

LionGlobal Japan Fund

The Fund aims for medium to long-term capital appreciation by investing in Japanese equities and equity-related instruments.

Fund Manager's Commentary

The TOPIX Total Return Index fell 2.4% in local currency terms for the month of April 2022.

The Japanese market fell from early April 2022 in tandem with global markets as the US Federal Open Market Committee meeting minutes indicated a rapid monetary tightening and interest rate hikes. US bond yields moved higher through the month, driving the Japanese Yen to depreciate further against the US Dollar and eventually breached the USD/Y130 level when the Bank Of Japan decided to maintain its monetary policy. However, the weaker Yen provided little support for Japanese equities. The prolonged Covid-19 lockdown in Shanghai also sparked concerns of further supply chain disruptions and weaker economic growth in China.

Our stock picks in the healthcare, real estate and IT service sectors did well.

Our stock picks in the technology and shipping sectors underperformed.

With no end in sight for the war in Ukraine and major Chinese cities forced to impose lockdowns intermittently to curb the spread of Covid-19, the pressures of high energy and commodity prices as well as supply chain disruptions look set to continue in the short term. Monetary policy in US will also continue to tighten. In Japan, the significantly weaker Yen will provide a tailwind for exporters but will be a drag on domestic purchasing power. The Japanese government has implemented support measures to help households deal with higher prices of basic necessities but will need to implement more stimulus measures to boost domestic consumption. While the investment backdrop remains difficult, the market has factored in much of the uncertainty and Japanese corporates have generally maintained a progressive outlook to forward-looking investments and shareholder returns.

We prefer globally-competitive companies that can ride on structural growth trends and companies that can grow through value-added products and services. We like structural growth themes like factory automation and digitalization as a "new normal" for people at work and social interaction has emerged post the pandemic, besides the structural trends of wage inflation and productivity needs. The trend towards sustainability has also taken on greater prominence, with increasing awareness towards the need to sustain the earth's resources and living environment, and leading to tighter regulations on carbon emissions. We believe companies that can embrace this trend and deliver solutions will have a strong future, for example, in the electric car domain.

Fund Facts

| | |
|----------------------|---|
| Fund Inception Date: | SGD Class: 18 June 1999 |
| | USD Class: 16 Aug 2004 |
| Subscription Mode: | Cash, SRS ² |
| Minimum Investment: | S\$ / US\$ 1,000 |
| Initial Charge: | Currently 5% Maximum 5% |
| Management Fee: | Currently 1.25% p.a. Maximum 2.0% p.a. |
| Valuation Dealing: | Every dealing day |
| NAV Price: | S\$1.336/US\$0.962 |
| Fund Size: | S\$6.1 million |

Codes

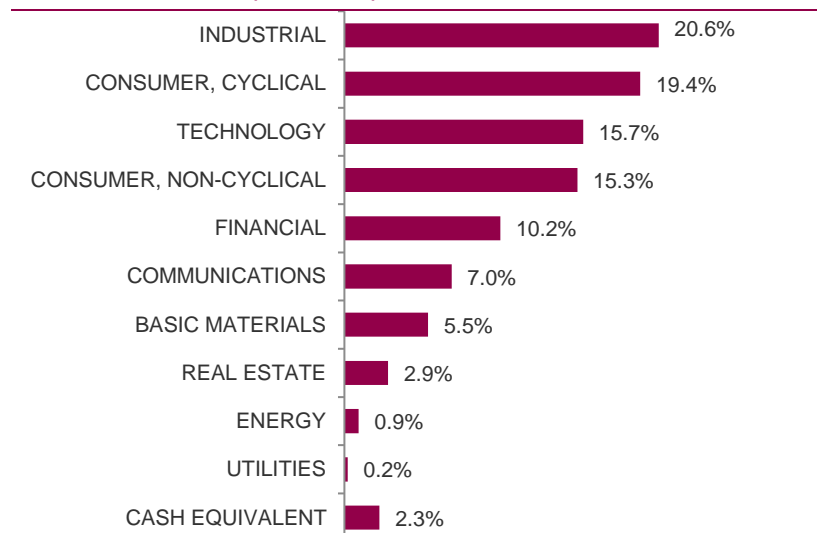
| | |
|------------|-------------------------|
| SGD Class: | SG9999002315 OCBSJPI |
| USD Class: | SG9999002323 OCBJPUS |

Performance (%)

| | | 1-year | 3-years p.a. | 5-years p.a. | 10-years p.a. | Since Inception p.a. |
|------------------------|------------------------|--------|--------------|--------------|---------------|----------------------|
| SGD Class ¹ | NAV | -11.9 | 4.0 | 3.9 | 7.0 | 1.5 |
| | NAV [^] | -16.3 | 2.2 | 2.9 | 6.5 | 1.3 |
| | Benchmark [#] | -10.6 | 2.8 | 3.0 | 6.7 | 0.8 |
| USD Class ¹ | NAV | -15.5 | 3.3 | 4.1 | 5.8 | 3.8 |
| | NAV [^] | -19.8 | 1.5 | 3.0 | 5.3 | 3.5 |
| | Benchmark [#] | -13.9 | 2.3 | 3.3 | 5.6 | 3.3 |

Past performance is not necessarily indicative of future performance
Source: Lion Global Investors Ltd / Morningstar

Sector Allocation (% of NAV)



Top 10 Holdings³ (% of NAV)

| | |
|-------------------------------------|-----|
| TOYOTA MOTOR CORP | 4.4 |
| SONY GROUP CORP | 3.5 |
| MITSUBISHI UFJ FINANCIAL GROUP | 2.4 |
| DAIICHI SANKYO CO LTD | 1.9 |
| TOKYO ELECTRON LTD | 1.9 |
| KEYENCE CORP | 1.8 |
| ORIX CORP | 1.8 |
| SUMITOMO MITSUI FINANCIAL GROUP INC | 1.7 |
| SEVEN & I HOLDINGS LTD | 1.7 |
| HITACHI LTD | 1.6 |

[#] Benchmark.

From 1 July 2002: TOPIX.

From 1 March 2014: TOPIX Total Return Index (in respective fund's currency)

[^] NAV: Figures include Initial Charge.

¹ Returns based on single pricing. Dividends are reinvested net of all charges payable upon reinvestment and in respective share class currency terms. Return periods longer than 1 year are annualised.

² Supplementary Retirement Scheme ("SRS") monies may be used to purchase SGD Class Units only.

³ 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.

The above is based on information available as of 30 April 2022, unless otherwise stated.

For further information or to
obtain a copy of the prospectus:

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