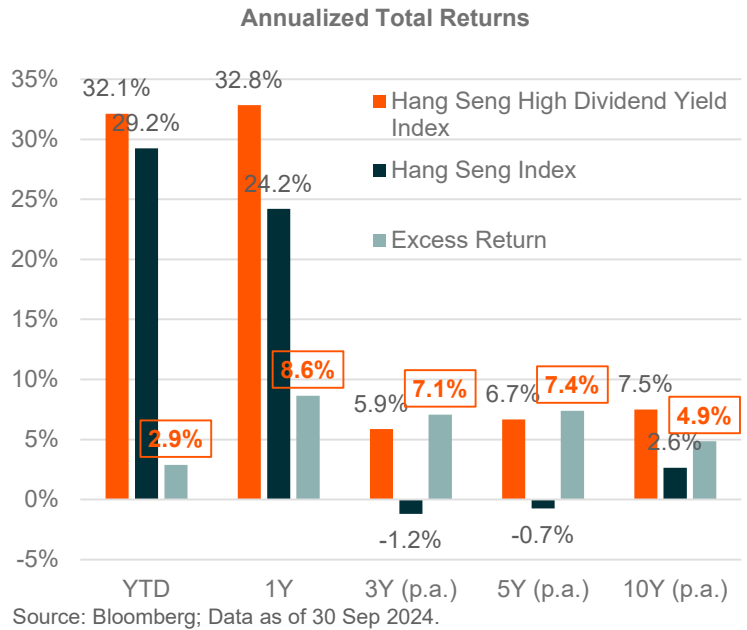
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Majority of Return is Sourced From Dividend

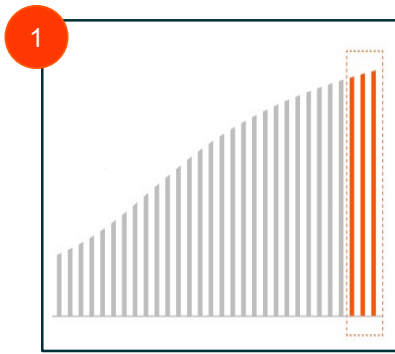


Source: Bloomberg; Sep 2024

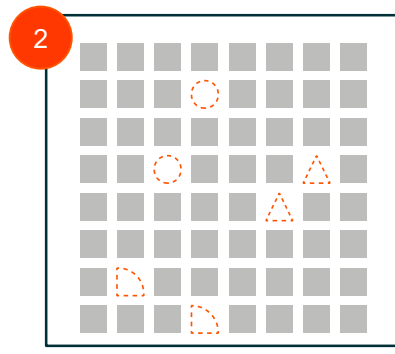
Outperformance of Hang Seng High Dividend Yield Index



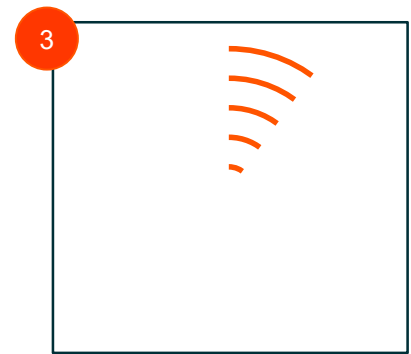
Index Methodology



Stocks are ranked by yield¹, and adjusted for one-off special dividend²



Stocks that exhibited high volatility and plummeted by more than 50% are screened out to avoid the "value" trap³



Top 50 yielding securities are weighted by yield, subject to a 10% capping

1. Securities will be ranked by net dividend yield and having at least three consecutive fiscal years. 2. If a security bears a net dividend yield of above 7%, its yield will be reviewed and recalculated to exclude one-off cash distributions, if any. 3. Top 25% of eligible securities with highest volatility are excluded. Securities whose price fell by more than 50% over the past 12 months are also screened out to avoid "value trap". Eligible securities should be large-cap or mid-cap constituents from Hang Seng Composite Index. Stocks are required to have an average daily turnover of at least HKD20m.

Largest and Most Liquid ETF in the Same Product Category

Ticker	Fund name	AUM (HK\$bn)	Ongoing Charges	Dividend Yield
3110 HK	Global X Hang Seng High Dividend Yield ETF	4.0	0.68%	6.85%
	ETF A	1.4	0.77%	5.50%
	ETF B	0.1	0.83%	6.82%

Source: HKEX (Exchange Traded Products, Investment Focus as Equity Income, Geographic Focus as Greater China, Excluding REITs), Data as of 14 Oct 2024.

Top 10 Holdings

Name	Weight (%)
PCCW	3.5
China Feihe	3.3
China Cinda Asset Management	3.1
Hang Lung Properties	2.9
New China Life Insurance	2.7
Uni-President China	2.6
Link REIT	2.5
People's Insurance	2.4
China Galaxy Securities	2.4
Citic	2.4

Source: Mirae Asset Global Investments. Data as of 11 Oct 2024.

Fund Map

Global X ETFs Hong Kong



A lineup that spans emerging trends and disruptive tech, income, core and commodities ETFs. Or simply put, we strive to offer investors something beyond ordinary.

This document is intended for Hong Kong Investors only.

The following list consists of ETFs traded on the HKD counter (excluding USD and RMB counters). October 2024.

Investing in the Equity ETF(s) may expose to risks (if applicable) including general investment risk, equity market risk, sector/market concentration risk, active / passive investment management risk, tracking error risk, trading risk, risk in investing financial derivative instruments, securities lending risk, distributions paid out of capital or effectively out of capital risk.
Investing in the S&P Crude Oil Futures Enhanced ER ETF may expose to risks (if applicable) including passive investment risk, crude oil market risk, futures contracts risk, risk of material non-correlation with spot/current market price of the West Texas Intermediate crude oil risk, margin risk, trading risk, risk of investing in fixed income securities, tracking error risk, termination risk.
Investing in the USD Money Market Active ETF may expose to risks including general investment risk, active investment management risk, interest rate risk, risks associated with bank deposits, concentration risk, currency risk, trading risk, credit rating risk, downgrading risk, counterparty risk and distributions paid out of capital or effectively out of capital risk.
Investing in the Fixed Income Passive ETF(s) may expose to risks (if applicable) including general investment risk, passive investment management risk, interest rate risk, emerging markets risk, risks associated with PRC inter-bank bond market, Foreign Access Regime and Bond Connect, concentration risk, RMB/USD currency risk, securities lending risk, trading risk, credit rating risk, downgrading risk, counterparty risk, tracking error risk and distributions paid out of capital or effectively out of capital risk.
Investing in the Covered Call Active ETF may expose to risks (if applicable) including active investment management risk, futures contracts risk, margin requirement risk, failure of clearing house risk, concentration risk, securities lending transaction risks, currency risk, distributions paid out of capital or effectively out of capital risk, and trading risks.



THEMATIC GROWTH

CHINA

DISRUPTIVE TECHNOLOGY

2845 Global X China Electric Vehicle and Battery ETF

3191 Global X China Semiconductor ETF

2826 Global X China Cloud Computing ETF

2807 Global X China Robotics and AI ETF

PEOPLE & DEMOGRAPHICS

2820 Global X China Biotech ETF

2841 Global X China MedTech ETF

2806 Global X China Consumer Brand ETF

PHYSICAL ENVIRONMENT

2809 Global X China Clean Energy ETF

MULTI-THEME

3050 Global X China Global Leaders ETF

2815 Global X China Little Giant ETF

GLOBAL

DISRUPTIVE TECHNOLOGY

3185 Global X FinTech ETF

3139 Global X Electric Vehicle and Battery Active ETF

3006 Global X AI & Innovative Technology Active ETF

3422 Global X Innovative Bluechip Top 10 ETF

ASIA

DISRUPTIVE TECHNOLOGY

3119 Global X Asia Semiconductor ETF

MULTI-THEME

3150 Global X Japan Global Leaders ETF

3184 Global X India Select Top 10 ETF

3158 Global X K-pop and Culture ETF



COMMODITIES

COMMODITIES

3097 Global X S&P Crude Oil Futures Enhanced ER ETF



CORE

CORE

3040 Global X MSCI China ETF

2837 Global X Hang Seng TECH ETF

3029 Global X Hang Seng ESG ETF



INCOME

DIVIDEND

3110 Global X Hang Seng High Dividend Yield ETF

3116 Global X Asia Pacific High Dividend Yield ETF

3419 Global X HSI Components Covered Call Active ETF

3416 Global X HSCEI Components Covered Call Active ETF

Dividend is not guaranteed and may be paid out of capital

FIXED INCOME

3059 Global X Bloomberg MSCI Asia Ex Japan Green Bond ETF

3041 Global X FTSE China Policy Bank Bond ETF

3137 Global X USD Money Market ETF

3075 Global X Asia USD Investment Grade Bond ETF

3450 Global X US Treasury 3-5 Year ETF

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