

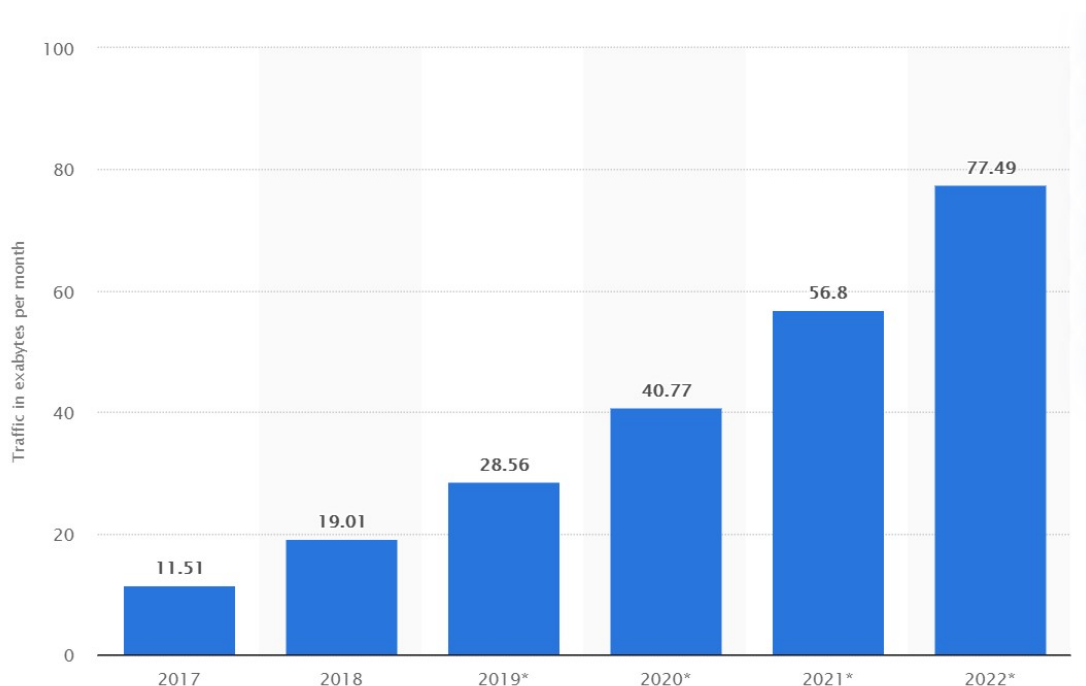
Lapis Global 5G & IoT 50 Dividend Yield Index



5G is a cornerstone for the breakthrough of emerging technologies

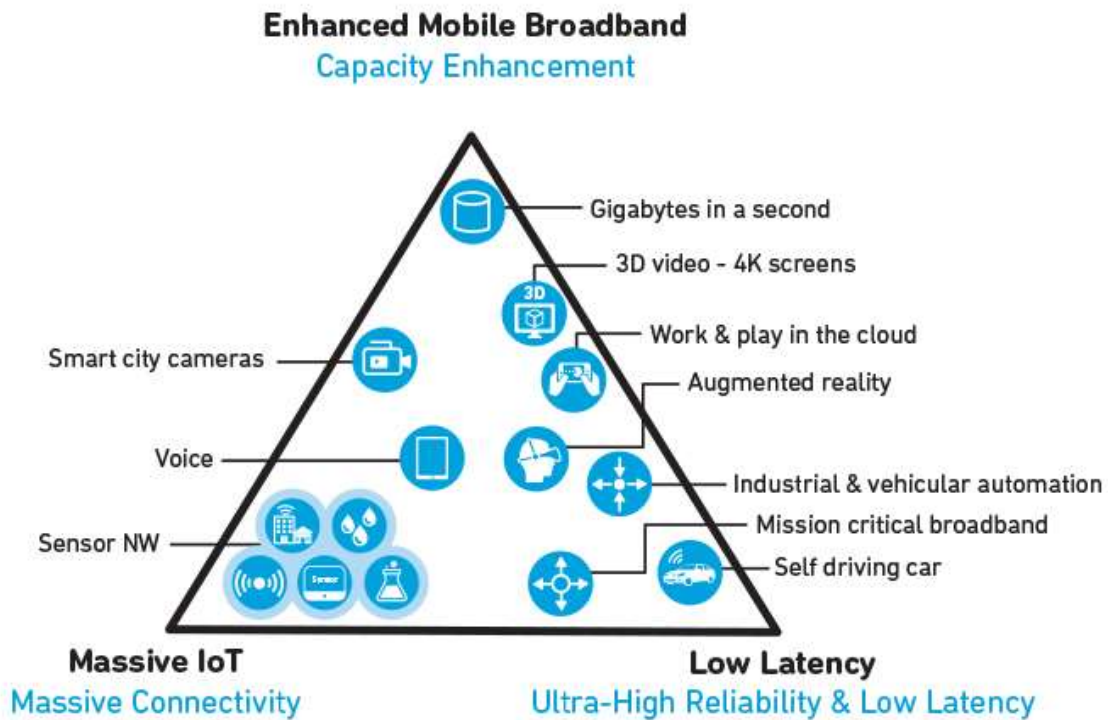
Introduction

Every year, the **amount of data transferred** worldwide **doubles**. An increasing number of humans are online virtually around the clock and consume an increasing amount of data, especially in the form of videos. The following chart shows the associated increase **global mobile data traffic** per month (source: Statista, 2020):



Due to this **flood of data**, the existing mobile network (fourth generation, 4G) is more and more approaching its limits. The new and **fifth generation (5G)** of mobile communication system will bring a significant increase in **data transmission capacities**. It represents a revolution in mobile communication that will act as a door opener for **emerging future technologies** such as the Internet of Things (IoT), machine-to-machine (M2M) communications, virtual and augmented reality, smart homes, smart cities, or self-driving cars. Therefore, 5G networks will have a huge impact on the way we communicate, work and live together. The following **areas of application** can be distinguished for 5G (source: Bakom, 2020):

- Enhanced mobile broadband
- Massive machine type communications
- Ultra-reliable, low latency communications



Advantages of 5G and Investment Opportunities

The **speed of data transfer** is up to **100 times higher** with 5G than with 4G. This enables large amounts of data to be downloaded quickly (e.g. it will only take a few seconds to download a video). The **response time** with 5G is **30 to 50 times shorter** than with 4G. Thanks to ultra-fast connections, **machines or tools can be controlled remotely** and in real time (e.g. remote medical operations or drones). With 5G, up to **one million objects per km²** can be connected, which is **100 times more** than with 4G.

5G will revolutionize **connectivity services** for a **broad range of industries** from retail to education, transportation to entertainment as well as provide **significant economic opportunities** for countries and companies over the next decade. For this reason, they are massively investing in 5G to build a secure mobile communication network boosting technological innovations and offering future economic growth. The industry associated with 5G is estimated to be worth **USD 13.2 trillion by 2035**.

The current **Covid 19 pandemic** has accelerated the ongoing digitalization megatrend and has fueled the **structural shift** towards remote work, online classes and virtual healthcare and thus increased the demand for **more and faster connectivity**. The 5G industry is expanding rapidly and new business possibilities offer promising and outstanding **investment opportunities** over the coming years.

Lapis Global 5G & IoT 50 Dividend Yield Index

The **Lapis Global 5G & IoT 50 Dividend Yield Index** is composed of **50 worldwide companies** that are responsible for the **buildup and future operation** of the **fifth generation (5G) of wireless network technology**. The 5G standard will be faster and enable the connection of more devices, which could allow new technologies such as the Internet of Things (IoT) to make a breakthrough. All companies in our **equally weighted equity index** have a **market capitalization greater than USD 5 billion** and 80% of them have paid **uninterrupted and continuously increasing dividends** over the last 5 years. A maximum of 20% of the companies included in our unique equity index do not apply a strict dividend payment policy and have paid their regular 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 March, June, September, and December). The Lapis Global 5G & IoT 50 Dividend Yield Index allows for a focused investment in companies that benefit from the buildup and roll-out of the 5G standard and the persistent advancement of the IoT megatrend. In the future, **billions of smart devices are expected to be connected** and able to communicate with each other. This will lead to an enormous volume of data, increased efficiency, lower costs and **new business opportunities**. The new 5G standard together with the Internet of Things will fundamentally change the way we communicate, work and live.

We offer our existing customers and prospects the following access to our unique **Lapis Global 5G & IoT 50 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 attractive equity indices in a **personal advisory meeting** to determine a **long-term and optimal investment strategy** that matches your risk profile, and which 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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