

Lion-Nomura Japan Active ETF (Powered by AI)

Unbox the best of Japan



In collaboration with
NOMURA
NOMURA ASSET MANAGEMENT

LION
GLOBAL
INVESTORS

We are one of Southeast Asia's leading asset managers

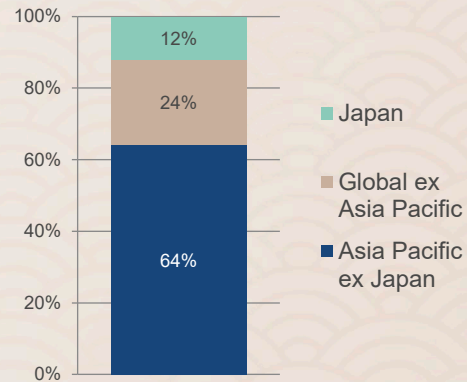
ASSETS UNDER MANAGEMENT (AUM)

S\$69.9*
BILLION
(US\$52.5 BILLION)

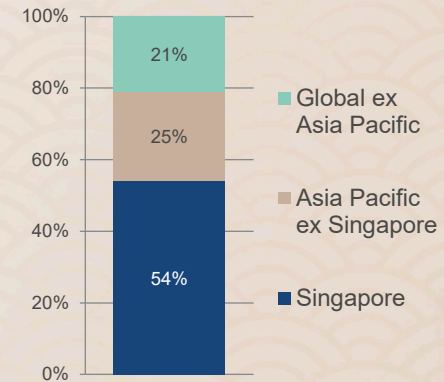
AUM Breakdown by Asset Class



Equities: S\$10.4 billion (US\$7.8 billion)



Fixed Income: S\$55.2 billion (US\$41.4 billion)



*AUM by country of issue. Data as at 31 December 2023

Our ETFs

| | Oct 2017 | Dec 2020 | Aug 2021 | Apr 2022 | Jan 2024 |
|--|-------------------------|---|--|--|--|
| | Lion-Phillip S-REIT ETF | Lion-OCBC Securities Hang Seng TECH ETF | Lion-OCBC Securities China Leaders ETF | Lion-OCBC Securities Singapore Low Carbon ETF | Lion-Nomura Japan Active ETF (Powered by AI) |
| Listing Date | 30 October 2017 | 10 December 2020 | 2 August 2021 | 28 April 2022 | 31 January 2024 |
| AUM | S\$369 million | S\$314 million | S\$74 million | S\$57 million | Depends on IOP |
| Management Fees / Total Expense Ratio | 0.50% p.a. / 0.60% | 0.45% p.a. / 0.60% | 0.45% p.a. / 0.62% | 0.40% p.a. / Capped at 0.45% for first 2 years | 0.70% p.a. / No cap |

SGX top 10 ETFs by retail investors

| No. | ETF name | Asset Class | SGD ticker | USD ticker | Global AUM (Dec 2023 SGD mil) | Local AUM (Dec 2023 SGD mil) |
|-----|---|-----------------|------------|------------|-------------------------------------|------------------------------------|
| 1 | SPDR® Straits Times Index ETF | Equities | ES3 | | 1,527 | 1,527 |
| 2 | Lion-Phillip S-REIT ETF | REITs | CLR | | 369 | 369 |
| 3 | Lion-OCBC Securities Hang Seng TECH ETF | Equities | HST | HSS | 314 | 314 |
| 4 | SPDR® Gold Shares | Gold | GSD | O87 | 76,869 | 1,253 |
| 5 | Nikko AM Singapore STI ETF | Equities | G3B | | 688 | 688 |
| 6 | NikkoAM StraitsTrading Asia ex Japan REIT ETF | REITs | CFA | COI | 394 | 394 |
| 7 | SPDR® S&P 500 ETF Trust | Equities | | S27 | 655,603 | 125 |
| 8 | Nikko AM SGD Investment Grade Corporate Bond ETF | Fixed Income | MBH | | 573 | 573 |
| 8 | ABF Singapore Bond Index ETF | Fixed Income | A35 | | 1,002 | 1,002 |
| 10 | iShares Barclays Capital USD Asia High Yield Bond Index ETF | Fixed Income | QL3 | O9P | 1,606 | 1,606 |

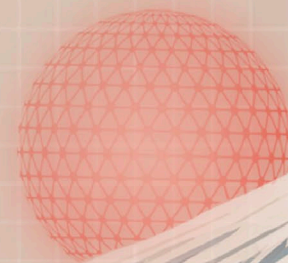
Note: The above is based on SGX data as of 31 December 2023, where SGX ranked the top 10 ETFs based on each ETF's AUM attributable to its SGX listing. Securities referenced are not intended as recommendations to buy or sell. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice.

SGX top 10 ETFs by SRS and CPFIS investors

| No. | ETF name | Asset Class | SGD ticker | USD ticker | Global AUM (Dec 2023 SGD mil) | Local AUM (Dec 2023 SGD mil) |
|-----------|--|-----------------|------------|------------|-------------------------------------|------------------------------------|
| 1 | SPDR® Straits Times Index ETF | Equities | ES3 | | 1,527 | 1,527 |
| 2 | Nikko AM Singapore STI ETF | Equities | G3B | | 688 | 688 |
| 3 | Lion-OCBC Securities Hang Seng TECH ETF | Equities | HST | HSS | 314 | 314 |
| 4 | SPDR® Gold Shares | Gold | GSD | O87 | 76,869 | 1,253 |
| 5 | SPDR® S&P 500 ETF Trust | Equities | | S27 | 655,603 | 125 |
| 6 | Lion-Phillip S-REIT ETF | REITs | CLR | | 369 | 369 |
| 7 | NikkoAM StraitsTrading Asia ex Japan REIT ETF | REITs | CFA | COI | 394 | 394 |
| 8 | ABF Singapore Bond Index ETF | Fixed Income | A35 | | 1,002 | 1,002 |
| 9 | Nikko AM SGD Investment Grade Corporate Bond ETF | Fixed Income | MBH | | 573 | 573 |
| 10 | Lion-OCBC Securities China Leaders ETF | Equities | YYY | | 74 | 74 |

Note: The above is based on SGX data as of 31 December 2023, where SGX ranked the top 10 ETFs based on each ETF's AUM attributable to its SGX listing. Securities referenced are not intended as recommendations to buy or sell. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice.

Why Japan

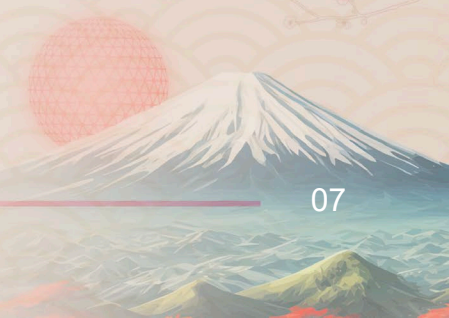




Discover Japan

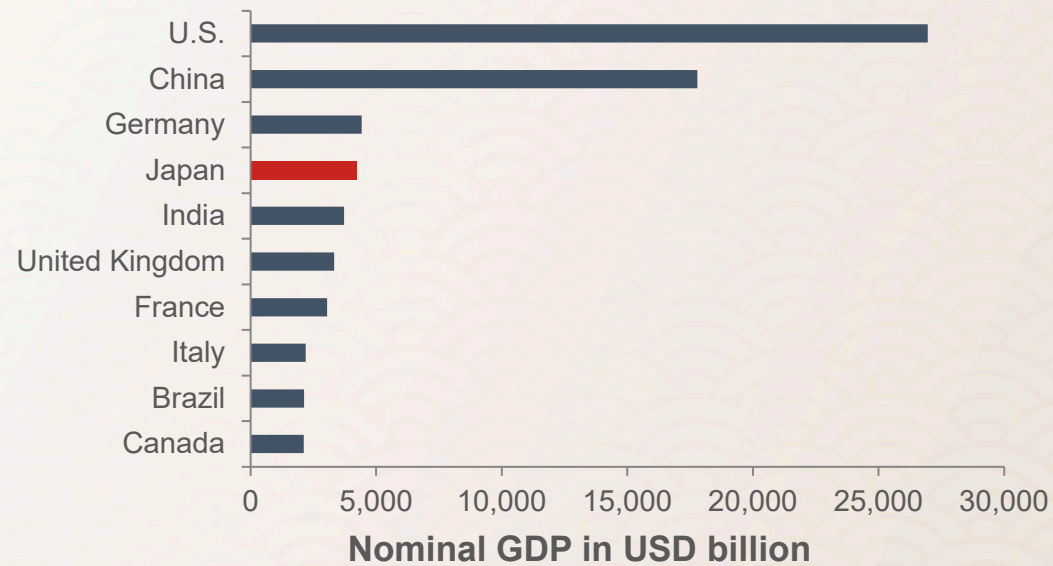


Tradition, Tourism, Technology



Japan is too big to ignore

- Within Asia Pacific, China and Japan are the largest economies
- Japan is the world's fourth largest economy by nominal Gross Domestic Product (GDP)
- Japan is the only Asia Pacific member in the G7



Japan is better positioned to navigate geopolitical nuances

Japan has awakened from its 33-year slumber

- Between 1 Jan 2017 and 31 Dec 2023, TOPIX only rose 56%
- In year 2023, TOPIX rose 25%, outperforming the STI and MSCI AC Asia ex Japan Index



Note: Past performance and the predictions, projections or forecasts on the economy, securities markets, bond markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of the Fund.

| As of December 2023 | Cumulative return since Jan 2017 | Year 2023 return |
|-----------------------------|----------------------------------|------------------|
| TOPIX Index | 55.8% | 25.1% |
| Straits Times Index | 49.0% | 8.8% |
| MSCI AC Asia ex Japan Index | 49.6% | 11.5% |

Structural catalysts are favorably positioning Japan for growth

Catalyst 1: Corporate governance reforms

- Corporate governance reforms traced its roots to Abenomics in 2012
- 3 policy arrows -> Monetary easing, Flexible fiscal policy, **Structural reform**
- *“I will break down any and all walls looming ahead of the Japanese economy and map out a new trajectory for growth. This is precisely the mission of Abenomics.” – Japan’s late Prime Minister Shinzo Abe (Jun 2020)*



Abe's reforms have driven *long-term* structural change since 2012

Catalyst 1: Corporate governance reforms

- Corporate governance reforms started since Stewardship Code (2014) and Governance Code (2015)
- In Apr 2022, Tokyo Stock Exchange (TSE) restructured its market segments into Prime, Standard and Growth
- In 2023, the TSE finalised its market restructuring rules, with one directing TSE-listed companies to “comply or explain” if they trade at price-to-book ratio (P/B) below 1
- This has increased share buybacks and dividend payouts

| TSE Market Segments (effective Apr 2022) | | |
|--|---|---|
| Prime Companies which centre their business on constructive dialogue with global investors | Standard Companies with sufficient liquidity and governance levels to be investment instruments | Growth Companies with high growth potential |

Small-caps are more likely to trade P/B <1 and could benefit more from reforms

Catalyst 2: Inflation

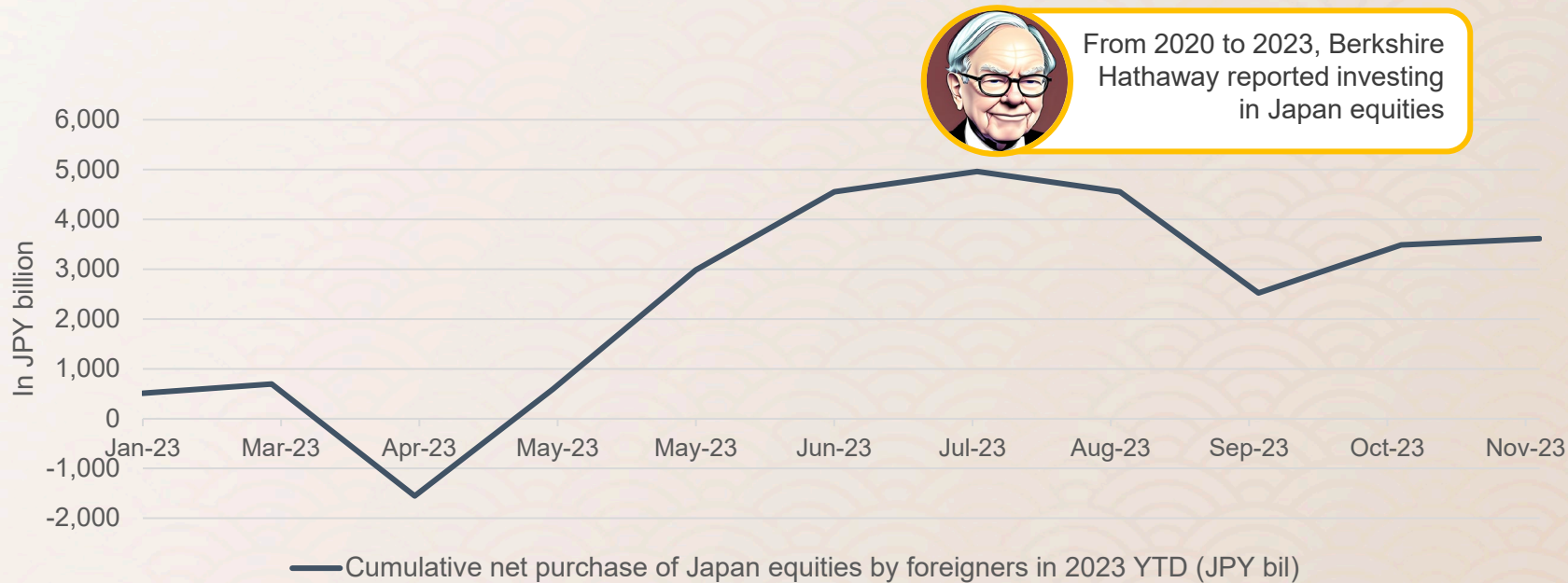
- Monetary easing is the 2nd policy arrow of Abenomics, with Japan maintaining ultra-low rates for decades
- Low rates encourage lending and consumption, driving inflation and company valuations



Low rates drive inflation and company valuations

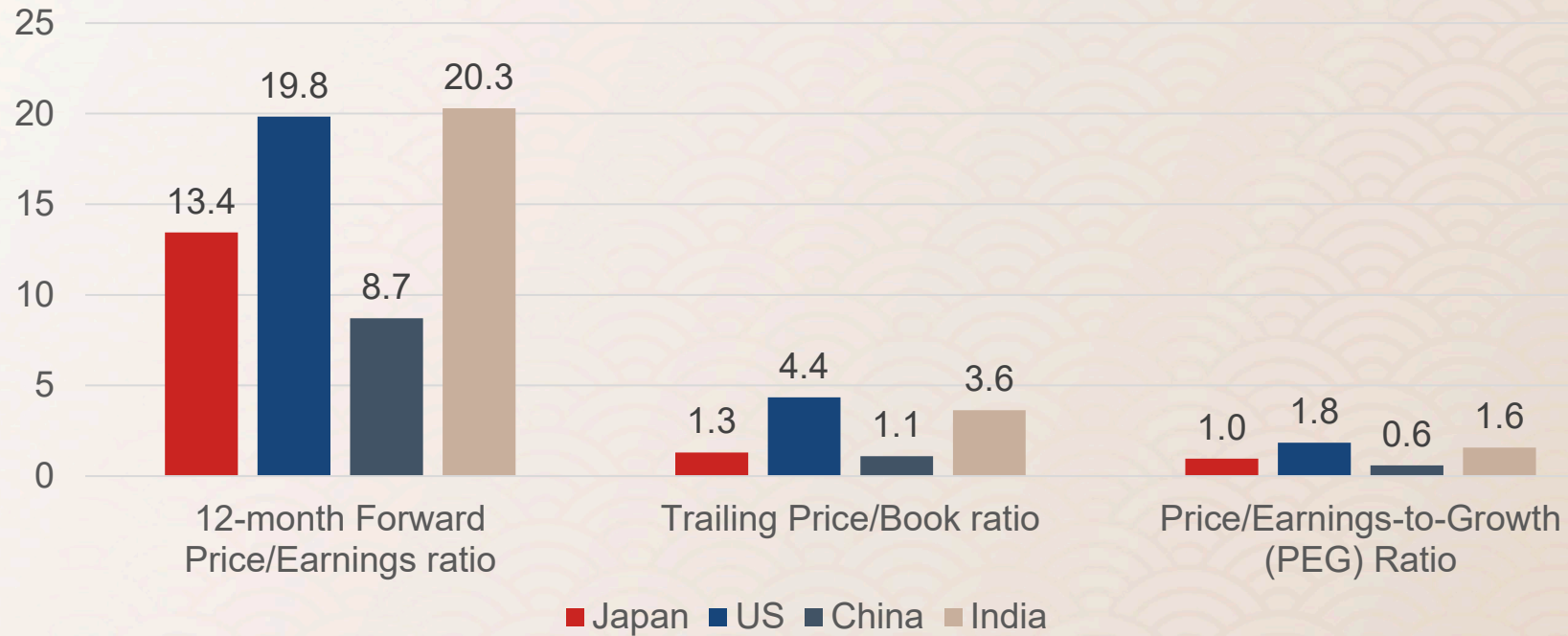
Catalyst 3: Foreign investors' reallocation towards Japan

- In year 2023, foreign investors bought JPY 3,600 billion of Japan equities as of 30 Nov 2023
- They include Warren Buffett's purchases into five trading houses (aka sogo-shoshas), which are namely Itochu Corp., Marubeni Corp., Mitsubishi Corp., Mitsui and Sumitomo Corp



Japan has seen rising foreign investor interest in 2023

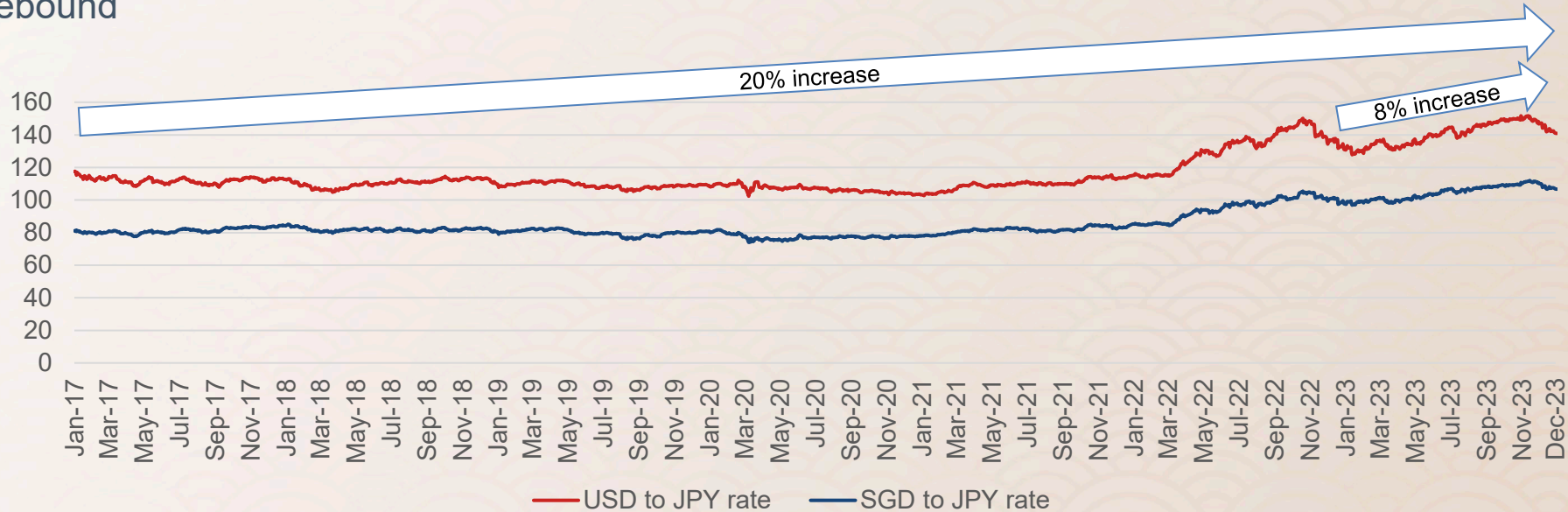
Japan is still at an attractive entry point now



The growth catalysts are long-term and take time to be priced in

Bonus: Potential JPY rebound

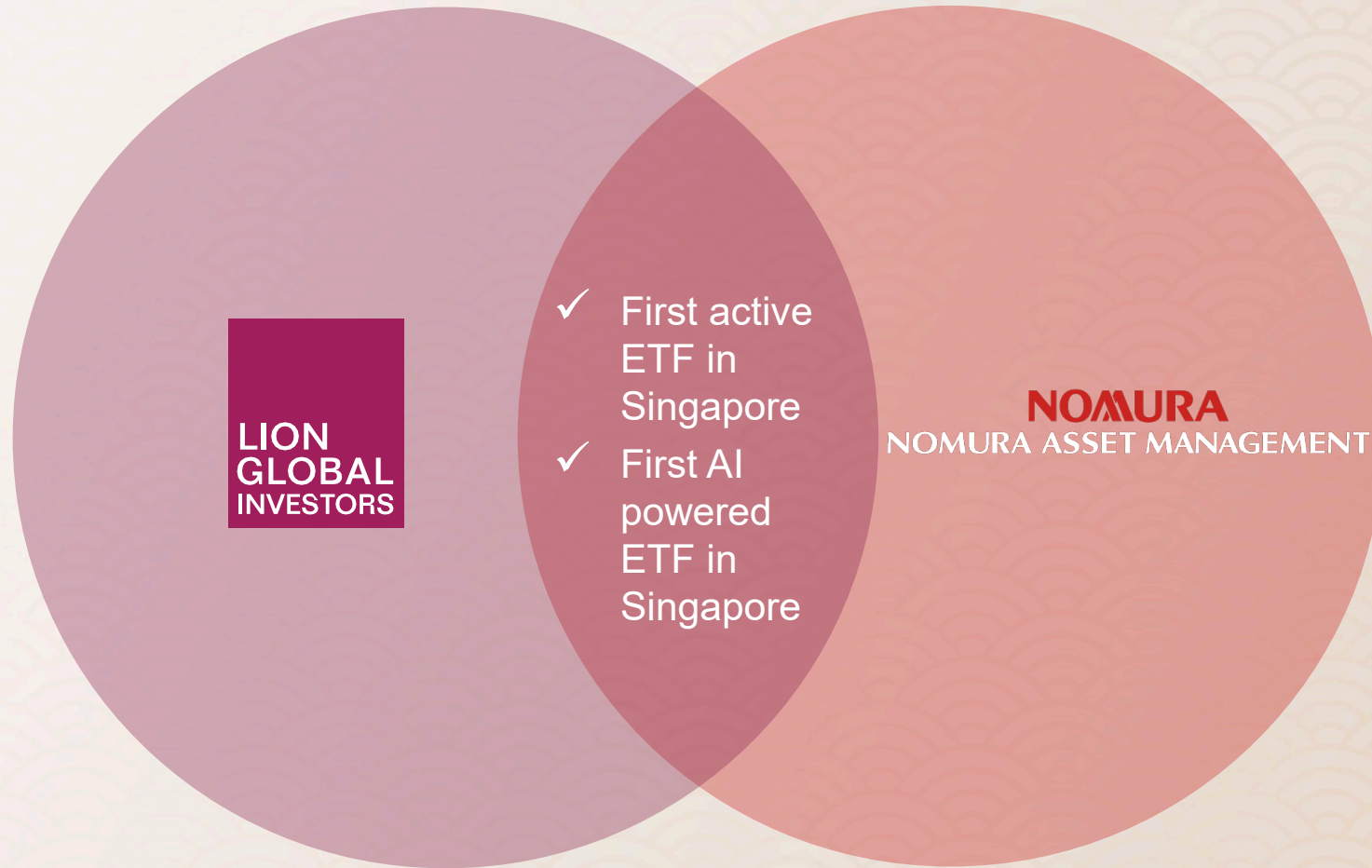
- Between 1 Jan 2017 and 31 Dec 2023, USD-JPY and SGD-JPY rose 20% and 32% respectively
- In year 2023, USD-JPY and SGD-JPY rose 8% and 10% respectively
- If the Bank of Japan tightens its ultra-loose monetary policy in 2024, this could catalyze a JPY rebound



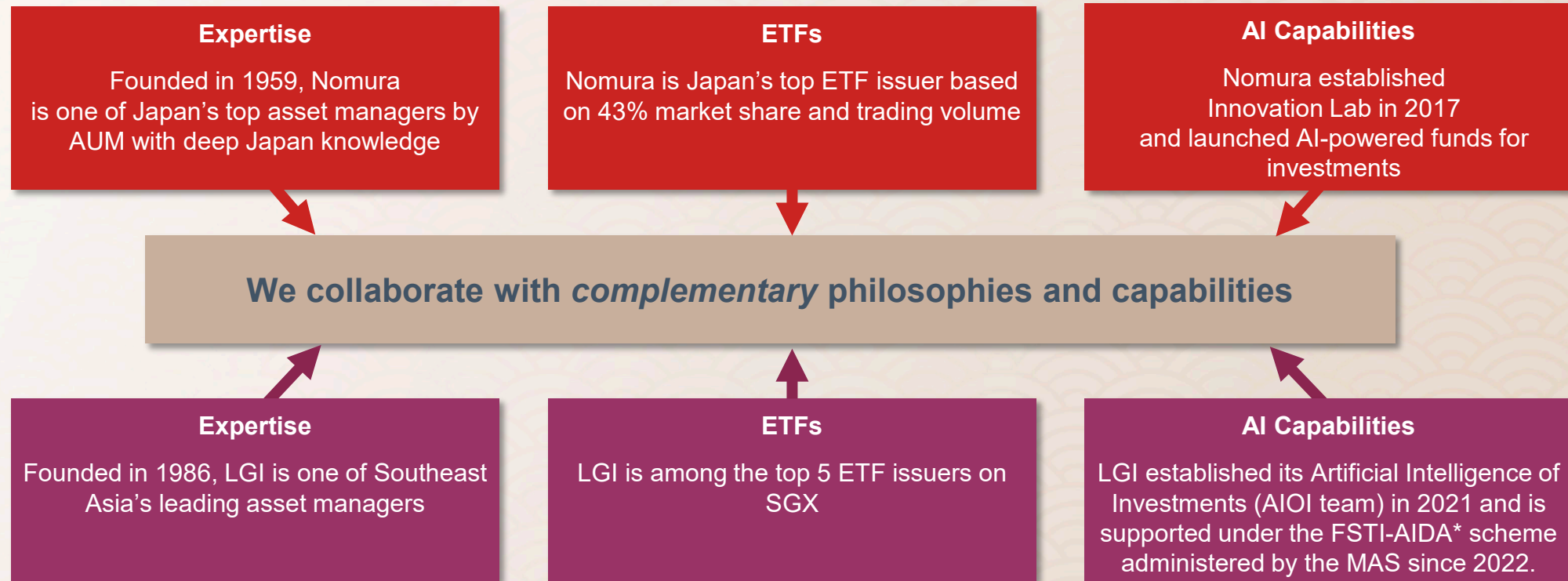
Potential JPY rebound could add currency returns

Source: Bloomberg as of December 2023.

Combining our strengths to create an ETF of multiple “firsts”

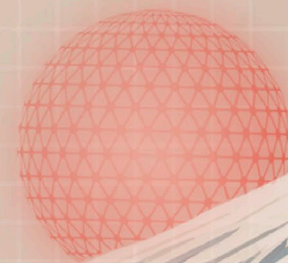


Why is Lion Global Investors partnering with Nomura Asset Management?



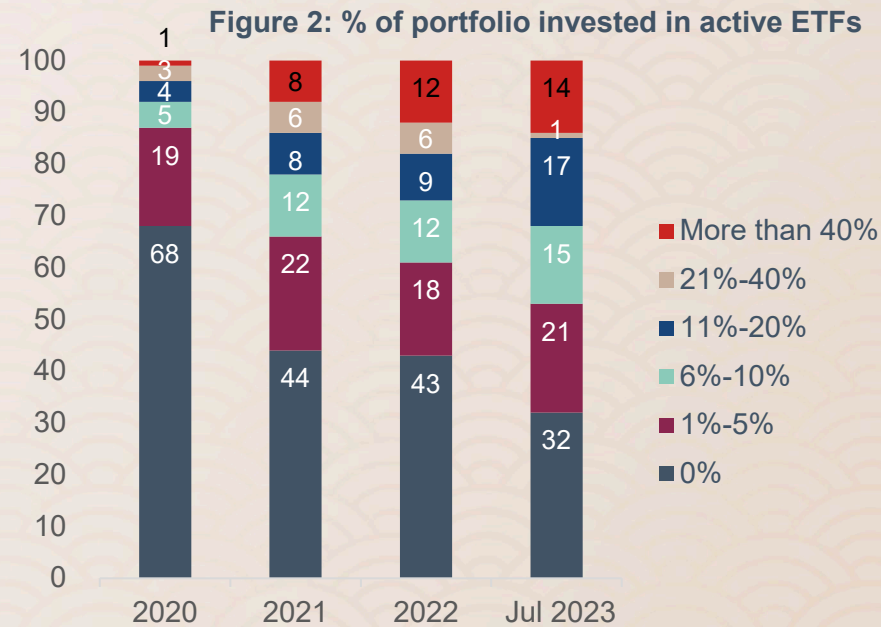
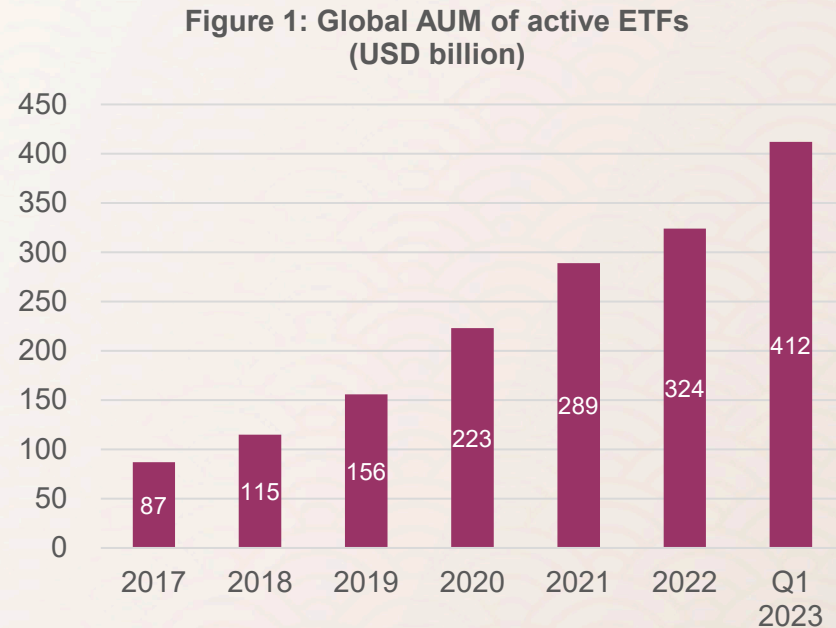
*FSTI-AIDA refers to Financial Sector Technology & Innovation — Artificial Intelligence & Data Analytics.
Source: Nomura Asset Management as of September 2023.

Why Active ETF



Demand for active ETFs has been rising globally

- Between 2017 and Q1 2023, global AUM of active ETFs grew 374% to USD 412 billion
- Between 2020 and Jul 2023, we have seen increasing portfolio allocations towards active ETFs



You are investing in a growing trend

Advantages of active ETF

Liquidity

Allows intra-day trading and real-time pricing

Cost-efficient

Lower cost than mutual funds and enables efficient access to precise exposures

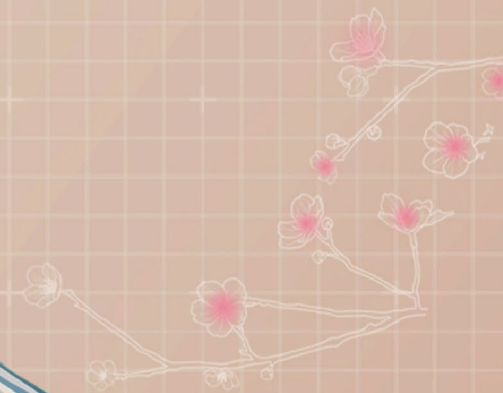
Less constrained

Does not track benchmark index, potentially giving more room to outperform the broader market

Increased speed and flexibility when reacting to market changes

We are Singapore's first active ETF

Why AI-powered

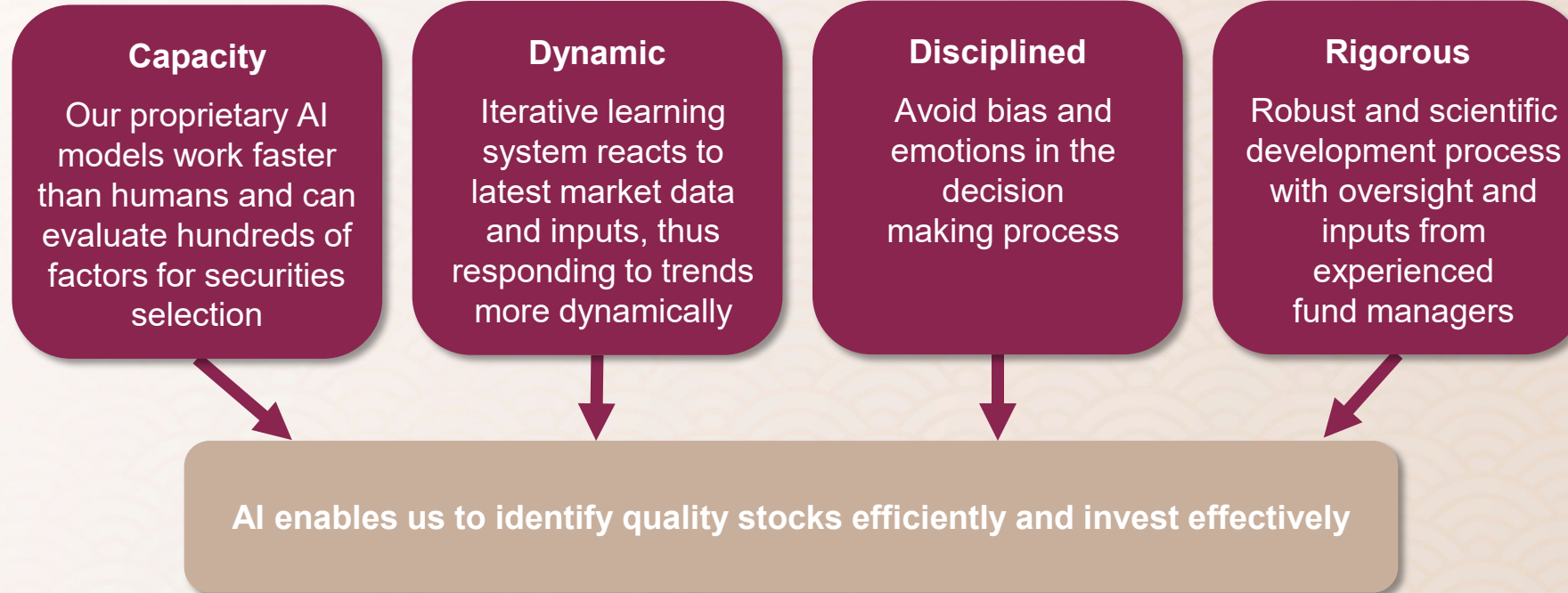


Uses of Artificial Intelligence (AI) in our lives




Beyond our daily lives, AI can also be used for wealth management

Why AI-powered?



We are Singapore's first AI-powered ETF



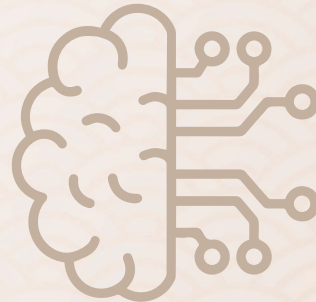
Lion-Nomura Japan Active ETF (Powered by AI)

Key features (AID)



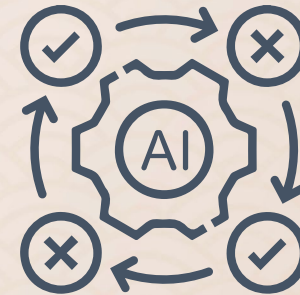
Actively managed

Focus on 50 to 100 Japanese companies with high capital appreciation potential*



Intelligent

Our proprietary AI models work faster than humans and can evaluate hundreds of factors for securities selection



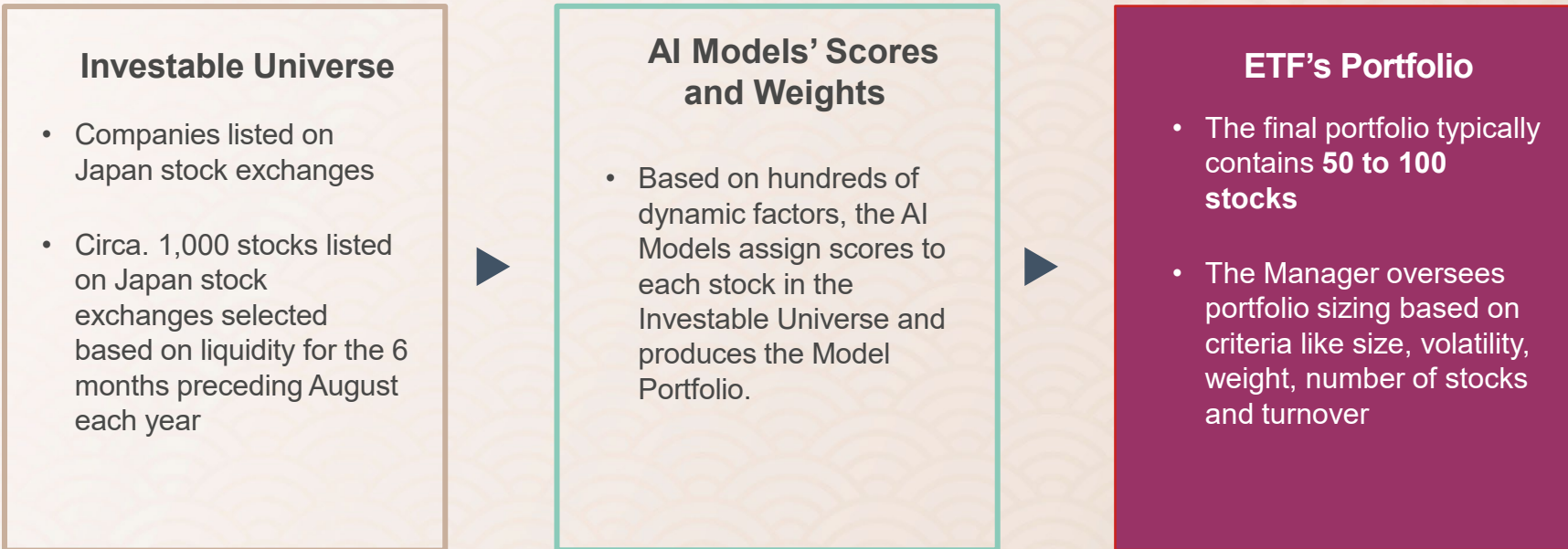
Dynamic

AI models are typically refreshed monthly and respond to trends dynamically

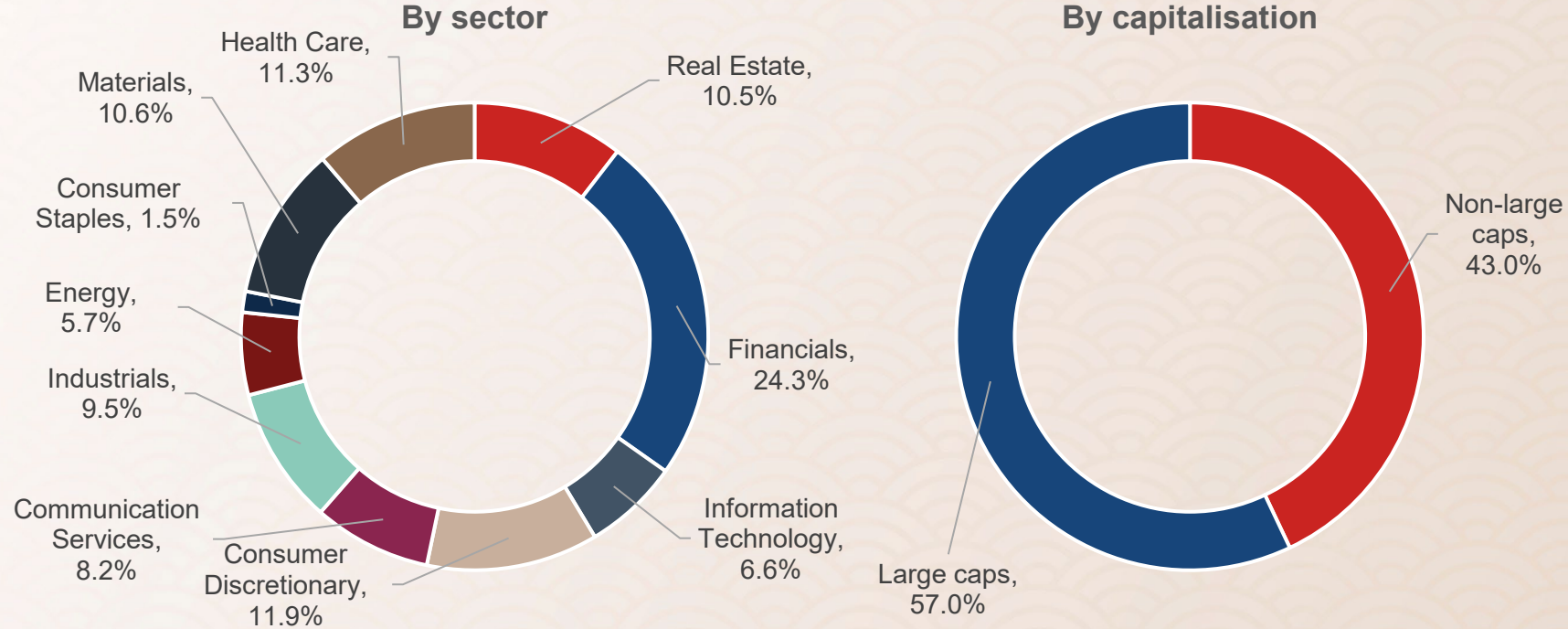
* Based on AI Model scores together with selection and weighting by the Manager and Investment Advisor

Strategy overview

- The Fund is actively managed and seeks to invest mainly in equity securities listed on the Japanese exchanges based primarily on the results from **proprietary AI and Machine Learning models** (“AI Models”) developed by the investment team.



The ETF's* model / pro-forma portfolio characteristics



Investors should note that the above is a model portfolio representation for illustration purposes only and does not represent the actual holdings of the ETF at any point of time, nor is it indicative of any future performance of the ETF.

A Japan-focused portfolio diversified across sectors and market capitalisation

*Note: The Lion-Nomura Japan Active ETF (Powered by AI) is an actively managed ETF. Please refer to the Important Information displayed in page 33.
Source: Lion Global Investors Limited as of December 2023.

The ETF's* model / pro-forma portfolio's top 20 constituents

| Constituent | Sector | Weightage | Constituent | Sector | Weightage |
|--------------------------------|------------------------|-----------|---|------------------------|-----------|
| Tokio Marine Holdings Inc | Financials | 9.0% | Mazda Motor Corporation | Consumer Discretionary | 3.5% |
| KDDI Corporation | Communication Services | 6.5% | Sumitomo Realty & Development Co., Ltd. | Real Estate | 3.3% |
| Nippon Steel Corporation | Materials | 6.2% | Sompo Holdings Inc | Financials | 2.9% |
| Japan Post Holdings Co Ltd | Financials | 6.0% | SBI Holdings Inc | Financials | 2.7% |
| Advantest Corporation | Information Technology | 5.9% | Yamaha Motor Co Ltd | Consumer Discretionary | 2.6% |
| Shionogi & Co Ltd | Health Care | 5.3% | Yamada Holdings Co Ltd | Consumer Discretionary | 2.5% |
| Hoya Corporation | Health Care | 5.3% | Tokyo Tatemono Co Ltd | Real Estate | 1.6% |
| Inpex Corporation | Energy | 5.0% | Daiwa House Industry Co Ltd | Real Estate | 1.5% |
| Mitsui O.S.K. Lines Ltd | Industrials | 4.4% | Tosoh Corporation | Materials | 1.4% |
| Daito Trust Corporation Co Ltd | Real Estate | 3.6% | Mitsubishi UFJ Financial Group Inc | Financials | 1.3% |

Refers to non-large caps

Investors should note that the above is a model portfolio representation for illustration purposes only and does not represent the actual holdings of the ETF at any point of time, nor is it indicative of any future performance of the ETF. References to any particular company are intended for illustration purposes only and is not a recommendation to investors to invest in the securities of such company and its products or services.



Key fund information

| | |
|-------------------------------|--|
| ETF Name | Lion-Nomura Japan Active ETF (Powered by AI) |
| Reference Benchmark | Tokyo Stock Price Index (TOPIX) |
| Investment Advisor | Nomura Asset Management Co., Ltd. |
| Issue Price | SGD 1.00 per unit |
| Target Listing Date | 31 January 2024 |
| Initial Offer Period | 5 to 25 January 2024 |
| Base Currency | JPY |
| Trading Currency | SGD, USD |
| SGX Code | JJJ (SGD), JUS (USD) |
| Bloomberg Ticker | J AISGD SP (SGD), J AIUSD SP (USD) |
| Trading Board Lot Size | 1 unit |
| Management Fee | 0.70% per annum |

Use the smarter way to invest in Japan today

How to invest

Participating Dealers*



ATM, Mobile and Internet Banking Subscription*



Subscribe through OCBC ATM / Online Banking by 24 January 2024
12pm at SGD 2 application fee (without brokerage fees).
Terms and conditions apply.

* References to specific corporations/companies and their trademarks are not intended as recommendations to purchase or sell investments in such corporations/companies nor do they directly or indirectly express or imply any sponsorship, affiliation, certification, association, approval, connection or endorsement between any of these corporations/companies and Lion Global Investors Limited or the products and services of Lion Global Investors Limited

Q & A





Get in touch with us



Lion Global Investors Limited
65 Chulia Street
#18-01 OCBC Centre
Singapore 049513



<https://www.lionglobalinvestors.com/en/fund-lion-nomura-japan-active-etf-powered-by-ai.html>



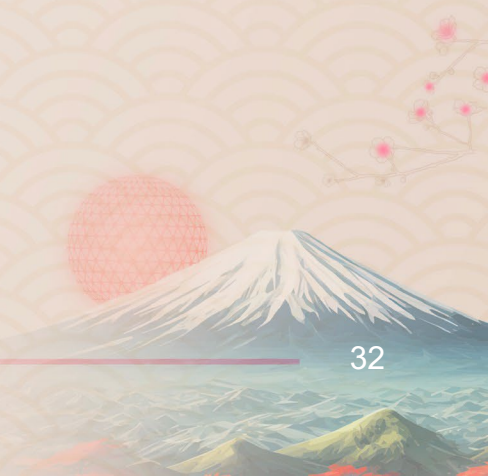
contactus@lionglobalinvestors.com



+65 6417 6900

In collaboration with

NOMURA
NOMURA ASSET MANAGEMENT





Important Information

This Presentation is issued by Lion Global Investors Limited (UEN: 198601745D) (“LGI”), which is the responsible person for the fund. LGI is a holder of a capital markets services licence for fund management and dealing in capital markets products (units in collective investment schemes), and is regulated by the Monetary Authority of Singapore. This Presentation, being an advertisement, has not been reviewed by the Monetary Authority of Singapore.

This Presentation is for information only. It is not an offer or solicitation for the purchase or sale of any securities/investments and does not have regard to your specific investment objectives, financial situation or particular needs. You should read the prospectus and product highlights sheet (which are available and may be obtained from LGI or any of its approved distributors) before deciding whether to subscribe for or purchase units of the fund. You should note that investors cannot create or redeem the units of the fund with LGI and can only do so through participating dealers if the investor is a client of the relevant participating dealer. Listing of the units of the fund does not guarantee a liquid market for the units. Investments in the fund are not obligations of, deposits in, guaranteed or insured by LGI or any of its affiliates and are subject to investment risks including the possible loss of the principal amount invested. The performance of the fund is not guaranteed and the value of units in the fund and the income accruing to the units, if any, may rise or fall. Past performance, as well as any prediction, projection, or forecast on the economy, securities market, or the economic trends of the markets are not necessarily indicative of the future or likely performance of the fund. Any opinion or estimate provided in this Presentation is made on a general basis and is not to be relied on by investors as advice. Investors must make their own assessment of the relevance, accuracy, adequacy and reliability of the information provided and make such independent investigations as they may consider necessary or appropriate for the purpose of such assessment. The information contained in this Presentation is derived from proprietary and non-proprietary sources deemed by Lion Global Investors Limited to be reliable, are not necessarily all-inclusive and are not guaranteed as to accuracy. References to any particular company in this Presentation is intended for illustration purposes only and is not a recommendation to investors to invest in the securities of such company or its products or services. The use of any graph, chart or formula in this Presentation is not intended to be used to determine, or to assist any person in deciding, which units in the fund to buy or sell or when to buy or sell such units, or whether to invest into the fund.

LGI reserves the right to make changes and corrections to its opinions expressed here at any time, without notice. Accordingly, no warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on any information, opinion, forecast, or estimate contained herein. You may wish to seek advice from a financial adviser before making a commitment to purchase the fund. In the event that you choose not to seek advice from a financial adviser, you should consider carefully whether the fund is suitable for you. The fund’s net asset value may have higher volatility as a result of its narrower investment focus on a single market (namely, Japan), when compared to funds investing in global or regional markets. The fund may use financial derivative instruments such as forwards, futures, options and warrants to passively hedge any foreign currency exposure of the fund and/or for the purpose of efficient portfolio management.

The pro-forma portfolio diagrams / charts and constituent weightage displayed are illustrative only and do not represent the actual holdings of the fund at any point in time and are subject to changes at LGI’s discretion. Investors should refer to the Portfolio Holdings displayed on LGI’s website every month for more information on the actual holdings of the fund (as at a date specified) in the previous month or should approach LGI for more information on the fund. The sectoral representation in the pro-forma portfolio diagrams / charts also do not reflect the actual or future performance of the fund.



Disclaimer – Lion Global Investors Limited

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore. It is for information only, and is not a recommendation, offer or solicitation to deal in any capital markets products or investments and does not have regard to your specific investment objectives, financial situation, tax position or particular needs.

You should read the Prospectus and Product Highlights Sheet for the Lion-Nomura Japan Active ETF (Powered by AI) (“ETF”) which are available and may be obtained from Lion Global Investors Limited (“LGI”) or any of the appointed Participating Dealers (“PDs”), for further details including the risk factors and consider if the ETF is suitable for you and seek such advice from a financial adviser if necessary, before deciding whether to purchase units in the ETF. Investments in the ETF are not obligations of, deposits in, guaranteed or insured by LGI or any of its affiliates and are subject to investment risks including the possible loss of the principal amount invested. **The ETF is an actively managed exchange traded fund. Please refer to the Prospectus for further details, including a discussion of certain factors to be considered in connection with an investment in an actively managed exchange traded fund.**

The performance of the ETF, the value of its units and any accruing income are not guaranteed and may rise or fall. Past performance, payout yields and payments and any predictions, projections, or forecasts are not indicative of the future or likely performance, payout yields and payments of the ETF. Any extraordinary performance may be due to exceptional circumstances which may not be sustainable. Any dividend distributions, which may be either out of income and/or capital, are not guaranteed and subject to the manager of the ETF’s discretion. Any such dividend distributions will reduce the available capital for reinvestment and may result in an immediate decrease in the net asset value of the ETF. Any references to specific securities are for illustration purposes and are not to be considered as recommendations to buy or sell the securities. It should not be assumed that investment in such specific securities will be profitable. There can be no assurance that any of the allocations or holdings presented will remain in the ETF at the time this information is presented. Any information (which includes opinions, estimates, graphs, charts, formulae or devices) are subject to change or correction at any time without notice and are not to be relied on as advice.

You should independently assess and conduct your own investigation of the relevance, accuracy, adequacy and reliability of any information, opinion or estimates, graphs, charts, formulae or devices provided and seek professional advice on them. Any information, opinions, estimates, graphs, charts, formulae or devices provided are subject to change or correction without notice and are not to be relied on as advice. No warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on such information. The ETF may, where permitted by the Prospectus, invest in financial derivative instruments for hedging or for the purposes of efficient portfolio management. **The ETF’s net asset value may have higher volatility as a result of its narrower investment focus on a limited geographical market, when compared to funds investing in global or wider regional markets.** LGI, its related companies, their directors and/or employees may hold units of the ETF and be engaged in purchasing or selling units of the ETF for themselves or their clients.

The units of the ETF are listed and traded on the Singapore Exchange Securities Trading Limited (“SGX-ST”), and may be traded at prices different from its net asset value, suspended from trading, or delisted. Such listing does not guarantee a liquid market for the units. You cannot purchase or redeem units in the ETF directly with the manager of the ETF, but you may, subject to specific conditions, do so on the SGX-ST or through the PDs.

© Lion Global Investors® Limited (UEN/ Registration No. 198601745D). All rights reserved. LGI is a Singapore incorporated company and is not related to any corporation or trading entity that is domiciled in Europe or the United States (other than entities owned by its holding companies).



Disclaimer – JPX Market Innovation & Research, Inc.

The TOPIX Index Value and the TOPIX Marks are subject to the proprietary rights owned by JPX Market Innovation & Research, Inc. or affiliates of JPX Market Innovation & Research, Inc. (hereinafter collectively referred to as “**JPX**”) and JPX owns all rights and know-how relating to TOPIX such as calculation, publication and use of the TOPIX Index Value and relating to the TOPIX Marks. JPX shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Index Value.