



# Nikko AM Global Internet ETF

Connecting your portfolio to the  
world's top 30 internet giants  
9072/3072 HK

The Nikko AM Global Internet ETF (the "Sub-Fund") is a fund constituted in the form of a unit trust and is a sub-fund of the Nikko AM Hong Kong Exchange Traded Funds Series. The units of the Sub-Fund (the "Units") are listed on The Stock Exchange of Hong Kong Limited (the "SEHK"). These Units are traded on the SEHK like listed stocks.

- Investment involves risk. Past performance or any prediction, projection or forecast is not indicative of future performance. The value of units and income from them may fall or rise. Investments in the Sub-fund is subject to investment risks, including the possible loss of principal amount invested. You should read the Prospectus for details including the risk factors and the arrangement in the event that the Sub-fund is delisted. Investors should also note that the Sub-Fund is different from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. This document is issued by Nikko Asset Management Hong Kong Limited and has not been reviewed by the Securities and Futures Commission.
- The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- The Sub-Fund's investments are concentrated in the software, internet and related services sectors, which is characterised by relatively higher volatility in price performance when compared to other economic sectors, the performance of the Index may be more volatile when compared to other broad-based stock indices. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant sectors.
- The trading price of the Units on the SEHK is driven by market factors such as the demand and supply of the Units. Therefore, the Units may trade at a substantial premium or discount to the NAV.
- Subject to the Manager's discretion, the Manager may pay distributions to unitholders. There is no guarantee to the payment of distributions or frequency of payment. Unitholders will receive distributions in the base currency (USD) only. In the event that a unitholder has no USD account, the unitholder may have to bear the fees and charges associated with the conversion of such distributions, and bear bank or financial institution fees and charges associated with the handling of the distribution payment. Unitholders are advised to check with their brokers regarding arrangements for distributions.
- The Manager may at its discretion pay dividends out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distributions may result in an immediate reduction in the NAV per Unit of the Sub-Fund.

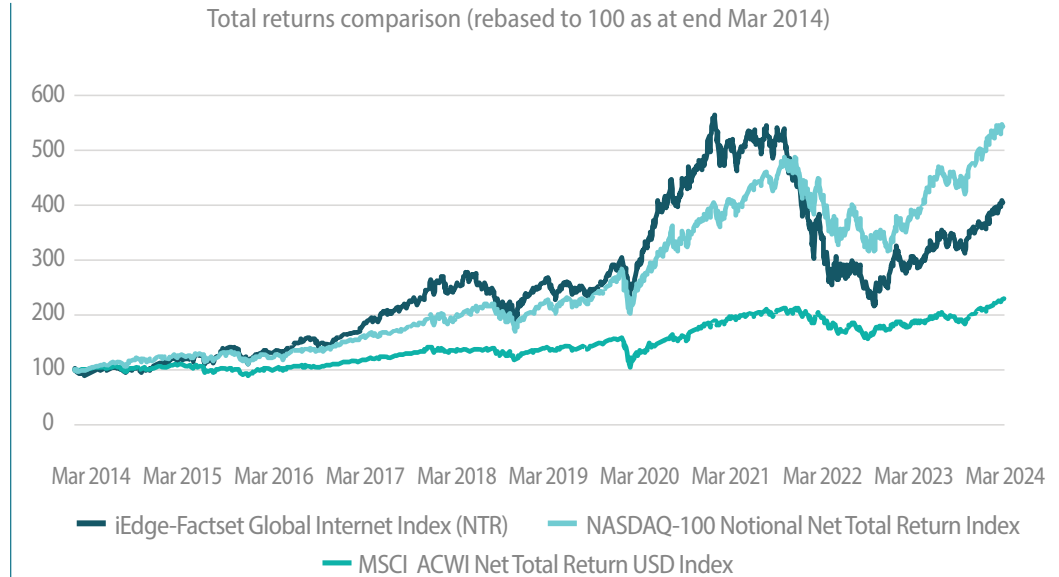
# Invest in the world's Internet titans

The rapid growth and transformation of the global technology sector coupled with the rise of disruptive innovation in the last decade has brought internet companies to the forefront of many investors around the world.

The **Nikko AM Global Internet ETF** aims to bring investors quick and affordable access to a diversified portfolio of established companies in this sector. The Fund invests in the constituents of the iEdge-Factset Global Internet Index, which comprises of the top 30 internet companies globally in the world, ranked by market capitalisation.

## Index performance

The iEdge-Factset Global Internet Index has generally outperformed the broader MSCI AC World Index over the last 10 years, as well as the Nasdaq 100 index from 2016 to 2021.



Source: Bloomberg, 31 Mar 2024

## Why invest in the Nikko AM Global Internet ETF?

### 1. Be invested into the future across trending Internet Themes with strong growth trajectory

Illustrative examples:



Artificial Intelligence



Cloud computing



Social media and networking



Electronic gaming



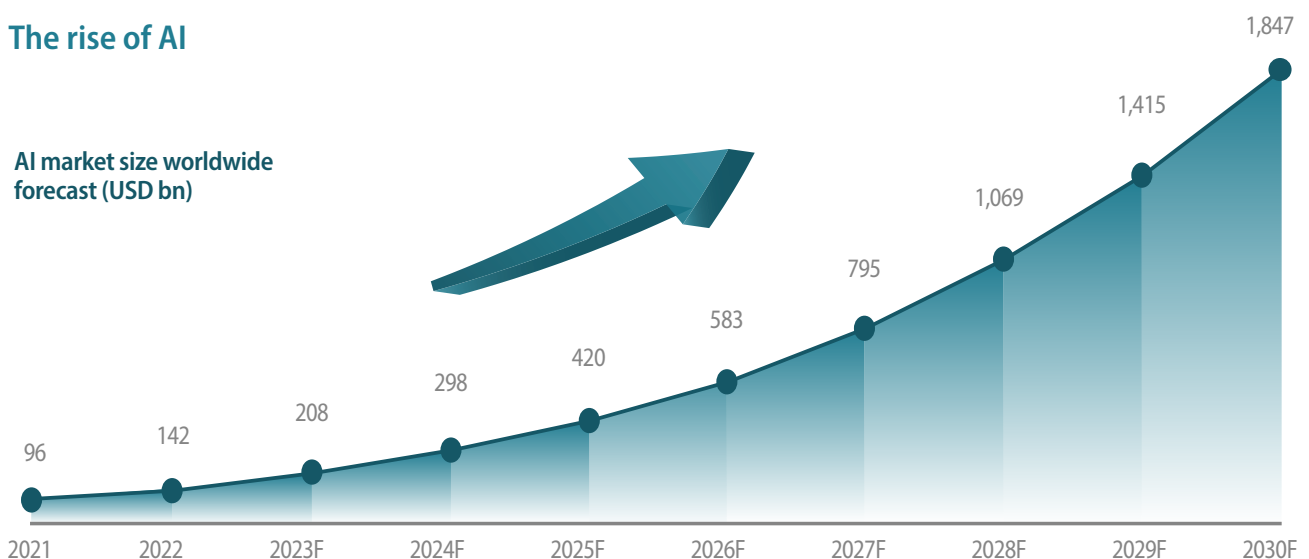
e-Commerce



Internet of Things (IoT)

### The rise of AI

AI market size worldwide forecast (USD bn)

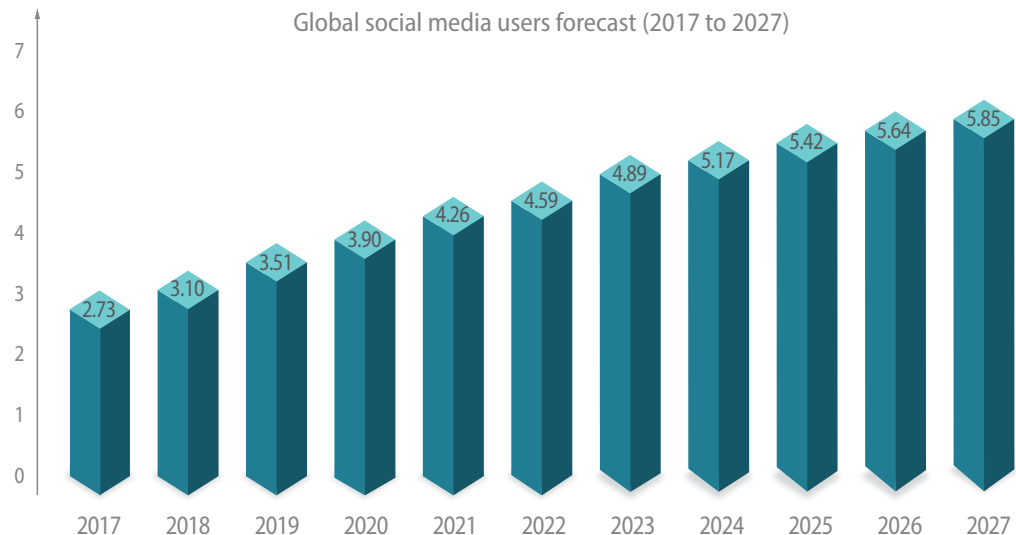


Source: Statista, 6 Oct 2023

**Social Media is heavily intertwined with our daily lives and the number of active users continues to grow**

Number of social media users in billions

Global social media users forecast (2017 to 2027)



Source: Oberlo, Statista, Oct 2023

## The supercharged future of e-commerce

“By 2026, 24% of retail purchases are expected to take place online and the e-commerce market is expected to total over \$8.1 trillion”

Forbes Advisor, Feb 2023

The confluence of online shopping with social media could be a potential transformational shift for the e-commerce scene, where superapps with integrated shopping and social media features provides a seamless and integrated eco-system for its extensive user-base.

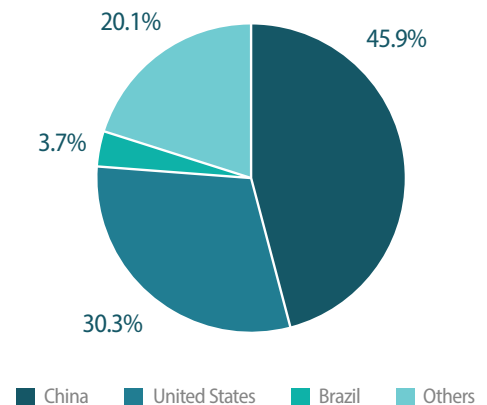


## 2. Fast and affordable access to well-established Internet companies

The rapidly evolving nature of the internet sector makes individual stock selection a greater challenge for investors. Spotting the next explosive internet growth stock is no easy feat, and hence an alternative could be to stay invested in the top 30 internet companies globally ranked by market capitalisation, including those in countries beyond the US and China.

<p>Meta Platforms, Amazon, and Alphabet are also amongst the top 10 largest companies by Market Cap globally</p> <p>Source: companiesmarketcap.com 24 Apr 2024</p>	Top 10 Holdings		Wgt* %
	Tencent Holdings Ltd		10.6
	Alphabet Inc		10.5
	Amazon.com Inc		9.9
	Netflix Inc		9.7
	Meta Platforms Inc		9.6
	Oracle Corp		9.4
	PDD Holdings Inc		7.3
	Alibaba Group Holding Ltd		6.9
	MercadoLibre Inc		3.5
	Coinbase Global Inc		2.3

Country allocation by geographic revenue



Source: SGX i-Edge Factset, 29 Mar 2024

\*The Index is free float market capitalization weighted with a 10% stock cap on each individual index constituent. Constituent weight may exceed the maximum stock cap depending on its performance between rebalancing periods.

## Fund information

Underlying Index	iEdge-Factset Global Internet Index Net Total Return
Listing Date	24 October 2019
Base Currency	USD
Trading Currency	USD HKD
Distribution Policy*	The Fund currently has no intention to make distributions
Valuation Frequency	Daily
Listing	Hong Kong Stock Exchange – Main Board
Manager	Nikko Asset Management Hong Kong Limited
Sub-Manager	Nikko Asset Management Asia Limited
Trustee	BNP Paribas, acting through its Hong Kong Branch
Auditor	PricewaterhouseCoopers Hong Kong
Financial Year End	30 June
Securities Market Makers / Designated Specialists	Flow Traders Hong Kong Limited, Phillip Securities Pte. Ltd.
Management Fee	Currently 0.60% p.a. of the Net Asset Value
Ongoing Charges	0.88% p.a.
Ticker	USD: 9072 HKD: 3072
ISIN Stock Code	USD: HK0000518578 HKD: HK0000518586

\*Subject to the Manager's discretion, the Manager may pay distributions to Unitholders. There is no guarantee to the payment of distributions or frequency of payment. **Distributions will be paid in the base currency (USD) only.** Distributions may be made out of capital or effectively out of capital as well as income at the Manager's discretion.



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**Important information:** Investment involves risks. Past performance or any prediction, projection or forecast is not indicative of future performance. The value of units and income from them may fall or rise. Investments in the funds are subject to investment risks, including the possible loss of principal amount invested. You should read the Prospectus for details including the risk factors and the arrangement in the event that the Sub-fund is delisted. This brochure is issued by Nikko Asset Management Hong Kong Limited and has not been reviewed by the Securities and Futures Commission.

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