

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus<sup>1</sup>.
- It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or if you are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

### LION-PHILLIP S-REIT ETF (the “Fund”)

<b>SGX counter name (SGX stock code)</b>	LION-PHILLIP S-REIT (CLR)	<b>SGX-ST Listing Date</b>	30 October 2017
<b>Product Type</b>	Exchange-Traded Fund The Units are Excluded Investment Products.	<b>Designated Market Makers</b>	Commerzbank AG, Flow Traders Asia Pte. Ltd. and Phillip Securities Pte Ltd
<b>Manager</b>	Lion Global Investors Limited	<b>Underlying Reference Asset</b>	Morningstar® Singapore REIT Yield Focus Index <sup>SM</sup> (the “Index”)
<b>Expense Ratio</b>	Not Available	<b>Traded Currency</b>	Singapore dollars (S\$)

#### PRODUCT SUITABILITY

##### WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- want capital growth and regular income in the form of dividends;
- seek an ‘index-based’ approach to investing in a diversified basket of Singapore REITs listed on the SGX-ST in a cost effective and easy to access manner; and
- believe that the Index will increase in value.

Please note your investment in the Fund is at risk and you may not get back the principal sum invested.

**Further Information**  
Refer to the “Key Information” section on page [] of the Prospectus for further information on product suitability.

#### KEY PRODUCT FEATURES

##### WHAT ARE YOU INVESTING IN?

You are investing in an Exchange Traded Fund constituted as a unit trust in Singapore that seeks to replicate as closely as possible, before expenses, the performance of the Index using a direct investment policy of investing in all, or substantially all, of the underlying Index Securities. The Index is compiled and calculated by Morningstar Research Pte. Ltd. (the “**Index Provider**”) and is designed to screen for high-yielding REITs with superior quality and financial health.

The Fund tracks the Index performance using a broad-based quality income strategy with the following proprietary factors: (a) quality, (b) financial health and (c) dividend yield. Index Security weighting is capped at 10% and liquidity based adjustments are made to the weights. We currently intend to declare semi-annual distributions, less the expenses of the Fund, to Unitholders in February and August of each year. We will decide whether a distribution is to be made based on various factors, including dividend and/or interest income and/or capital gains derived from the investments of the Fund. In addition to distributions to Unitholders out of distributable income and/or capital gains, we may make distributions to Unitholders out of the capital of the Deposited Property in accordance with the provisions of the Trust Deed. Distributions (whether out of income and/or capital) may have the effect of lowering the Net Asset Value of the Fund and this

Refer to the “Lion-Phillip S-REIT ETF” section and Appendices I and II on pages [], [] and [] for further information on the features of the product.

<sup>1</sup> The Prospectus is available for collection at Lion Global Investors Limited, 65 Chulia Street, #18-01 OCBC Centre, Singapore 049513 from Monday to Friday (9am to 6pm) or website: [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com).

<p>will be reflected in the redemption value of the Units. Moreover, distributions out of capital may amount to a reduction of a Unitholder's original investment. Unitholders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Unitholders. Distributions are not guaranteed and are subject at all times to our discretion.</p> <p>The Fund is classified as an Excluded Investment Product (as defined under Annex 1 of the MAS Notice on the Sale of Investment Products, as may be amended from time to time).</p>	
<p align="center"><b>Investment Strategy</b></p>	
<p>We will employ a “passive management” or indexing investment approach designed to track the performance of the Index. We will seek to achieve the Fund’s investment objective by investing all or substantially all of the Fund’s assets in Index Securities in substantially the same weightings as reflected in the Index.</p> <p>In managing the Fund, we currently adopt a direct Replication Strategy but may also adopt a Representative Sampling Strategy.</p> <p><u>Replication Strategy</u> Using a Replication Strategy, the Fund will invest in substantially all the Index Securities in substantially the same weightings (i.e. proportions) as the Index.</p> <p><u>Representative Sampling Strategy</u> Using a Representative Sampling Strategy, the Fund will hold a representative sample of a portfolio of Securities selected by us using quantitative analytical models in a technique known as “portfolio sampling”. Where a representative sampling strategy is employed, Securities that are not constituents of the Index may be held by the Fund. Such Securities will be expected to have a high level of correlation or a similar valuation or market capitalisation as the relevant Index Securities.</p> <p>We will seek to construct the portfolio of the Fund so that, in the aggregate, its capitalisation, industry and fundamental investment characteristics perform like those of the Index.</p> <p><u>Index Rebalancing</u> You should be aware that the constituent Index Securities and their respective weightings within the Index will be reviewed and rebalanced semi-annually after the close of business on the Rebalancing Reference Dates.</p>	<p>Refer to the “Investment Policy of the Fund” section on pages [] to [] of the Prospectus for further information on the investment policy of the Fund.</p>
<p align="center"><b>Parties Involved</b></p>	
<p><b>WHO ARE YOU INVESTING WITH?</b></p> <ul style="list-style-type: none"> <li>• The Manager is Lion Global Investors Limited.</li> <li>• The Sub-Manager is Phillip Capital Management (S) Ltd.</li> <li>• The Trustee is HSBC Institutional Trust Services (Singapore) Limited.</li> <li>• The Custodian is The Hongkong and Shanghai Banking Corporation Limited.</li> <li>• The Fund Administration Agent is HSBC Institutional Trust Services (Singapore) Limited.</li> <li>• The Registrar is HSBC Institutional Trust Services (Singapore) Limited.</li> </ul> <p>During the initial offer period, you may only purchase Units through the Participating Dealers in Application Unit size of 50,000 Units or such higher number of Units in multiples of 1,000 Units.</p> <p>After the initial offer period, you may purchase or sell Units either through Participating Dealers or through the SGX-ST. All purchases or sales of Units through the Participating Dealers are subject to such terms and conditions as may be imposed by the relevant Participating Dealer.</p>	<p>Refer to the “Key Information” and “Management and Administration” sections on pages [] and [] to [] of the Prospectus for further information on the role and responsibilities of these entities.</p>
<p align="center"><b>KEY RISKS</b></p>	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b> <b>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment:</b></p>	<p>Refer to the “Risk Factors” section on pages [] to [] of the Prospectus for further information on risks of the product.</p>

<b>Market and Credit Risks</b>	
<ul style="list-style-type: none"> <li>• <b>You are exposed to Market Risk.</b> <ul style="list-style-type: none"> <li>○ The price of Units and the income from them may go down as well as up. Investment in the Fund involves risks similar to those inherent in investing in REITs traded on an exchange, such as market fluctuations caused by factors like economic and political developments, changes in interest rates and foreign exchange. A significant decline in the value of the Index can therefore be expected to result in a similar decline in the Net Asset Value of the Units.</li> </ul> </li> <li>• <b>You are exposed to Foreign Exchange Risk.</b> <ul style="list-style-type: none"> <li>○ As the Singapore REITs invested into may be denominated in currencies other than Singapore dollars, any fluctuation in the exchange rate of such currencies against the base currency of the Fund (i.e. Singapore dollars) may have an impact on the income of the Fund and affect the value of the Units. If we intend to hedge such foreign currency exposure, we will adopt a passive hedging strategy (i.e. hedging of foreign currency exposure will mirror the Index).</li> </ul> </li> </ul>	
<b>Liquidity Risks</b>	
<ul style="list-style-type: none"> <li>• <b>The secondary market may be illiquid.</b> <ul style="list-style-type: none"> <li>○ You can sell your Units on the SGX-ST. However, you may not be able to find a buyer on the SGX-ST when you wish to sell your Units. While the Fund intends to appoint at least one market maker to assist in creating liquidity for investors, liquidity is not guaranteed and trading of Units on the SGX-ST may be suspended in certain situations.</li> <li>○ If the Units are delisted from the SGX-ST or if the CDP is no longer able to act as the depository for the Units listed on the SGX-ST, the Fund may be terminated and Units will be redeemed in accordance with the termination provisions in the Trust Deed.</li> </ul> </li> <li>• <b>Redemption through Participating Dealers.</b> <ul style="list-style-type: none"> <li>○ You can only redeem Units through Participating Dealers if you are a client of the relevant Participating Dealer, subject to such terms and conditions as may be imposed. A redemption application shall only be made or accepted in respect of Units constituting an Application Unit size of 50,000 Units or such higher number of Units in multiples of 1,000 Units. If you do not hold an Application Unit size, you may only realise the value of your Units by selling your Units on the SGX-ST.</li> </ul> </li> </ul>	
<b>Product Specific Risks</b>	
<ul style="list-style-type: none"> <li>• <b>You are exposed to risks of investing in REITs.</b> <ul style="list-style-type: none"> <li>○ Investments in REITs are subject to risks similar to investing directly in real estate. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, etc.</li> <li>○ REITs may also be subject to financial covenants and/or borrowing/gearing ratios and their ability to comply with such ratios could be adversely affected if the REITs are unable to obtain funds from investors or loans or re-finance existing debt.</li> <li>○ Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties.</li> </ul> </li> <li>• <b>You are exposed to Concentration Risk.</b> <ul style="list-style-type: none"> <li>○ The Index Securities comprise of Singapore REITs listed on SGX-ST and may be less diversified compared to a fund investing in REITs globally. To the extent that a property sector or a geographical region in which the Index Securities are concentrated in falls out of favour, the Fund's performance may be negatively affected.</li> </ul> </li> <li>• <b>You are exposed to Tracking Error Risk.</b> <ul style="list-style-type: none"> <li>○ Factors such as the fees and expenses of the Fund, imperfect correlation between the Fund's assets and the Index Securities constituting the Index, rounding of REIT prices, changes to the Index and regulatory policies may affect our ability to achieve close correlation with the performance of the Index. The Fund's returns may therefore deviate from the Index and there is no assurance that the Fund will be able to fully track the performance of the Index.</li> </ul> </li> </ul>	

<ul style="list-style-type: none"><li>• <b>The Fund is not actively managed.</b><ul style="list-style-type: none"><li>○ The Fund invests in the Index Securities included in the Index and is not actively managed. We do not attempt to select REITs or stocks individually in order to outperform the market or to take defensive positions in declining markets.</li></ul></li></ul>		
<b>FEES AND CHARGES</b>		
<b>WHAT ARE THE FEES AND CHARGES FOR THIS INVESTMENT?</b>		Refer to the "Fees, Charges and Expenses" section on pages [] to [] of the Prospectus for further information on fees and charges.
<u><i>Fees and Charges Payable by Participating Dealers</i></u>		
Creation of Units:		
Transaction Fee	S\$450 per Application (in cash) S\$2,500 per Application (in-kind)	
Application Cancellation Fee <sup>^</sup>	S\$2,500 per Application	
Extension Fee <sup>^</sup>	S\$2,500 per Application	
Redemption of Units:		
Transaction Fee	S\$450 per Application (in cash) S\$2,500 per Application (in-kind)	
Application Cancellation Fee <sup>^</sup>	S\$2,500 per Application	
Extension Fee <sup>^</sup>	S\$2,500 per Application	
The above fees and charges paid by the Participating Dealers may be borne by investors in full or in part, depending on the relevant Participating Dealer. <sup>^</sup> These fees only apply if the creation or redemption application is cancelled or settlement is extended (as the case may be).		
<u><i>Fees and Charges Payable by Investors Dealing in Units on the SGX-ST</i></u>		
Subscription/ Redemption fee	Nil	
Brokerage	Market rates. You will have to bear brokerage fees charged by your stockbrokers.	
Clearing fee and SGX access fee	Currently the clearing fee and SGX access fee for trading Units on the SGX-ST is at the rate of 0.0325% and 0.0075% of the transaction value <sup>#</sup> and subject to the prevailing goods and services tax.	
<sup>#</sup> Subject to change at SGX-ST's discretion.		
<u><i>Fees and Charges Payable by the Fund</i></u>		
Manager's fee <sup>^</sup>	Currently 0.50% p.a of the Net Asset Value of the Fund. Maximum 0.50% p.a of the Net Asset Value of the Fund.	
Trustee's fee	Up to 0.04% per annum of the Net Asset Value of the Fund, subject to a yearly minimum of S\$15,000.	
Custodian fee	The Custodian Fee payable is subject to agreement between the Manager and the Custodian and may exceed 0.10% of the Net Asset Value of the Fund depending on, amongst others, the size of the Fund and the number of transactions carried out.	
Other fees and charges	Other fees and charges include fund administration and valuation fees, legal fees, audit fees, transaction fees, accounting fees, licensing fees, transaction processing and cash processing fees. Such fees and charges are subject to agreement with the relevant parties and may amount to or exceed 0.10% of the Net Asset Value of the Fund, depending on the proportion each fee or charge bears to the Net Asset Value of the Fund.	
<sup>^</sup> The Sub-Manager's fee will be borne by us out of the Manager's fee.		
<b>CONTACT INFORMATION</b>		
<b>HOW DO YOU CONTACT US?</b>		
If you have questions concerning your investment in the Fund, you may call us at telephone number (65) 6417 6900. Website: <a href="http://www.lionglobalinvestors.com">www.lionglobalinvestors.com</a> Email: <a href="mailto:contactus@lionglobalinvestors.com">contactus@lionglobalinvestors.com</a>		

**APPENDIX: GLOSSARY OF TERMS**

"Application Unit"	means 50,000 Units or such higher number of Units in multiples of 1,000 Units or such other number of Units from time to time determined by us (with prior written notice to the Trustee and the Participating Dealers).
"Authority"	means the Monetary Authority of Singapore or its successors.
"Business Day"	means a day (other than a Saturday or a Sunday or a gazetted public holiday) on which the Index is compiled and published, and on which banks in Singapore are open for general business (or such other day or days as may from time to time be determined by us and the Trustee). The Index will be calculated daily on each Business Day except on days when all exchanges, where the Index's constituents are listed, are officially closed or if the exchange rates are not published.
"CDP"	means The Central Depository (Pte) Limited or any successor thereof established by the SGX-ST as a depository company which operates a central depository system for the holding and transfer of book-entry securities.
"Code"	means the Code on Collective Investment Schemes issued by the Authority (as may be amended from time to time).
"Deposited Property"	means all the assets (including cash, if any) for the time being held or deemed to be held upon the trusts of the Trust Deed for the account of the Fund excluding any amount for the time being standing to the credit of the Distribution Account (as defined in the Trust Deed).
"Index Securities"	means units or interests in the REITs listed on the SGX-ST that are included in the Index from time to time.
"Participating Dealer"	means Commerzbank AG, Flow Traders Asia Pte. Ltd., Phillip Securities Pte Ltd, and UOB Kay Hian Pte Ltd or any broker or dealer which has entered into a Participation Agreement in form and substance acceptable to us and the Trustee.
"Permissible Investment"	means such investment as may be permitted to be made by the Fund under the Code and (for so long as Units of the Fund are Excluded Investment Products) Annex 1 of the Notice on the Sale of Investment Products issued, or as may be permitted to invest in, by the Authority.
"Rebalancing Reference Dates"	means the third Friday of June and December of each year. The rebalanced Index will be effective the following Monday. If the following Monday is a public holiday, the results will be implemented on the next Business Day. The Index Provider may determine such other dates for rebalancing and implementation (with prior notice to us).
"REITs"	means real estate investment trusts.
"Security"	<p>means any unit or interest in a collective investment scheme or REIT, share, stock, debenture, loan stock, bond, security, commercial paper, acceptance, depository receipt, trade bill, treasury bill, instrument or note of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):-</p> <ul style="list-style-type: none"> <li>(A) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any unit trust;</li> <li>(B) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing;</li> <li>(C) any instrument commonly known or recognised as a security;</li> <li>(D) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and</li> </ul>

	(E) any bill of exchange and any promissory note, provided that each of such Securities falling within paragraphs (A) to (E) of this definition shall be a Permissible Investment under the Code.
"SGX-ST"	means the Singapore Exchange Securities Trading Limited or its successors.
"Unit"	means one undivided share in the Fund.
"Unitholder"	means a holder of Units.