

22 June 2022

Dear Unitholder,

LIONGLOBAL TEAM – LIONGLOBAL SINGAPORE FIXED INCOME INVESTMENT (THE “FUND”)

We are writing to you in our capacity as managers of the Fund in which you have invested to inform you of the following changes to the Fund which will take effect from 22 July 2022 (or such other date as we may subsequently advise) (the “**Effective Date**”).

(A) INTRODUCTION OF SWING PRICING POLICY

With effect from the Effective Date, we will be introducing swing pricing policy.

Dilution

The Fund is single priced and the value of the Fund may fall as a result of, amongst others, the transaction costs (such as broker commissions, custody transaction costs, stamp duties or sales taxes) incurred in the purchase and/or sale of its underlying investments caused by subscriptions, realisations or switching of units in the Fund and the spread between the buying and selling prices of such underlying investments. This effect is known as “dilution”.

Swing Pricing

With effect from the Effective Date, to protect the interest of existing investors, we, in consultation with the Trustee, may apply a technique known as “dilution adjustment” or “swing pricing” (“**Swing Pricing**”) in certain circumstances that we deem appropriate. Swing Pricing involves making upward or downward adjustments in the calculation of the net asset value (“**NAV**”) per unit of the Fund or Class of unit (“**Class**”) on a particular dealing day so that such transaction costs and dealing spreads in respect of the underlying investments are, as far as practicable, passed on to the relevant investors who are subscribing, realising, switching and/or exchanging units on that dealing day.

Generally, the NAV is adjusted if the net subscription or realisation (including switching) on a dealing day reaches or exceeds a certain percentage (the “**Swing Threshold**”) of the size of the Fund on such dealing day. The NAV will swing upwards for a net subscription and downwards for a net realisation. In relation to the application of Swing Pricing to Classes in the Fund, the NAV of each Class will be calculated separately but any adjustment will, in percentage terms, affect the NAV of each Class in an equal manner.

The need to apply Swing Pricing will depend upon various factors, including but not limited to: (i) the amount of subscriptions and/or realisations (including switching) of units on that dealing day, (ii) the impact of any transaction costs incurred in the purchase and/or sale of underlying investments of the Fund, (iii) the spread between the buying and selling prices of underlying investments of the Fund, and (iv) market conditions such as situations of financial turmoil provided that, any adjustments made shall be on a fair and equitable basis and with a view to protecting the interests of investors. You should note however that applying Swing Pricing when the Swing Threshold is reached or exceeded, only reduces the effect of dilution and does not eliminate it entirely. Where the net subscription or realisation is below the Swing Threshold, no Swing Pricing will be applied and dilution will not be reduced.

The Swing Pricing policy for the Fund (including the Swing Threshold) will be subject to regular review and may change from time to time. Accordingly, you should note that our decision to apply Swing Pricing and the level of adjustment made to the NAV per unit of the Fund in particular circumstances may not result in the same decision in similar circumstances arising in the future.

The Swing Threshold will be set with the objective of protecting the interest of investors while minimising impact to the variability of the Fund's return by ensuring that the Net Asset Value per Unit is not adjusted where the dilution impact on the Fund is, in our opinion, not significant, and may be varied by us.

Performance and Fees Calculation

You should also note that:

- (a) the Fund's performance will be calculated based on the NAV of the Fund after the Swing Pricing adjustment has been applied and therefore, the returns of the Fund may be influenced by the level of subscription and/or realisation activity;
- (b) Swing Pricing could increase the variability of the returns of the Fund since the returns are calculated based on the adjusted NAV per unit; and
- (c) the fees and charges applicable to the Fund (including fees based on the NAV of the Fund) will be based on the NAV of the Fund before the Swing Pricing adjustment is applied.

Maximum Adjustment

The amount of adjustment at any time may vary depending on, amongst other factors, market conditions, but will under normal circumstances not exceed 2% of the NAV per unit on the relevant dealing day (the "**Maximum Adjustment**"). We reserve the right to apply an adjustment of an amount not exceeding the Maximum Adjustment on the relevant dealing day where we deem appropriate and have the discretion to vary the amount of adjustment up to the Maximum Adjustment, in consultation with the Trustee, from time to time.

Subject to the trust deed and applicable laws and regulations, we may, in exceptional circumstances (including but not limited to volatile market conditions, market turmoil and illiquidity in the market, extraordinary market circumstances or significant unexpected changes in general market conditions) and in consultation with the Trustee, temporarily apply an adjustment beyond the Maximum Adjustment on the relevant dealing day if, in our opinion, it is in the best interest of investors to do so. In such cases, if so required by the Monetary Authority of Singapore and/or the Trustee, we shall give notice to investors as soon as practicable in such manner as we and the Trustee may agree.

This notice is for your information only and no action is required to be taken by you.

The prospectus and the trust deed (as amended) of the Fund will be updated in due course to reflect the changes set out above. A copy of the updated prospectus will be made available on or around 22 July 2022. Investors may obtain a copy of the updated prospectus from our website at www.lionglobalinvestors.com.

Please contact us at (65) 6417 6900 or e-mail us at contactus@lionglobalinvestors.com or contact our appointed distributors if you have any queries in respect of your investment in the Fund.

We thank you for your continued support.

Yours faithfully



Kwok Keng Han
Chief Marketing Officer
For and on behalf of
Lion Global Investors Limited