

Global X China Biotech ETF

2820 HKD
9820 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 Biotech ETF's (the "Fund") is to provide investment results that, before fees and expenses, closely correspond to the performance of the Solactive China Biotech 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. - Biotech companies invest heavily in research and development which may not necessarily lead to commercially successful products, and the ability for biotech companies to obtain regulatory approval (for example, product approval) may be long and costly. - 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	2820 (HKD) 9820 (USD)
ISIN	HK0000516697 (HKD)
Listing Date	25 Jul 2019
Ongoing Charges Over a Year ²	0.68%
Index ³	Solactive China Biotech Index NTR
Board Lot Size	50 Units
Base Currency	RMB
Trading Currency	HKD counter: HKD USD counter: USD
Exchange	HKEX

INVESTMENT POINTS

- We see upside potential for China Biotech Sector as bolstered by domestic policy support and Chinese companies' overseas expansion. China's macro easing policy and US FOMC rate cuts bode well for better funding environment for biotech companies to support R&D activity.
- Biotech sector valuation is nearing 5 year trough. Profitability improvement and commercialization ramp-up for biotech companies could lead to improving investor sentiments towards China healthcare.
- AI application in biotech sectors could further accelerate with the emergence of cost-efficient models, which could bring further efficiency gains and cost savings for biotech companies.

PERFORMANCE¹

Cumulative Return	3 Mths	6 Mths	YTD	Since Listing
FUND	11.77%	30.82%	30.82%	10.96%
INDEX	11.93%	31.27%	31.27%	16.29%

Calendar Year Return	2024	2023	2022	2021	2020
FUND	-17.46%	-12.92%	-26.09%	-19.65%	69.70%
INDEX	-16.91%	-12.32%	-25.52%	-19.17%	71.88%

TOP 10 HOLDINGS (%)⁴

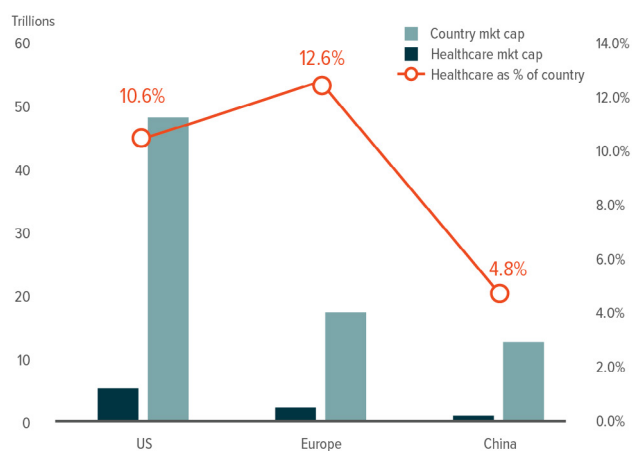
Innovent Biologics	14.14
Wuxi Biologics	9.29
WuXi AppTec	8.41
Jiangsu Hengrui Pharmaceuticals	7.85
Akeso	6.84
Sino Biopharmaceutical	6.59
Hansoh Pharmaceutical	4.08
Shanghai RAAS Blood Products	3.74
Zai Lab Ltd	3.53
Gan & Lee Pharmaceuticals	2.46

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, Net Asset Value to Net Asset Value. These figures show by how much the 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 Biotech Index. Fund inception date: 24 July 2019. 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 annualized figure based on the ongoing expenses of the Fund, expressed as a percentage of the Fund's average Net Asset Value of the Listed Class of Units of the Fund 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 fees related to the 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 of the Listed Class of Units of the Fund, which is equal to the current rate of the management fee of the Listed Class of Units 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 HEALTHCARE STOCK'S MARKET CAP CONTRIBUTION STILL LAGS BEHIND PEERS

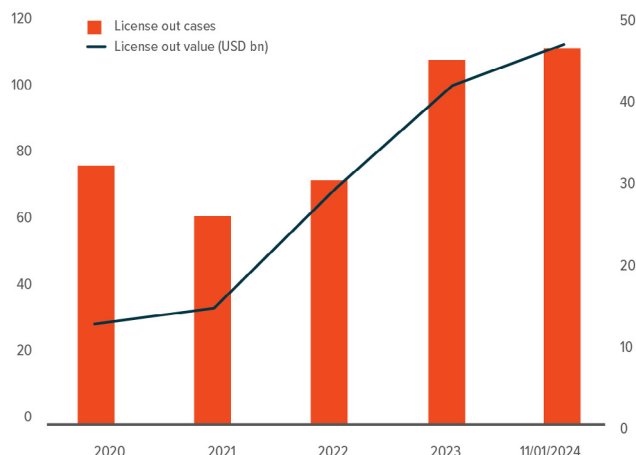
Healthcare stock market Cap Contribution



Source: JP Morgan, Jan 2025

GOING GLOBAL: LICENSE-OUT DEALS SAW INCREASE IN BOTH CASE NUMBERS & VALUE

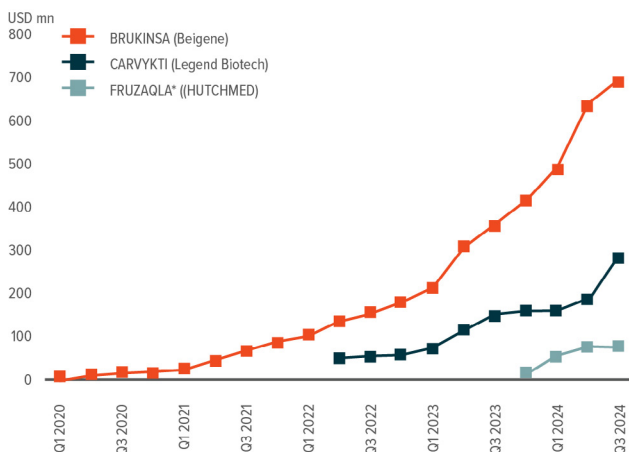
Number and Value of license out deals



Source: JP Morgan, Jan 2025

INNOVATIVE DRUGS LAUNCHED OVERSEAS SHOW A GOOD SALES RAMP-UP TREND

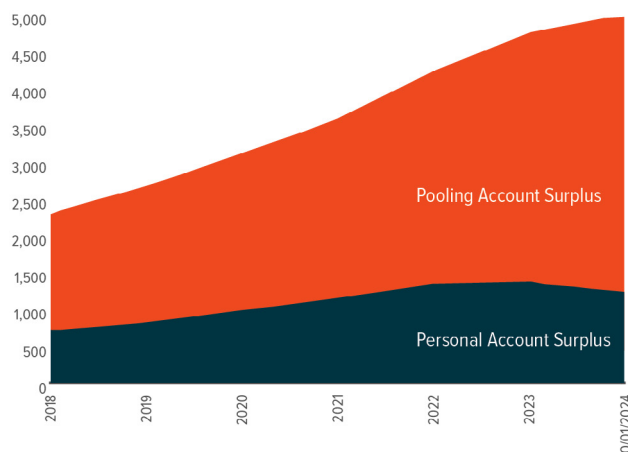
Overseas Innovative Drugs Sales



Source: UBS, Jan 2025

GOVERNMENT'S BASIC MEDICAL INSURANCE (BMI) FUND REMAINS BALANCED IN 2024

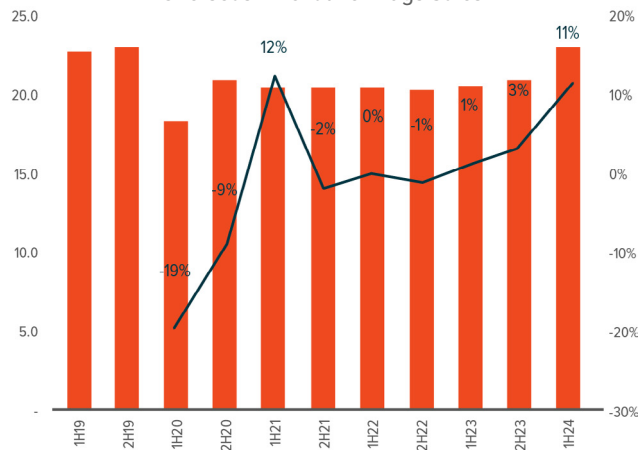
Overall BMI Surplus (Rmb bn)



Source: JP Morgan, Jan 2025

INNOVATIVE DRUG SALES REMAIN ROBUST IN CHINA, WITH 2024 POISED TO SURPASS 2023

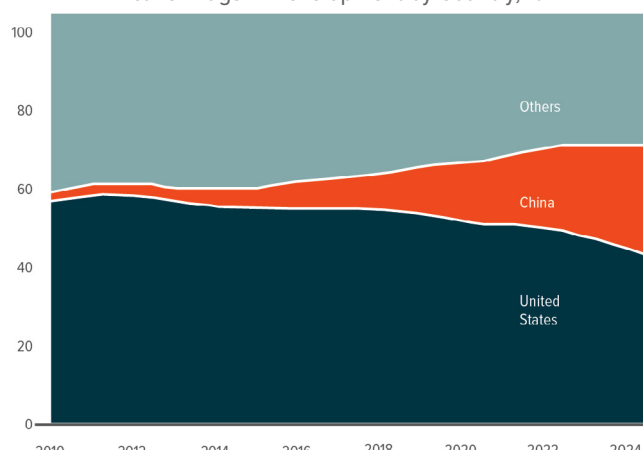
Overseas Innovative Drugs Sales



Source: JP Morgan, Jan 2025

FUNDING: BIOTECH FUNDING REMAIN RELATIVELY WEAK IN CHINA

Active Drugs in Development by Country, %



Source: Citeline, LEK, Feb 2025

Important Risks and Information

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