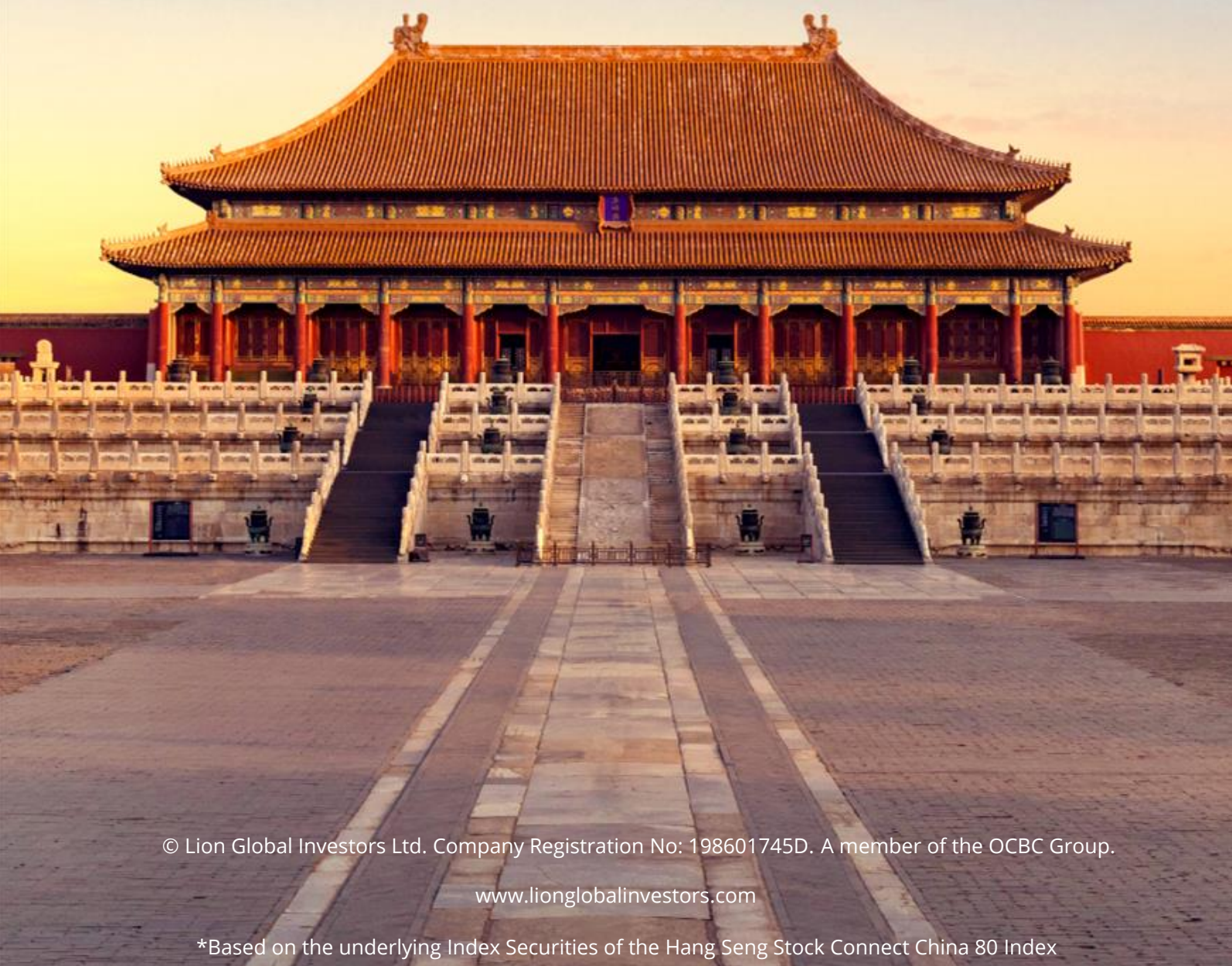


LION-OCBC SECURITIES
CHINA LEADERS ETF

Seize the opportunity with 80* China leaders.

Quarterly Newsletter

Q4 2024



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www.lionglobalinvestors.com

*Based on the underlying Index Securities of the Hang Seng Stock Connect China 80 Index

INTRODUCTION

- The Lion-OCBC Securities China Leaders ETF was listed on the Singapore stock market on 2 August 2021.
- This ETF is a well-diversified portfolio containing industry leaders across multiple sectors.
- It is passively managed to fully replicate the Hang Seng Stock Connect China 80 Index.



KEY FACTS

- Trading currencies: SGD and RMB
- Total AUM: SGD 90.6 million as of 31 December 2024
- Management fee: 0.45% p.a.
- SGX tickers: YYY (SGD), YYR (RMB)

KEY FEATURES



80 largest Chinese companies listed on HKEX, SZSE and SSE¹



Capped at 8% and 40% weightage for individual stocks and sectors respectively during rebalancing²



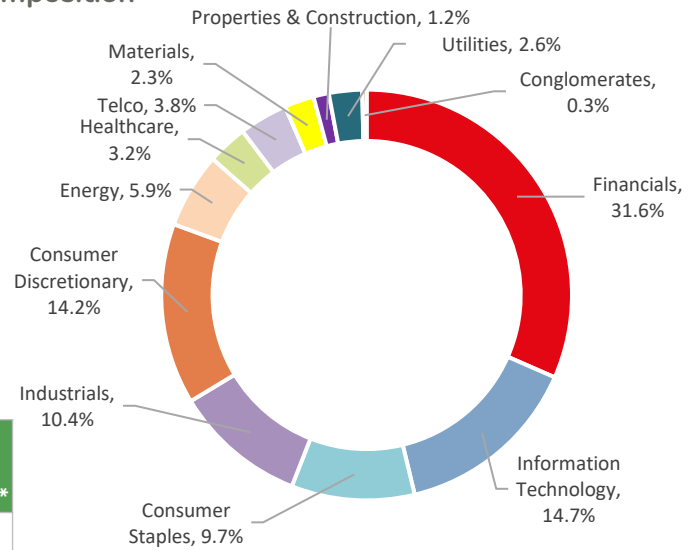
Rebalanced quarterly (every March, June, September and December)

Lion-OCBC Securities China Leaders ETF Performance³



From Bloomberg as of 31 December 2024	2024 return	2023 return	Annualized % return since Fund's inception*
Lion-OCBC Securities China Leaders ETF	31.0%	-12.8%	-2.1%
Benchmark Index	33.1%	-13.0%	-1.5%

Composition



Source: Lion Global Investors, 31 December 2024

* Returns are based on NAV-NAV basis in SGD and assuming all dividends are reinvested net of all charges payable upon reinvestment. Performance is calculated in SGD. The Lion-OCBC Securities China Leaders ETF was listed on 2 August 2021. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice. Past performance, as well as any prediction, projection, or forecast are not necessarily indicative of future or likely performance

¹ Based on the underlying Index Securities of the Hang Seng Stock Connect China 80 Index.

² Weightage of individual stocks within the index will be reviewed semi-annually and rebalanced quarterly by the index provider (Hang Seng Indexes Co Ltd). The weights of each Index Security and industry might fluctuate above 8% and 40% respectively due to market movements in between the rebalancing period

³ Source: Bloomberg, Lion Global Investors, Hang Seng Indexes Company, as of 31 December 2024

CHINA – Q4 2024 OVERVIEW

After a surprising policy pivot at the end of September that drove a spectacular market bounce, Chinese markets have been consolidating over the past three months. Announcements by policymakers hold promise for more forceful policy action, with timing and execution most likely seen only in 2025. There has been stronger language around policy support, with the monetary policy stance becoming "moderately loose" for the first time since 2010, and fiscal policy becoming "more proactive" with "extraordinary counter-cyclical adjustments." Details of the growth target for 2025 and how policy could be used to support this target are likely to be announced at the "Two Sessions" in March.

Markets will also be watching for actions by US President-elect Trump and how these could impact China and other trade partners. This is likely to create more volatility in global markets, in our view. We believe this could provide opportunities to add to holdings in China, as we maintain our view that the policy pivot is meaningful and has revived investor interest in the markets.

By providing exposure to 80 industry leaders across 12 sectors, the Lion-OCBC Securities China Leaders ETF is well-positioned to ride on China's long-term growth story.

Figure 1: Valuation and consensus earnings forecast

Market	12-month Forward P/E ratio			Earnings growth (%)	
	Current	10-year average	Premium	2023 Actual	2024F
US	22.4	18.3	22%	2.4	10.0
Singapore	11.7	12.5	-6%	14.2	8.4
China	10.3	11.5	-11%	11.6	16.7
Japan	13.9	13.9	0%	0.0	19.0

Source: Thomson Reuters, as of 20 December 2024. The respective benchmark indices are S&P 500 (US), Straits Times Index (Singapore), MSCI China Index (China), and TOPIX (Japan).

Note: F – Consensus Forecast, P/E – Price to Earnings

All data are sourced from Lion Global Investors and Bloomberg as of 31 December 2024 unless otherwise stated

By providing exposure to 80 industry leaders, the Lion-OCBC Securities China Leaders ETF is well-positioned to ride on China's long-term growth story.

HOW DOES THE BENCHMARK INDEX AND ETF COMPARE WITH OTHER CHINA-FOCUSED INDICES AND ETFs SINCE INCEPTION?

Despite the overall Chinese market volatility in Q4 2024, the Hang Seng Stock Connect China 80 Index (the Benchmark Index) had stable performance relative to other China-focused indices. Between 2 August 2021 (ETF's listing date) and 31 December 2024, the Index cumulatively outperformed⁴ other China-focused indices (Figure 2) such as the MSCI China Index and the Shanghai Shenzhen CSI 300 Index as of 31 December 2024.

Between 2 August 2021 and 31 December 2024, the Lion-OCBC Securities China Leaders ETF also cumulatively outperformed⁵ other China-focused ETFs listed in SGX (Figure 3), such as the Xtrackers MSCI China UCITS ETF and United SSE 50 China ETF. The cumulative outperformance (as of 31 December 2024) can be attributed to the Index's exclusion of American Depositary Receipts (ADRs).

Based on [SGX ETF market highlights Q4 2024](#), this ETF achieved best returns among China equities ETFs on SGX in 2024. The exclusion of ADRs is thus expected to reduce the Index's exposure to foreign regulatory risks, that can adversely affect US-listed Chinese firms. By providing diversified exposure to industry leaders listed only in HKSE, SSE and SZSE⁶, the Lion-OCBC Securities China Leaders ETF is less vulnerable to foreign regulatory risks and better cushioned against the broader market volatility.

Figure 2: Benchmark Index performance relative to other China-focused indices

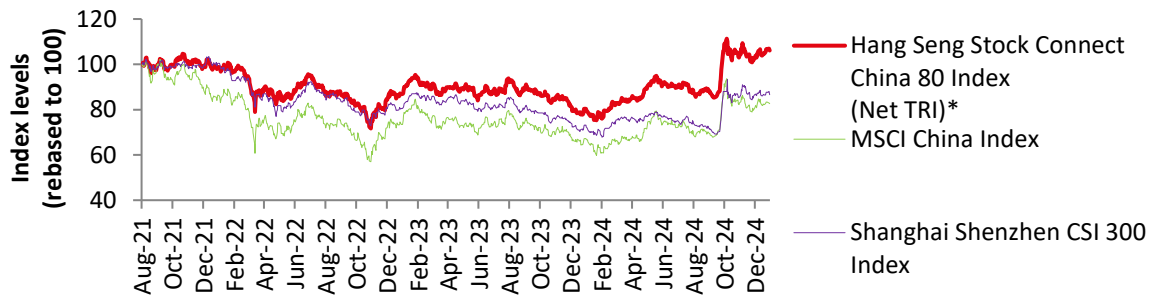
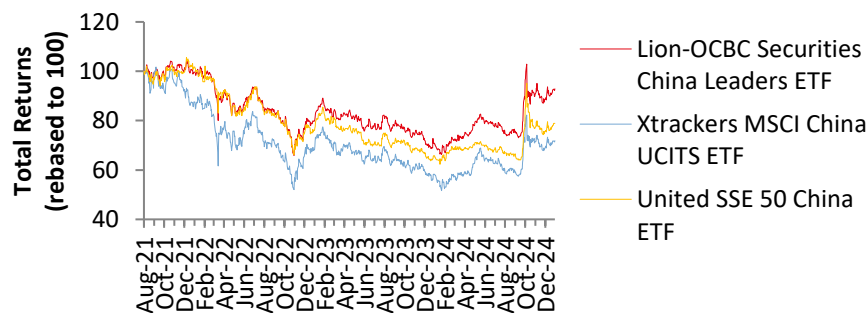


Figure 3: ETF performance* relative to other China-focused ETFs



Similarity	The mentioned ETFs provide broad-based exposure to the China equities market
Difference	The Lion-OCBC Securities China Leaders ETF excludes ADRs

From Bloomberg as of 31 December 2024	2024 YTD return	2023 return	Annualized % return since Fund's inception*
Lion-OCBC Securities China Leaders ETF	31.0%	-12.8%	-2.1%
Xtrackers MSCI China UCITS ETF	23.2%	-16.4%	-9.2%
United SSE 50 China ETF	19.8%	-15.5%	-6.7%

Note: Each ETF currently adopts a direct replication strategy in tracking their respective indices. The Xtrackers MSCI China UCITS ETF tracks the MSCI China Index while the United SSE 50 China ETF tracks the SSE 50 Index.

* Returns are based on NAV-NAV basis in SGD and assuming all dividends are reinvested net of all charges payable upon reinvestment. The Lion-OCBC Securities China Leaders ETF was listed on 2 August 2021

Past performance, as well as any prediction, projection, or forecast are not necessarily indicative of future or likely performance. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice.

^{4, 5} Source: Bloomberg, 31 December 2024

⁶ HKSE, SSE and SZSE refer to Hong Kong Stock Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange respectively.

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