

Get exposure in a spectrum of  
**Top 30 Tech companies of China\***

\*Top 30 technology companies with highest Market Value Rank listed on Hong kong stock exchange

Invest in

## Mirae Asset Hang Seng TECH ETF Fund of Fund

An open-ended fund of fund scheme predominantly investing in units of Mirae Asset Hang Seng TECH ETF

### Why invest in Hang Seng TECH ETF Fund of Fund?



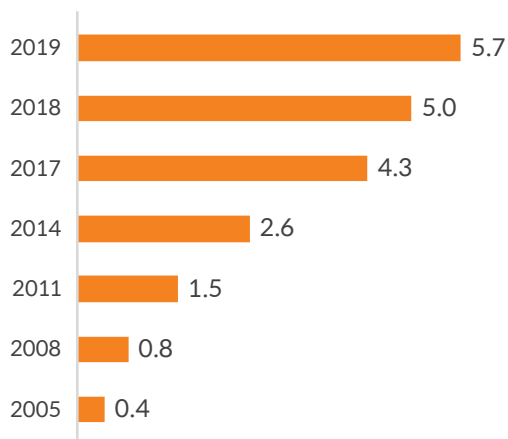
Consists of companies catering to 989 Million Chinese internet users and USD 5.7 Tn Chinese digital and tech market



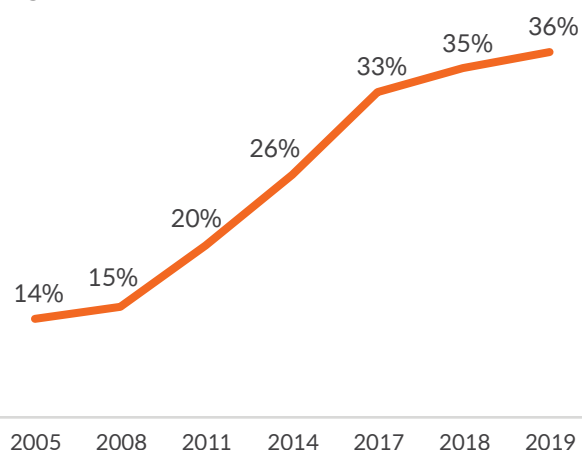
Provides access to companies which are also focusing on emerging technologies like Autonomous Vehicles, Cloud Computing, IoT, AI etc

## Rise in China's Digital Economy and its GDP

### Total Scale of Tech and Digital Economy (in US \$ Trillion)



### Proportion of Tech and Digital Economy in GDP



**Tech and Digital economy has grown exponentially and its share in China's GDP has increased to 36% and is expected to grow more in coming years.**

Source: Digital Economy Development in China Report, China Academy of Information and Communication Technology, July 2020 Report

- Growth in digital economy has given rise to 165 unicorns and this growth is expected to continue
- Focus on innovation and R&D investments is expected to propel Chinese companies to leadership position in emerging disruptive technologies

Source: CB Insights, Dec 31<sup>st</sup>, 2021.

## About Hang Seng TECH Index

- Diversified across 30 large tech-themed companies
- Consists of companies driven by strong revenue growth and R&D investment
- Fast Track IPO Entry: Qualified IPOs are included in Index shortly after listing
- The index focuses on companies engaged in Internet (including mobile); FinTech; Cloud; E-Commerce; Digital; or Autonomous Vehicle

Note: A newly listed security will be added to index if its full market capitalization ranks within the top 10 of the existing constituents on its first trading day. The ad hoc addition will normally be implemented after the close of the 10th trading day of the new issue.

Source: Hang Seng TECH Index Methodology

## Index Performance

Index Name	Hang Seng Tech Index	Hang Seng Index	Nifty50 Index	INR/HKD
Since Inception	13.3%	5.7%	12.5%	2.3%
5 Years	12.0%	6.5%	17.7%	1.7%
3 Years	21.3%	2.1%	18.3%	2.3%
2 Years	12.3%	-4.4%	20.8%	2.0%
1 Years	-31.7%	-10.8%	25.6%	1.1%
6 months	-31.5%	-19.4%	10.3%	-0.3%
3 months	-7.0%	-4.7%	-1.3%	0.0%

Source: Bloomberg data as on Dec 31, 2021; Exchange rate of Bloomberg are used for conversion of index value from HKD to INR. Past performance may or may not sustain in future. The index return are in Total Return Variant. The data shown above pertains to the Index and does not in manner indicate performance of any scheme of the Fund. Risk is nothing but computed as annualized standard deviation of daily return observation for specific investment horizon for all the indices using their INR total return variant.

- Hang Seng TECH has generated a return of 13.3% since inception despite being impacted by the recent regulatory challenges leading to sharp correction and volatility in last one year
- Hang Seng TECH Index has higher volatility (risk) than NIFTY 50 Index

## Industry Exposure and Top index constituents

S.No.	Industry Name	Weight (in %)
1	Internet & Direct Marketing Retail	26.8
2	Interactive Media & Services	17.4
3	Technology Hardware, Storage & Peripherals	12.1
4	Electronic Equipment, Instruments & Components	10.2
5	Entertainment	7.8
6	Semiconductors & Semiconductor Equipment	7.8
7	Software	5.1
8	Household Durables	4.6
9	Health Care Technology	1.8
10	Hotels, Restaurants & Leisure	1.3
11	Media	1.3
12	Communications Equipment	1.3
13	Insurance	1.1
14	IT Services	0.7
15	Health Care Providers & Services	0.6

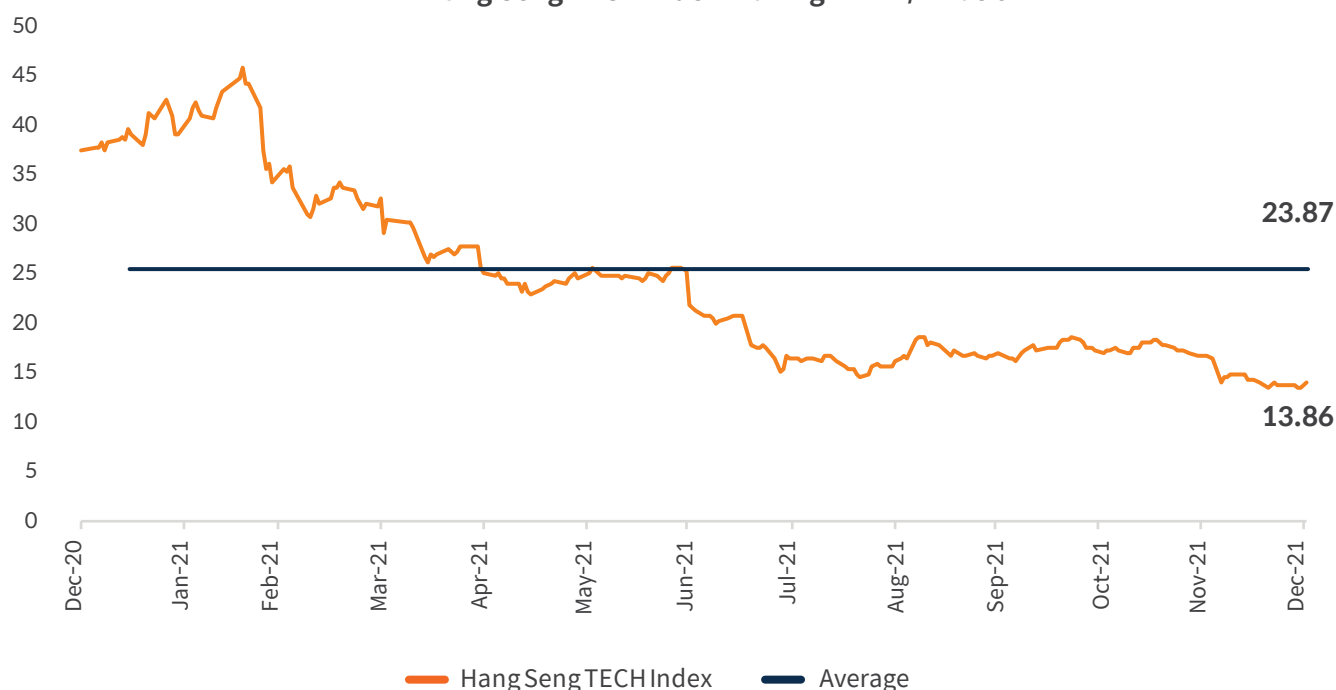
Company Name	Weight (in %)
Sunny Optical Technology Group Co Ltd	8.90
Tencent Holdings Ltd	8.46
Xiaomi Corp	8.34
Meituan	8.06
Alibaba Group Holding Ltd	7.94
Kuaishou Technology	7.21
JD.com Inc	6.86
SMIC	4.83
NetEase Inc	4.63
Haier Smart Home Co Ltd	4.57
JD Health International Inc	3.97
Lenovo Group Ltd	3.75
KINGDEE INT'L	3.38
ALI HEALTH	1.80
Kingsoft Corp Ltd	1.77

The Hang Seng TECH Index provides diversified exposure across the technology theme

Source: Data as on Dec 31, 2021, The GICS classification is based on Bloomberg, GICS is based on Global Industry Classification Standard

## Hang Seng TECH Index may be in attractive valuation zone

Hang Seng TECH Index Trailing 12M P/E Ratio












Source: Data as on Dec 31, 2021 ; period range from Dec 2020 –Dec 2021, considered. 12M Trailing P/E based on Bloomberg.

- The recent correction in Hang Seng TECH Index has resulted in Hang Seng TECH Index being trading at relatively attractive trailing 12-month price to earnings ratio
- The index is currently trading at 13.86x 12M trailing price to earnings ratio whereas historical average has been around 23.87x i.e. 41% discount to its historical averages.

## Why invest in Mirae Asset Hang Seng TECH ETF?

- Provides exposure to 30 largest Tech centric Chinese companies listed on Hong Kong Stock Exchange
- With recent corrections, the Chinese market may provide an attractive investment opportunity at lower valuations.
- Investor should assess their risk profile before investing in these products since volatility of Chinese market including Hang Seng TECH Index has been higher due to regulatory headwinds and other idiosyncratic risk.

## FUND FACTS

 <b>Allotment Date:</b> 8th December 2021	 <b>Fund Manager:</b> Ms. Ekta Gala	 <b>Benchmark:</b> Hang Seng TECH Index Total Return Index (INR)
 <b>Plan &amp; Options:</b> Regular Plan and Direct Plan with Growth Option	 <b>Systematic Investment Plan Amount:</b> Monthly and Quarterly: ₹ 5000/- (and in multiples of ₹ 1/-)	 <b>Minimum Investment Amount:</b> ₹ 5000/- and in multiples of ₹ 1/- thereafter
 <b>Exit Load:</b> If redeemed within 3 months from the date of allotment: 0.50% If redeemed after 3 months from the date of allotment: NIL	 <b>Taxation:</b> Debt	 <b>Redemption*:</b> T+4

\* Redemption cycle for ETF will be T+ 4 days, but within the stipulated 10 Business days. Holiday / Business Day scenario of the underlying to be checked for actual pay out date.

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For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC: [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

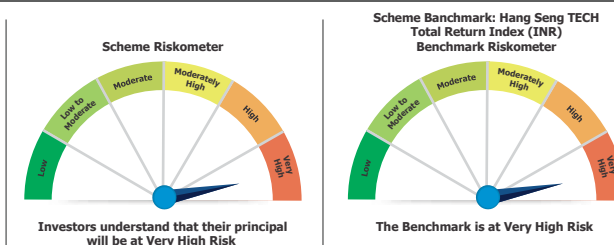
**Please Consult your Financial Advisor or Mutual Fund Distributor before investing**

## PRODUCT LABELLING

Mirae Asset Hang Seng TECH ETF Fund of Fund is suitable for investors who are seeking\*

- To generate long term capital appreciation/income
- Investments predominantly in units of Mirae Asset Hang Seng TECH ETF

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.



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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

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