

Global X China Consumer Brand ETF

2806 HKD
9806 USD



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. Past performance is not indicative of future performance. There is no guarantee of the repayment of the principal. Investors should note:

- The investment objective of Global X China Consumer Brand ETF (the "Fund") is to provide investment results that, before fees and expenses, closely correspond to the performance of the Solactive China Consumer Brand Index.
- The Fund is exposed to concentration risk by tracking a single region or country.
- The Index constituents may be concentrated in a specific industry or sector, which may potentially more volatile than a fund with a diversified portfolio.
- Investment in Emerging Market, such as A-share market, may involve increased risks and special considerations not typically associated with investments in more developed markets, such as liquidity risk, currency risks, political risk, legal and taxation risks, and the likelihood of a high degree of volatility.
- The Stock Connect is subject to quota limitations. Where a suspension in the trading through the Stock Connect is effected, the Sub-Fund's ability to invest in A-Shares or access Mainland China markets through the programme will be adversely affected.
- The trading price of the Fund's unit on the SEHK is driven by secondary market trading factors, which may lead to a substantial premium or discount to the Fund's net asset value.
- The Fund's synthetic replication strategy may invest up to 50% of its net asset value in financial derivative instruments ("FDIs"), which may expose the Fund to counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The Fund may suffer losses from its usage of FDIs.
- The Manager may at its discretion pay dividends out of the capital of the Fund. Distributions paid out of capital, represent a return of an investor's original investment or its gains and may potentially reduce the Fund's Net Asset Value per Share as well as the capital available for future investment.
- The Fund may suffer from a losses or delays when recovering the securities lent out. This may potentially affect its ability to meet payment and redemption obligations. Collateral shortfalls due to inaccurate pricing or change of value of securities lent, may cause significant losses to the Fund.

FUND DETAILS¹



| | |
|--|--|
| Stock Code | 2806 (HKD) 9806 (USD) |
| ISIN | HK0000562634 (HKD/USD) |
| Listing Date | 17 Jan 2020 |
| Ongoing Charges Over a Year ² | 0.68% |
| Index ³ | Solactive China Consumer Brand Index NTR |
| Board Lot Size | 50 Units |
| Base Currency | RMB |
| Trading Currency | HKD counter: HKD USD counter: USD |
| Exchange | HKEX |

INVESTMENT POINTS

- Policy stimulus remains key to enhancing consumer sentiment and boosting stock performance for China consumer in 2025.
- Macroeconomic recovery, bolstered by supportive policies and stabilization of property market, presents the largest upside potential for China's consumer sector in 2025, especially given that demand was under pressure across nearly all subsectors in 2024.
- By subsector, sectors directly targeted by stimulus initiatives, such as home appliance and auto under extended consumer goods trade-in programs, as well as sectors sensitive to macroeconomic changes, such as Baijiu, stand to better benefit.

PERFORMANCE¹

| Cumulative Return | 3 Mths | 6 Mths | YTD | Since Listing |
|-------------------|--------|--------|-------|---------------|
| FUND | -0.19% | 1.52% | 1.52% | -16.28% |
| INDEX | -0.04% | 1.82% | 1.82% | -12.24% |

| Calendar Year Return | 2024 | 2023 | 2022 | 2021 | 2020 |
|----------------------|-------|---------|---------|---------|------|
| FUND | 6.46% | -16.44% | -18.02% | -20.21% | - |
| INDEX | 7.29% | -15.76% | -17.44% | -19.37% | - |

TOP 10 HOLDINGS (%)⁴

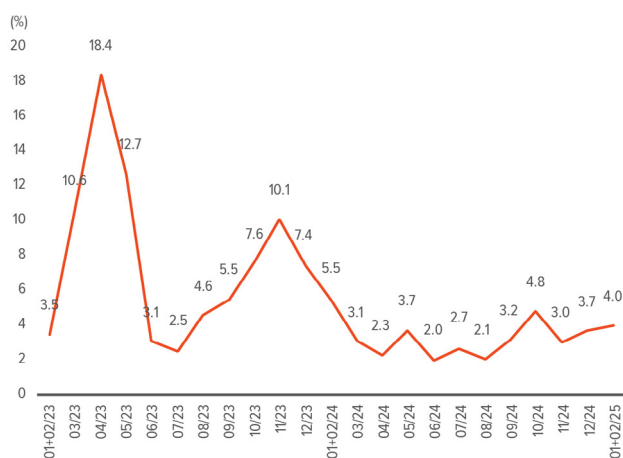
| | |
|------------------|------|
| Li Auto | 8.61 |
| Kweichow Moutai | 8.23 |
| Midea Group | 8.01 |
| Wuliangye Yibin | 7.83 |
| Trip.com | 7.66 |
| Pop Mart | 7.30 |
| Yum China | 6.07 |
| ANTA Sports | 5.30 |
| Seres Group | 4.19 |
| Haier Smart Home | 3.87 |

Source: MAGIHK, 30 Jun 2025. ¹ Past performance information is not indicative of future performance. Investors may not get back the full amount invested. The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested. These figures show by how much the Sub-Fund increased or decreased in value during the calendar year shown. Performance data has been calculated in RMB including ongoing charges and excluding trading costs on SEHK you might have to pay. Where no past performance is shown there was insufficient data available in that year to provide performance. The Index of the Fund is Solactive China Consumer Brand Index. Fund inception date: 16 Jan 2020. ² 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 annualised 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 single management fee does not include the fees related to FDIs (including swaps) entered into by 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 Product Key Facts and the Prospectus for further details. ³ The Underlying Index is a net total return, free float market capitalization weighted index. 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). ⁴ Holdings are subject to change.



CHINA RETAIL SALES SAW SEQUENTIAL IMPROVEMENTS

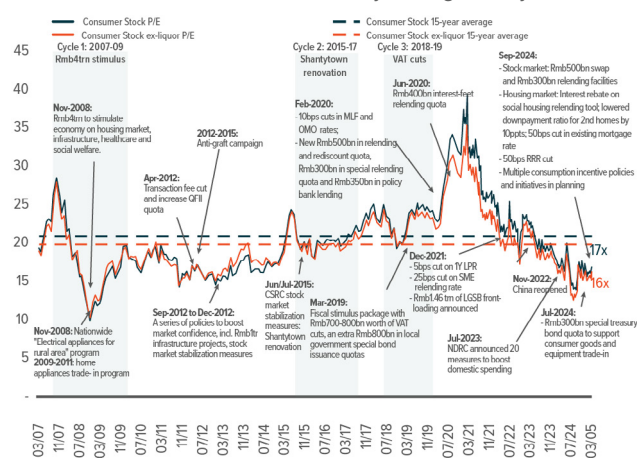
China Retail Sales YoY Performance



Source: Bloomberg, Feb 2025

CHINA CONSUMER VALUATION REMAIN ATTRACTIVE

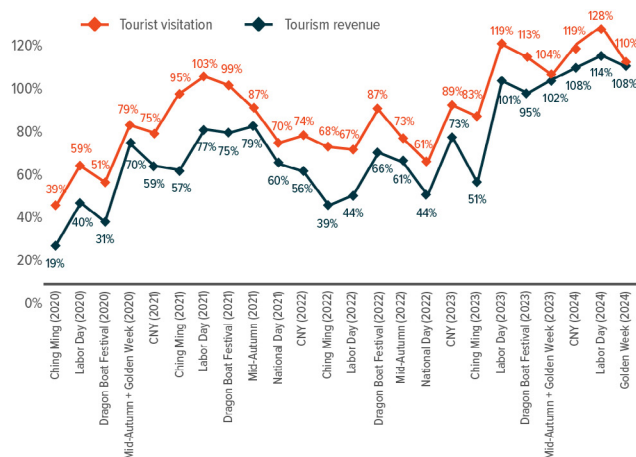
Consumer Stock P/E and Policy throughout Cycles



Source: JP Morgan, Jan 2025

TOURISM: ROBUST RECOVERY

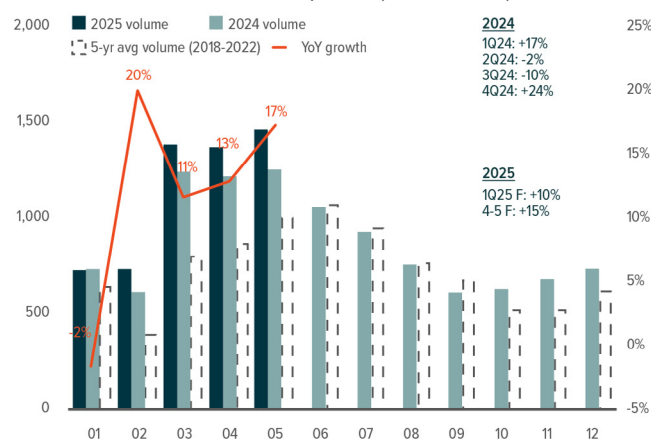
Domestic Tourism Trips/Revenue Trends vs 2019



Source: Ministry of Culture and Tourism, Goldman Sachs, Feb 2025

HOME APPLIANCE: AC SHIPMENTS MAINTAINED STRONG MOMENTUM UNDER 'TRADE-IN' SUBSIDIES

AC domestic shipment (10,000 units)



Source: ChinaIOL, UBS, Feb 2025. Note: Production planning data from Feb 2025

CONSUMER AT THE CENTER OF GOVERNMENT POLICY FOCUS

| Date | Relevant Authorities | Content |
|-------|----------------------|--|
| 07/24 | Central Govt. | Consumer goods trade-in program: Rmb300bn long-term special treasury bond quota this year to support consumer goods trade-in and equipment upgrade programs. |
| 07/24 | Politburo Meeting | Guidance on consumption: Underscored the importance of stimulating consumption and highlighted enhancing service consumption. |
| 09/24 | Shanghai DRC | Consumption vouchers: Rmb500mn vouchers for dining, accommodation, movie tickets and sports. |
| 09/24 | Central Govt. | Cash subsidies for low income groups: one-off cash handouts to people living in extreme poverty. |
| 09/24 | Politburo Meeting | Guidance on consumption: Combine social welfare and consumption mix upgrade. Cultivate new consumption formats and facilitate stable pricing of food and utilities. |
| 12/24 | Guangzhou Govt. | Consumption vouchers: Guangzhou launched 1st round of Rmb100m dining vouchers. |
| 12/24 | CEWC | Guidance on consumption: boosting domestic demand as the top economic work for 2025, up from the second place for 2024. |
| 01/25 | NDRC | Consumer trade-in: Purchase of smartphones, tablets, smartwatches will be included in the trade-in scheme. |
| 03/25 | NPC | Consumer trade-in: the size of trade-in subsidies for consumer goods is doubled to Rmb300bn. |
| 03/25 | State Council | Consumption Stimulus Action Plan: 30 actions covering eight areas incl: 1) boost income; 2) enhance social welfare; 3) stimulate service consumption; 4) expand trade-in policy and stabilize the housing market; 5) support new consumption; 6) facilitate consumption via paid leave scheme etc; 7) ease unnecessary restrictions; 8) consummate supporting policies in fiscal, investment, consumer credit, etc. |

Source: Public information, Morgan Stanley, Mirae Asset, Mar 2025

Important Risks and Information

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Investment involves risk. Past performance is not indicative of future performance. It cannot be guaranteed that the performance of the funds will generate a return and there may be circumstances where no return is generated or the amount invested is lost. It may not be suitable for persons unfamiliar with the underlying securities or who are unwilling or unable to bear the risk of loss and ownership of such investment. Before making any investment decision, investors should read the Prospectus for details and the risk factors. Investors should ensure they fully understand the risks associated with the funds and should also consider their own investment objective and risk tolerance level. Investors are advised to seek independent professional advice before making any investment.

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