

Notification to Unitholders



12 November 2024

Market Announcements Office
ASX Limited

Unit consolidation – Global X Ultra Short Nasdaq 100 Complex ETF (“Fund”)

Global X Management (AUS) Limited (“Global X”), the Responsible Entity of the Global X Ultra Short Nasdaq 100 Complex ETF (ASX: SNAS), an exchange traded fund quoted on the ASX AQUA market (the “Fund”), announces the upcoming consolidation of units in the Fund following close of trading on the Australian Securities Exchange on 19 November 2024. Once the unit consolidation is completed, it is expected that unitholders will likely benefit from reduced costs through more favorable bid-ask spreads (proportionately to the per unit price).

This announcement contains details of the consolidation, its impact on existing unitholders and the timeline.

Overview

- SNAS units will be consolidated on a 1 for 20 basis
- The unit consolidation will not negatively impact the aggregate value of a unitholder’s holdings
- The final trading day of SNAS units before consolidation is 19 November 2024
- The consolidation process commences 20 November 2024

Impact on holders

- There will be no decrease in the value of SNAS holders’ investment as a result of the unit consolidation.
- If the unit consolidation has resulted in fractional units, Global X will round up the fraction of a unit to the nearest whole number.
- Global X will contribute funds out of its own assets to facilitate the rounding up of fractional units, to ensure that as a result of rounding up, there is no impact to the pre-consolidation net asset value per unit.

During the consolidation period

- During the period between 20 to 28 November 2024 (inclusive), the units in SNAS will trade on a deferred settlement basis under ASX Code: SNADA.
- Any trading of units during the deferred settlement period will not be settled until 3 December 2024, rather than the normal T+2 settlement period.
- Importantly, the deferred settlement period will result in a delay in a unitholder receiving the proceeds if they sells units during this period. For example, if a unitholder sells their units on 20 November 2024, they will receive the sale proceeds on 3 December 2024, rather than 22 November 2024 (T+2 excluding weekends and public holidays)

Impact of consolidation on unit holdings

Units on issue for SNAS will be consolidated on a 1 for 20 basis, therefore a unitholder holding 200 units prior to the consolidation date will hold 10 units post consolidation. The unit consolidation will not negatively impact a unitholder’s aggregate value of their holdings even though they will be holding proportionally less units, and the post consolidation unit price will be reflective of the 1 for 20 unit consolidation.



Reasons for implementing a unit consolidation

The unit consolidation on a 1 for 20 basis will result in an increase in the unit price, a direct result of less units on issue in the Fund, which is expected to likely benefit unitholders from reduced costs through more favorable bid-ask spreads (proportionately to the per unit price).

Rounding of fraction units

In a situation where consolidation of a unitholder's unitholdings would result in an entitlement to a fractional unit, this will be rounded up to the nearest whole number of the units in accordance with the Fund's constitution. In such circumstances, the Responsible Entity will contribute its own funds to round up the number of units to the nearest whole number.

For example, where a unitholder has 212 units prior to the unit consolidation, the holder would hold 11 units post-consolidation (where the fractional units were rounded up from 10.6).

As such:

- the unit consolidation will not decrease the value of a unitholder's holding in SNAS. The value of each SNAS unitholders' total investment in SNAS will be the same or, where rounding up applies, higher after consolidation. This will be achieved by Global X contributing funds out of its own assets to facilitate the rounding up of fractional units.
- the unit consolidation will not adversely change the rights attached to the units (as per the Fund's constitution).

Tax considerations

The unit consolidation should not trigger a capital gain tax ("CGT") event for unitholders. In addition, there should be no effect on a unitholder's total cost base of units in SNAS as a result of the unit consolidation. The cost base of a unitholder's consolidated units will be the equal to the cost base of the original units held before the unit consolidation.

The unit consolidation will however affect the cost base of each individual unit held by unitholders following the unit consolidation. The cost base of the units prior to consolidation should be apportioned across the total number of units held after the consolidation. For example, if a unitholder holds 200 units in SNAS at the time of consolidation with a cost base of \$200 (\$1 per unit), the units will be consolidated into 10 units with a cost base of \$20 per unit.

The acquisition date of a unitholder's consolidated units will be the same as the date on which their original units were acquired for the purposes of determining eligibility for the CGT discount concession on a subsequent CGT event occurring in relation to the units. Where a unitholder has acquired units over a number of different dates, the consolidated units should be apportioned over the relevant acquisition dates in the same proportion as the original units held.

Note: The above summary sets out the Australian income tax considerations of the unit consolidation for an Australian resident unitholder who holds their units in SNAS on capital account. This summary is general in nature and does not take into account the specific circumstances of unitholders. Unitholders should seek professional taxation advice in relation to their own particular circumstances. The summary is based on Australian law, Australian Taxation Office ("ATO") guidance and administrative practice as at the date of this notice.

Next steps for unitholders

All unitholders in SNAS will be provided a holding statement from Computershare confirming the number of consolidated units that they hold post unit consolidation.

No action is required from the unitholders in SNAS to effect the unit consolidation.



Timetable

Date	Event
12 November 2024	Announcement Date
19 November 2024	Last day for trading units on a pre- consolidation basis (ASX Code: SNAS)
20 November 2024	Trading commences in post-consolidation units on a deferred settlement basis (ASX Code: SNADA)
21 November 2024	Record Date for unit consolidation Last day to register transfers of pre-consolidation units.
28 November 2024	Last date for deferred settlement trading (ASX Code: SNADA) Last day for dispatch of holding statements
29 November 2024	Normal trading commences in post-consolidation units (ASX Code: SNAS)
3 December 2024	Settlement date for deferred settlement trades and first day of settlement for normal trading in post-consolidation units.

For any queries on this matter please contact Global X at +61 2 8311 3488 or info@globalxetfs.com.au

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