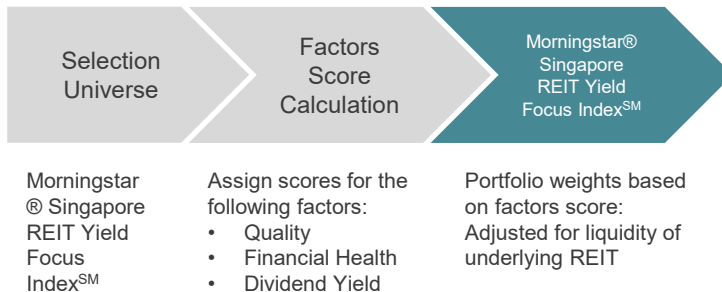


# Lion-Phillip S-REIT ETF

## Low cost, easy access to S-REITs<sup>1</sup>

Lion-Phillip S-REIT ETF is designed to provide investors with a low-cost access to 27<sup>2</sup> high-quality S-REITs that offers a sustainable income stream. It is passively managed to fully replicate the Morningstar® Singapore REIT Yield Focus Index<sup>SM</sup> (Index).

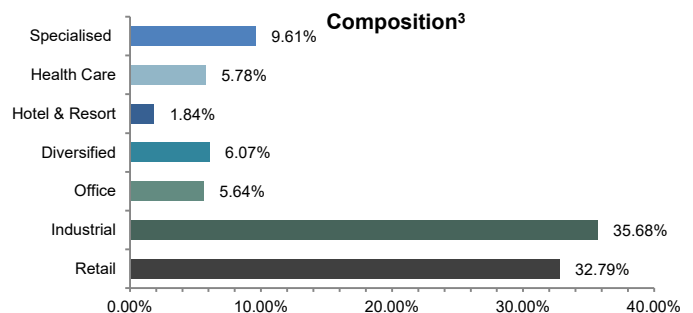
## Index Construction Methodology



The Index is designed to screen for high-yielding REITs with superior quality and financial health.

## KEY FACTS

1. Full replication of the Morningstar® Singapore REIT Yield Focus Index<sup>SM</sup> ("Index")
2. 27<sup>2</sup> high quality S-REITs
3. Latest distribution of S\$0.0240 per unit on ex-date 29 July 2021<sup>^</sup>
4. From Excel -> Gross current dividend yield of 4.36%<sup>4</sup>
5. Total AUM: S\$223.9 million
6. Management fee: 0.50% p.a.
7. SGX stock code: CLR
8. Bloomberg ticker: SREITS SP



Source: Bloomberg, Lion Global Investors, as at 30 September 2021. <sup>^</sup>Pay-date of 27 August 2021. Distribution is for the period from 1 January 2021 to 30 June 2021, and comprises of 89% distributable income<sup>5</sup> and 11% capital component. Past payout yields and payment do not represent future payout yields and payments. Distribution payments shall, at the sole discretion of the Manager, be paid out of either (a) income; or (b) net capital gains; or (c) capital of the fund or a combination of (a) and/or (b) and/or (c). The declaration and/or payment of distributions (whether out of income and/or capital) may have the effect of lowering the net asset value of the fund. For further detailed income statistics, please visit [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)

# Singapore REITs Outlook

## Entering into the Endemic Era

The Covid-19 situation in Singapore continues to be on top of the minds of Singapore REIT investors. As Singapore started to reopen its economy following the National Day holidays, cases have been rising exponentially. 18 September 2021 saw the number of cases hit above the 1,000 mark, the first time since April 2020. However, unlike last year, Singapore is much better prepared for it this time around. As of 19 September 2021, more than 82% of the population has been fully vaccinated. In fact, the government has started its national vaccine booster program for seniors in order to better protect the most vulnerable.

The constant push for higher vaccination rates is part of the government's efforts to make Singapore Covid-19 resilient as we enter into the endemic era. Despite the higher community cases in recent weeks, retail malls and work spaces remain open. The government is also committed to further reopen its borders, following the initial success of the Vaccinated Travel Lane (VTL) scheme that allowed vaccinated travelers from Germany and Brunei to enter Singapore without a need for quarantine.

Indeed, Singapore REIT investors have been sanguine on the Covid-19 situation in Singapore, with the FTSE Straits Times REIT Index trading relatively flat quarter to date. With many investors believing that the worst of Covid-19 is behind, they are focusing on the sector's operating fundamentals.

## Expect more activity in the capital markets

With operating metrics gradually returning to normal, Singapore REITs are looking to more acquisition opportunities in order to grow earnings. In early Sep 2021, Ascott REIT raised S\$150 million (m) in a private placement as it looks to fund its acquisition of a student housing asset in the US. We expect more Singapore REITs to take advantage of the low capital cost environment to raise funds and make more accretive acquisitions.

Separately, investors can also look forward to more Singapore REIT Listings in the horizon. In June 2021, City Developments has applied for an IPO of a Singapore REIT, comprising of commercial assets in the UK. According to Bloomberg, the REIT could potentially raise more than S\$900m<sup>6</sup>. Investors can also look forward to more listings of Singapore REITs by overseas property companies<sup>7</sup>; a testament that Singapore remains the most popular destination to REIT listings in Asia.

## Small-mid cap Singapore REITs in the spotlight

On 2 September 2021<sup>8</sup>, it was announced that 11 small and mid cap Singapore REITs will be included in the FTSE EPRA NAREIT Global Real Estate Index. These 11 Singapore REITs join 17 other bigger names in one of the most popular indexes used by institutional real estate investors to monitor and manage their investment portfolios. We believe that this will help to improve their trading liquidity, thereby granting them better access to the capital markets.



# Notes

<sup>1</sup>S-REITs are securities constituting the Morningstar® Singapore REIT Yield Focus Index<sup>SM</sup>.

<sup>2</sup>As at 30 September 2021. The number of S-REITs which constitutes the Index may be changed by Morningstar Research Pte Ltd from time to time.

<sup>3</sup>Composition chart does not add up to 100%. Cash and cash equivalents as at 30 September 2021 was approximately 2.59%.

<sup>4</sup>Based on the weighted average 12-month trailing dividend yield of the underlying S-REITs as at 30 September 2021. Past payout yields and payments of the underlying S-REITs do not represent future payout yields and payments.

<sup>5</sup>Distributable income refers to the interest and dividend income, taking into consideration the net realised gains, a collective investment scheme receives from its portfolio holdings and are payable to its investors.

<sup>6</sup><https://www.straitstimes.com/business/companies-markets/cdl-said-to-have-filed-for-940-million-reit-ipo-on-sgx>

<sup>7</sup><https://www.ifre.com/story/3017108/seazens-sgx-reit-plans-to-raise-us300m-from-ipo-p8jjtp5z9v>

<sup>8</sup><https://www.straitstimes.com/business/companies-markets/11-smaller-singapore-reits-enter-ftse-epra-nareit-global-real-estate>

For more information on the Lion-Phillip S-REIT ETF, please visit:  
<http://www.lionglobalinvestors.com/en/disclaimer-etf.html> or email us at [contactus@lionglobalinvestors.com](mailto:contactus@lionglobalinvestors.com).

# Disclaimer

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 or particular needs. You should read the prospectus and Product Highlights Sheet for the Lion-Phillip S-REIT ETF (“ETF”), which is available and may be obtained from Lion Global Investors Limited or any of the appointed Participating Dealers (“PDs”), before deciding whether to purchase units in the ETF. Investments are subject to investment risks including the possible loss of the principal amount invested.

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 prediction, projection, or forecast are not indicative of the future performance, payout yields and payments of the ETF. You should independently assess 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 without notice and are not to be relied on as advice. The ETF may invest in financial derivative instruments for hedging or for efficient portfolio management.

The units of the ETF are listed and traded on the Singapore Stock Exchange (“SGX”), 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 managers of the ETF, but you may, subject to specific conditions, do so on the SGX or through the PDs.

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’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.

Morningstar® Singapore REIT Yield Focus Index<sup>SM</sup> is a service mark of Morningstar Research Pte. Ltd. and its affiliated companies (collectively, “Morningstar”) and have been licensed for use for certain purposes to Lion Global Investors Limited. The ETF is not sponsored, endorsed, sold or promoted by Morningstar, and Morningstar makes no representation regarding the advisability of investing in the ETF.

This publication is issued in Singapore by Lion Global Investors Limited (Singapore UEN/Registration No. 198601745D) and in Brunei, by its branch (Brunei company registration No.RFC/00000772). Lion Global Investors Limited is a Singapore incorporated company and is not related to any asset or fund management entity that is domiciled in Europe or the United States. Lion Global Investors® is a registered trademark of Lion Global Investors Limited.

The references to any particular company is intended for illustration purposes only and is not indicative of our intention to invest in such company or a recommendation to invest in the securities of such company.