

Lapis Global Sports 25 Dividend Yield Index



Sport is about physical performance, emotions and big business

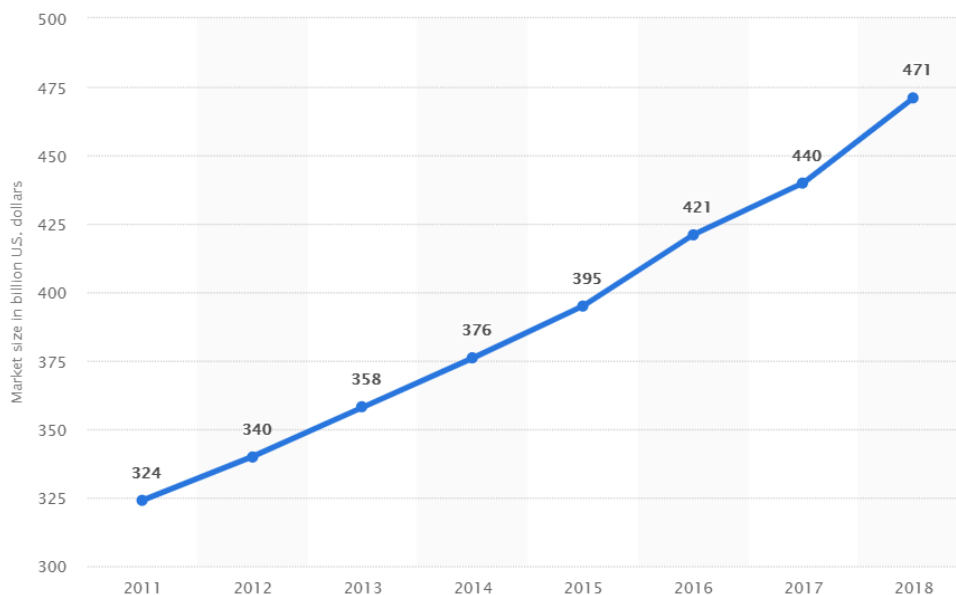
Introduction

To glean the size of the world of sport, more than 3.2 billion people watched the FIFA World Cup in 2018. This means that approximately half of the world's population followed this biggest sporting event. Other major sporting events such as the Summer and Winter Olympics, the USA Super Bowl, the UEFA Champions League and the Wimbledon Tennis Tournament are not far behind in terms of size. Countless fans and sports enthusiasts follow their favoured athletes and teams at matches, competitions and tournaments thus contributing to the billions in revenues generated in the global sports industry.

Sport plays an important role in the lives of many people around the world even if they do not actively participate in sport themselves.

Market Overview

According to the online statistics portal, Statista, the global sports market in **2018** was valued at **USD 471 billion**. In comparison, the value in **2011** was **USD 324 billion**. The following chart encapsulates the impressive growth rates of the global sports market over the past years:



In terms of geographical sports distribution, the **United States** remains the leader with a share of around **33%**. **China** is in second place with a share of almost **13%**, followed by **Japan (4.5%)**, Germany (4%) and France (3%). In total, **these 5 countries account for** approximately **58%** of the **global sports market**. According to the PwC Sport Survey 2019, a **growth rate of about 6.5%** is expected over the **next five years**. However, these growth expectations do not reflect the negative effects of the Covid-19 crisis. The future growth of the sports industry will be driven by inter alia economic growth, the increase in devices with Internet access, the emergence of new sports channels and the **growing popularity of e-sports**. In 2017, the International Olympic Committee (IOC) declared e-sports to be considered as a sporting activity. It is expected that e-sports will play an increasingly important role in the global sports market.

To understand what is considered the most popular sports, it is first necessary to define what is meant by popularity. Is it about the «most-watched sports», the «most played sports» or the «most revenue-generating sports»? Based on 15 sound criteria, the world's most popular sports were identified in a study in June 2020 and published on the website www.sportsshow.net. The following table shows the ten most popular sports and the corresponding regional popularity based on the mentioned study:

Rank	Sport	Estimated Fans	Regional Popularity
1.	Soccer / Football	3.5 Billion	Europe, Africa, Asia, America
2.	Cricket	2.5 Billion	Asia, Australia, UK
3.	Basketball	2.2 Billion	USA, Canada, China, and the Philippines
4.	Field Hockey	2 Billion	Europe, Africa, Asia, Australia
5.	Tennis	1 Billion	Europe, Americas, Asia
6.	Volleyball	900 Million	Asia, Europe, Americas, Australia
7.	Table Tennis	850 Million	Asia, Europe, Africa, Americas
8.	Baseball	500 Million	USA, Japan, Cuba, and the Dominican Republic
9.	American Football / Rugby	410 Million	USA mainly, France, England, New Zealand, South Africa
10.	Golf	390 Million	Europe, Asia, America, Canada

Lapis Investment Solution

Lapis Asset Management developed and launched several of their own equity indices focused on dividends. All equity indices are rule-based and use scientifically proven selection criteria. To reduce risk, we apply quarterly rebalancing and optimal diversification. For this reason, our equity indices show an attractive risk/return ratio, which is especially worthwhile in the long term. To provide our private and institutional clients with a unique access to the promising sports industry, we have developed and calculated the **Lapis Global Sports 25 Dividend Yield Index**.

Lapis Global Sports 25 Dividend Yield Index

This unique equity index is composed of 25 worldwide companies that play an important role in the global sports industry. All companies in our equally weighted equity index have a market capitalization greater than USD 2 billion and at least 60 % of them have paid uninterrupted and continuously increasing dividends over the last 5 years. In contrast, a maximum of 40 % of the companies included in our unique equity index do not apply a strict dividend payment policy or have paid their dividends for less than 5 years. Our rule-based criteria for selecting the most promising companies are applied during the quarterly rebalancing process (end of January, April, July, and October). The Lapis Global Sports 25 Dividend Yield Index allows for a focused investment into the following sectors: Sports Equipment, Sports Media Rights, E-Sports, Sports Clubs, and Sports Betting. Thus, our equity index covers the entire value chain in the sports industry and is based on the following sector weightings within the sports world:

- Sports Equipment (e.g. Apparel, Footwear, Equipment): 32 %
- Sports Media Rights and Brands: 24 %
- E-Sports: 24 %
- Sports Clubs and Events: 12 %
- Sports Betting: 8 %

We offer our existing customers and prospects the following access to our unique Lapis Global Sports 25 Dividend Yield Index:

- **Mandates** (segregated accounts)
- **Lapis funds** (not yet available) or white-label financial products
- **Certificates** or other index-based financial products

We would welcome the opportunity to explain the advantages of our unique equity indices in a **personal advisory meeting** to determine a **long-term and optimal investment strategy** that matches with your **risk profile** and that is able to meet your **investment goals**. Additional information on the performance and relevant financial ratios of our equity indices will be provided upon request. For further information please visit our website: **www.lapis.finance**.

Sincerely,

Andreas Wueger
CEO

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