

LION-OCBC SECURITIES
HANG SENG TECH ETF

The future of technology
Seize the opportunity.



Quarterly Newsletter

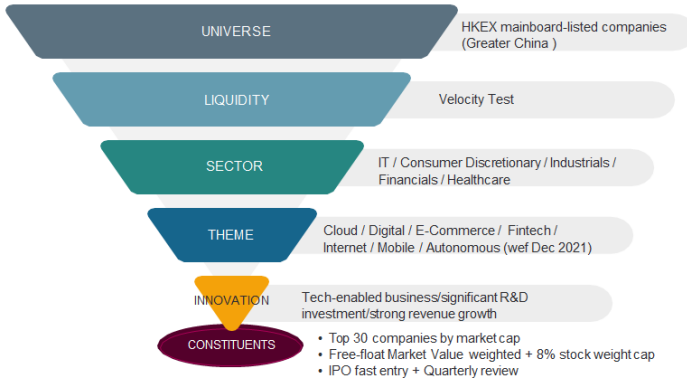
Q4 2021



INTRODUCTION

The Lion-OCBC Securities Hang Seng TECH ETF was launched in the Singapore stock market on 10 December 2020. Since listing, the ETF has crossed many milestones. The size of the ETF has grown rapidly to an AUM (assets under management) of S\$293 million as of 31 December 2021.

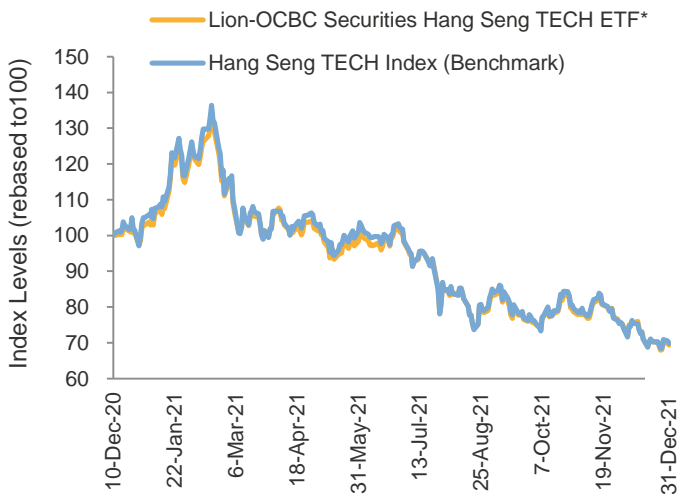
INDEX CONSTRUCTION METHODOLOGY²



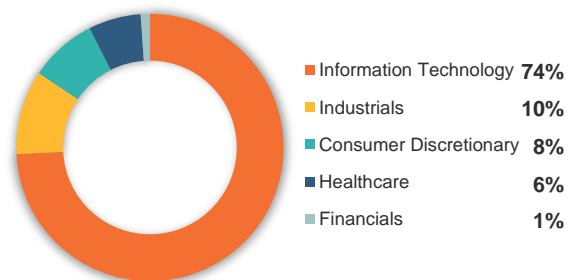
KEY FACTS

- 30 largest TECH-themed companies listed on HKEX¹
- Full replication of the Hang Seng TECH Index
- Each constituent capped at 8% weightage during rebalancing
- Rebalanced on a quarterly basis (Mar, Jun, Sep and Dec)
- Dual Trading Currencies: SGD and USD
- Total AUM: SGD 294 million as of 31 December 2021
- Management Fee: 0.45% p.a.
- Bloomberg ticker: HST SP (S\$ counter), HSS SP (US\$ counter)

LION-OCBC SECURITIES HANG SENG TECH ETF PERFORMANCE³



COMPOSITION



Source: Lion Global Investors, 31 December 2021

*Returns are based on NAV-NAV basis in HKD and assuming all dividends are reinvested net of all charges payable upon reinvestment. Performance is calculated in the base currency of the Fund. The Lion-OCBC Securities Hang Seng TECH ETF was listed on 10 December 2020

Past performance, as well as any prediction, projection, or forecast are not necessarily indicative of future or likely performance.

¹ Refers to the underlying Index Securities of the Hang Seng TECH Index

^{2,3} Source: Bloomberg, Lion Global Investors, Hang Seng Indexes Company, 31 December 2021

Q4 2021 REVIEW



Photo Credit: iStock

THE SHIFT TO STABILITY

2021 was a momentous year for China, with the Chinese Communist Party (CCP) also celebrating its 100th founding anniversary.

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Stability is the new theme identified by China's Politburo

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China started 2021 with a strong economic recovery, emerging from the COVID-19 pandemic ahead of the world. The economic rebound laid the context for executing its subsequent policy refinement, with a themed focus on common prosperity that placed heavy pressure on its technology sector.

Looking ahead, in China's December 2021 Politburo meeting⁴, policymakers revealed the 2022 priority to be “supporting growth”. The Politburo also unveiled the focus on financial stability, technological self-sufficiency and innovation. This is a remarkable shift from last year's meeting, which focused on strengthening anti-monopoly rules.

The December 2021 Politburo meeting⁵ also cited efforts to ensure the bottom-line of people's livelihoods, but without specific mention of common prosperity.

In 2021, we experienced China balancing between economic recovery and policy tightening. In 2022, we will see a new balancing act⁶ between economic slowdown and policy loosening.

Stability is the new theme identified by China's Politburo. By providing exposure to the 30 largest TECH-themed companies listed in Hong Kong, the Lion-OCBC Securities Hang Seng TECH ETF is well positioned to capitalize on this new theme.

^{4,5} Source: Verdict Media, December 2021

⁶ Source: Macquarie, December 2021

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