

EMQQQ

GLOBAL

**THE FUTURE OF
EMERGING MARKETS**

5.16.23



OUR STRATEGIES



**The Emerging Markets
Internet + Ecommerce Index**

**The Next Frontier
Internet + Ecommerce Index**

**The India
Internet + Ecommerce Index**

EMQQ	FMQQ	INQQ
All EM + FM	All EM + FM (ex-China)	India
46 Countries	45 Countries	1 Country
125 Stocks	71 Stocks	24 Stocks
NYSE	NYSE	NYSE
Inception 2014	Inception 2021	Inception 2022

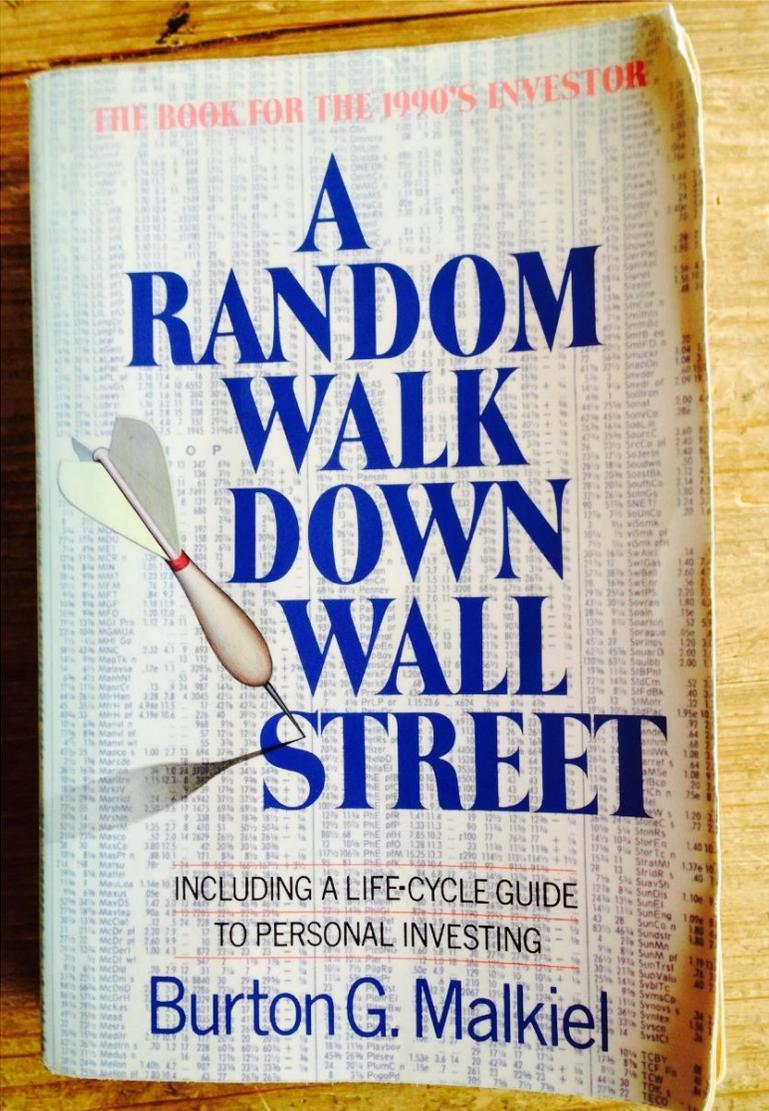
FROM WALL STREET TO THE GREAT WALL



A RANDOM WALK DOWN WALL STREET



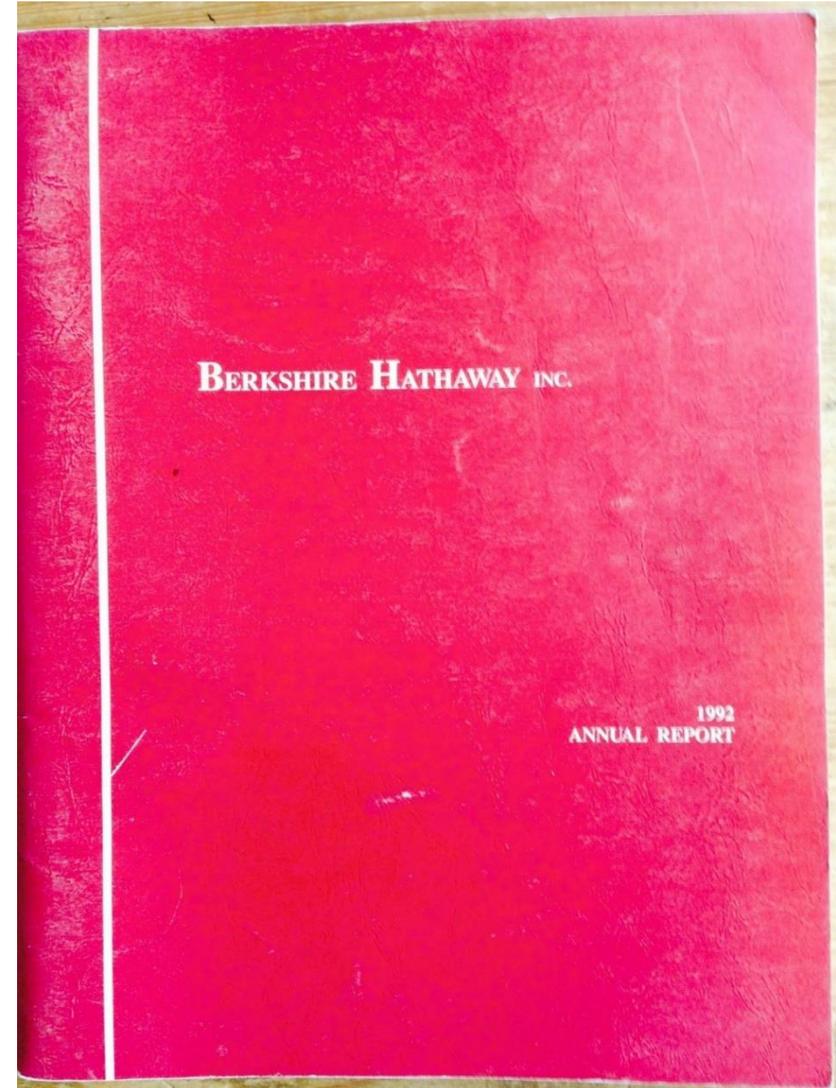
January 1992



“I PRAY TOWARD OMAHA”



August 1992



EINVESTING: FRACTIONAL SHARES

What is Perfect Capital?

Confidential

Property of Electronic Investing Corporation

A SYSTEM AND METHOD FOR PURCHASING AND MANAGING SECURITIES EXPRESSED IN DOLLAR DENOMINATIONS

U.S. Patent Pending 09/476,668



BUILD YOUR OWN FUND

June 1999

July 31, 2000

E*TRADE

E*TRADE Group, Inc.

has acquired 100% of the stock of



Electronic Investing Corporation

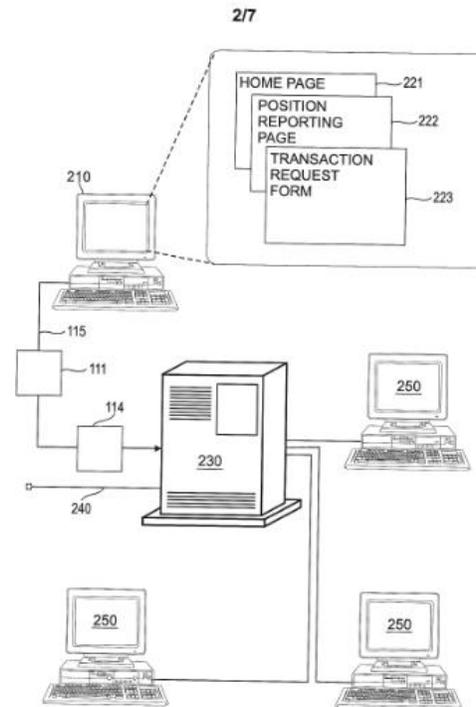
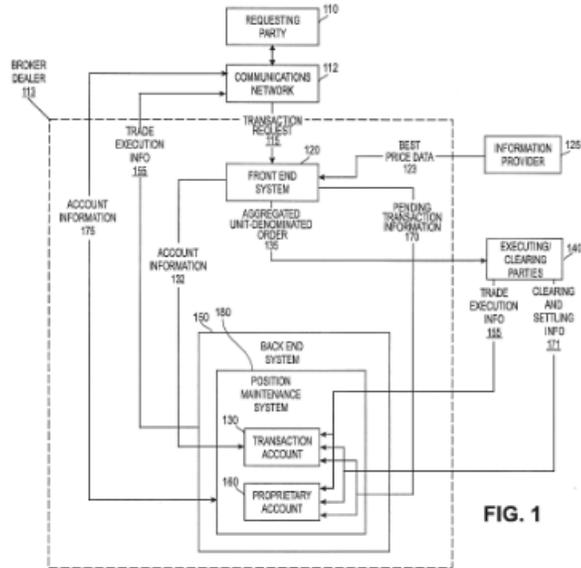
SpectremGroup

served as advisor to E*TRADE Group, Inc. on this transaction

Mergers & acquisitions, strategic consulting and information products for the investment services industry

www.spectrem.com

Chicago 312-382-8284 | Hartford 860-688-8821 | Los Angeles 818-735-5700
New York 212-547-5030 | San Francisco 415-394-8284



3/7

XYZ.COM
POSITION REPORTING FORM

ACCOUNT NUMBER: PASSWORD:

NAME:

SECURITY HOLDINGS			
SEC. SYMBOL	SHARES	DOLLAR AMOUNT	RESERVED
GM	140.85	\$10,000.00	70.4395,000.00
BM	94.54	10,000.00	0
INTC	125.00	10,000.00	0
MSFT	107.24	10,000.00	0
TOTAL:		\$40,000.00	\$5,000.00

CASH AVAILABLE: \$ 5,000.00

AMOUNT RESERVED: 5,000.00

TOTAL: \$10,000.00

PENDING TRANSACTIONS					
NO.	DATE	ORDER TYPE	SEC	DOLLAR AMOUNT	SHARES
1	4-15-99	SELL	GM	\$5,000.00	
2	4-15-99	BUY	MSFT	\$1,000.00	

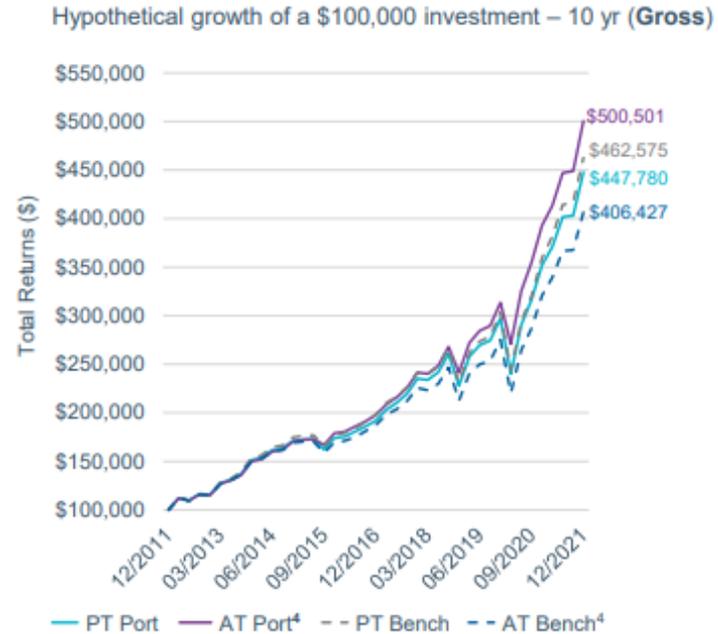
ACCOUNT HISTORY				
NO.	DATE	TRANSACTION	AMOUNT	BALANCE
1.	3-15-99	DEPOSIT CASH	\$50,025.00	\$50,025.00
2.	3-16-99	BUY 140.85 SHARES GM AT 71.00	\$10,000.00	\$40,025.00
3.	3-16-99	BUY 94.54 SHARES BM AT 106.00	\$10,000.00	\$30,025.00
4.	3-16-99	BUY 125.00 SHARES INTC AT 80.00	\$10,000.00	\$20,025.00
5.	3-16-99	BUY 107.24 SHARES MSFT AT 93.25	\$10,000.00	\$10,025.00
6.	4-15-99	SERVICE CHARGE	\$ (25.00)	\$10,000.00
7.	4-15-99	SELL \$1,000.00 GM	PENDING	
8.	4-15-99	BUY \$1,000.00 MSFT	PENDING	

FIG. 3

ACTIVE INDEX ADVISORS: DIRECT INDEXING

What is Perfect Capital?

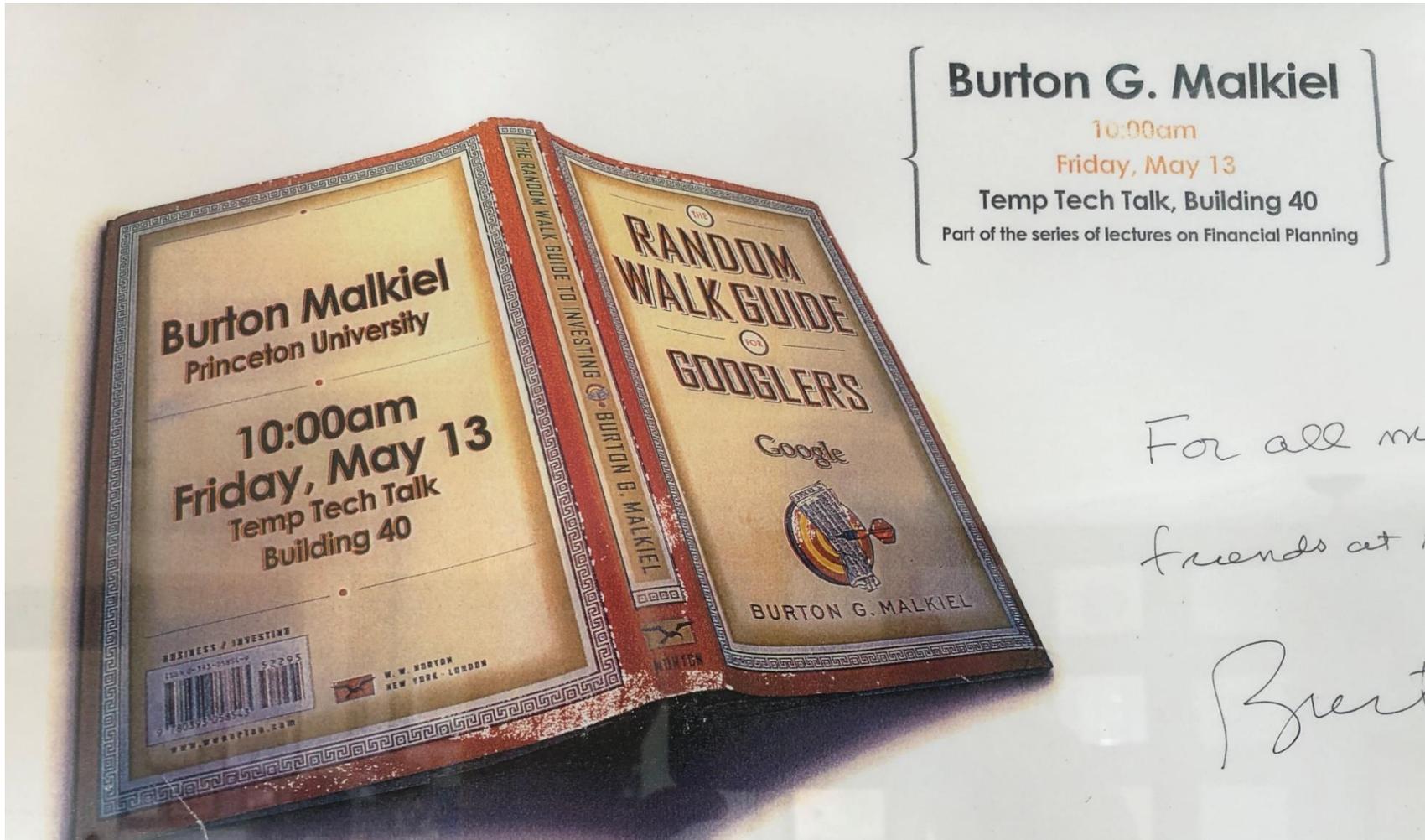
December 2001



Period returns² (Gross %) – Maximum Federal and State Tax Rates

	AIA S&P 500® Pre-Tax	S&P 500® Index Pre-Tax	Pre-Tax Difference	AIA S&P 500® After-Tax	S&P 500® Index After-Tax	After-Tax Difference	Tax Alpha
3 Months	11.12	11.03	0.10	11.50	10.59	0.91	0.81
YTD	27.20	28.71	-1.51	27.35	26.70	0.65	2.16
1 Year	27.20	28.71	-1.51	27.35	26.70	0.65	2.16
3 Years	25.26	26.07	-0.81	27.54	24.11	3.43	4.24
5 Years	18.45	18.47	-0.03	20.41	16.73	3.68	3.70
10 Years	16.17	16.55	-0.38	17.47	15.03	2.42	2.80
Since Inception (11/2002)	11.47	11.38	0.09	13.78	10.31	3.47	3.38

GOOGLE GOES PUBLIC



August 2004

“WE WANT TO INVEST IN CHINA”

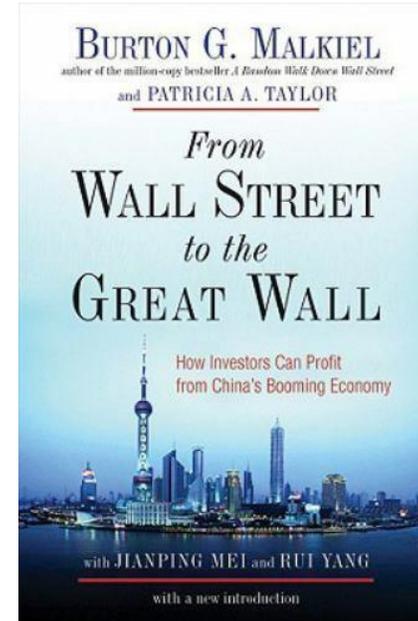


For all my
Friends at
Active
all the best
Burt Malkiel

Burton Malkiel
Professor of Economics, Princeton University
Author; *A Random Walk Down Wall Street*

Investing in China
Wednesday, April 19 at 10:30am (all are welcome)
Building 42 Tech Talk

Since the beginning of economic reforms two decades ago, the economy in China has produced real growth rates of between 8 percent and 10 percent per year. It's believed that China will continue to experience exceptional growth for decades to come at rates well above those of any other large country in the world. But how are ordinary investors like us supposed to take advantage of the Chinese burgeoning economy to increase our portfolios?

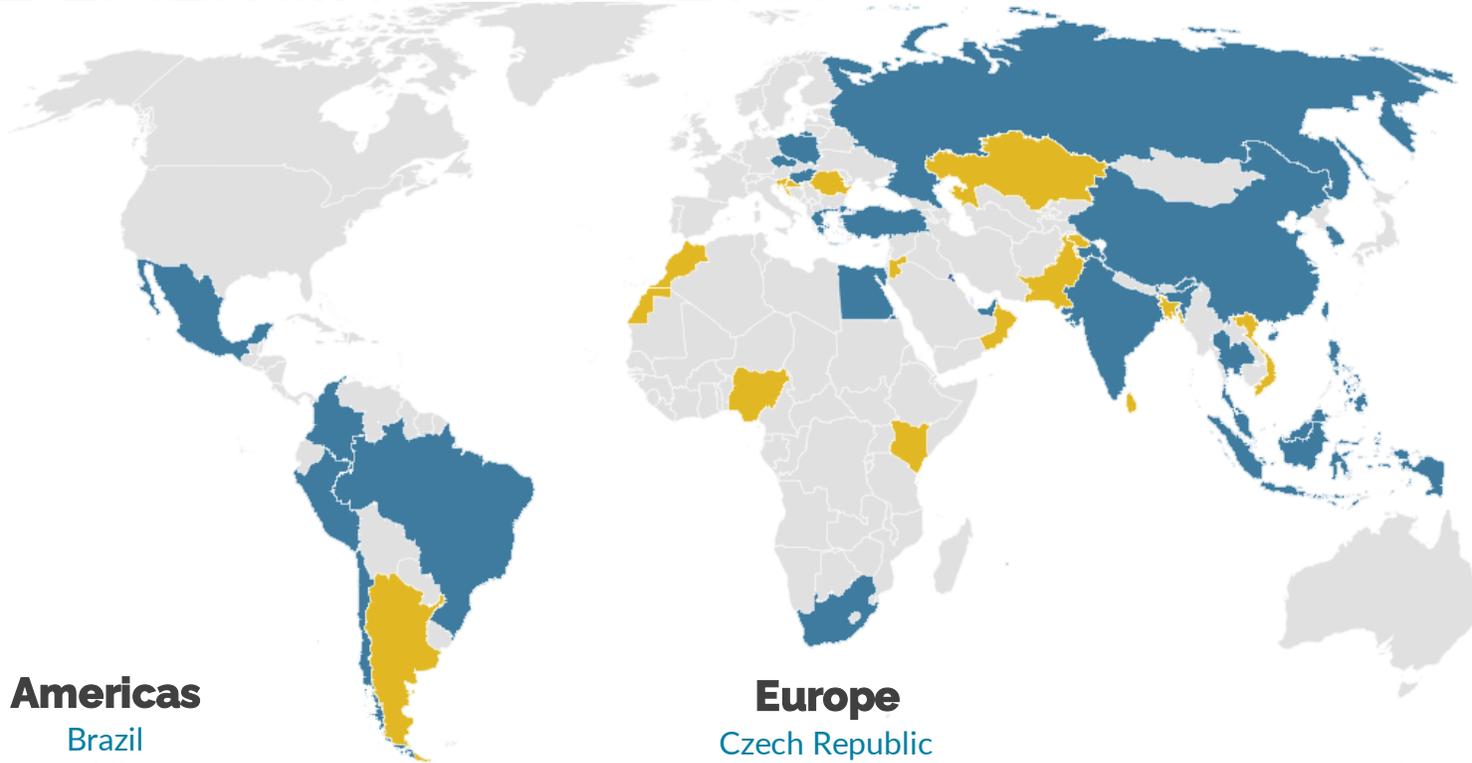


April 2006

INVESTING IN EMERGING MARKETS



WHAT ARE EMERGING MARKETS?



Emerging Markets Frontier Markets

*MSCI & FTSE Disagree
 **Recently Deleted
 *** "Standalone Market"

Americas

Brazil
 Chile
 Columbia
 Mexico
 Peru
 Argentina***

Africa

South Africa
 Kenya
 Mauritius
 Morocco
 Nigeria
 Tunisia

Europe

Czech Republic
 Greece
 Hungary
 Poland
 Russia**
 Turkey
 Croatia
 Estonia
 Lithuania
 Kazakhstan
 Romania
 Serbia
 Slovenia

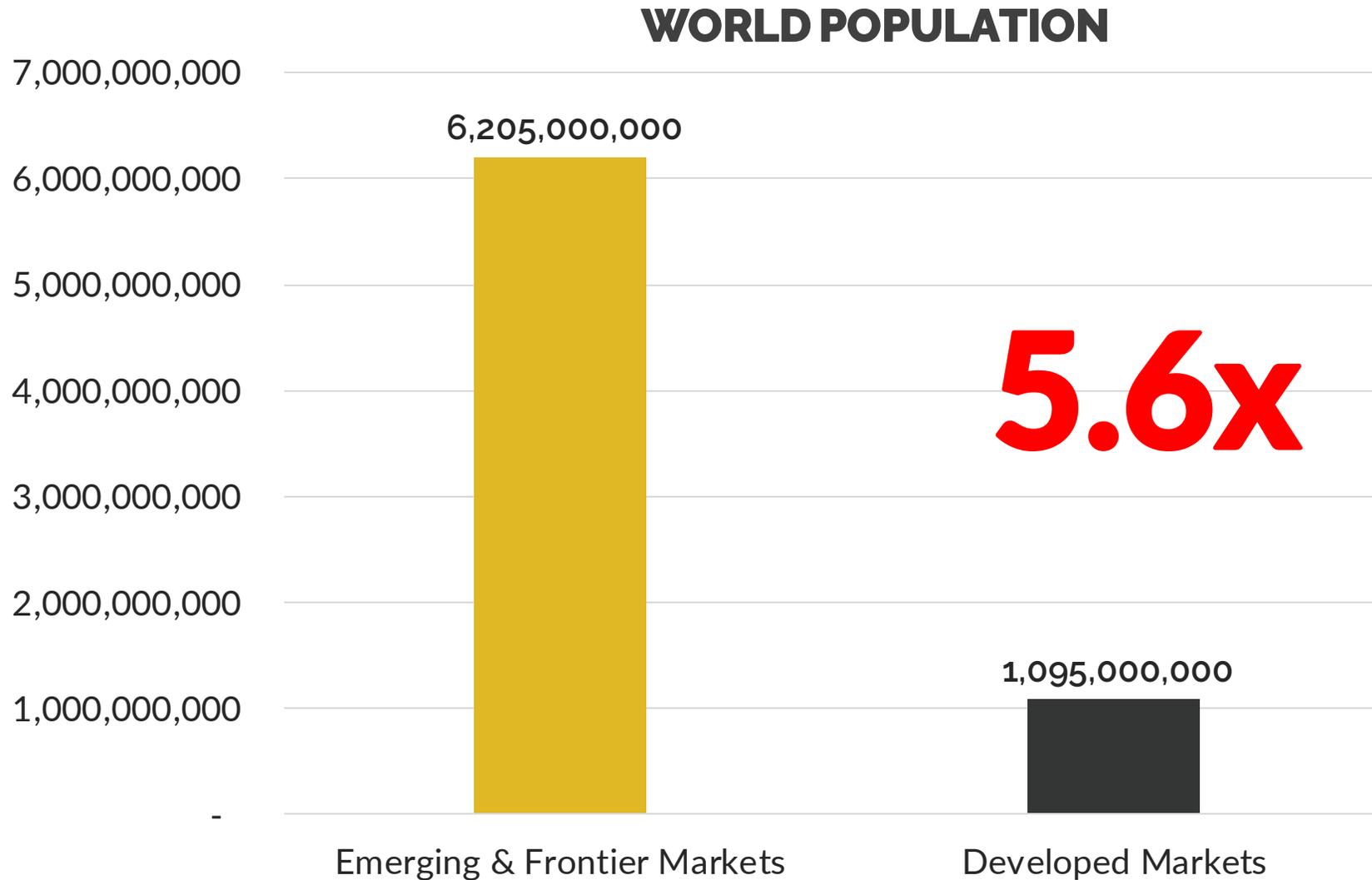
Middle East

Egypt
 Qatar
 United Arab Emirates
 Bahrain
 Jordan
 Kuwait
 Lebanon
 Oman

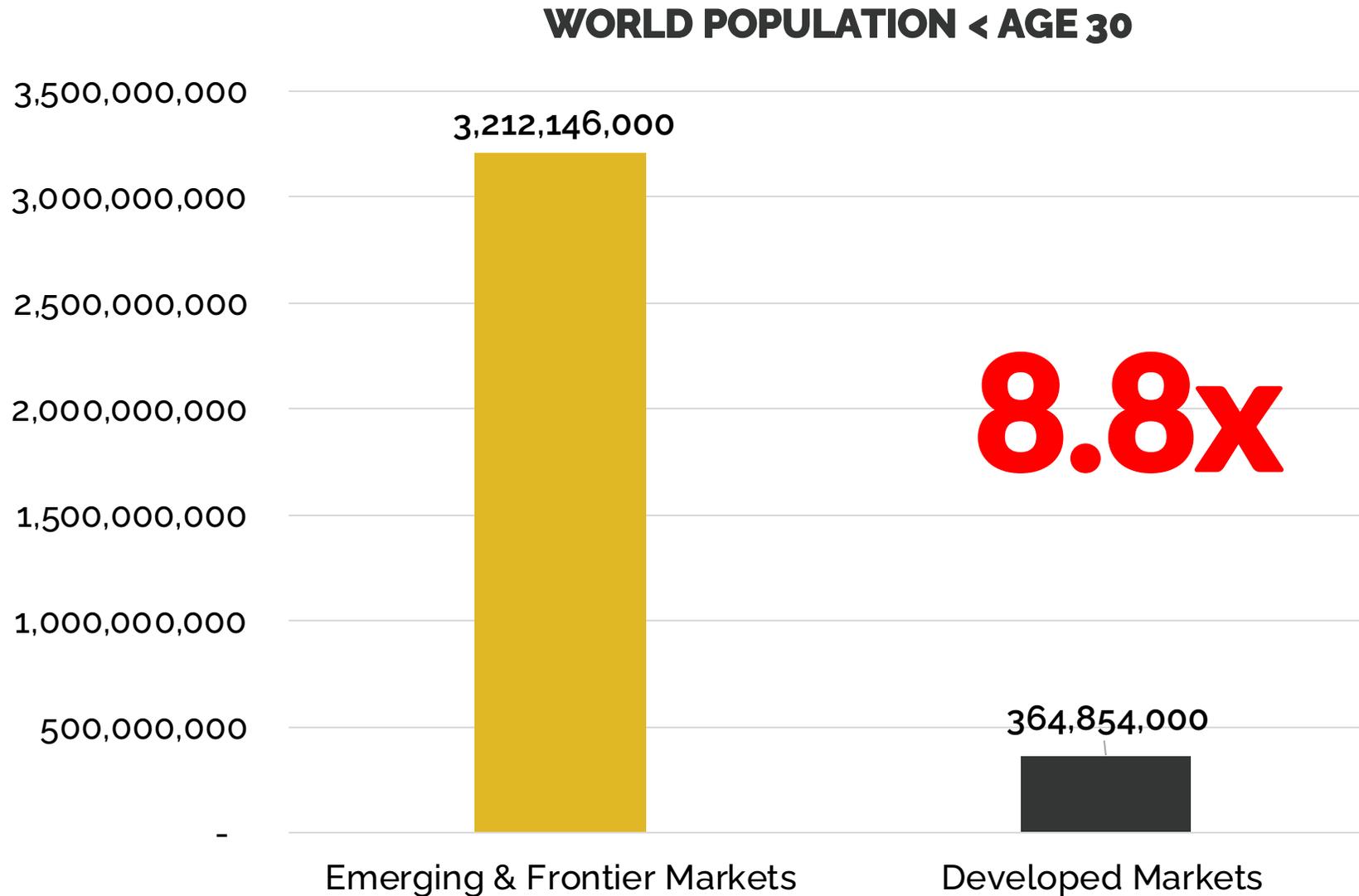
Asia

China
 India
 Indonesia
 Korea*
 Malaysia
 Pakistan
 Philippines
 Taiwan
 Thailand
 Bangladesh
 Sri Lanka
 Vietnam

EMERGING MARKETS ARE 85% OF THE WORLD



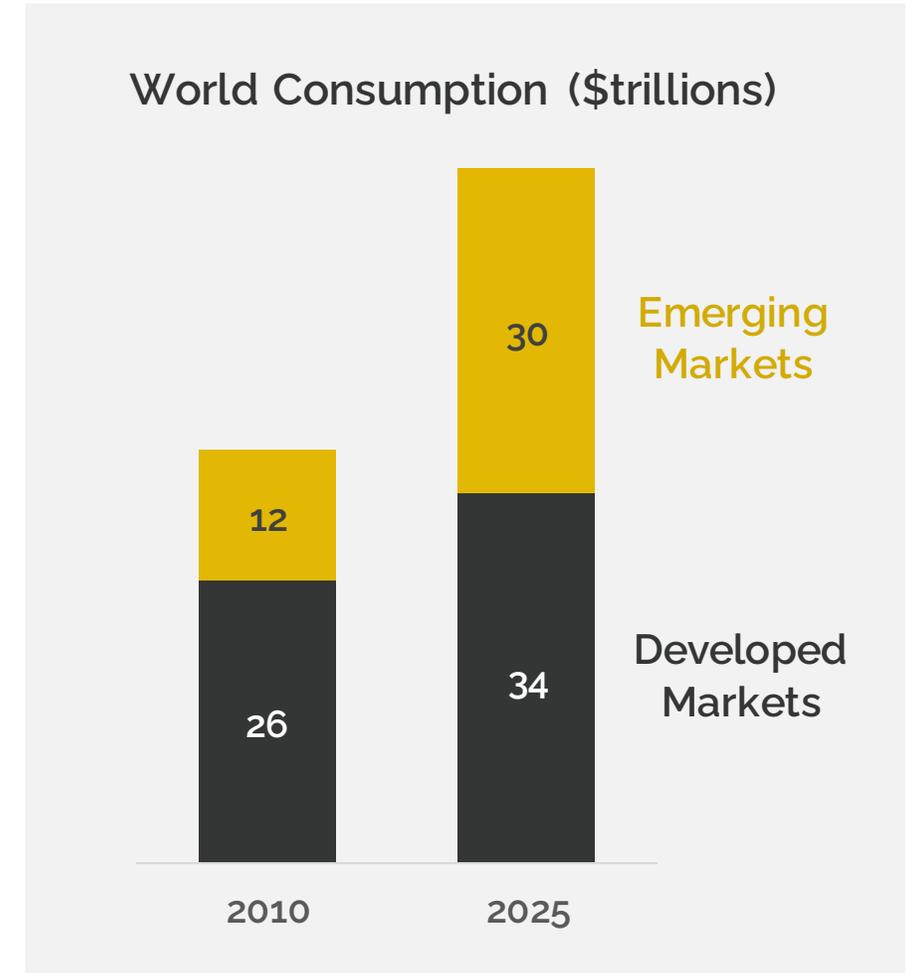
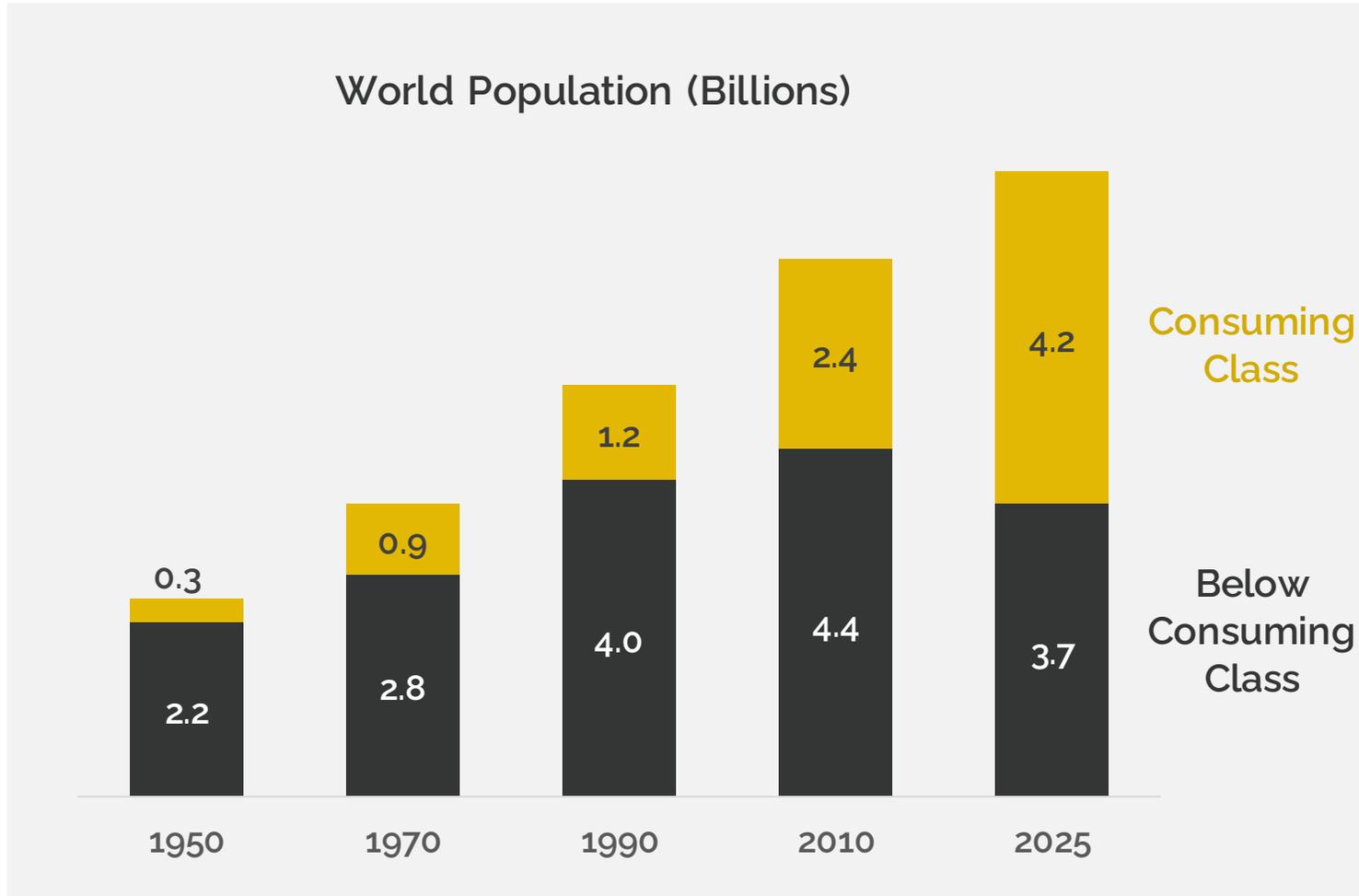
EMERGING MARKETS HAVE BETTER DEMOGRAPHICS



EMERGING MARKETS ARE WAY BEHIND IN CONSUMPTION



THE EMERGING MARKET CONSUMER IS THE STORY



“...the biggest growth opportunity in the history of capitalism...”

- McKinsey & Company

PROBLEMS WITH TRADITIONAL EMERGING MARKETS INDEXES + ETFs



#1 PROBLEM: STATE OWNED ENTERPRISES (SOEs)

SOEs

Companies owned and controlled by the government in order to partake in commercial activities on the government's behalf



CONFLICTS OF INTERESTS

INEFFICIENT

POOR CORPORATE GOVERNANCE

WIDESPREAD CORRUPTION

Largest Emerging Market ETFs have ~30% in SOEs

#1 PROBLEM: STATE OWNED ENTERPRISES (SOEs)



~30%

EEM and VWO
are SOEs!

OLIGARCHS & KOREAN CHAEBOL = KIND OF SOEs



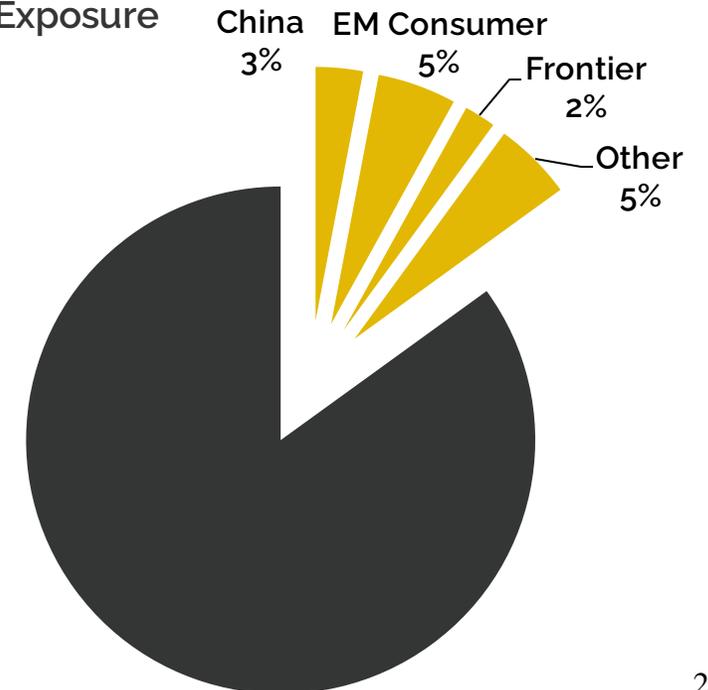
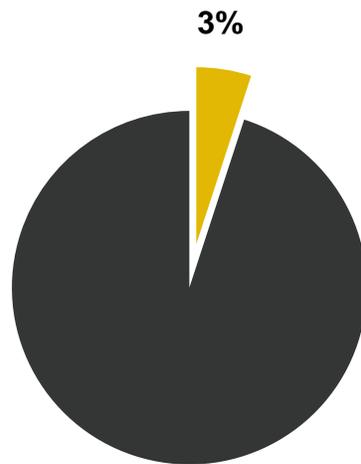
EM 3.0: THE EVOLUTION OF EM INVESTING



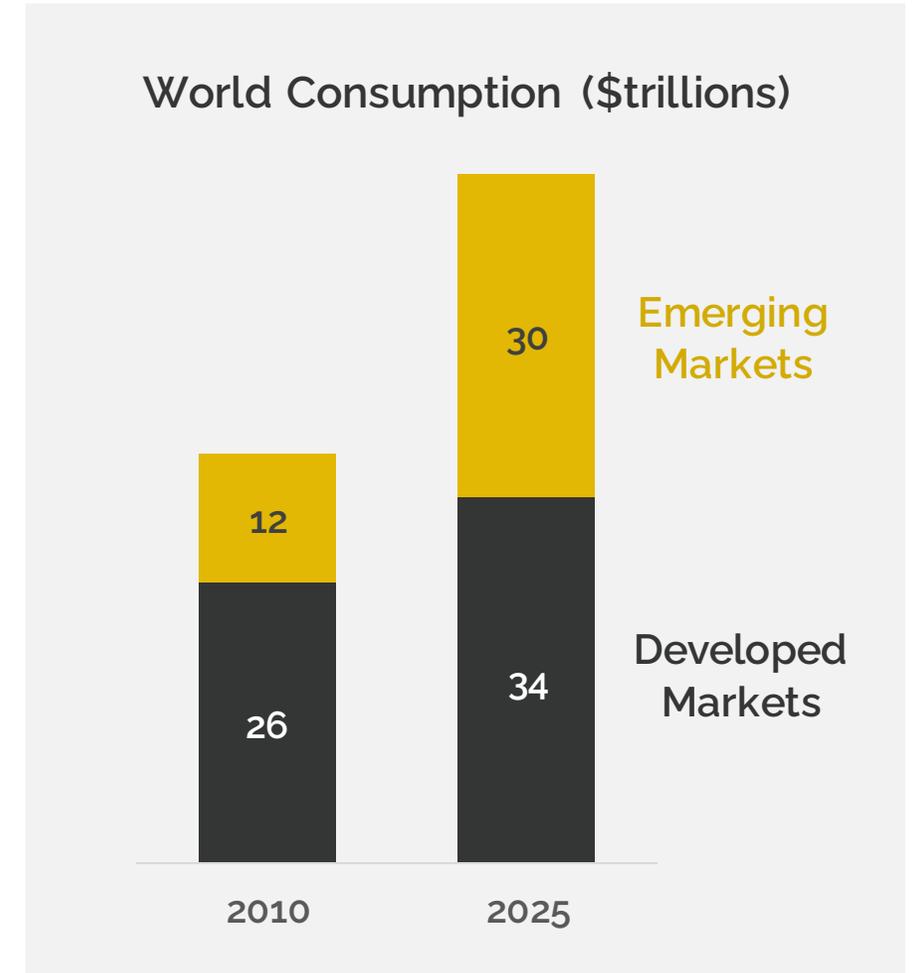
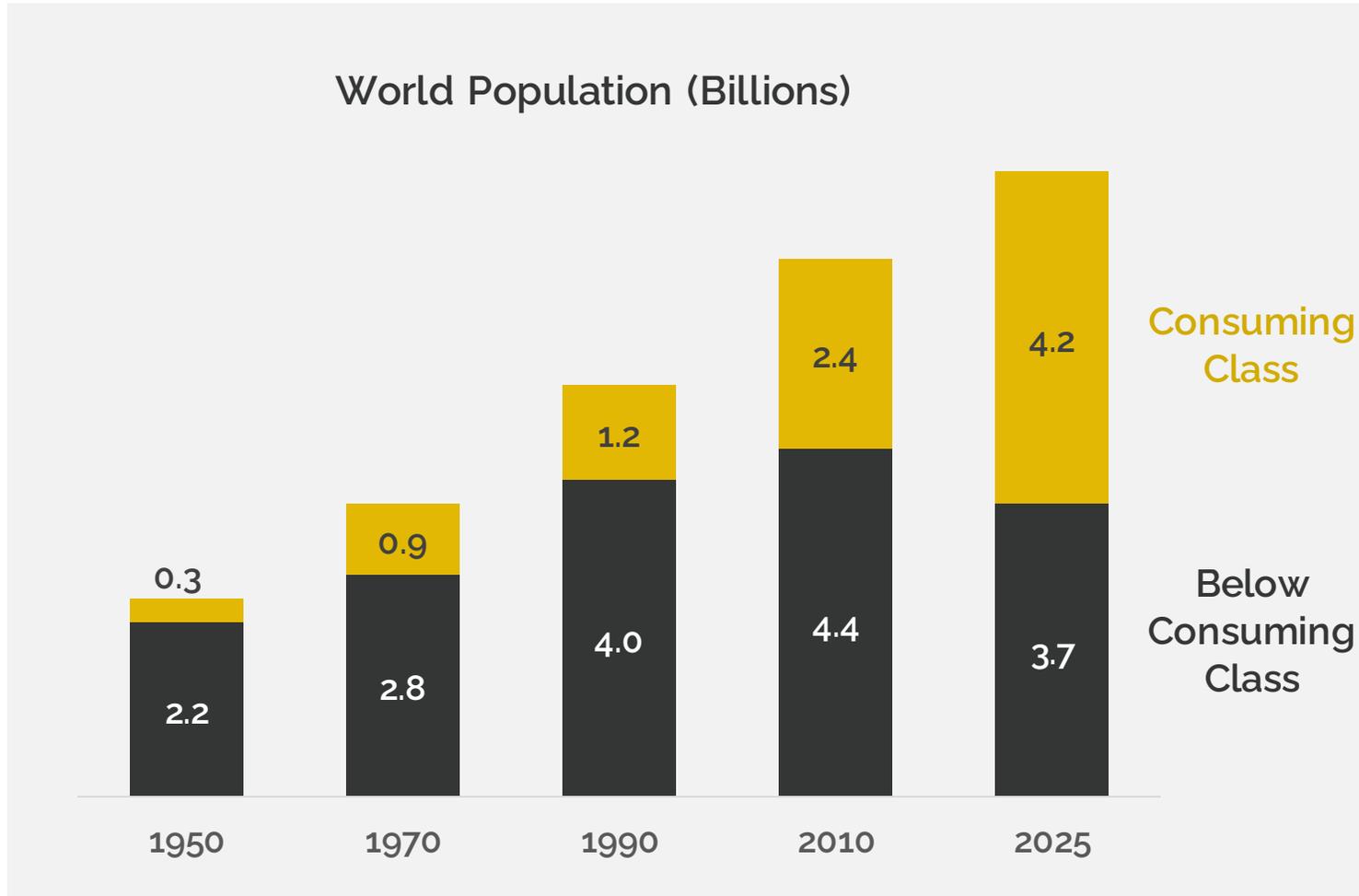
Endowment and Foundation Emerging Market exposure has evolved over the years.

As familiarity and allocation grows, so does the variegated approach

Average Morningstar Emerging Market Exposure



EM 3.0 – “JUST BUY THE CONSUMER* SECTOR”



“...the biggest growth opportunity in the history of capitalism...”

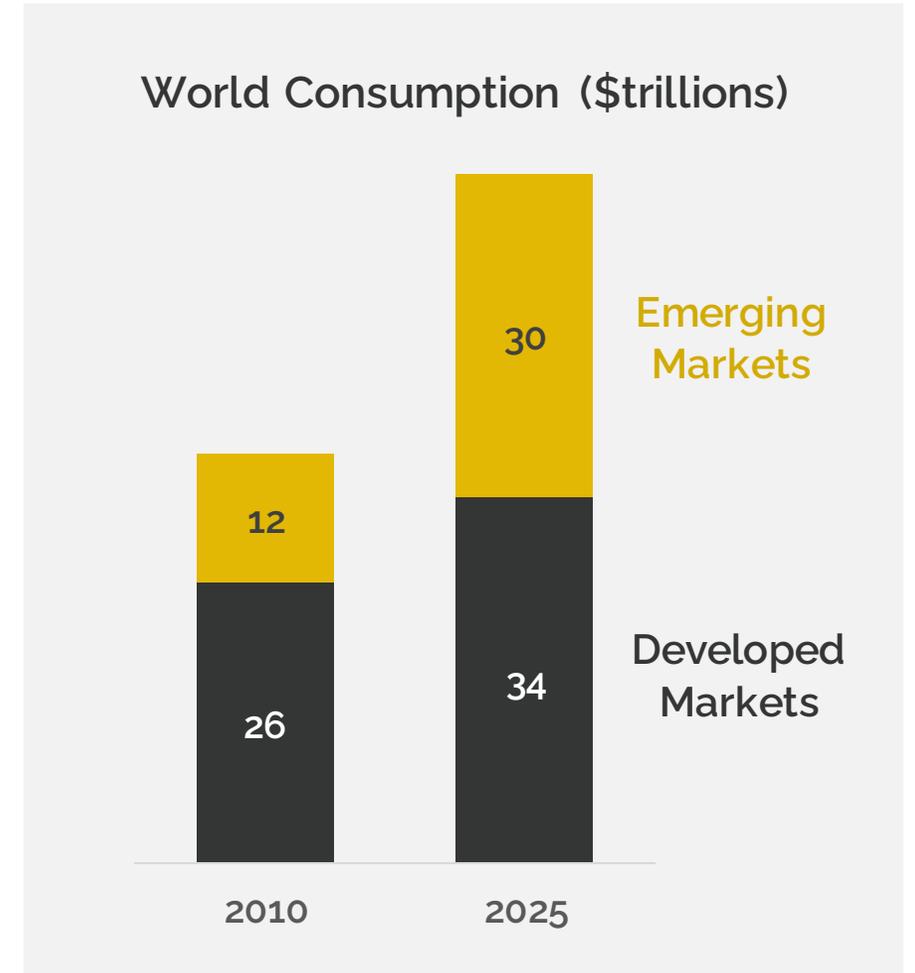
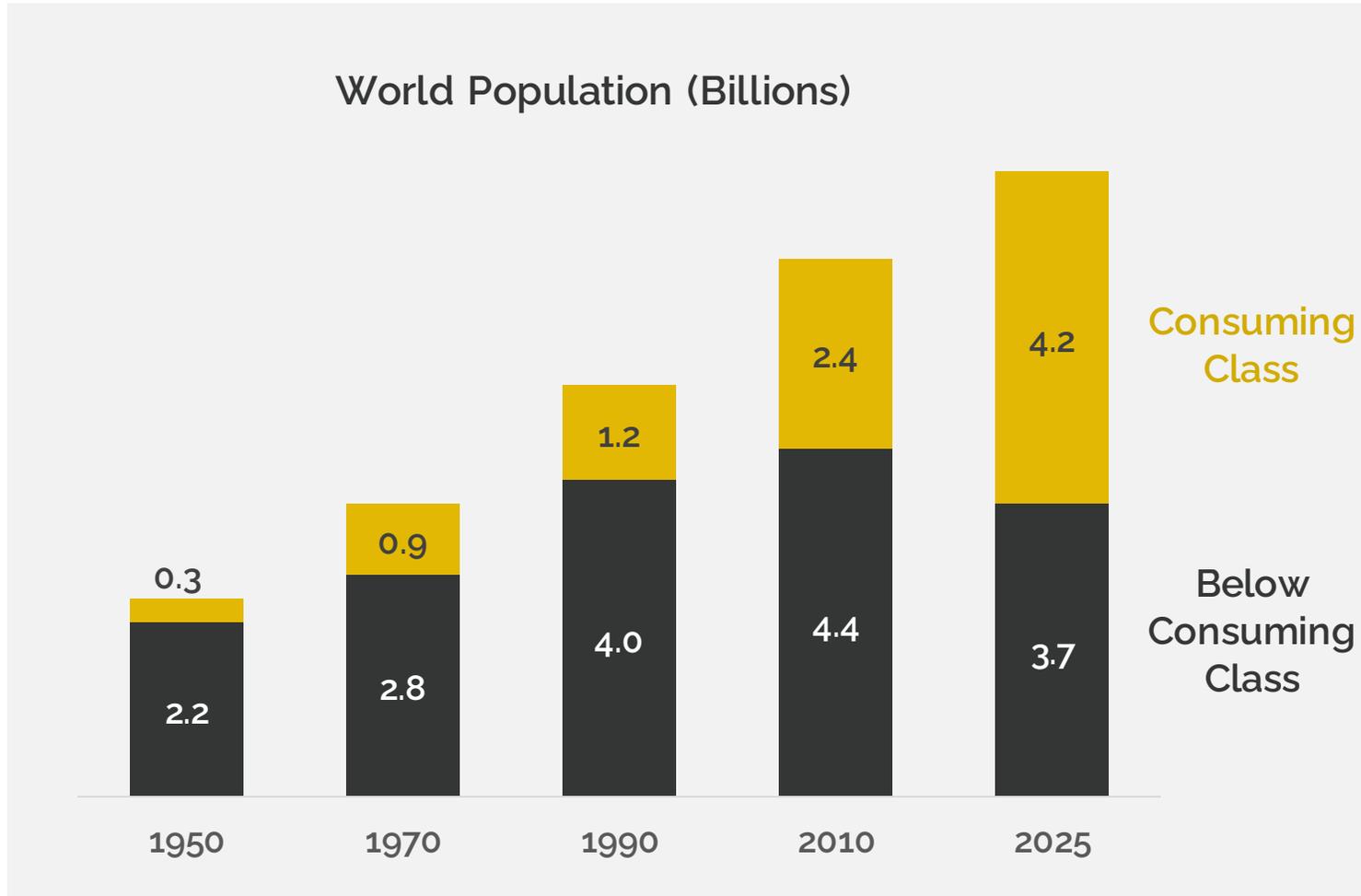
- McKinsey & Company

THE GREAT CONFLUENCE:

3 MEGA TRENDS



#1 THE EMERGING MARKET CONSUMER IS THE STORY



“...the biggest growth opportunity in the history of capitalism...”

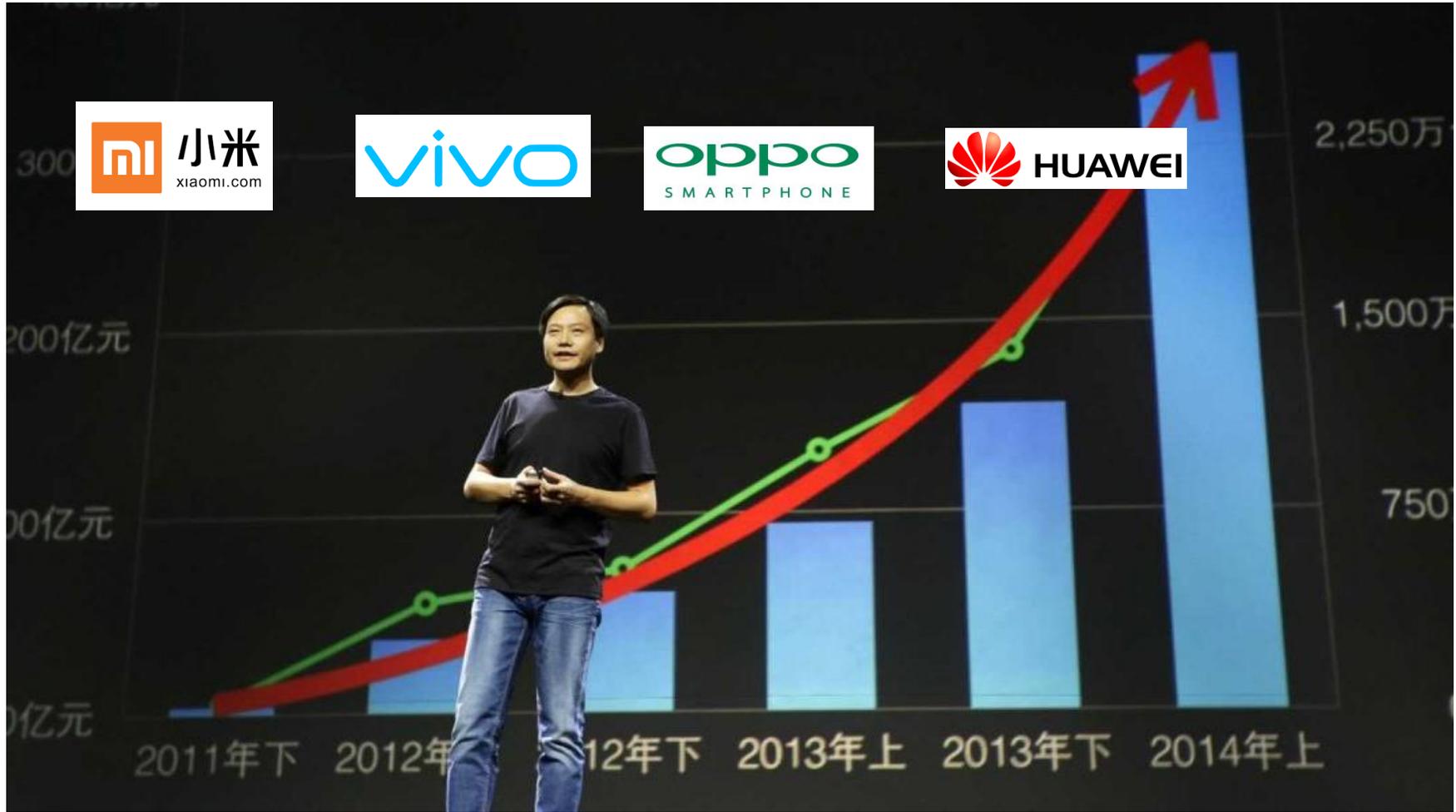
- McKinsey & Company

SMARTPHONES STILL RELATIVELY NEW



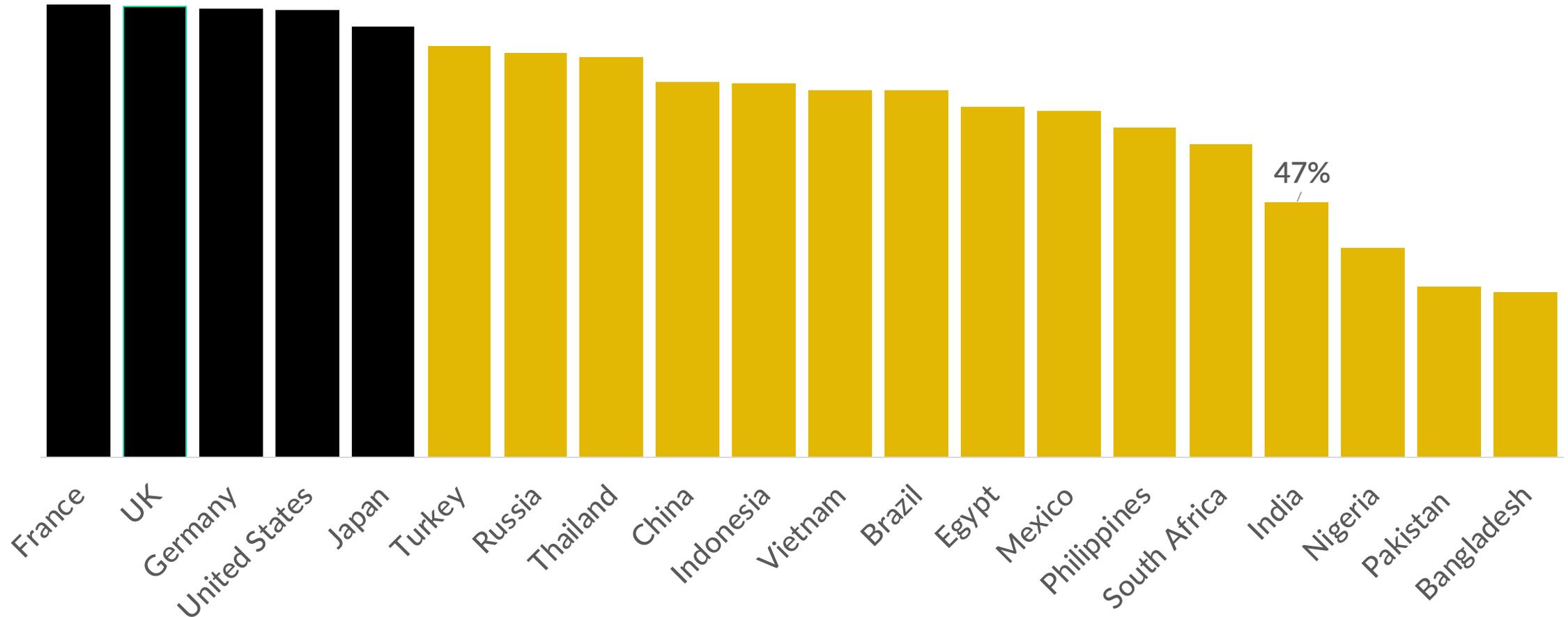
Apple CEO Steve Jobs demonstrates the first iPhone at the Macworld expo in 2007.

#2: THE COMPUTER



#3: THE INTERNET

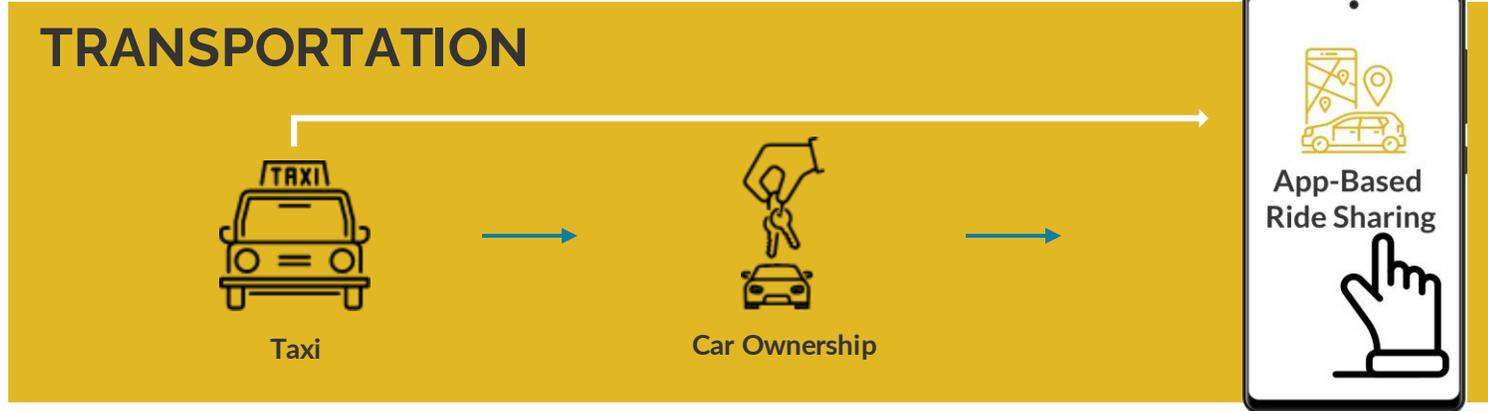
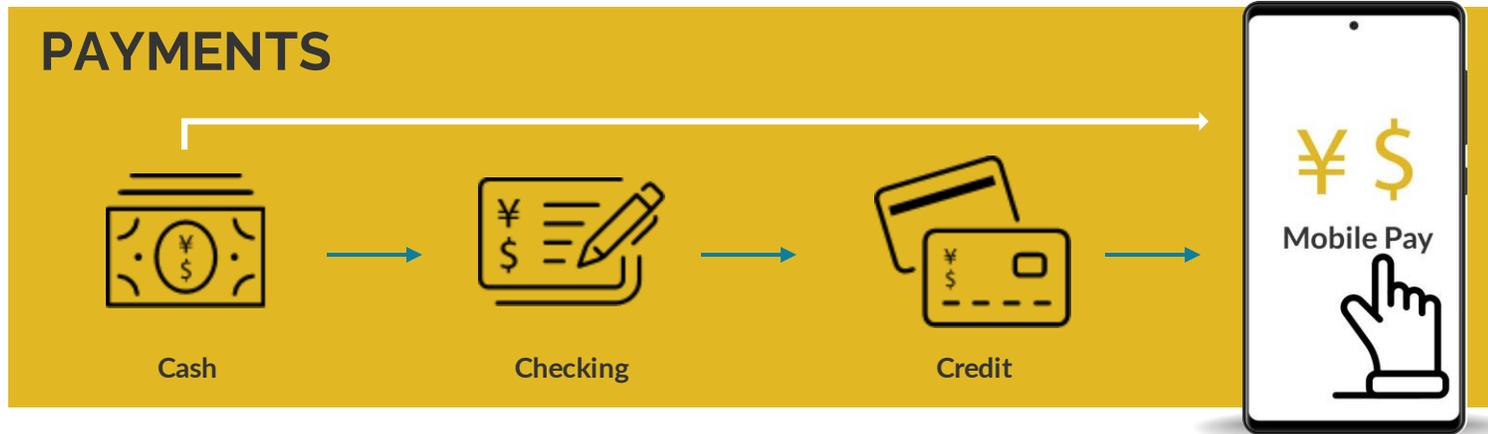
Smartphone Penetration by Country
% of Total Population (2022)



THE LEAPFROG EFFECT:

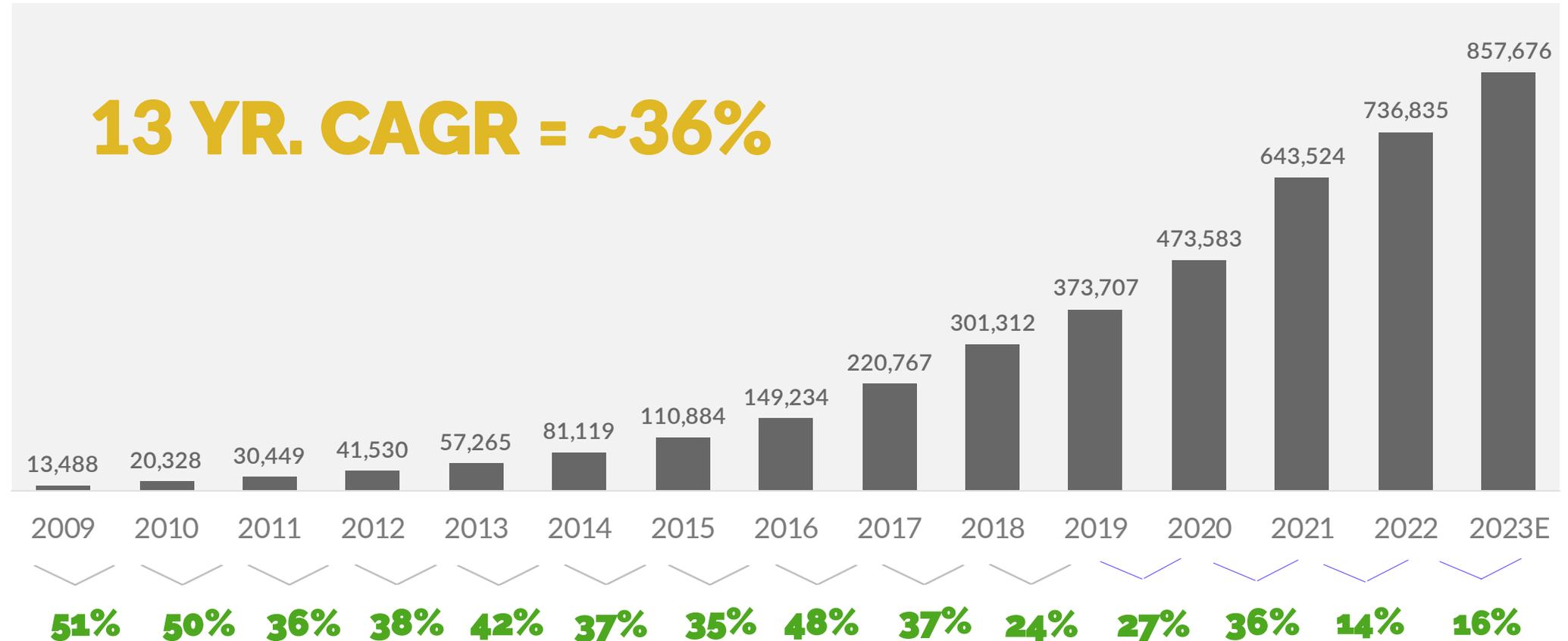
UNDERDEVELOPED
CONSUMPTION
INFRASTRUCTURE

These new smartphone-enabled consumers do not have bank accounts, debit or credit cards, cable televisions or automobiles and are **leapfrogging traditional consumption**.



RESULT #1: MASSIVE REVENUE GROWTH

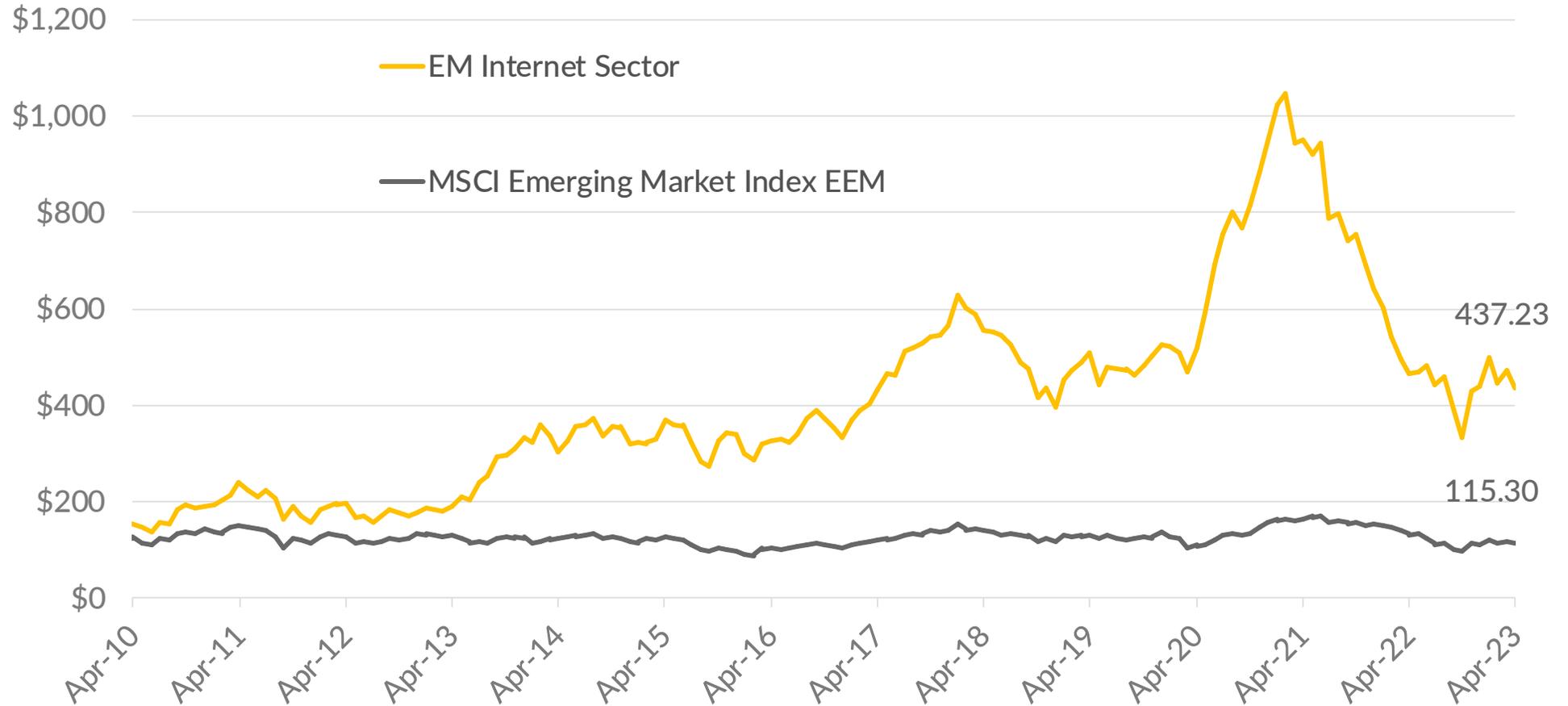
Emerging Markets Internet Sector Total Revenue
2009 - 2023 (\$MM)



YoY Revenue Growth of Emerging Markets Internet Sector

RESULT # 2 – VALUE CREATION

Emerging Markets Internet Sector vs MSCI Emerging Market Index
As of 04/28/2023



BABA: LARGEST IPO IN U.S. HISTORY



TENCENT (HK: 0700)

U.S.



CHINA



DIGITIZING EVERYTHING: HEALTH CARE



DIGITIZING EVERYTHING: ENTERTAINMENT



DIGITIZING EVERYTHING: FOOD



鲜·美·生活

Hangzhou, China
2018

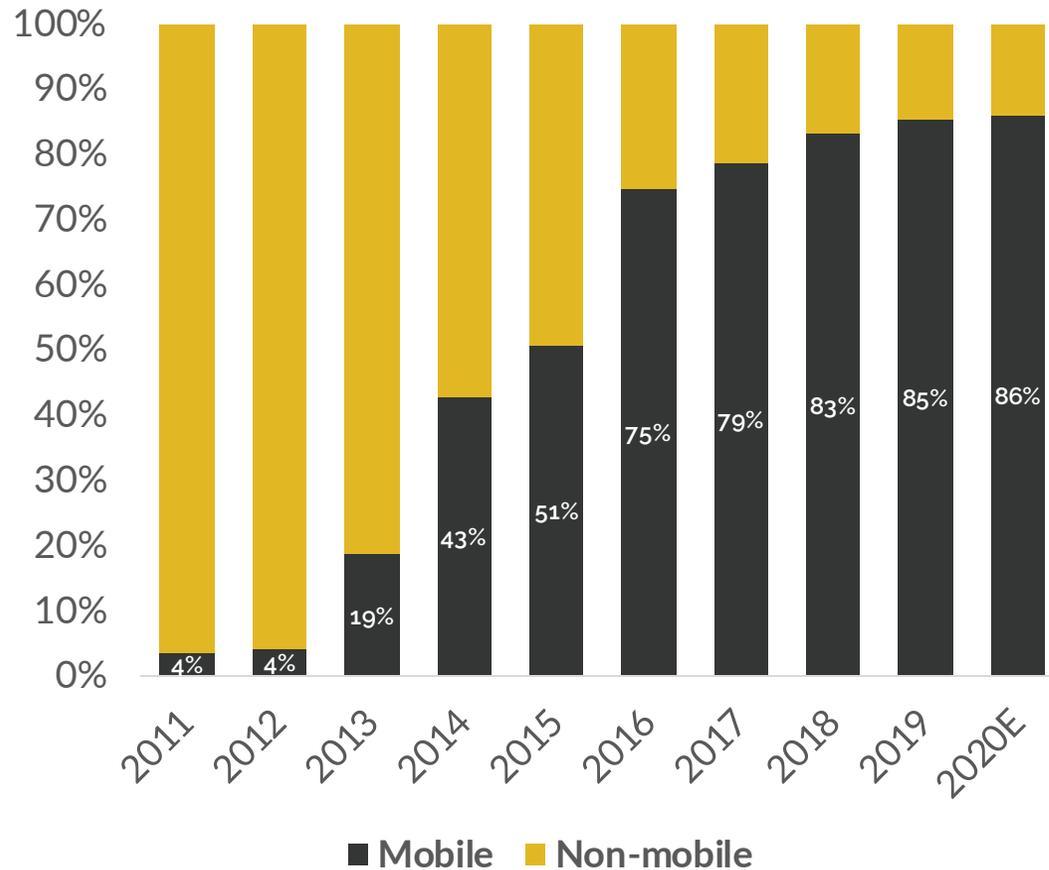
MOBILE PAYMENT ADOPTION IS PERVASIVE



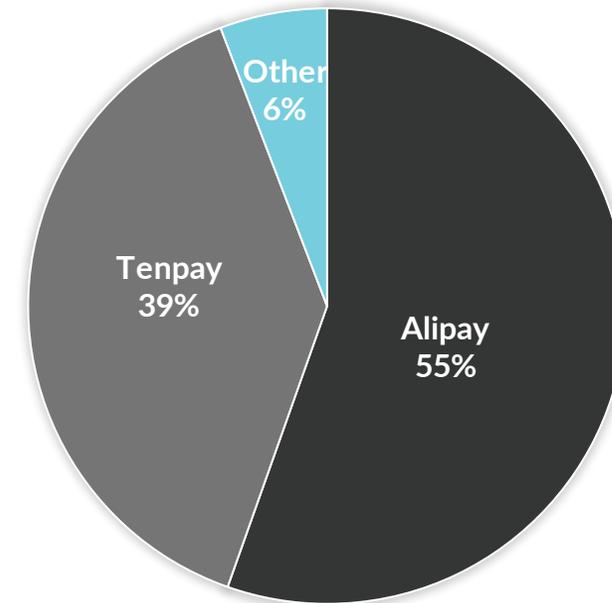
Nanjing, China
2018

MOBILE PAYMENT IS THE GATEWAY TO FINTECH

China's Market Share of Mobile vs. Non-Mobile Payments



China's Mobile Payments Market Shares (2020)



CHINA: BEYOND BABA & TENCENT

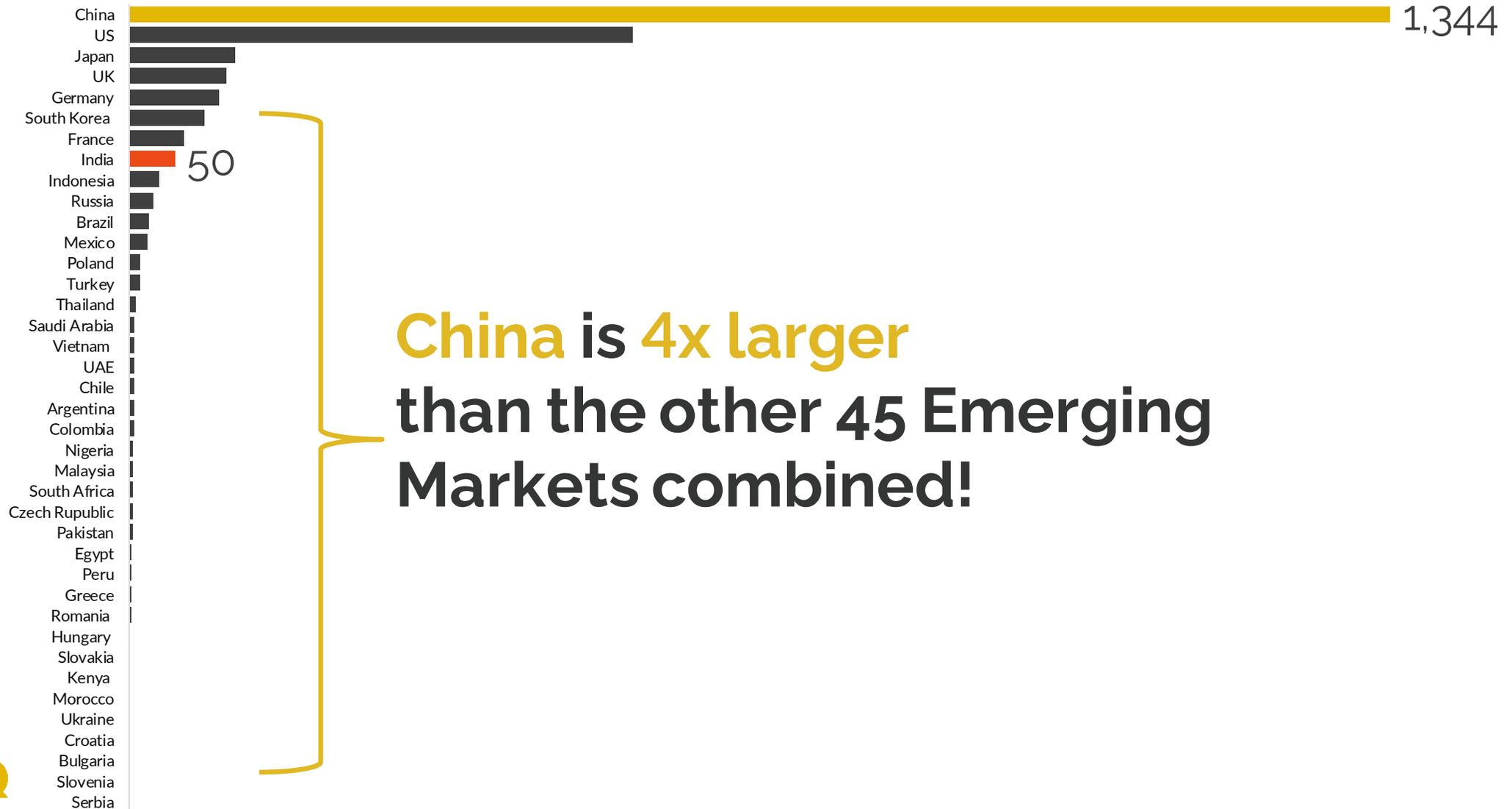


BEYOND CHINA: THE NEXT FRONTIER



CHINA DOMINATES GLOBAL ECOMMERCE

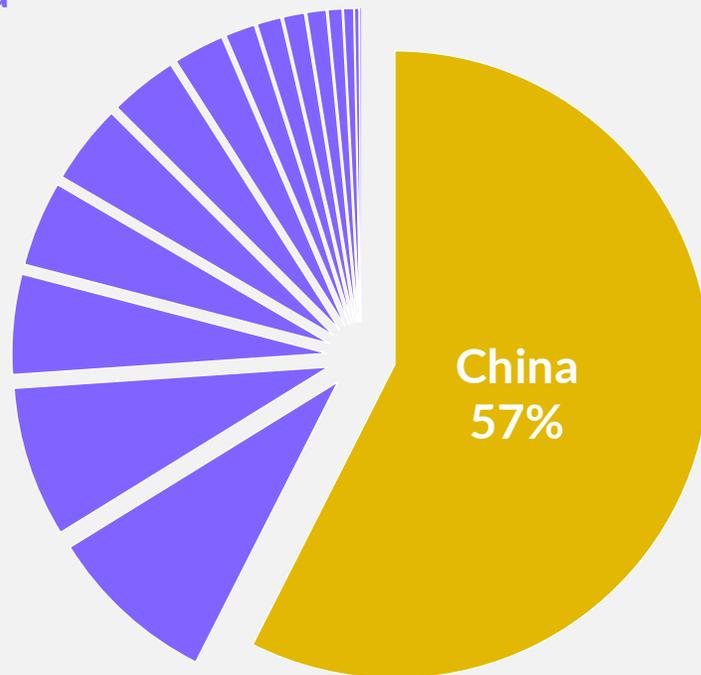
Ecommerce Sales By Country (Billions)



EMQQ LARGELY A CHINA STORY... SO FAR

EMQQ Index Country Weighting %

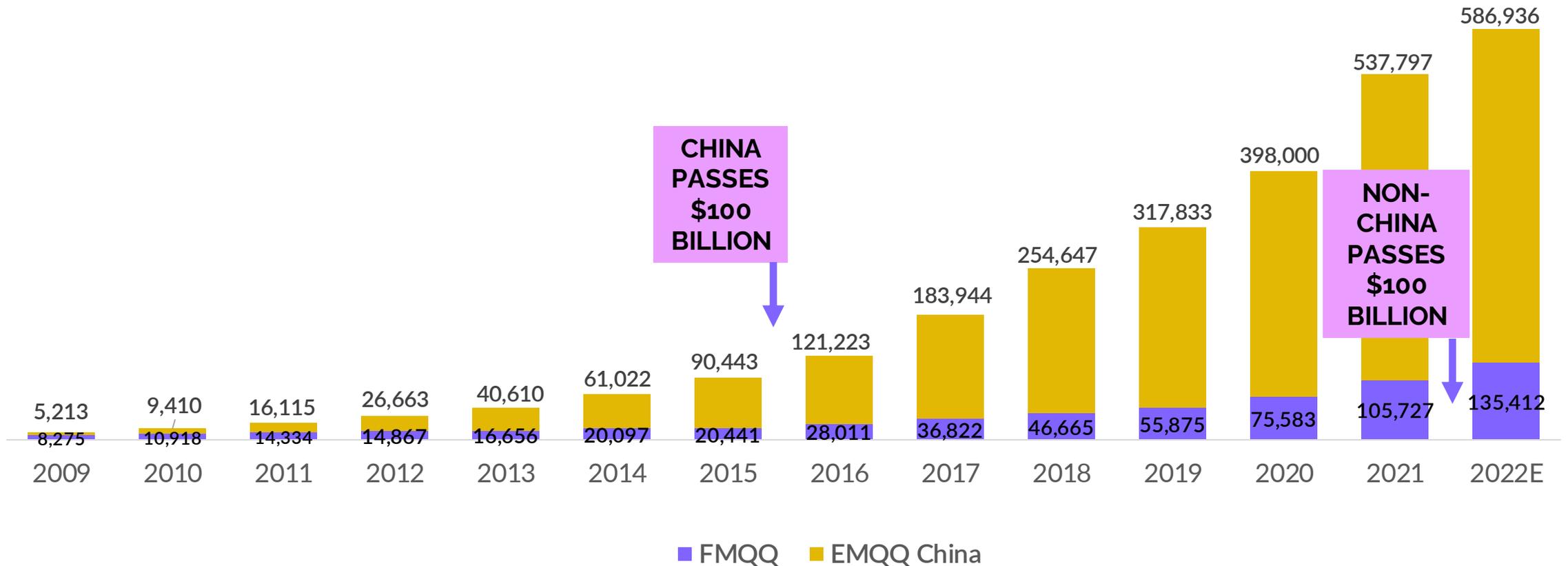
Ex China
= 43%



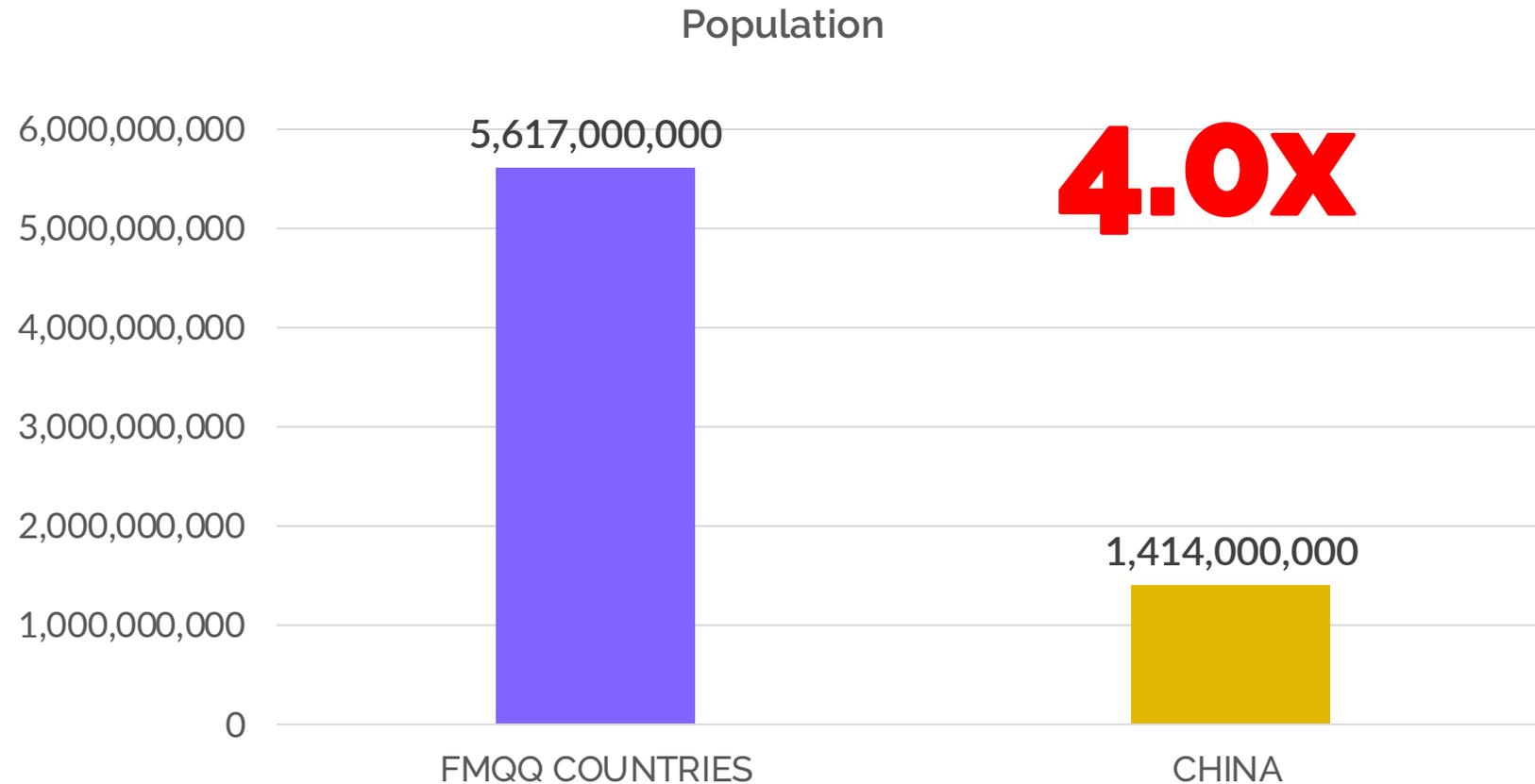
Country	Weight	No. Stocks
China	57.45	46
India	8.72	24
South Korea	7.75	16
Netherlands	5.14	1
South Africa	4.38	2
Uruguay	4.08	2
Singapore	3.47	2
Brazil	2.61	14
Kazakhstan	1.53	1
Hong Kong	1.24	4
Japan	1.09	1
Germany	1.00	2
Indonesia	0.71	3
Poland	0.52	3
Taiwan	0.23	3
Egypt	0.05	1
Argentina	0.03	1
Total	100%	126

NEXT FRONTIER (NON-CHINA) PASSES \$100B

Total Revenue
2009-2021 (\$MM)

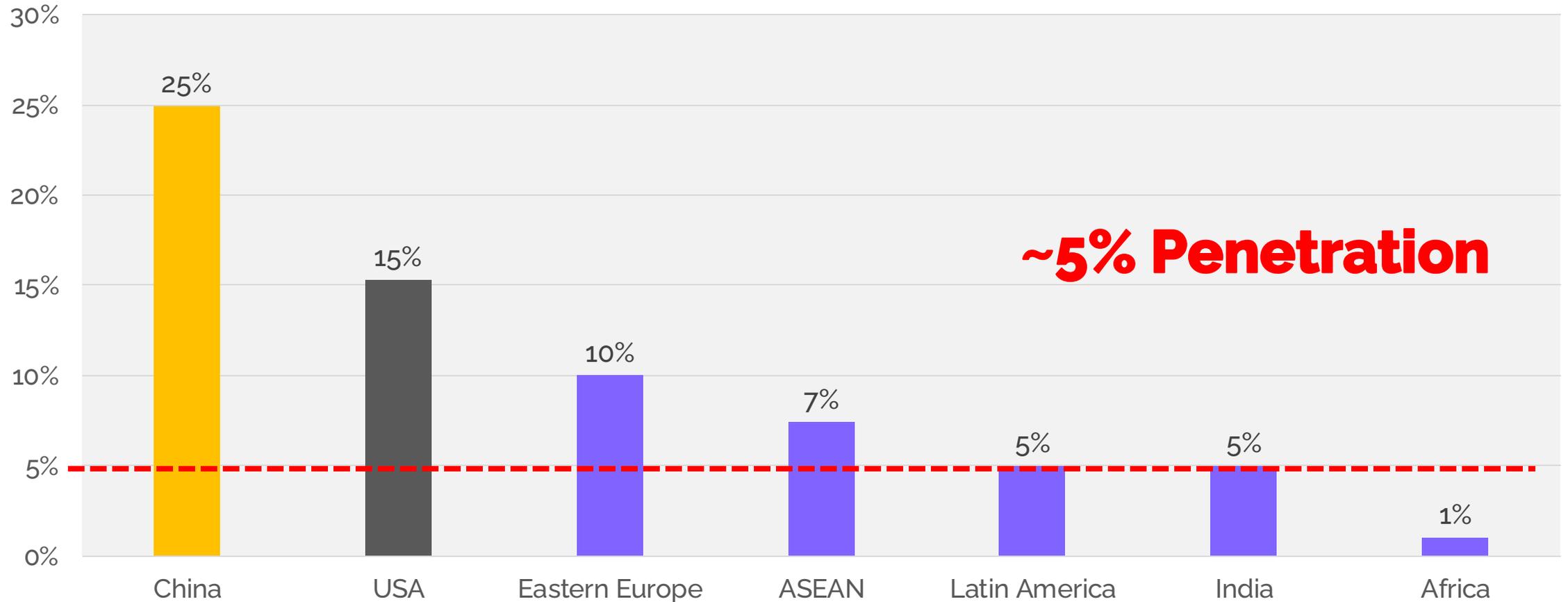


NEXT FRONTIER POPULATION = 4X CHINA



NEXT FRONTIER PENETRATION = ~1/5TH CHINA

E-Commerce Penetration By Region (2021)



THE THIRD WAVE

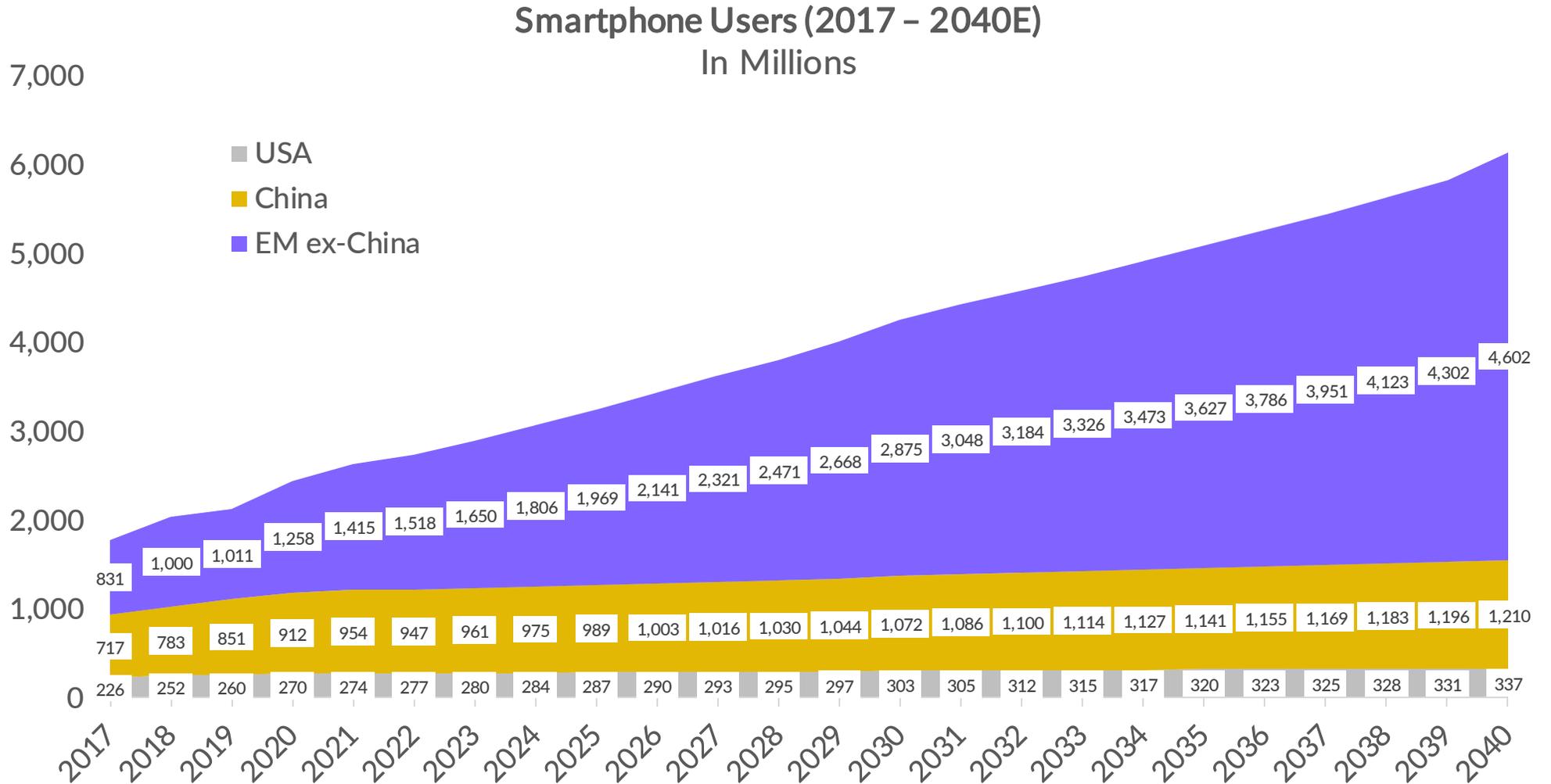


1.5 BILLION PEOPLE JUST GOT THEIR FIRST COMPUTER

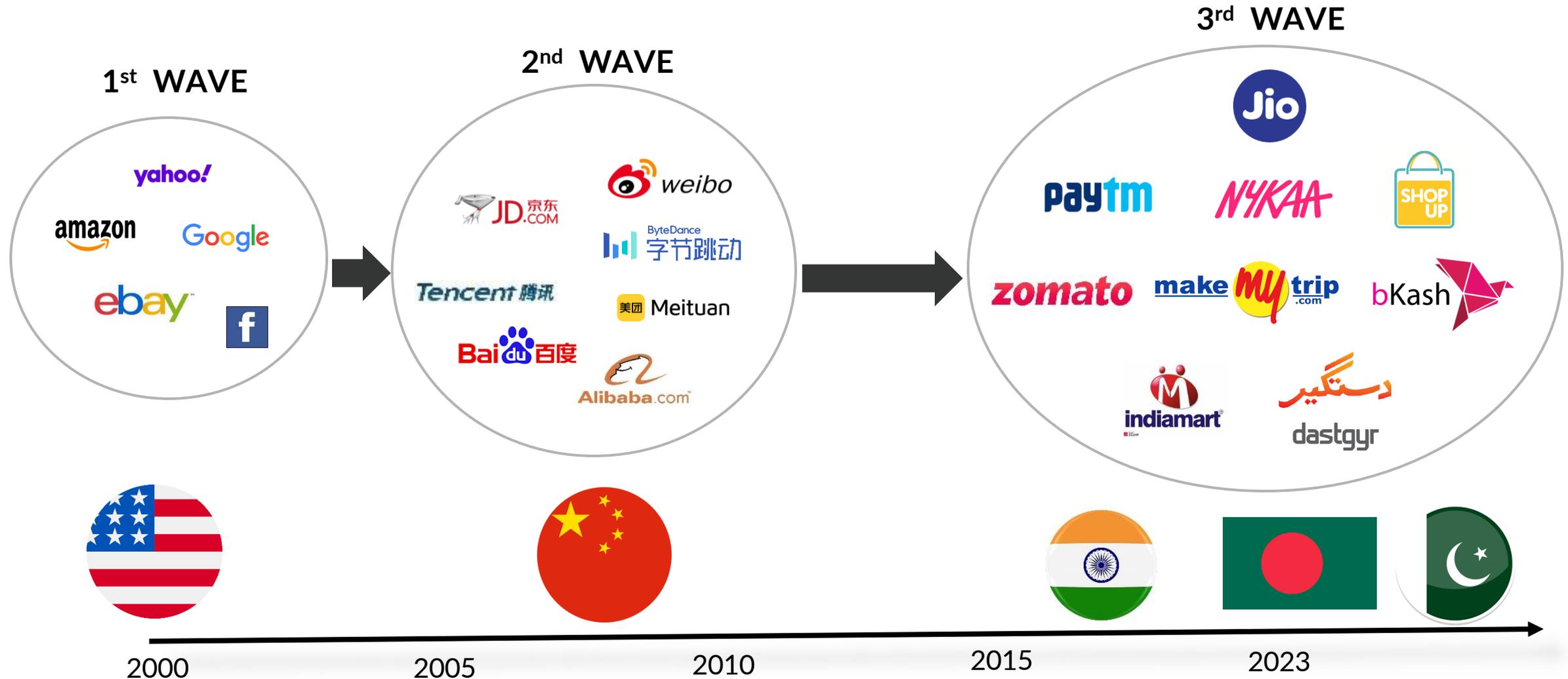


COVID has turbo-charged the behavior of these new smartphone users.

THIRD WAVE DWARFS FIRST TWO WAVES



INDIA IS THE BIGGEST PART OF THIRD WAVE



INDIA



GROWING LIST OF INDIA BULLS

Goldman Sachs Research - Dec 2022

“India is expected to have the world’s second largest economy by 2075”

[Link](#)

Morgan Stanley Chief Asia Economist - Nov 2022

“The country will provide a compelling opportunity in a world starved of growth”

[Link](#)

Bridgewater CEO, Ray Dalio - Nov 2022

“India should have highest growth rate going forward”

[Link](#)

McKinsey & Co CEO, Sternfels - Sept 2022

“It’s not India’s Decade, it’s India’s Century”

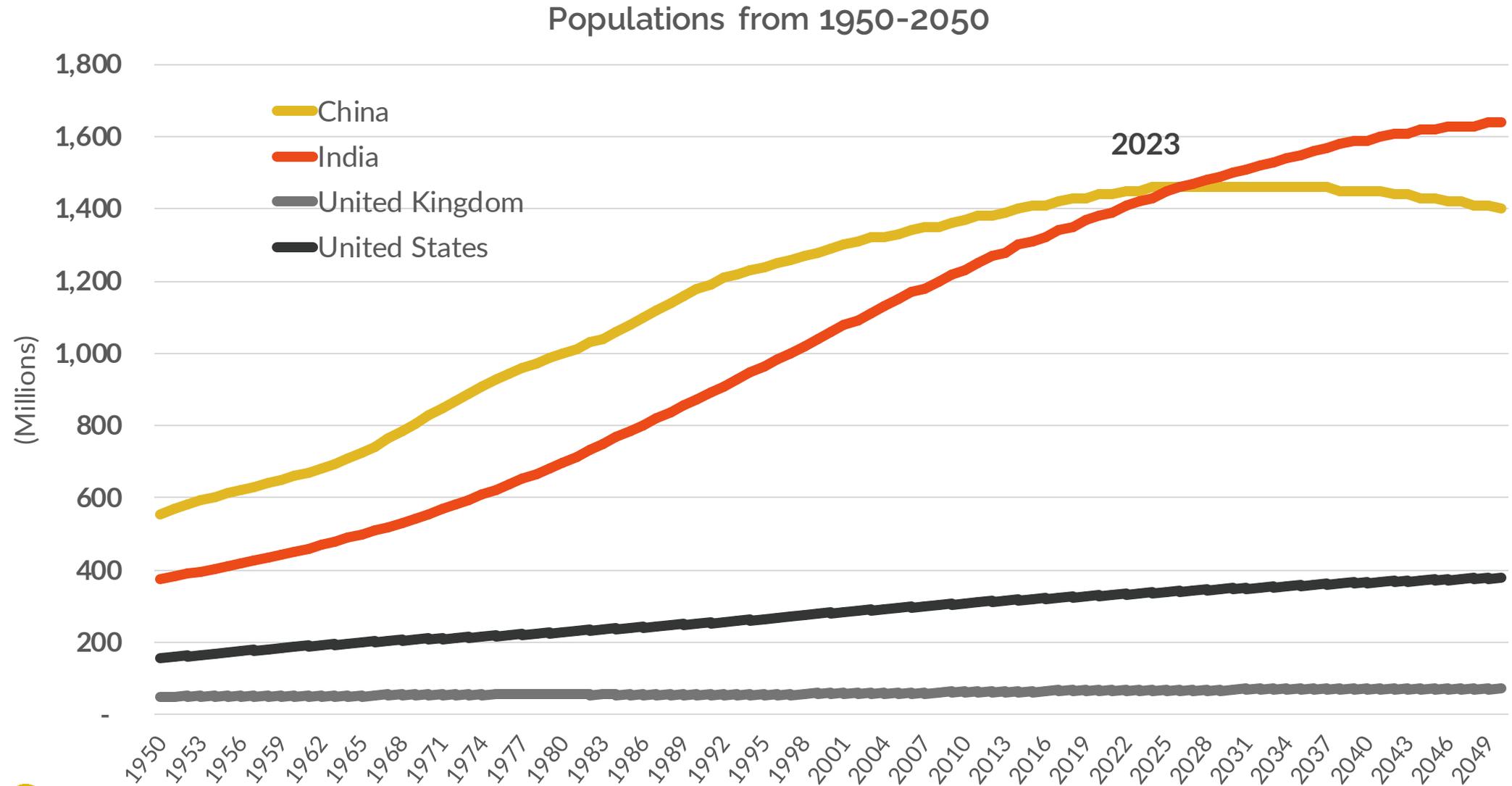
[Link](#)

JP Morgan CEO, Jaime Dimon - Sept 2022

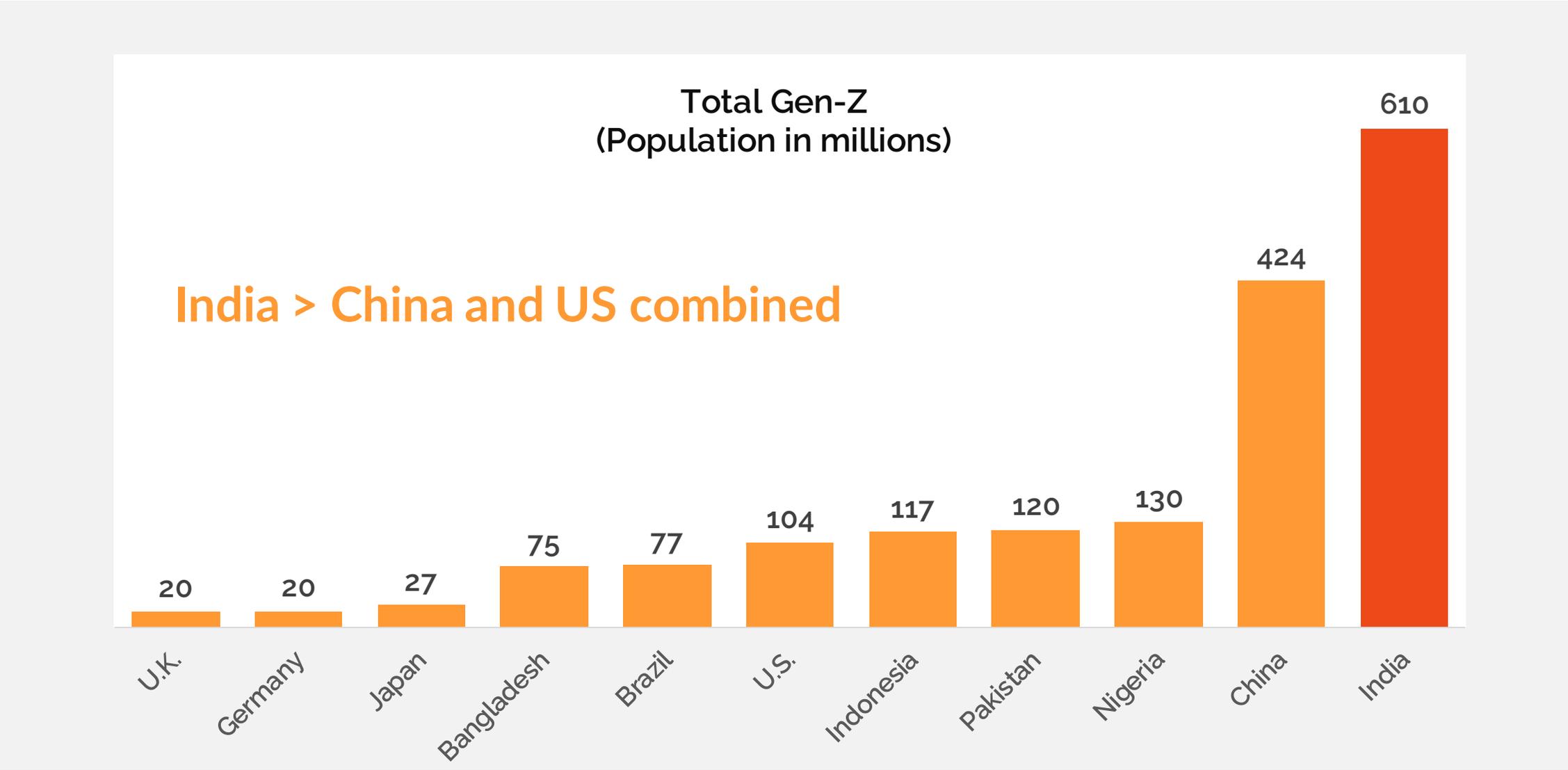
“India should be the fastest growing nation for the next 10 years and the second biggest destination for technology”

[Link](#)

#1 INDIA WILL HAVE LARGEST POPULATION IN 2023

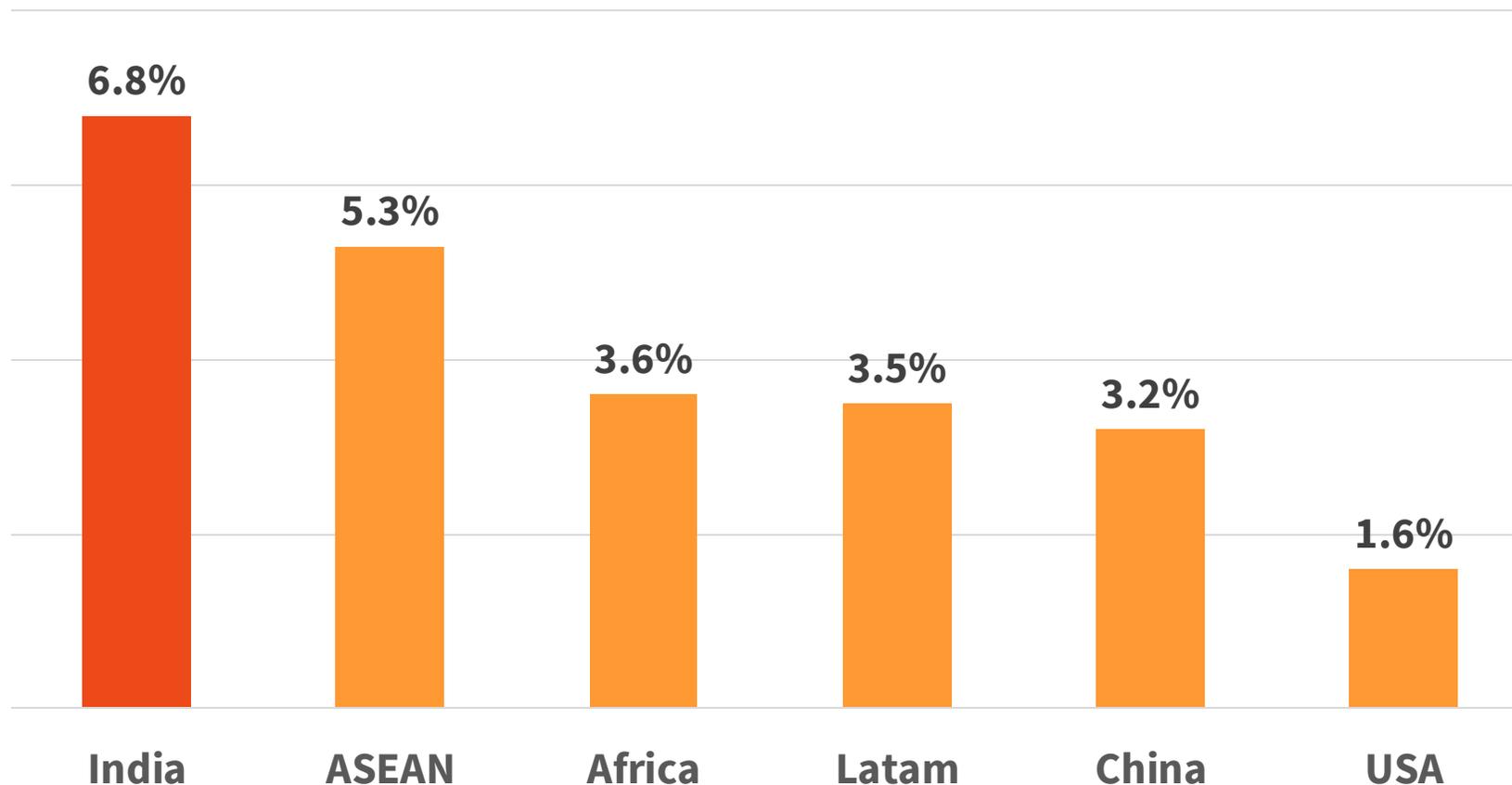


#2 INDIA HAS THE MOST YOUNG PEOPLE



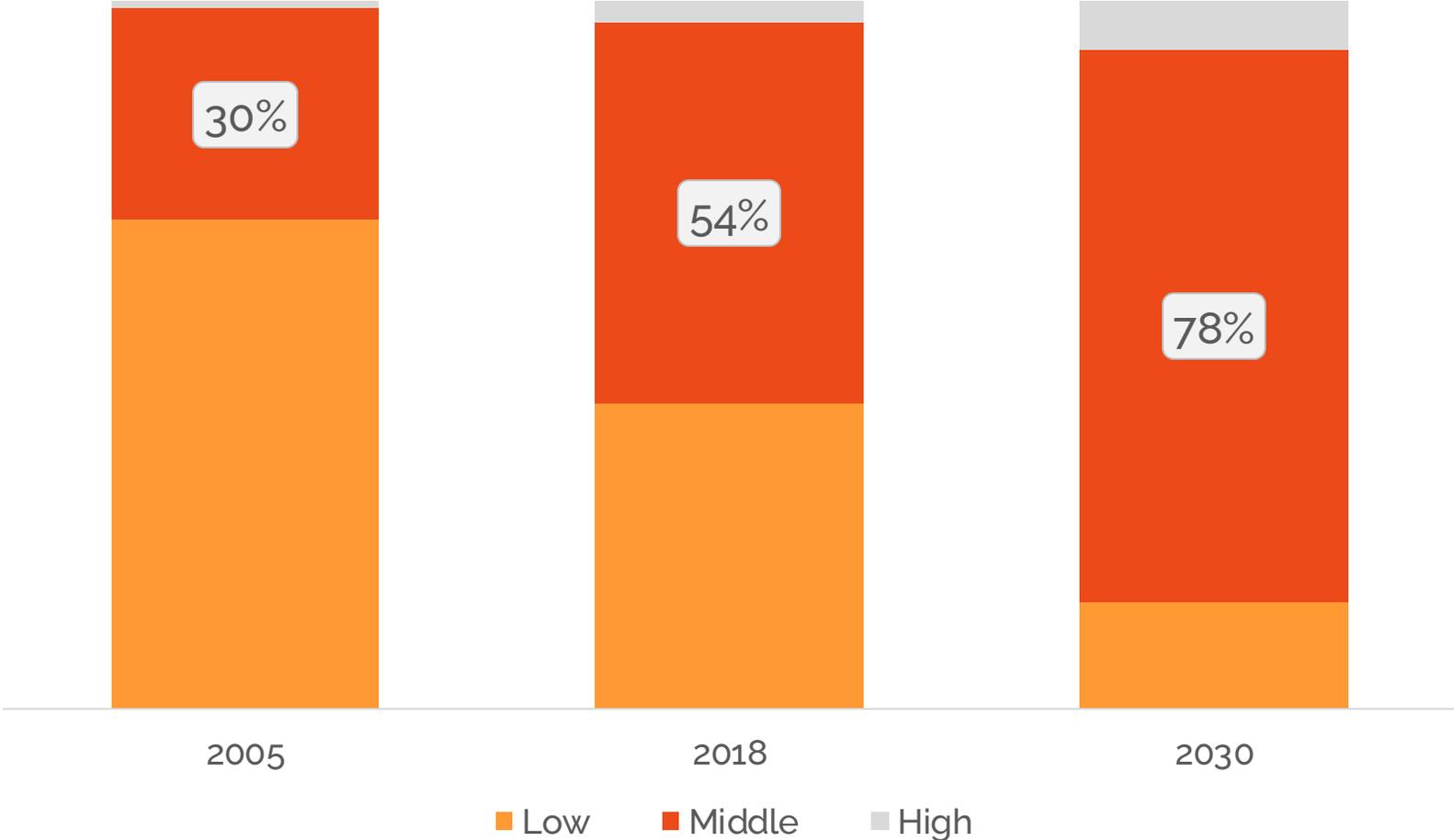
#3 INDIA IS FASTEST GROWING MAJOR ECONOMY

IMF GDP Growth Projections (2022)



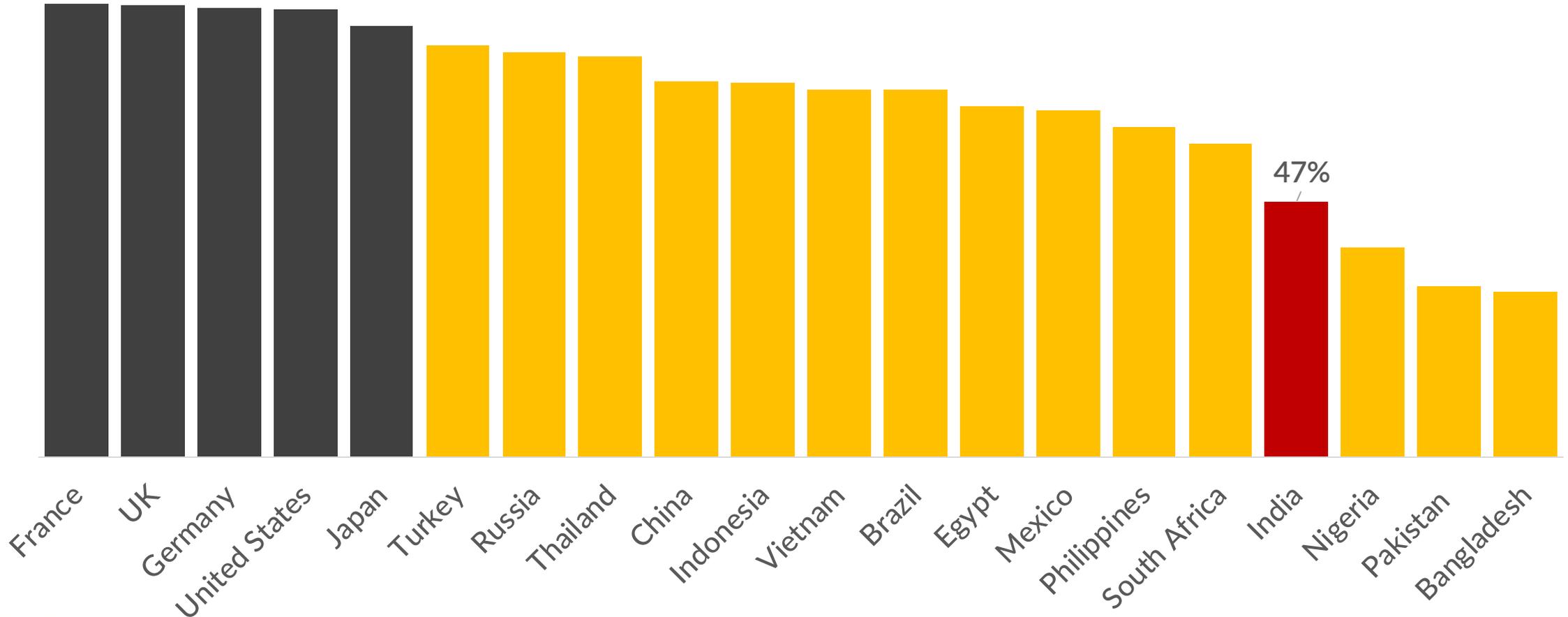
#4 INDIA HAS A SWELLING MIDDLE CLASS

Swelling Middle Income Households in India



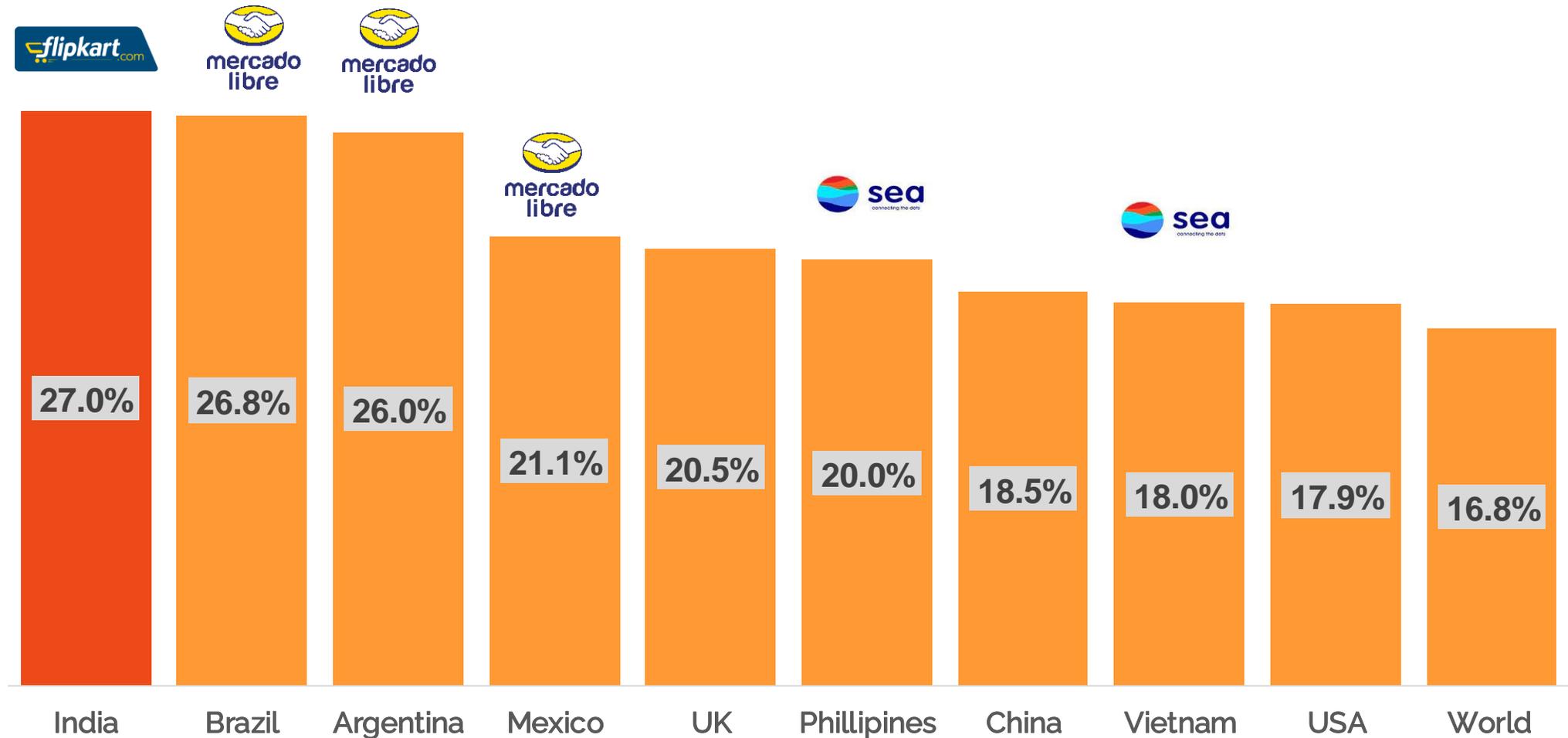
#5 INDIA SMARTPHONE PENETRATION STILL LOW

Smartphone Penetration by Country
% of Total Population (2022)

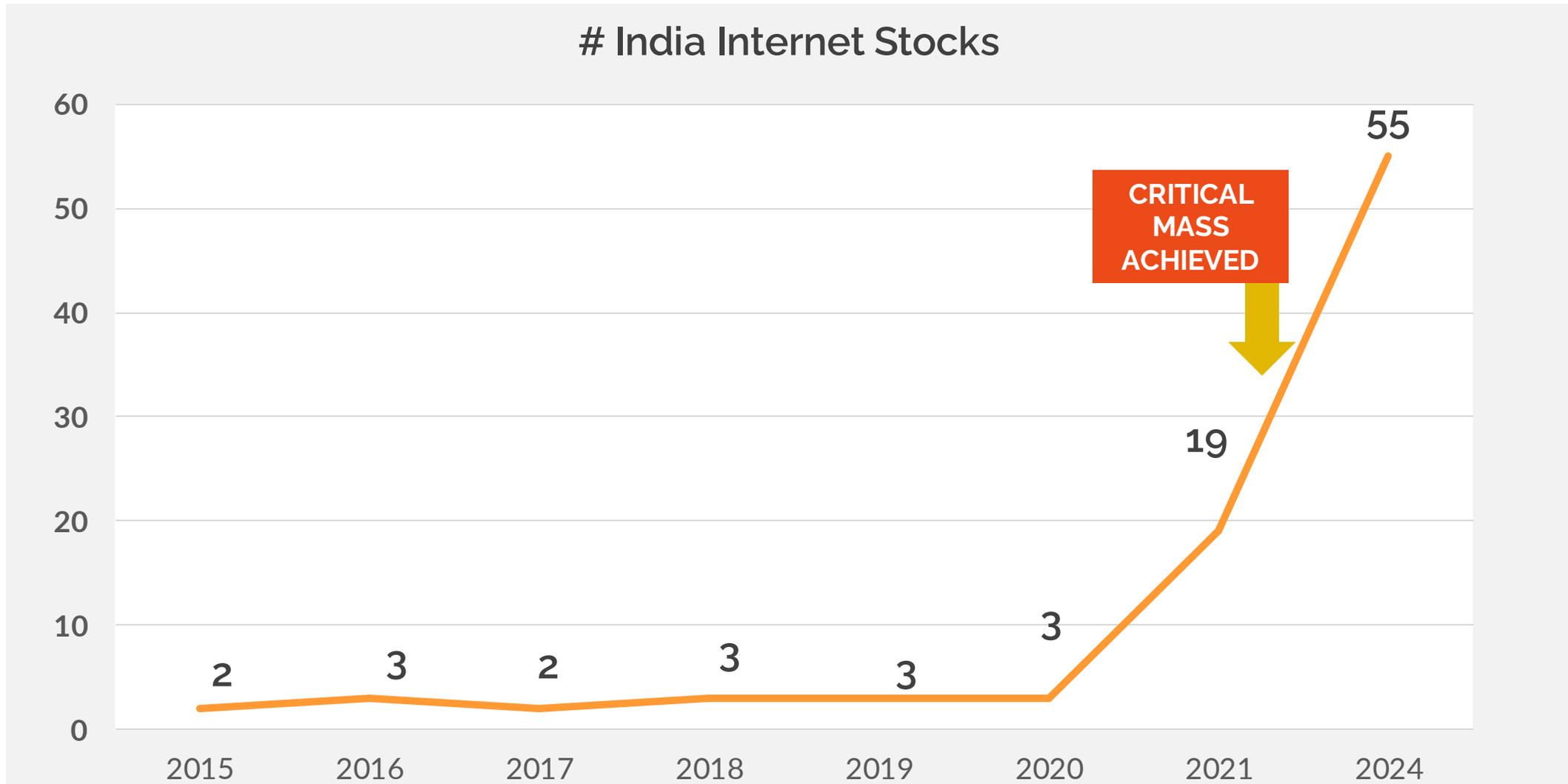


#6 INDIA HAS FASTEST E-COMMERCE GROWTH

Top 10 Countries Ranked by Ecommerce Growth (2021)



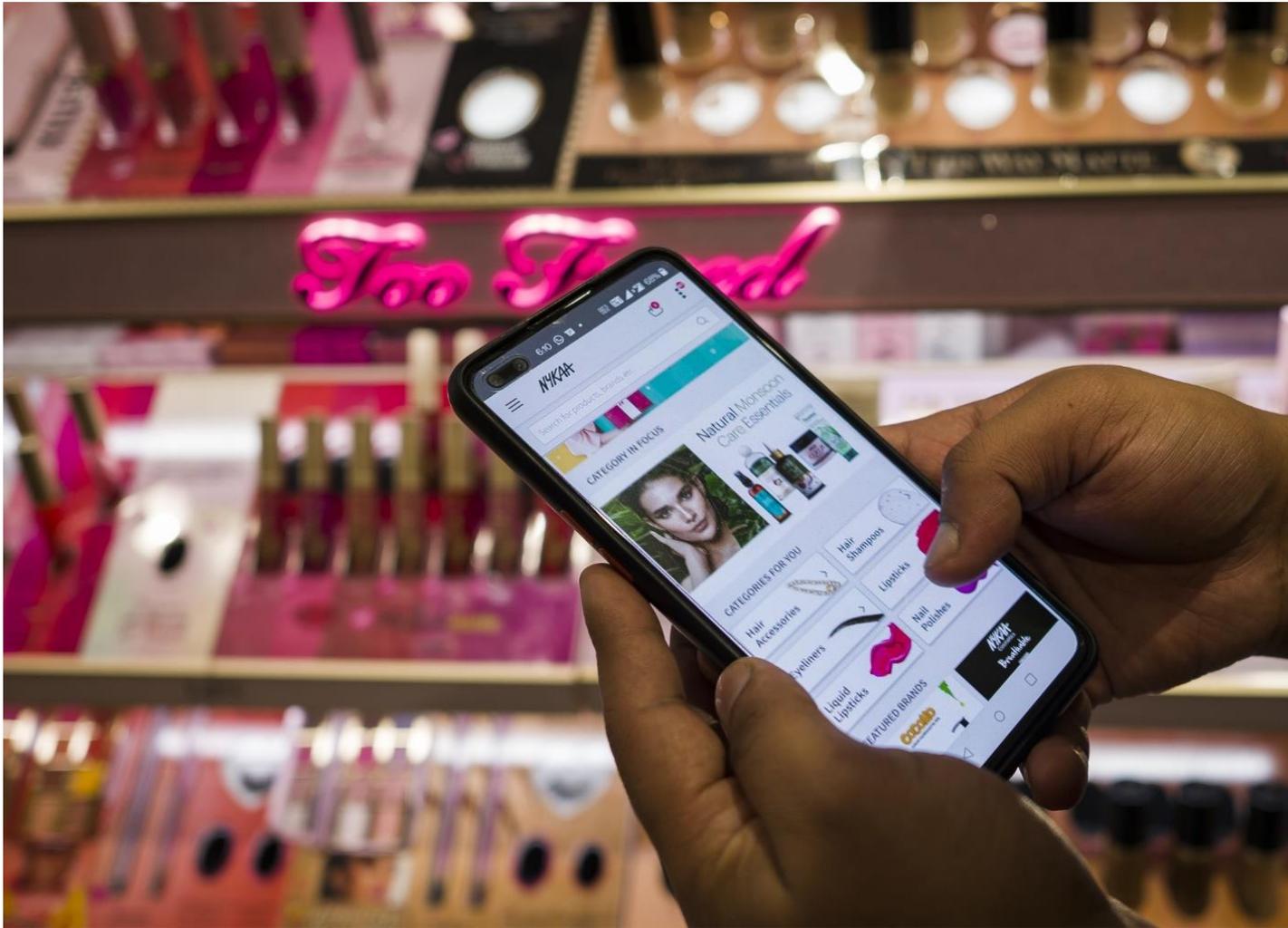
OF PUBLIC INDIA EMQQ COMPANIES SURGED



(PAYTM.NS) PAYTM : "PAYPAL OF INDIA"



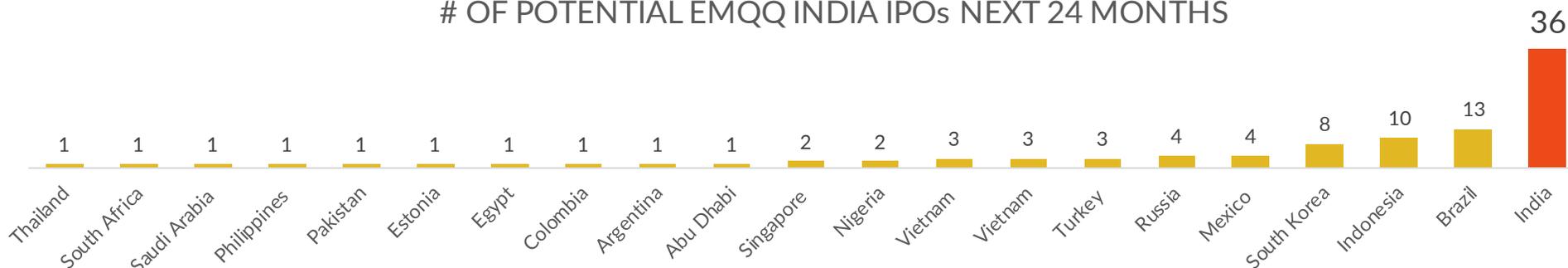
(NYKAA.NS) NYKAA: ONLINE BEAUTY PRODUCTS



INDIA HAS A BOOMING IPO PIPELINE

Company	Country	Sector	Period	Valuation
Flipkart	India	E-commerce	2022/2023	38
Byju's	India	Ed-tech	2022/2023	21
InMobi	India	Adtech	2022/2023	15
Oyo	India	Hospitality Tech	2022/2023	12
Swiggy	India	Food Delivery	2022/2023	10
Ola	India	Ride Hailing	2022/2023	9
Dream11	India	Gaming	2022/2023	8
Meesho	India	E-commerce	2022/2023	8
PineLabs	India	Fintech	2022/2023	6
Pharmeasy	India	E-commerce	2022/2023	5
Udaan	India	E-Commerce (B2B)	2022/2023	5
Snapdeal	India	E-Commerce	2022/2023	3

OF POTENTIAL EMQQ INDIA IPOs NEXT 24 MONTHS





The IPO of Walmart controlled Flipkart, expected by end of 2024, will represent a major milestone in the India technology story.



The IPO of Reliance Industries' Jio Digital is expected by end of 2024 and will represent a major milestone in the India technology story.

EMQQ GOES: INDIA + SOUTH ASIA

MARCH 2023

EMQQ
GLOBAL

EMQQ GOES

EMQQ GOES is our effort to visit all 46 emerging and frontier markets and immerse ourselves in the local ecosystems of entrepreneurs, investors and consumers. Our goal is to provide on-the-ground research, insights and understanding to investors seeking to participate in what may be the fastest growing sector on the planet.



EMQQ Holding: Meeting with PAYTM Investor Relations team.



EMQQ Holding: NYKAA is an online beauty products company.



EMQQ Holding: Reliance Industries Investor Relations team.

EMQQ GOES: INDIA



EMQQ GOES: INDIA



EMQQ GOES: SOUTH ASIA

KEY TAKEAWAYS

#1: CHAOS:

SCALE + DIVERSITY + DENSITY

3 OF LARGEST POPULATIONS IN THE WORLD

RANK	CITY	POPULATION	DENSITY (/km)
1	INDIA	1,417,644,495	464
2	CHINA	1,412,360,000	153
3	UNITED STATES	331,893,745	36
4	INDONESIA	273,753,191	151
5	PAKISTAN	231,402,117	287
6	BRAZIL	214,326,223	25
7	NIGERIA	213,401,323	226
8	BANGLADESH	169,356,251	1,265

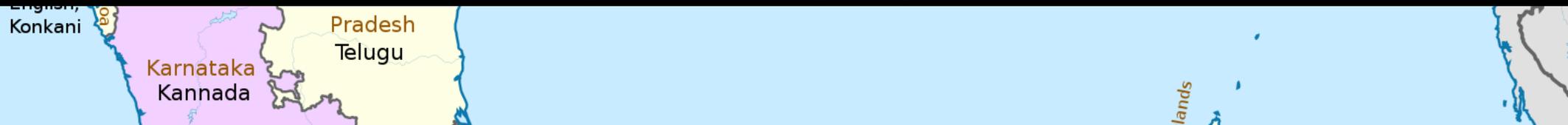
INDIA POPULATION IS BIGGER THAN #3-9 COMBINED



The population of India is as high as the next six most populated countries of the world...combined (ex-China)



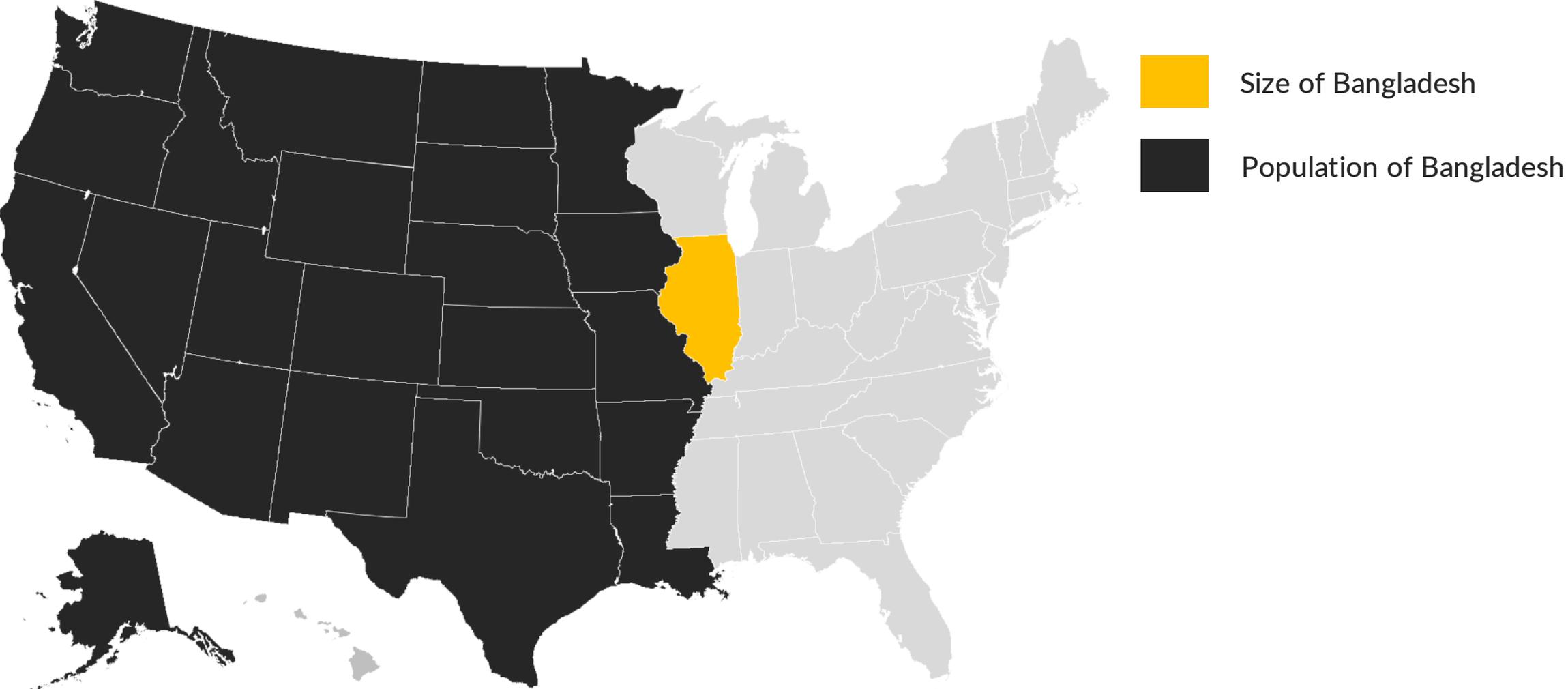
While Hindi and English are the 2 official languages of India there are 22 other officially recognized languages.



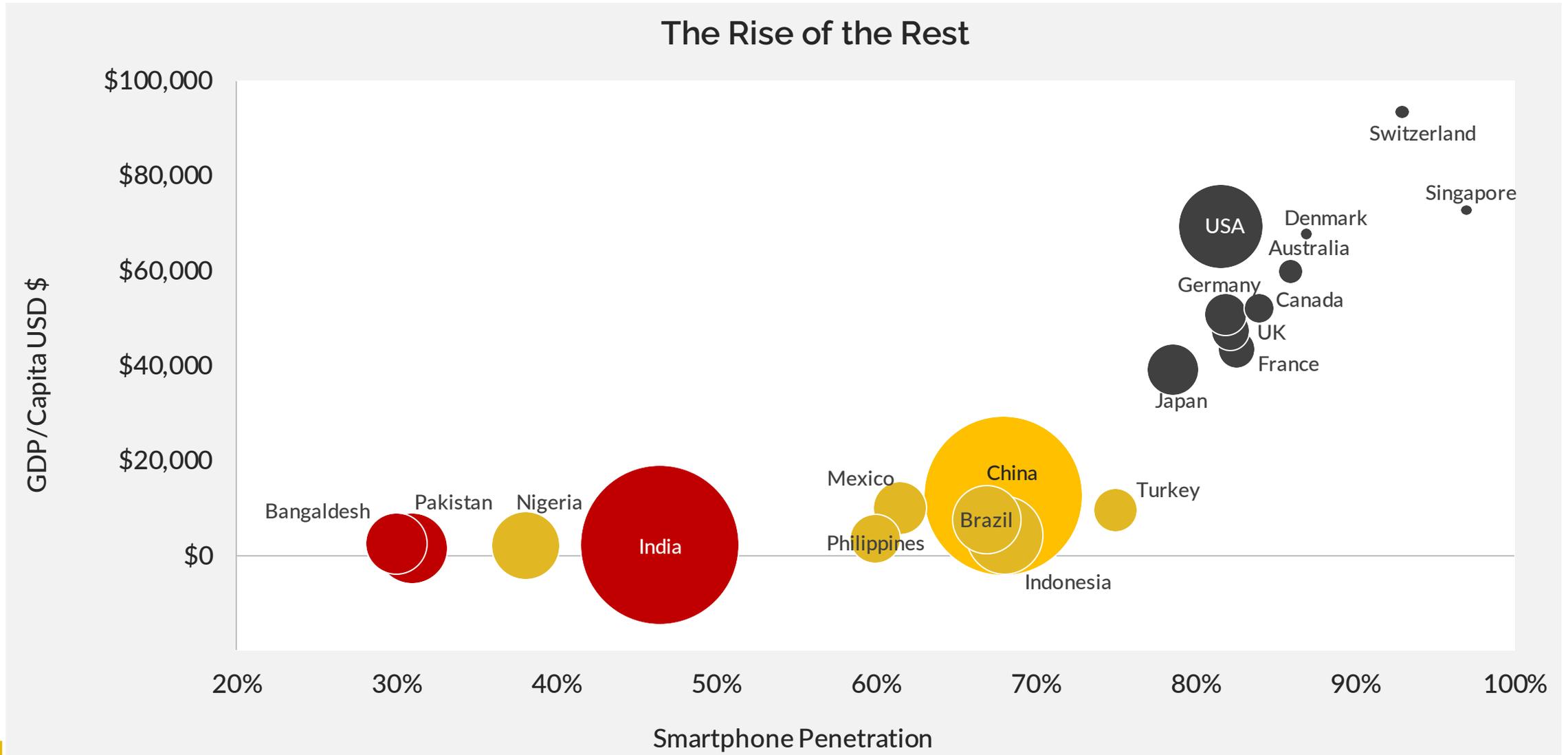
SOME OF THE LARGEST CITIES IN THE WORLD

RANK	CITY	POPULATION	DENSITY (/km)
3	NEW DELHI, INDIA	32,226,000	13,748
5	MUMBAI, INDIA	24,973,000	25,587
13	DHAKA, BANGLADESH	18,627,000	30,092
15	KOLKATA, INDIA	18,502,000	13,685
22	KARACHI, PAKISTAN	15,738,000	14,002
27	BANGLAORE, INDIA	15,386,000	10,982
34	LAHORE, PAKISTAN	12,306,000	13,022

BANGLADESH: HALF THE U.S. MOVED TO ILLINOIS

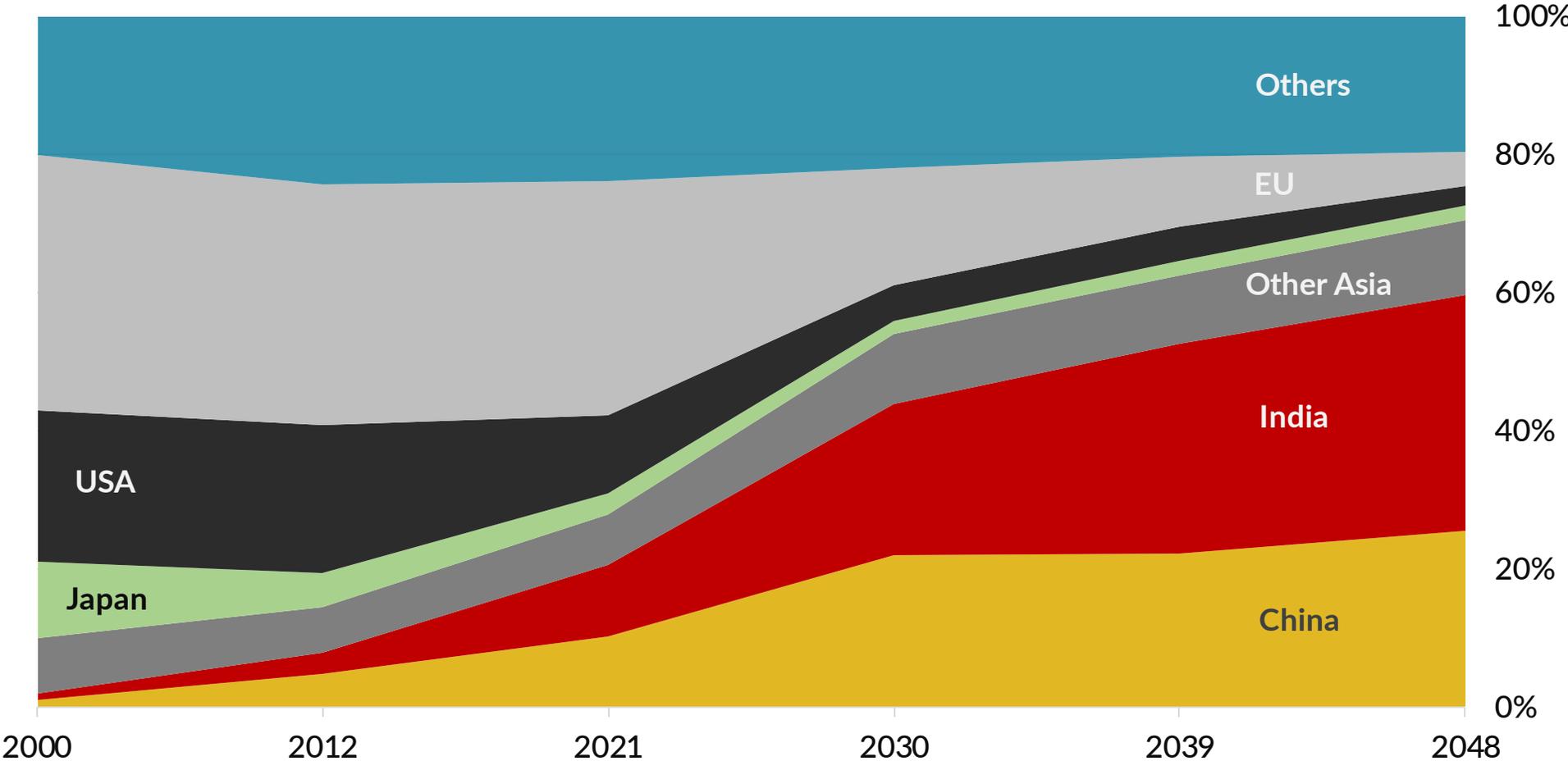


THE PROCESS OF EMERGING



INDIA CONSUMPTION SET FOR BIG GROWTH

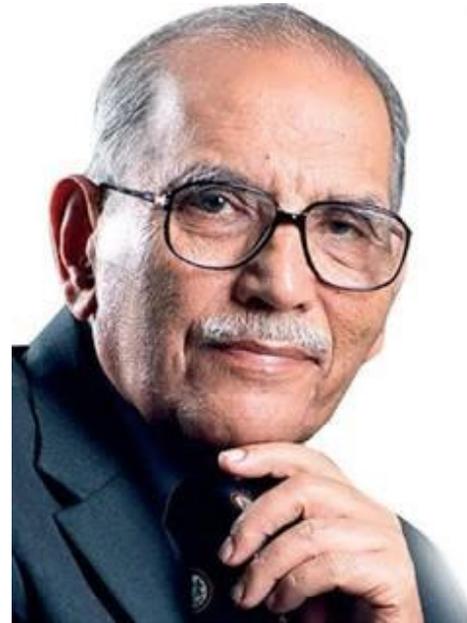
Emerging Markets Middle Class Consumption



#2: INDIA IS HAPPENING NOW

HUMAN + CAPITAL FORMATION INFRASTRUCTURE

INDIA TECH 1.0: THE KINGS OF OUTSOURCING



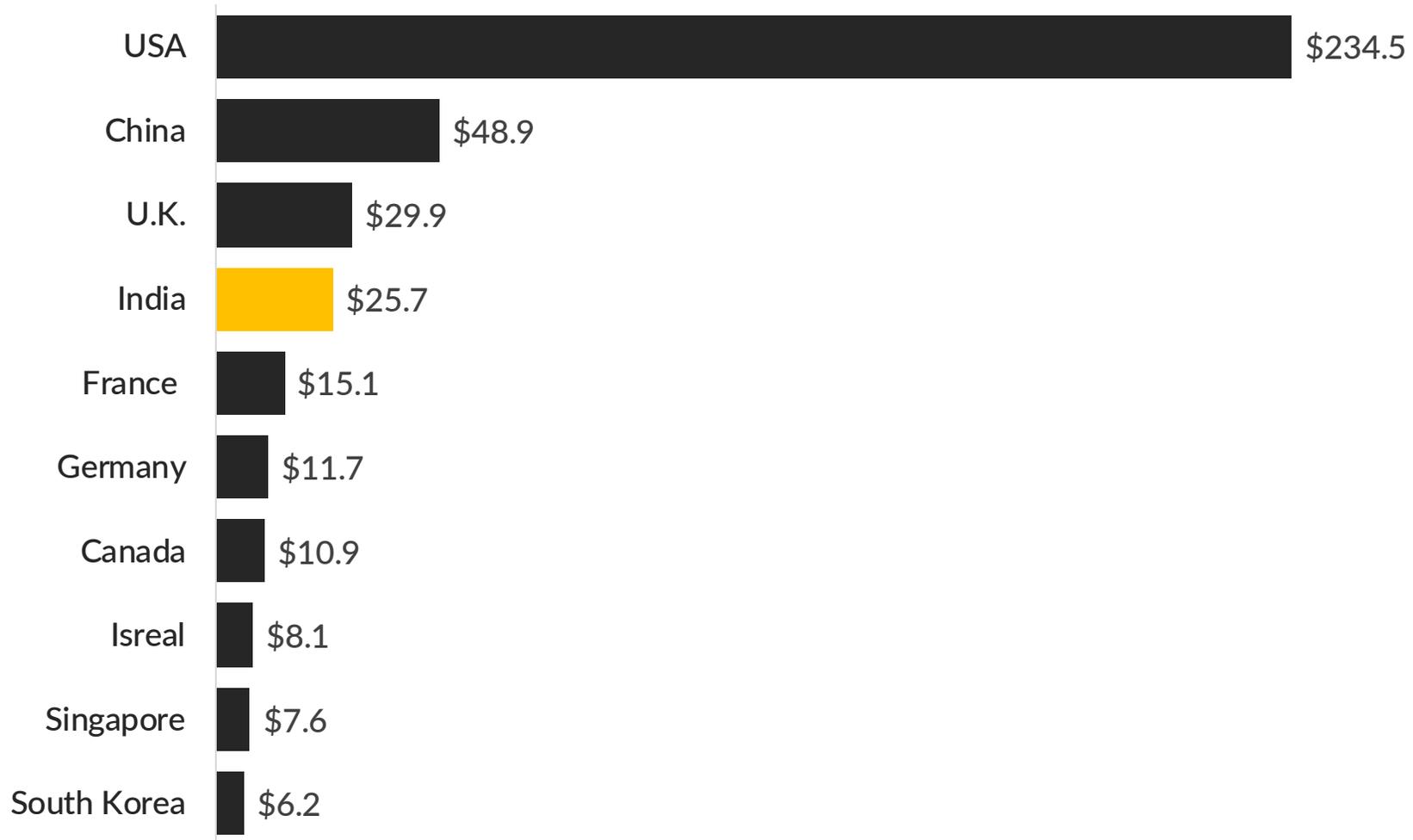
INDIA TECH 2.0: CEOS OF U.S. TECH GIANTS

Company	Market Cap (\$B)	CEO
Microsoft	2,137	Satya Nadella
Alphabet/ Google	1,346	Sundar Pichai
Mastercard	356	Ajaypal Singh Banga
Adobe	174	Shantanu Narayen
Starbucks	123	Laxman Narasimhan
IBM	115	Arvind Krishna
Micron	67	Sanjay Mehrotra
FedEx	58	Raj Subramaniam
Palo Alto Networks	58	Nikesh Arora
VMware	55	Rangarajan Raghuram
NetApp	14	George Kurian
Youtube	Private	Neal Mohan
Deloitte	Private	Punit Renjen



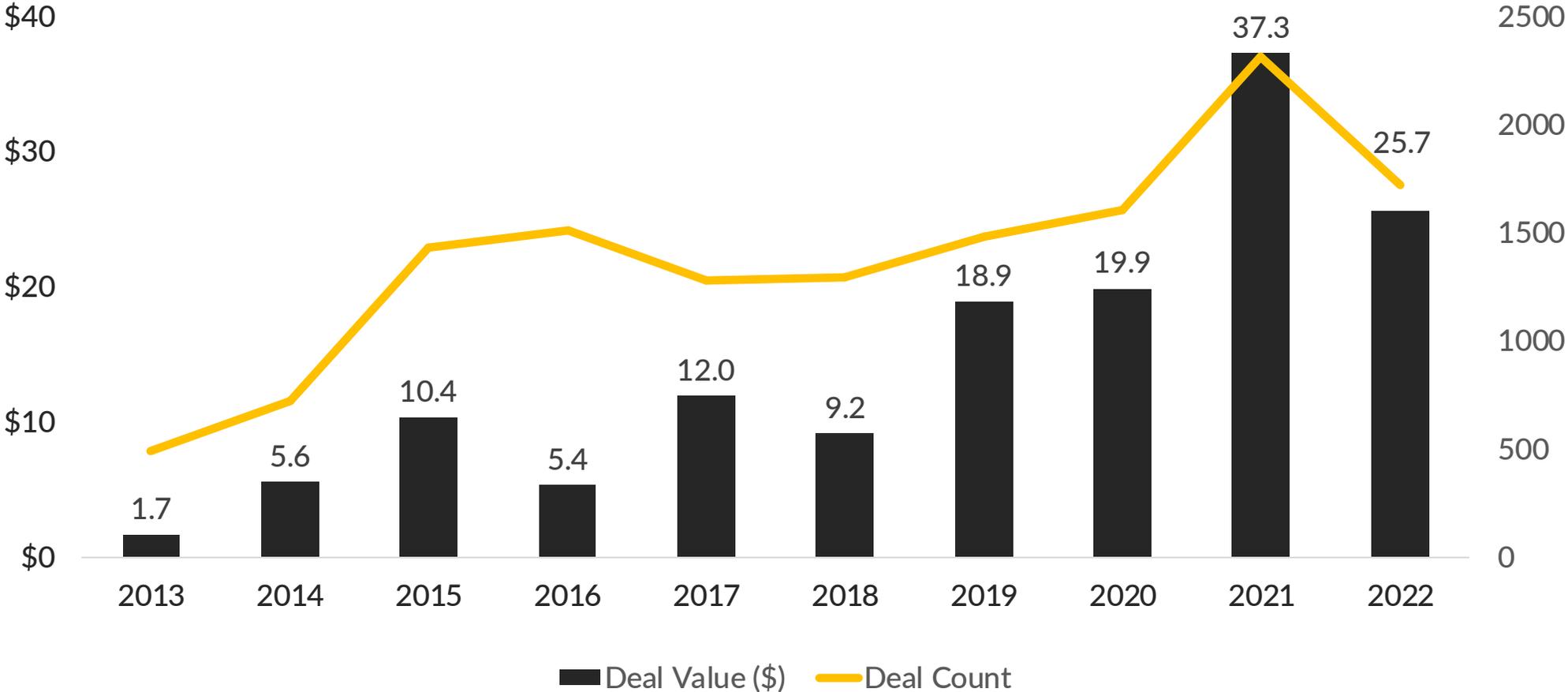
INDIA VC FUNDING VS. REST OF WORLD

Venture Capital Funding (2022) – USD Billions



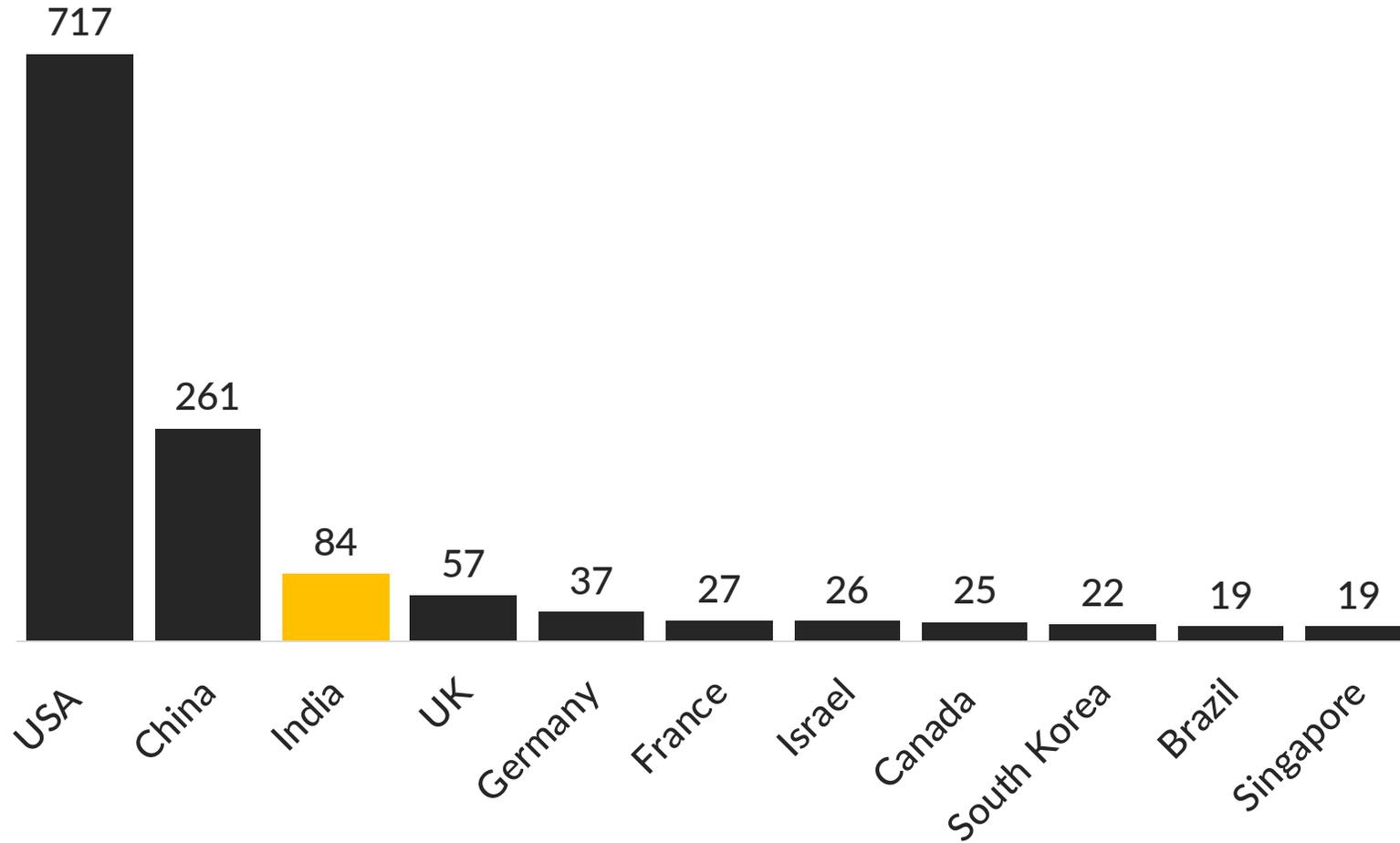
VC FUNDING UP 10X+ LAST 10 YEARS

VC Deal Activity + Funding (2013-2022)



INDIA HAS 3RD MOST UNICORNS AFTER U.S. + CHINA

Countries With the Most Unicorns



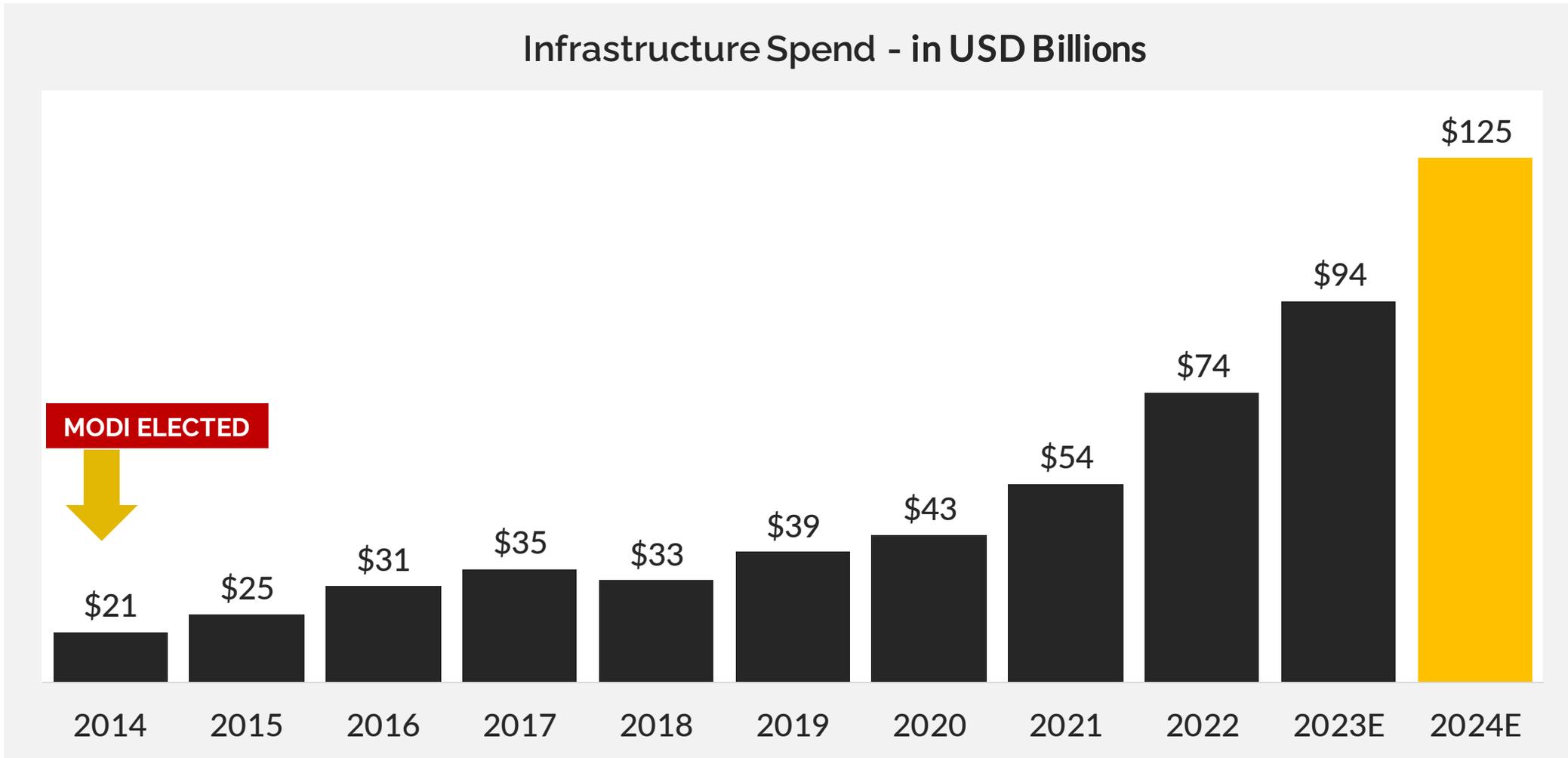
PHYSICAL INFRASTRUCTURE



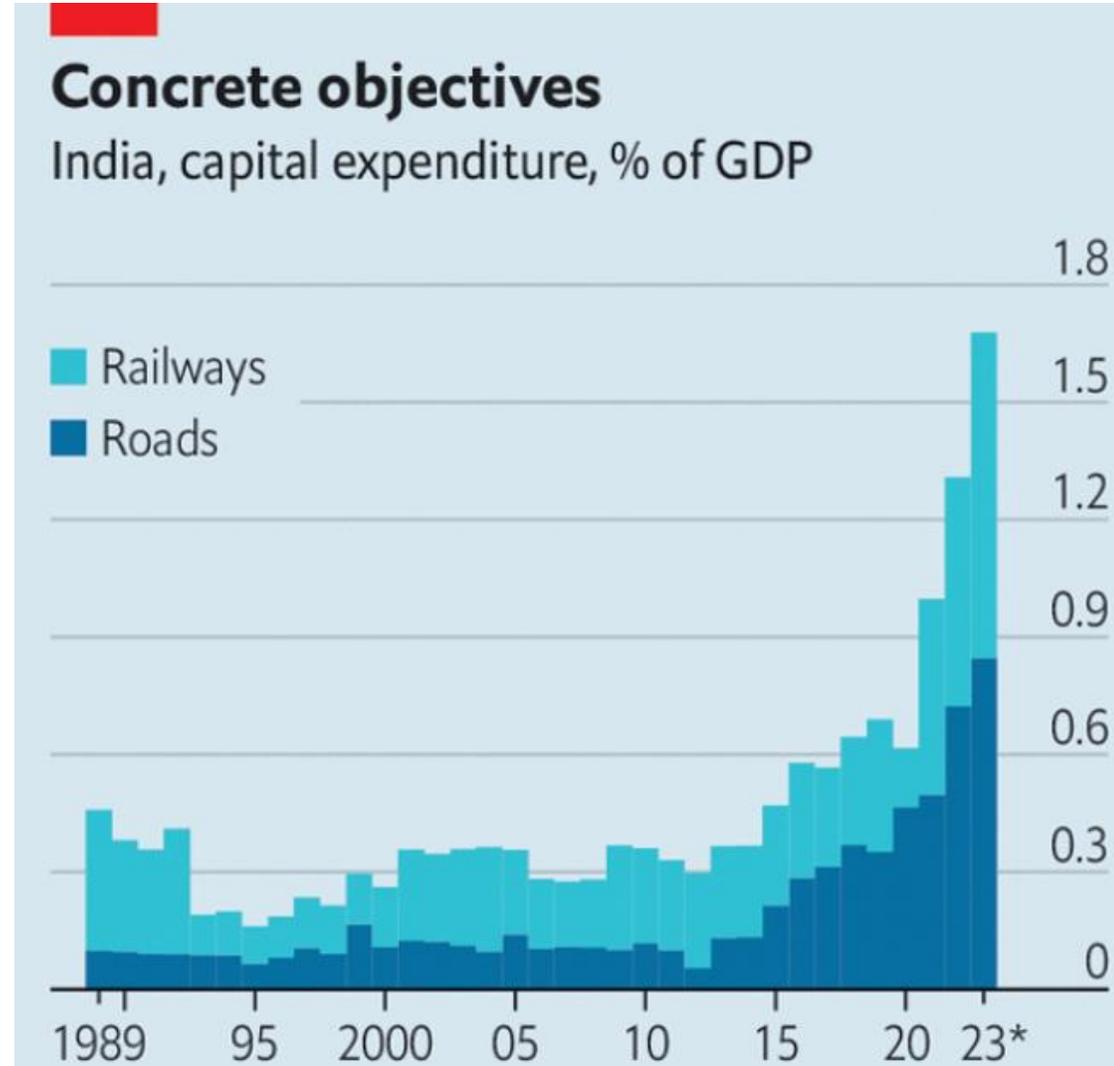
Prime Minister Narendra Modi has emerged as the world's most popular leader with an approval rating of 78 per cent.



INFRASTRUCTURE INVESTMENT SURGING



INFRASTRUCTURE INVESTMENT SURGING





Indian Railways will revamp 200 train stations with modern facilities and will also build 300 new terminals in next five years.



Indian Railways will develop 400 new high-speed Vande Bharat Express trains in the next 3 years.



The Mumbai-Ahmedabad High Speed Rail Corridor will connect Mumbai with Ahmedabad. It will be India's first high-speed rail line.



India had 74 airports in 2014. It will triple that to 222 by 2025.





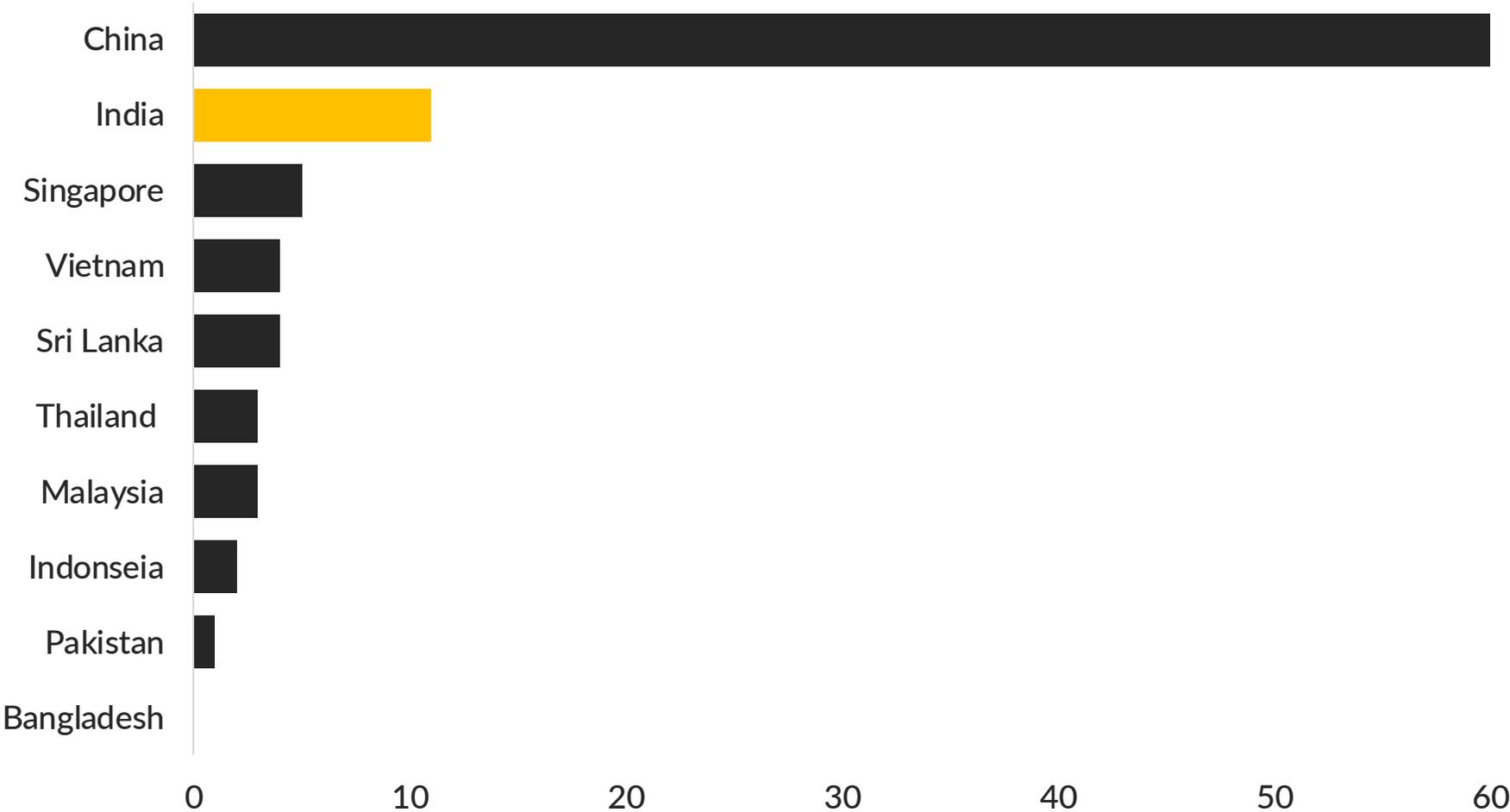
Deep Water Ports being constructed.



Estimates are that Apple will move 5% of its iPhone 14 manufacturing to India this year and could make 25% of all iPhones in India by 2025.

CHINA + 1 FACE INFRASTRUCTURE HURDLES

Asia Port Capacity to handle vessels over 14,000 TEU capacity



DIGITAL PUBLIC INFRASTRUCTURE

DIGITAL FOUNDATION: INDIA'S "DIGITAL STACK"



Unique Identification Authority of India
Government of India

- Launched in 2010
- Aadhaar, which means 'foundation' in Hindi, centers around a 12-digit identity number, linked to fingerprints and eye scans. Each Indian citizen receives a Aadhaar card with that number on it, which can be cross-referenced with the biometric data held in a central database.
- Aadhaar can be used to open a bank account and access a variety of government-run welfare programs as well as other digital services.



UNIFIED PAYMENTS INTERFACE

- Launched in 2016
- UPI is the backbone of the fintech infrastructure in India. It is an instant, real-time payment system developed by the Indian government to facilitate inter-bank peer-to-peer (P2P) and person-to-merchant (P2M) transactions. Transactions are usually conducted via a QR Code, which (like China) have become ubiquitous in India. **It is simple, free of charge and instantaneous.**



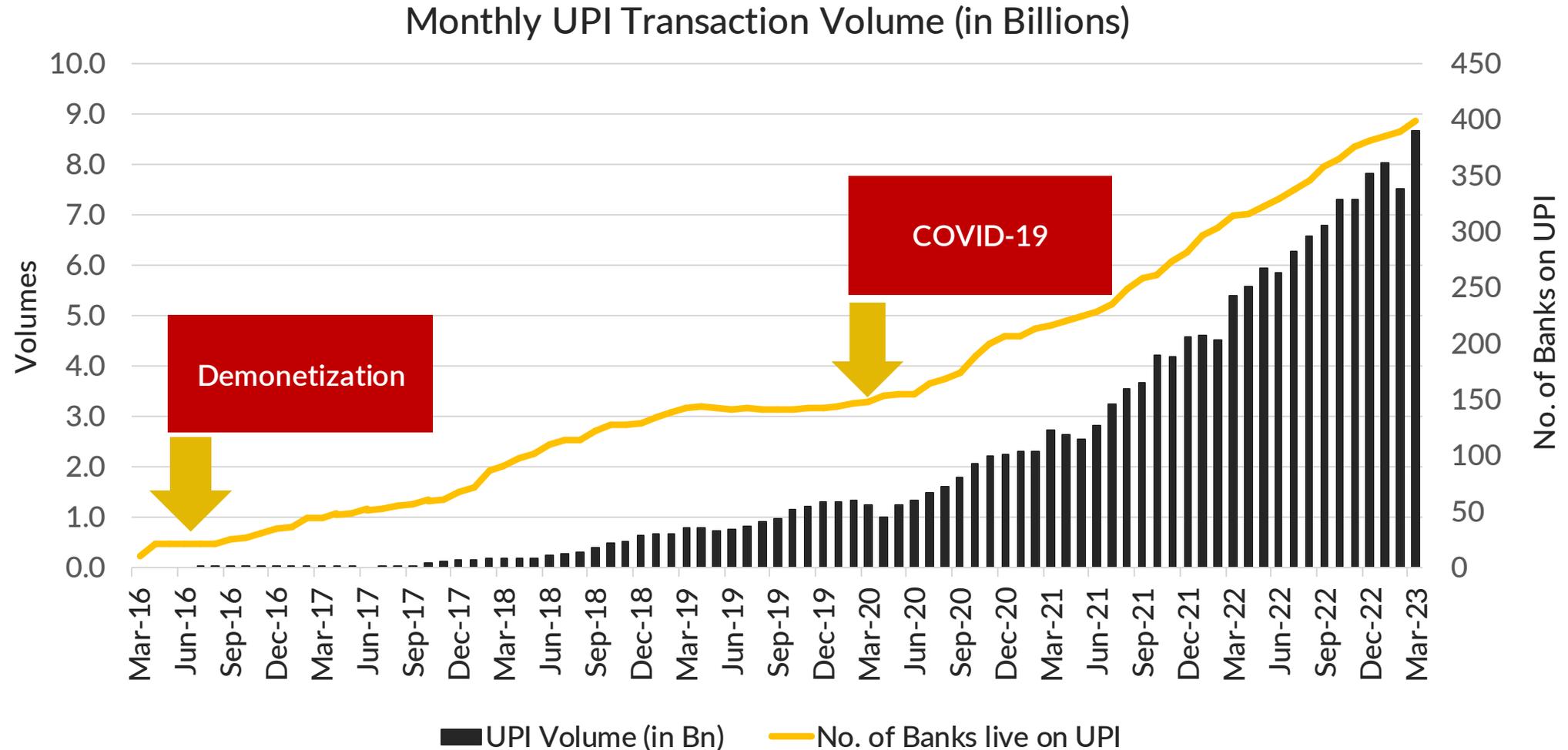
Open Network for Digital Commerce

- Launching in 2023
- Currently India is launching ONDC, which will support a decentralized e-commerce network that all players – from Flipkart, Amazon, Uber and Zomato, to supermarkets, retailers and the 13 million *kirana* stores operating in India – can plug into.
- ONDC will enable any buyer to connect with any seller on the open network. ONDC will increase visibility of all merchants, including small and medium sellers, improve pricing for consumers, and drive healthy competition.

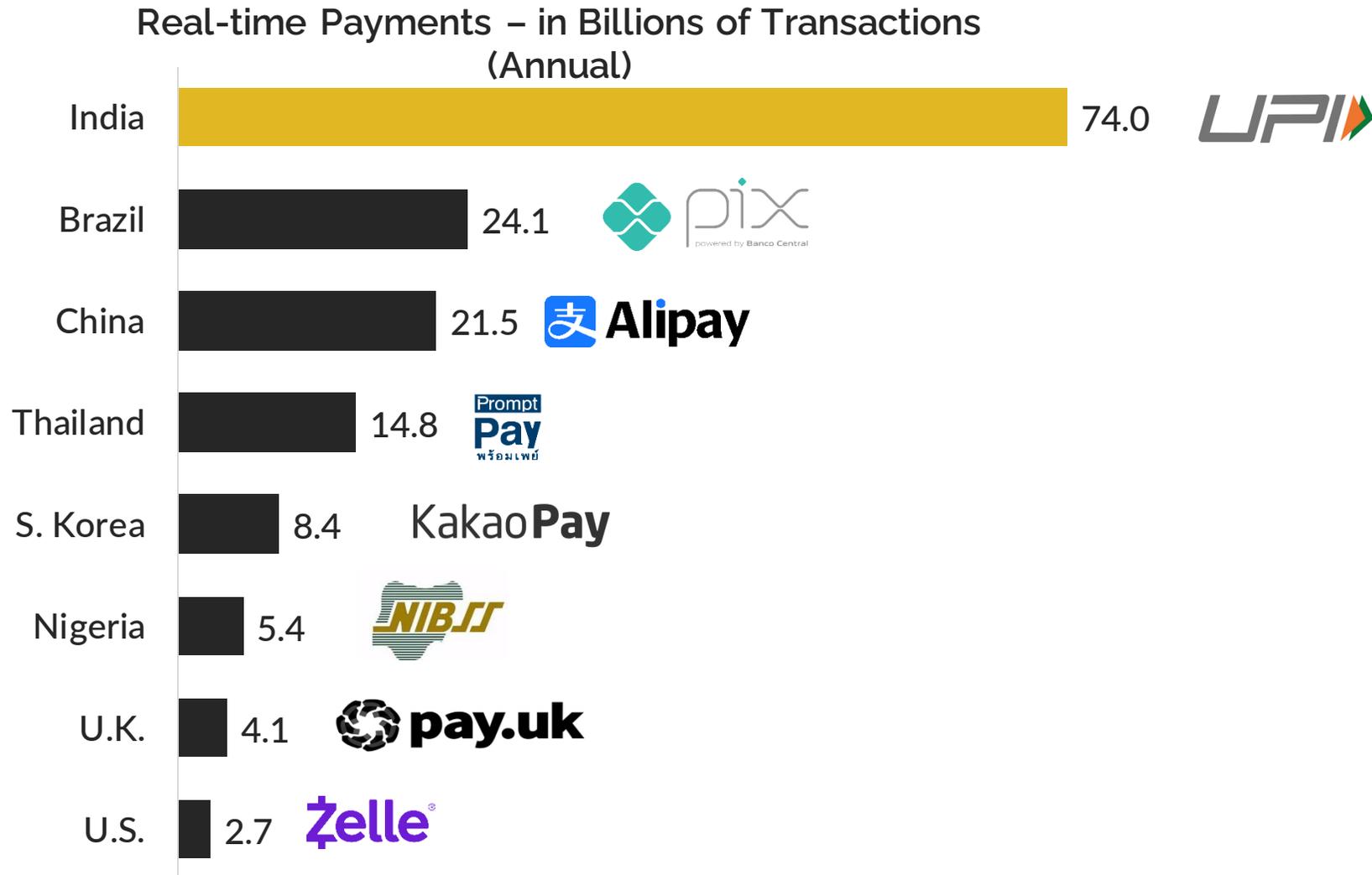


**The Aadhaar of the Aadhaar - Nandan Nilekani.
Infosys Co-Founder has overseen India's Digital Stack.**

UPI HAS IGNITED GROWTH IN MOBILE PAYMENTS



INDIA LEADS WORLD IN REAL TIME PAYMENTS



A man with dark hair, wearing a dark suit jacket over a white shirt, is smiling broadly, showing his teeth. He is positioned on the right side of the frame. The background is a vibrant red with a large, dark red circular logo containing the word "Jio" in white. Below the logo, the words "DIGITAL LIFE" are written in white, slightly blurred capital letters. The overall scene suggests a promotional event or a public appearance related to the Jio brand.

Jio

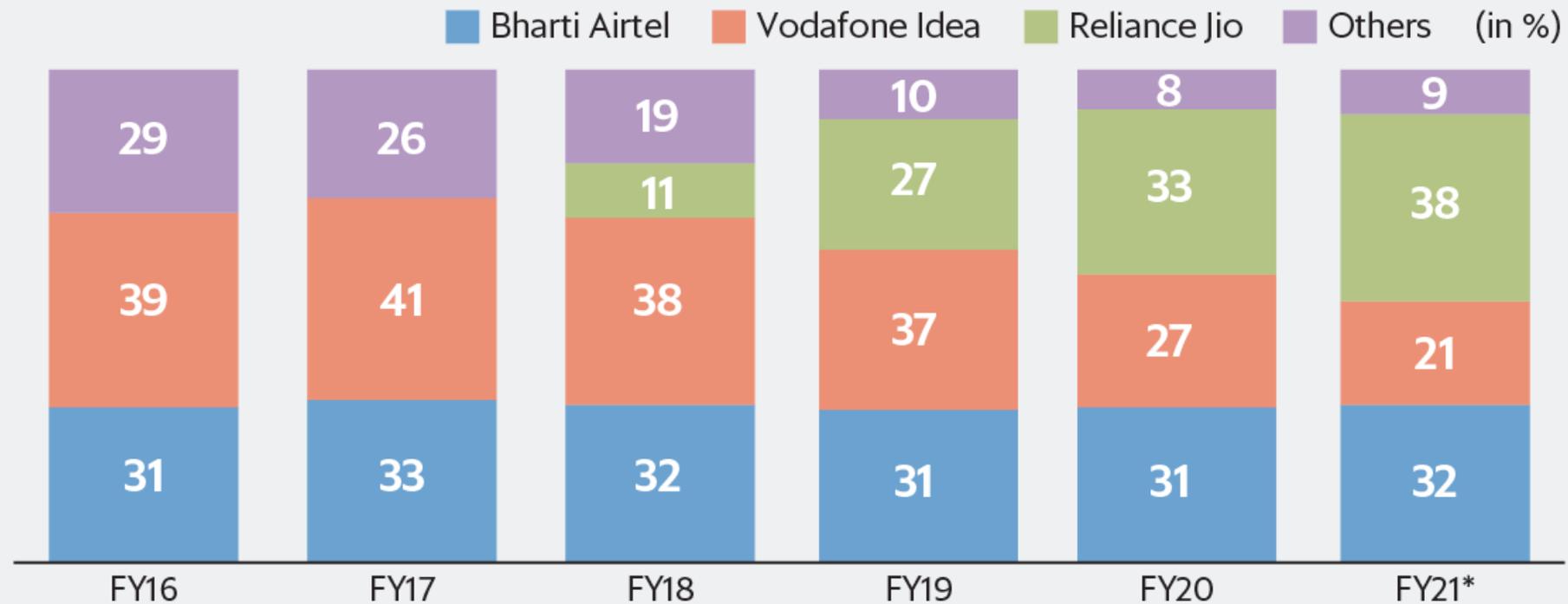
**DIGITAL
LIFE**

Mukesh Ambani + JIO Digital are central to India growth story .

JIO DIGITAL: INDIA'S INTERNET BIG BANG

Zero to hero

Reliance Jio has taken market share from Vodafone Idea and also some smaller firms who shut shop since it launched operations.

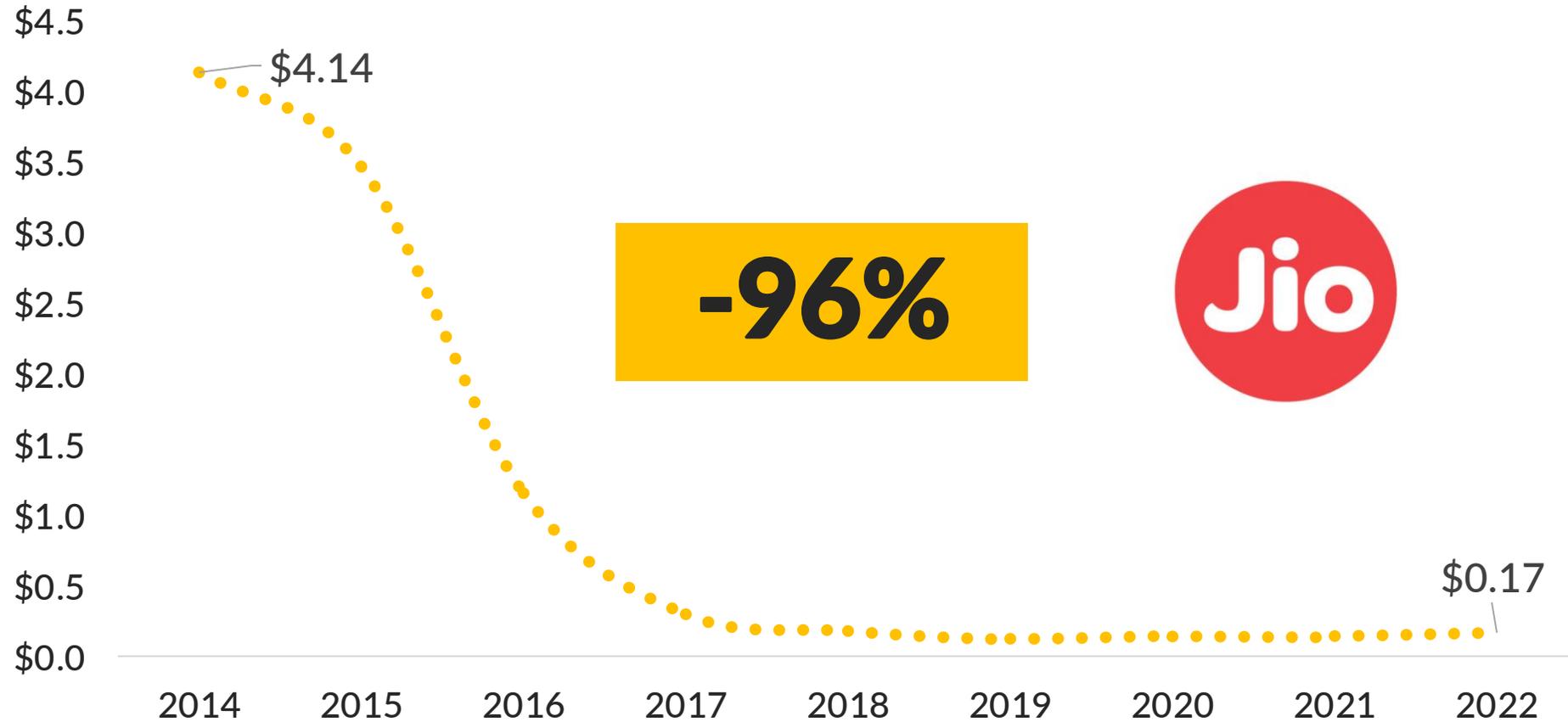


Note: *FY21 numbers are for the nine month period till December 2020

Source: Jefferies India, Trai

JIO ENABLED 500 MILLION TO GET ONLINE

Cost of Mobile Data in India (2014 -2022)



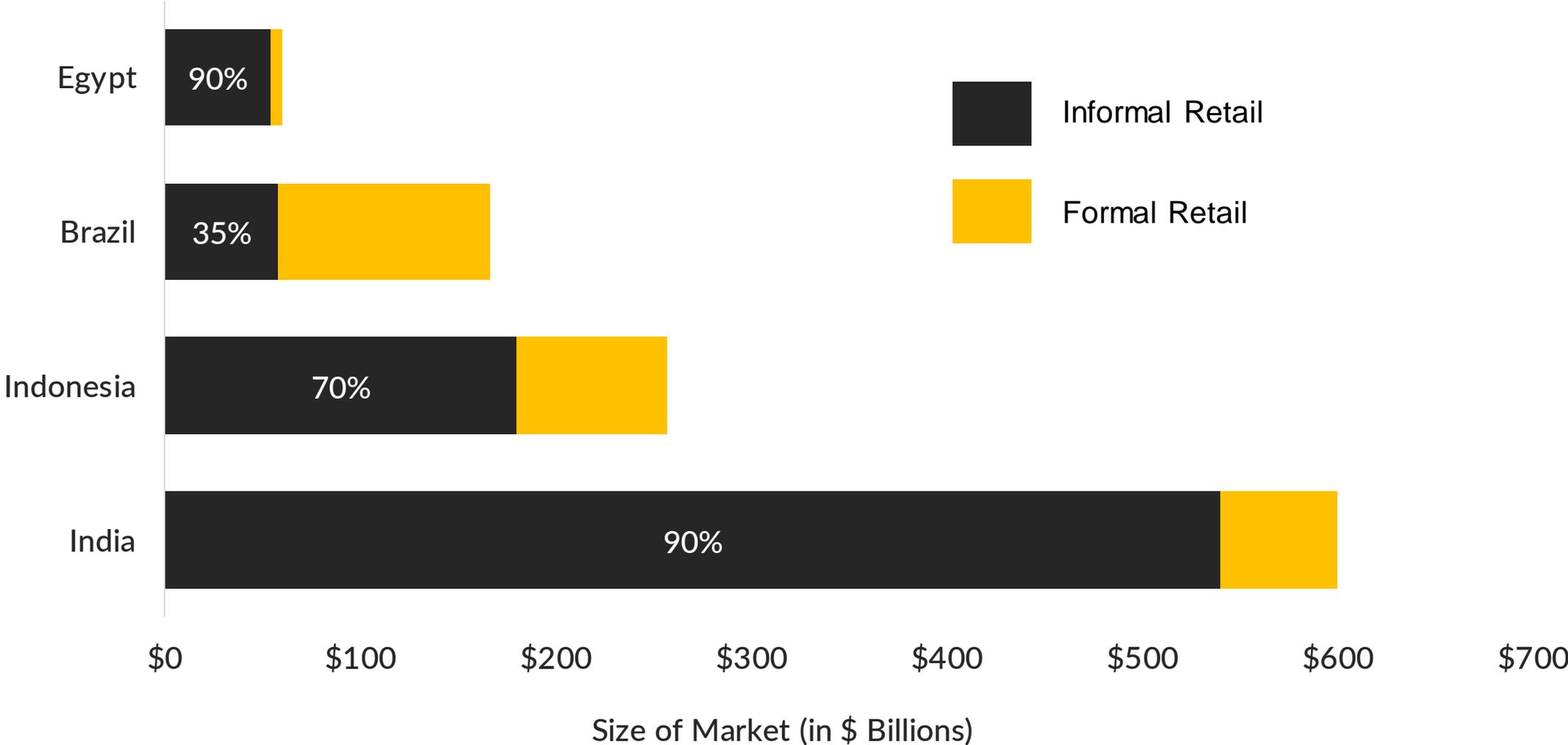
THE ROLE OF KIRANA STORES



Kirana stores are hyperlocal neighborhood shops that maintain a regular supply of essentials for local customers in rural, semi-rural and urban communities.

INDIA HAS A HUGE “INFORMAL RETAIL” MARKET

Corner Shop Market Share in Grocery Retail



Source: Flourish “Digitizing the Corner Shop” Report.



PAYTM'S "Soundbox" provides an audio confirmation that a payment has been made freeing up the shop owners from manually checking payment receipt.

IS INDIA “LIKE CHINA 15 YEARS AGO”?

EMQQ
GLOBAL

INDIA KIND OF IS “LIKE CHINA 15 YEARS AGO”

	China (2008)	India (2023)
GDP (\$ Billions)	4,577	3,737
GDP Per Capita	3,447	2,601
GDP Growth	9.7%	6.1%
Urbanization	47%	35%
Smartphone Penetration*	38%	47%

*China as of 2014



Apple opened its first store in China 15 years ago.



Prime Minister Modi with Tim Cook – April 19, 2023.



Apple opened its first two stores in India last month.





Apple opened its first two stores in India last month.

BEYOND INDIA AND CHINA



LATIN AMERICA (URUGUAY*): MERCADO LIBRE (MELI)



KASZEK



LATIN AMERICA (BRAZIL): NUBANK (NYSE: NU)



KASZEK



SOUTHEAST ASIA (SINGAPORE*) GRAB (NASDAQ: GRAB)



Harvard
Business
School



SOUTHEAST ASIA (SINGAPORE*): SEA LTD. (NYSE: SE)



ASIA (S. KOREA): COUPANG (NYSE: CPNG)



Harvard
Business
School



HARVARD
UNIVERSITY

AFRICA (EGYPT) : FAWRY BANKING (EGY: FWRY)

The advertisement features a hand holding a smartphone displaying the myFawry app interface. The app screen shows sections for 'Fawry Services' (Bus Reservation, Telecom & Internet, Electricity Bills, Water, Gas), 'Frequently Used Services' (Home Internet, Etisalat Bill, WE-Home Internet Invoice, Vodafone Recharge, T Mobile), 'This Month Spendings' (346 EGP), and 'Due Bills'. Below the phone, the text reads 'Pay all your bills anywhere, anytime WITH myFawry'. At the bottom, it says 'DOWNLOAD APP' with icons for Apple, HUAWEI, and Google Play. A chatbot icon in the bottom right corner has a message bubble that says 'Hello. How may I help you? أهلاً، أراي؟ ممكن أساعدك'. A small notification bubble in the bottom left corner says 'دوس بنا و ادفع كل خدمات فوري اونلاين بالكارث عن طريق myFawry'.



E. EUROPE (KAZAKHSTAN): KASPI.KZ (KSPI.IL)

The largest Payments, Marketplace and Fintech Ecosystem in Kazakhstan

#1

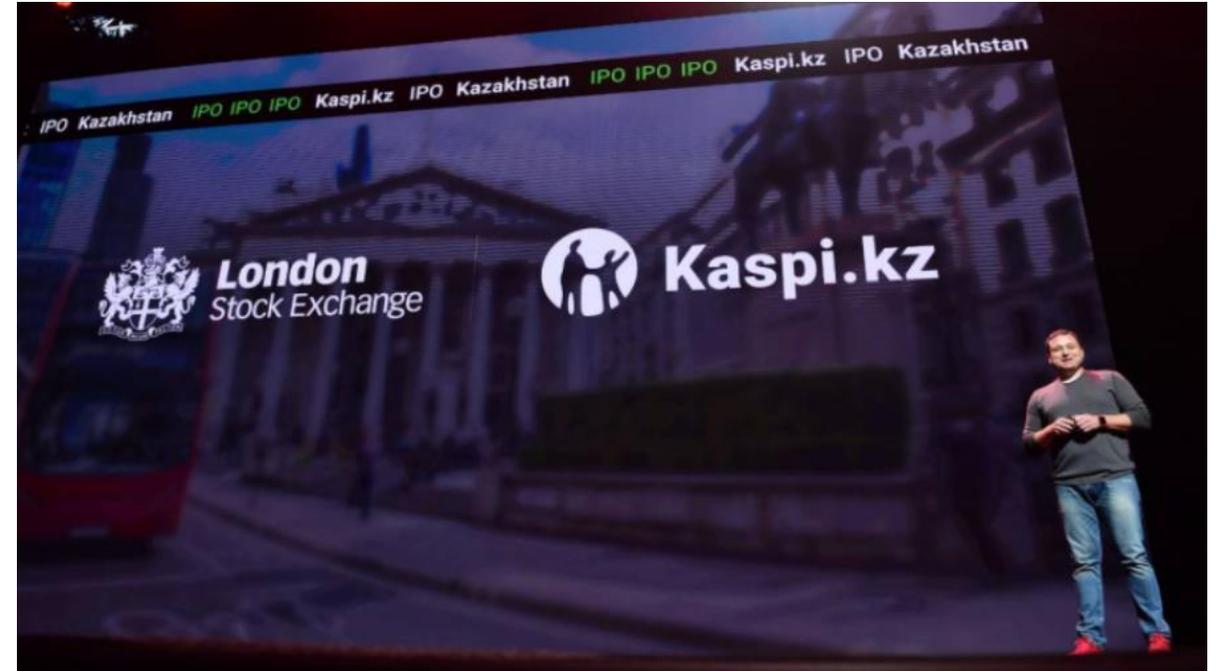
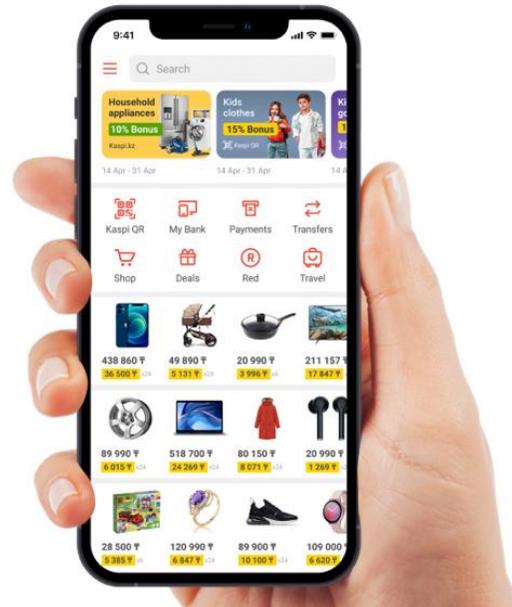
Payments

#1

Marketplace

#1

Fintech



LIVES ARE CHANGING: "A MAGIC DEVICE"



**"Every month
7 million Indians
get their first
smartphone."**

SUMMARY + VALUATIONS



THE CASE FOR EMQQ

GROWTH. The Great Confluence.

- EM Consumer + Smartphones + Internet via Mobile Broadband
- Ecommerce models “leapfrogging” traditional models
- Ecommerce growing 5x as fast as consumption

BETTER CORPORATE GOVERNANCE.

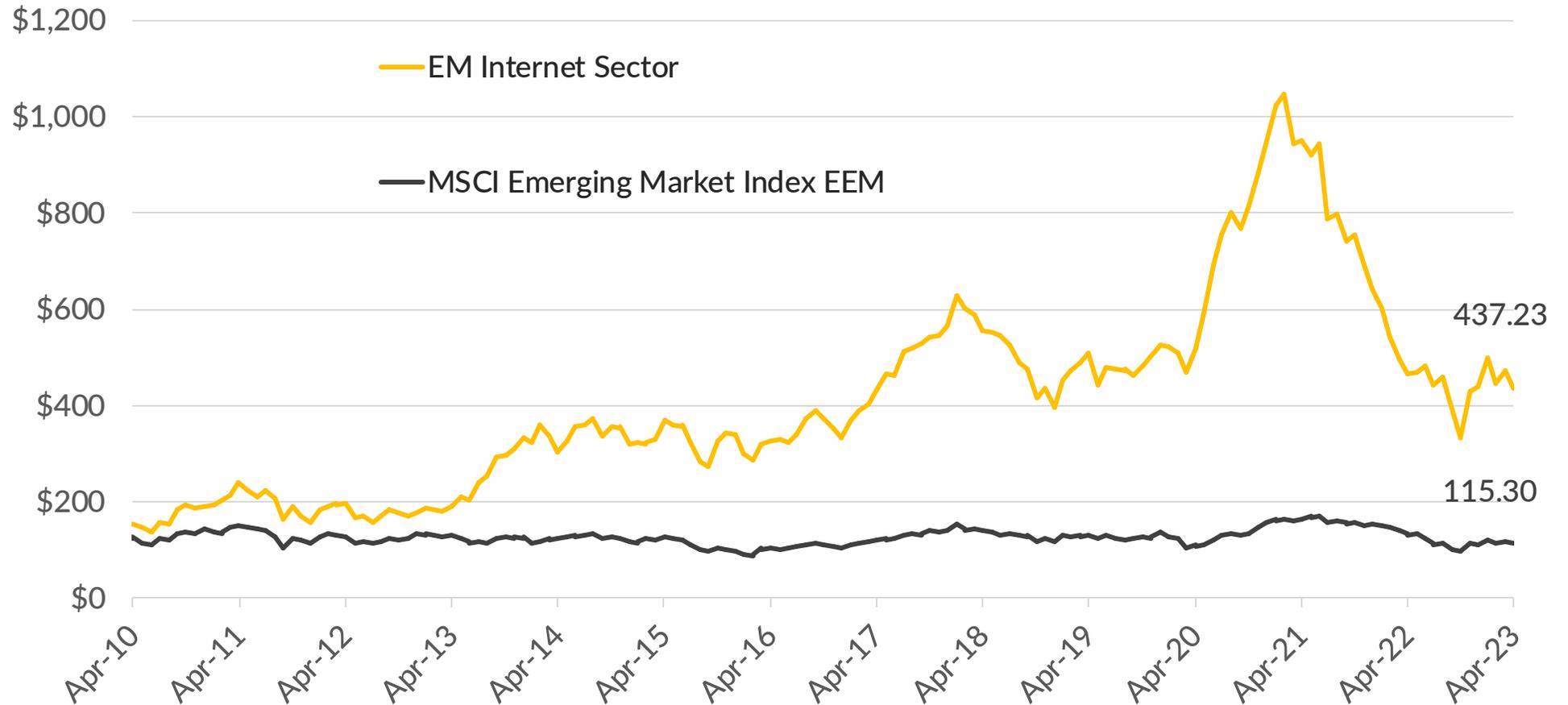
- No State-Owned Enterprises (SOEs)
- Most companies backed by U.S. VC + trade on U.S. exchanges

EMERGING ECOSYSTEMS + A VIRTUOUS CYCLE ACCELERATING.

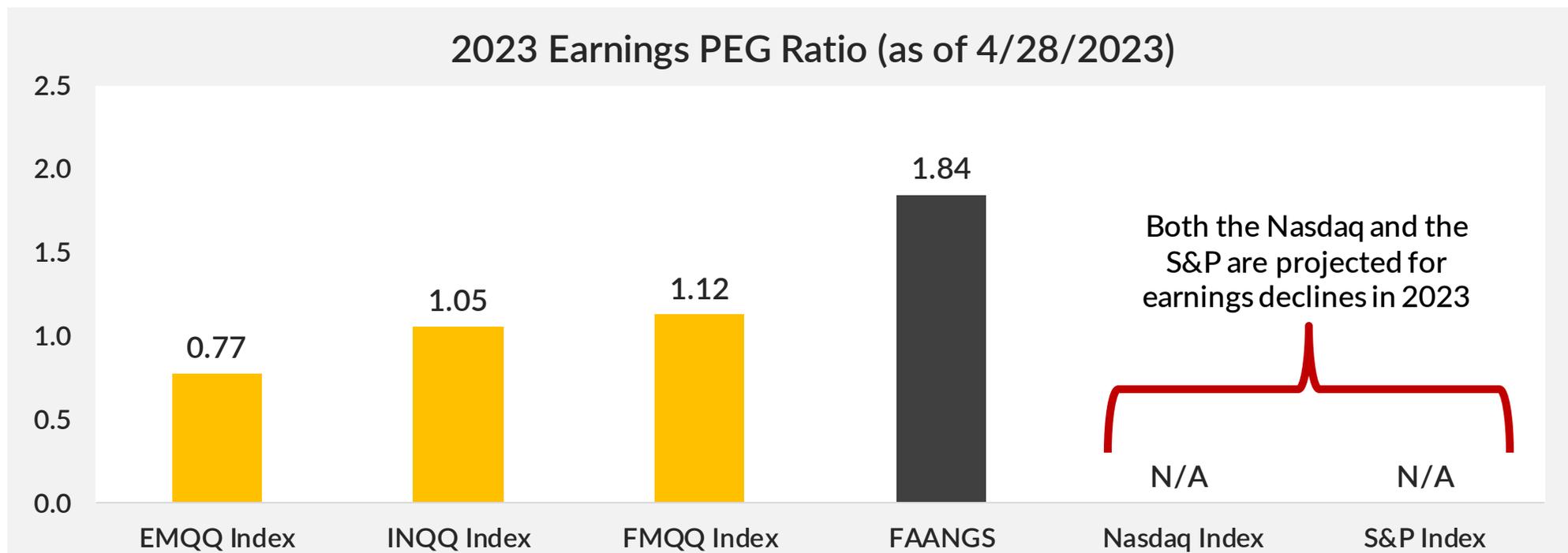
- Local Entrepreneurs + Venture Capital
- Exits and reinvestment
- Angel investors and startup culture

PERFORMANCE/WHAT HAPPENED?

Emerging Markets Internet Sector vs MSCI Emerging Market Index
As of 04/28/2023

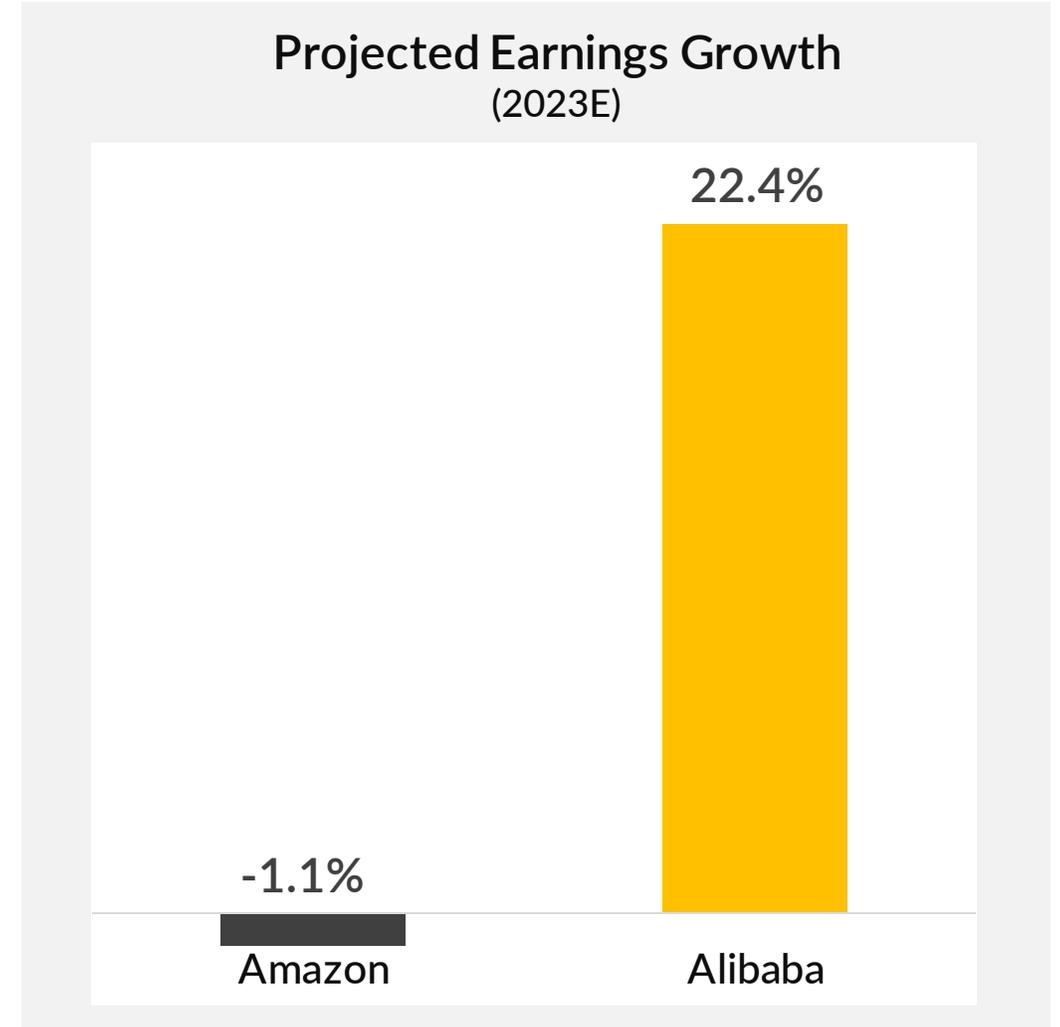
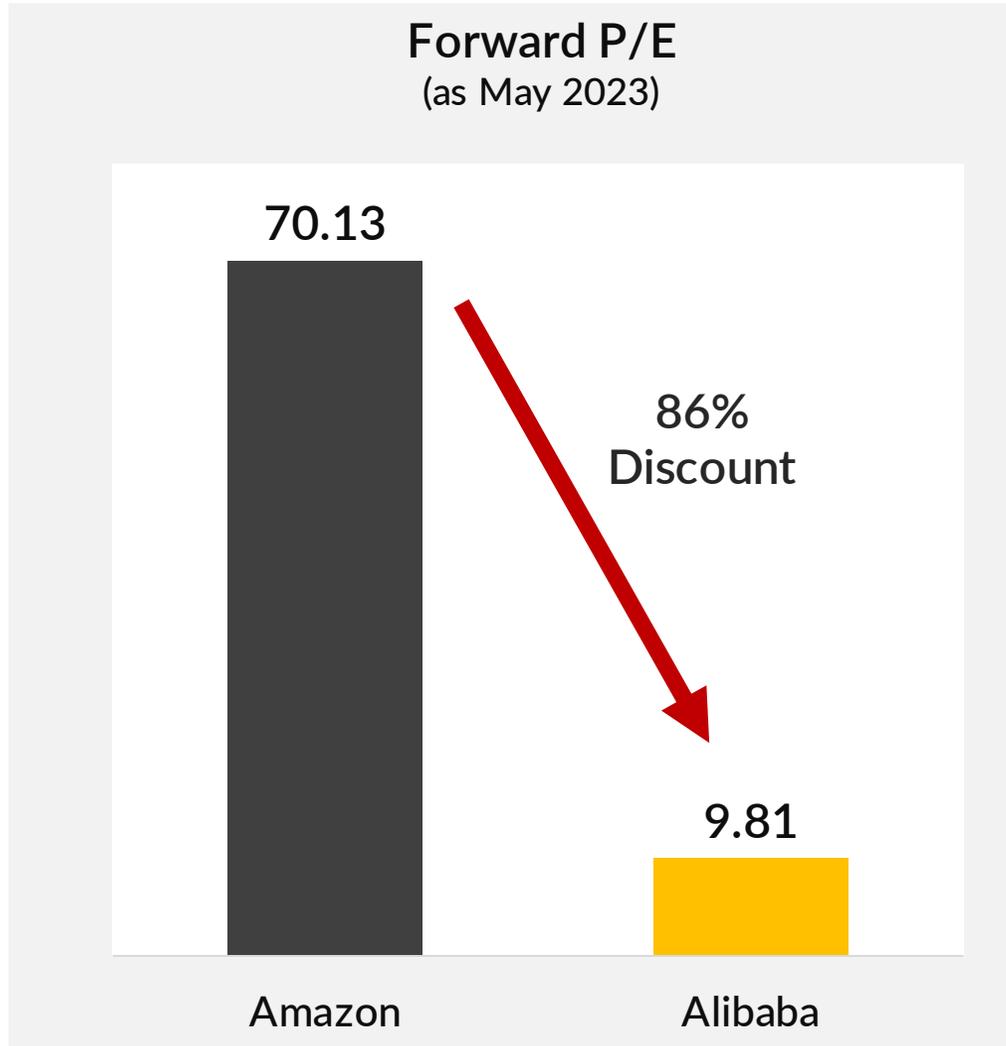


CURRENT PEG RATIOS

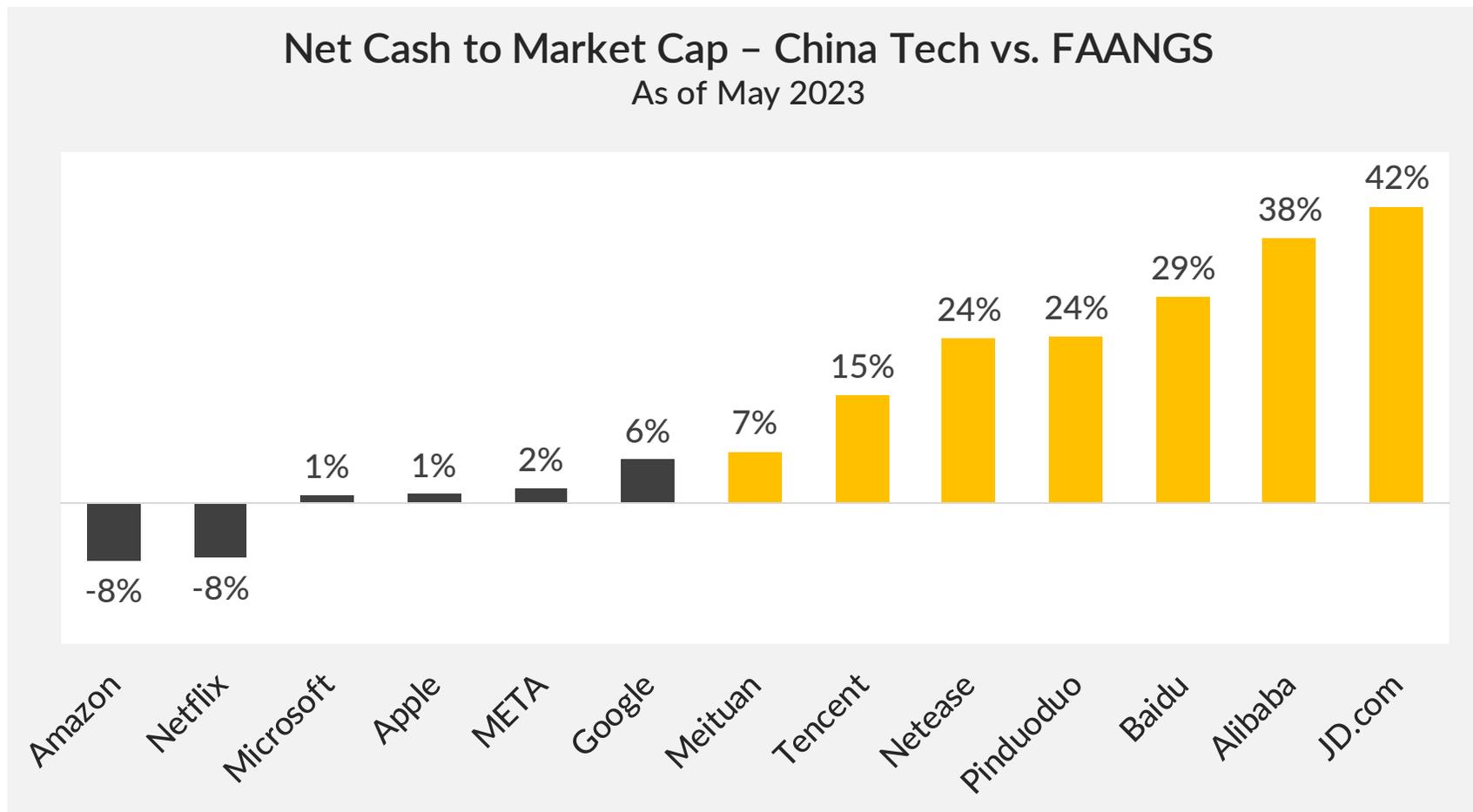


Index	2019		2020		2021		2022		2023 Est		PEG
	FWD PE	YoY Earnings Growth	FWD PE	YoY Earnings Growth	Forward PE	YoY Earnings Growth	Forward PE	YoY Earnings Growth	Forward PE	Est YoY Earnings Growth	
EMQQ	22.8	19.2%	32.6	42.6%	27.6	-3.4%	20.7	25.7%	22.8	29.5%	0.77
FMQQ	22.6	-10.8%	29.7	-18.1%	29.3	43.3%	26.5	18.0%	31.2	27.7%	1.12
INQQ	36.2	-63.0%	29.1	67.8%	29.4	42.6%	26.7	19.8%	22.9	21.7%	1.05
S&P	18.8	1.1%	23.7	-19.6%	22.0	57.0%	17.2	12.4%	19.1	-1.8%	N/A
NASDAQ	22.8	0.7%	30.6	4.7%	29.2	26.4%	21.1	4.8%	25.4	-5.7%	N/A
FAANGS	35.0	-1.1%	40.8	24.6%	37.7	50.0%	26.8	-17.7%	33.3	18.1%	1.84

CHINA INTERNET LOOKS VERY CHEAP



CASH-RICH BALANCE SHEETS

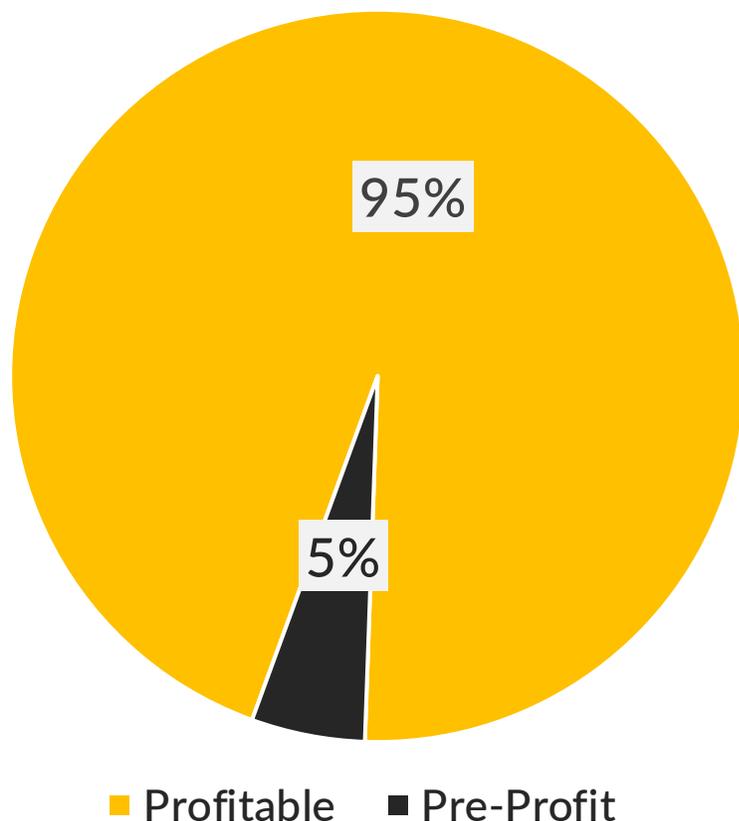


Ex-cash Alibaba
trades at a Forward
P/E of 6x

A huge portion of value in Chinese tech stocks is in cash.

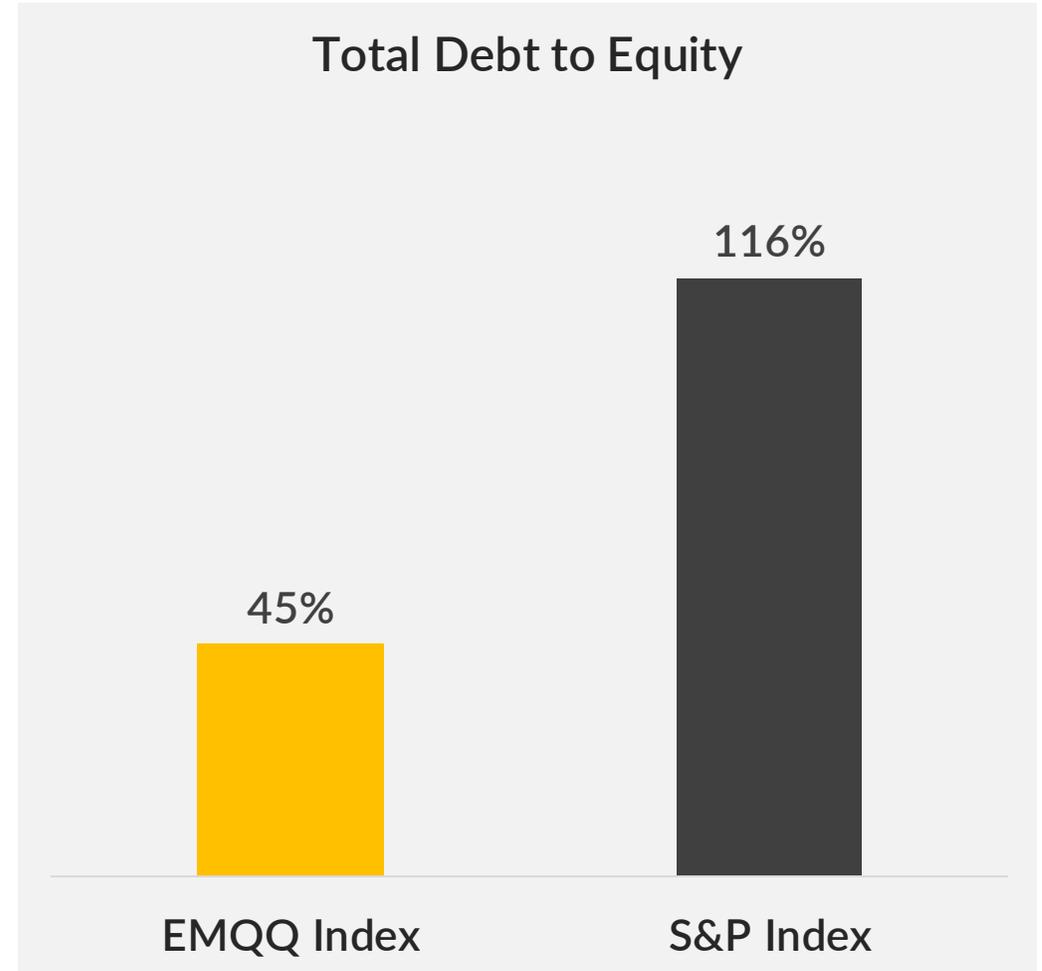
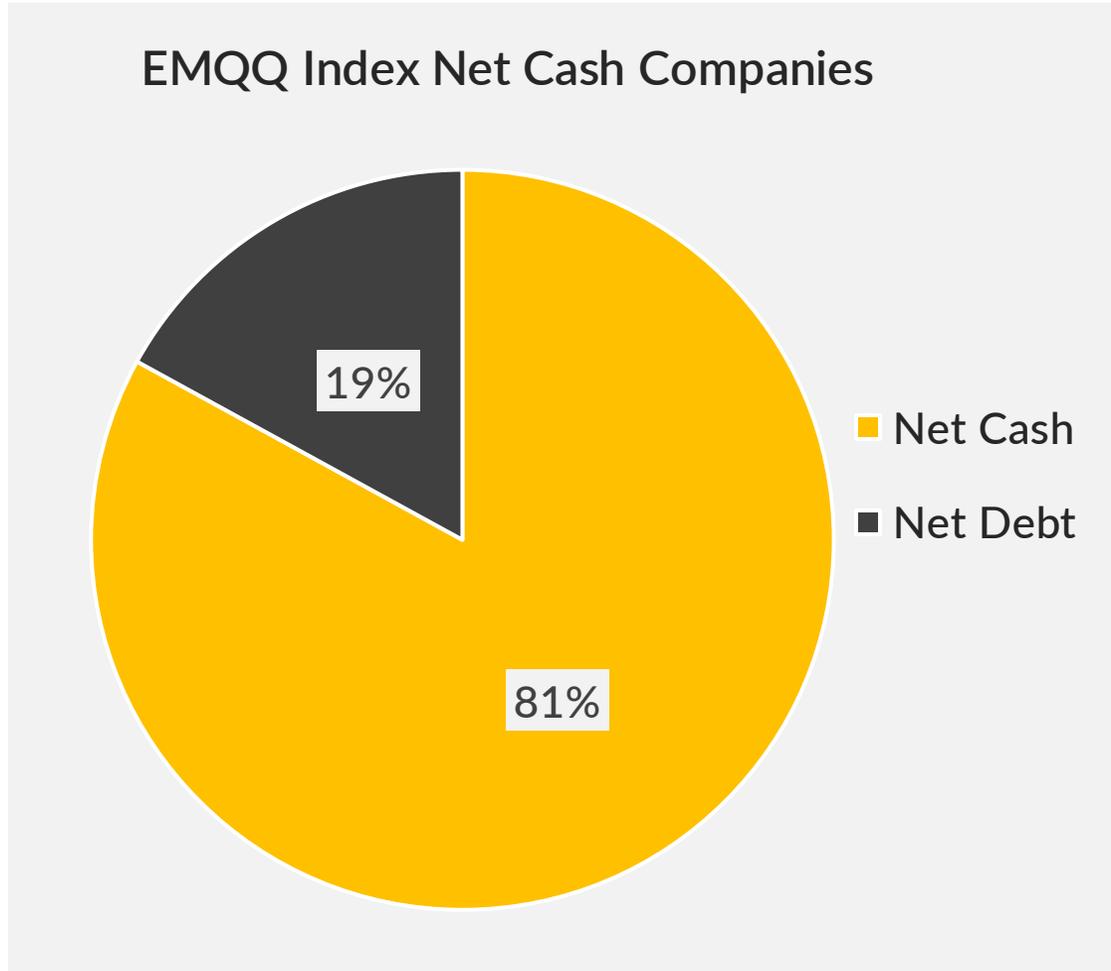
PROFITABILITY IS INCREASING

Profitable Companies in EMQQ Index (FY23E)



Top Holdings	Weight (%)	FY23E Net Profits (\$M)
TENCENT HOLDINGS	9.4	20,692
ALIBABA GROUP	7.5	22,212
MERCADOLIBRE	6.1	801
RELIANCE INDS	6.1	9,828
PROSUS	5.7	5,177
PINDUODUO	5.3	5,981
MEITUAN	5.1	1,959
NASPERS	4.5	2,962
SEA LTD-ADR	4.5	1,314
NETEASE	4.1	3,372
BAIDU	3.8	3,217
JD.COM	3.4	4,325

HEALTHY BALANCE SHEETS + DEBT LEVELS



Vast majority of Index companies are net cash and not levered.

CURRENT SITUATION (5.11.23)

1. THE THIRD WAVE IS BIG AND IT IS HAPPENING

- India is biggest part and is in many ways just getting started.
- India growth story is very compelling.

2. CHINA REOPENING STILL HAPPENING

- Expect to see imbalances and effects TBD
- China + India will contribute >50% of Global GDP growth next 5 years

3. VALUATIONS ARE VERY COMPELLING

- PEG ratio < 1.0
- China holdings have large %s in cash and low P/Es

ABOUT EMQQ GLOBAL



OUR STRATEGIES



**The Emerging Markets
Internet + Ecommerce Index**

**The Next Frontier
Internet + Ecommerce Index**

**The India
Internet + Ecommerce Index**

EMQQ	FMQQ	INQQ
All EM + FM	All EM + FM (ex-China)	India
46 Countries	45 Countries	1 Country
125 Stocks	71 Stocks	24 Stocks
NYSE	NYSE	NYSE
Inception 2014	Inception 2021	Inception 2022



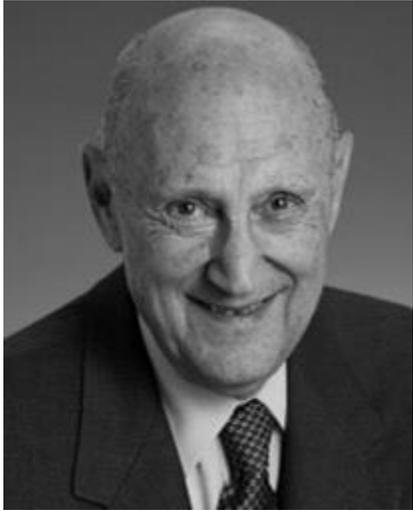
The Emerging Markets Internet + Ecommerce Index

Our flagship, EMQQ provides broad exposure to a targeted theme:
This rising digital consumer in the developing world.

Encompassing all 46 Emerging and Frontier Markets including China,
India, Brazil, Indonesia, Turkey, Vietnam, Nigeria, etc.

STRATEGY	EMQQ
Region	All EM + FM
# Countries	46
Population	6.8 Billion
# Stocks	125
Listing	NYSE
Inception Date	2014

EMQQ GLOBAL INDEX COMMITTEE



Dr. Burton G. Malkiel

Advisor

Dr. Burton G. Malkiel has served as an advisor to EMQQ Global since inception. Dr. Malkiel is a longtime Professor of Economics at Princeton University and is best known for his seminal book *A Random Walk Down Wall Street*. In 1999 he served as an advisor to eInvesting, a fractional share brokerage acquired by ETRADE in 2000. In 2002 he was a co-Founder and CIO of Active Index Advisors. He is widely considered one of the pioneers of index investing and ETFs. He has served on the Board of Directors of Vanguard, as Dean of the Yale School of Management and as Chairman of the Princeton University Economics Department. Dr. Malkiel holds BA and MBA from Harvard and a PhD from Princeton University.



Linda H. Zhang, PhD

Member

Dr. Zhang is a Member of the EMQQ Global Index Committee. She is the CEO of New York based Purview Investments, a firm specializing in active ETF managed solutions and ETF innovation. Her career spans from quantitative analysis at Baring Asset Management, multi-asset portfolio management at Blackrock and MFS, to leading the investment team at Windhaven. She is a recipient of Top Women in Asset Management 2015 by Money Management Executive and a co-founder of Women in ETFs. She holds a B.A. from University of Regina, Canada, M.S. and Ph.D. in Finance from University of Massachusetts at Amherst.



Richard Kang

Member

Mr. Kang is a Member of the EMQQ Global Index Committee. He has the experience of over 25 NYSE listed ETF launches and was previously the Chief Investment Officer of EGShares and Portfolio Manager of the Columbia Emerging Markets Consumer ETF (NYSE: ECON). Over his 20 years of buy-side experience, Richard has had senior roles at a hedge fund, fund-of-hedge fund, investment counseling firm, index provider and ETF issuer/managers. He sits on FTSE's Country Classification Indexing Committee as well as the editorial board of Institutional Investors' The Journal of Index Investing, the only academic journal for the indexing and ETF industry.



Mike Venuto

Member

Mr. Venuto is a Member of the EMQQ Global Index Committee. He is an ETF industry veteran with two decades of experience in the design and implementation of ETF-based investment strategies. Michael is currently Co-Founder and Chief Investment Officer of Toroso Investments, LLC. Michael is also a Director of Tidal ETF Services, which helps investors launch and grow ETFs. Previously, he was Head of Investments at Global X Funds. Before that, he was Senior Vice President and Portfolio Manager at Horizon Kinetics.

EMQQ GLOBAL INDEX METHODOLOGY

RULES-BASED INDEX

- All companies with >50% of revenue from internet and/or ecommerce in respective geographies
- Minimum \$300mm market capitalization
- Liquidity screen \$1.0mm average daily turnover
- Rebalanced semi-annually in June & December
- Fast track IPO inclusion after 3 trading days if market cap >\$10 Billion
- Index Committee discretion (vote for special inclusion & inclusions)
- Market Cap weighted with 8% max weight per security at rebalance

ELIGIBLE COUNTRIES

EMQQ: All 46 Emerging & Frontier Markets (125 Holdings)

FMQQ: All Emerging & Frontier Markets ex China (71 Holdings)

INQQ: Only India (24 Holdings)

More information at: www.EMQQglobal.com

EMQQ OWNERS MANUAL

EMQQ WAS MADE FOR LONG TERM INVESTORS.

- EMQQ seeks to provide long term returns that exceed those of the MSCI Emerging Markets Index.

EMQQ IS VOLATILE.

- EMQQ has had several declines > 30%.
- EMQQ has had a decline of as much as 80%.

WE DO NOT MAKE SHORT TERM STOCK MARKET PREDICTIONS.

- While we are very bullish on the near, intermediate and long-term growth of the EMQQ sector, we have no opinion as to whether their stocks will go up this week, this month, this year or next year.

WE BELIEVE LONG TERM GROWTH OF EARNINGS DRIVES RETURNS.

- The growth of earnings equals the growth of value.
- In order to grow earnings companies must grow their revenue.
- EMQQ sector should enjoy some of the fastest revenue growth rates.

EMQQ GLOBAL



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Founder + Chief Investment Officer

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Connect with Kira
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www.EMQQGlobal.com

ADD TO YOUR WATCHLIST

EMQQ

**The Emerging Markets
Internet + Ecommerce Index**

www.EMQQetf.com

FMQQ

**The Next Frontier
Internet + Ecommerce Index**

www.FMQQetf.com

INQQ

**The India
Internet + Ecommerce Index**

www.INQQetf.com

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GLOBAL

