

For the half year ended 30 June 2023 (Unaudited)

SEMI-ANNUAL REPORT LION-OCBC SECURITIES HANG SENG TECH ETF

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Directors of Lion Global Investors Limited

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Mr Teo Joo Wah (Chief Executive Officer)
Mr Ronnie Tan Yew Chye
Ms Chong Chuan Neo
Ms Goh Chin Yee

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Independent Auditor

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PERFORMANCE OF THE FUND

For the half year ended 30 June 2023 (Unaudited)

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 30 June 2023 in HKD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%) Lion-OCBC Securities Hang Seng Tech ETF	Benchmark/Index* Returns (%)
3 months	-9.1	-8.9
6 months	-5.4	-5.0
1 year	-19.8	-19.2
Since Inception** (10 December 2020)	-25.0	-24.4

Source: Morningstar/Lion Global Investors Ltd.

**Benchmark/ Index: Hang Seng TECH Index.*

***Returns of more than 1 year are annualised.*

REVIEW

For the half year ended 30 June 2023, the Fund returned -5.4% in HKD terms.

Risk assets rallied on the back of a slowdown in policy tightening momentum, resilience across the global economy, and the alleviation of key macro risks. While the banking sector turmoil in the US and Europe brought financial stability issues to the forefront, these concerns were swiftly allayed after regulators rolled out forceful measures to address liquidity challenges and restore market confidence.

While inflation continued to normalize globally, it remained above-target across the developed markets. Over 1st half of 2023, the US Federal Reserve pressed forward with three 25 basis points rate hikes, bringing the Federal Funds Rate to a target range of 5% – 5.25%. The tightening campaign was paused in June 2023, but a hawkish surprise was delivered in the form of a higher median rate forecast of 5.625% for year ending 2023. The committee acknowledged the encouraging progress in recent inflation data but noted that the cumulative tightening of monetary policy had not yet worked its way through the economy.

In Asia, China's post-reopening recovery momentum underwhelmed expectations. Both external and domestic demand conditions remained soft, leading to concerns of deflation. Sentiment was also weighed down by worsening US-China relations. As a result, policymakers trimmed policy rates in June 2023, signaling a renewed focus on shoring up economic growth.

In HKD terms, Communication Services (-0.5%) was the best performing sector, followed by Financials (-0.9%). On the other hand, Consumer Staples (-28.6%) and Consumer Discretionary (-8.0%) were the worst performing sectors.

Li Auto (+81.9%), NetEase (+38.2%) and XPeng (+33.2%) contributed positively to performance, while JD.com (-38.4%), Meituan (-33.5%) and Kuaishou Technology (-24.2%) detracted.

STRATEGY AND OUTLOOK

The Fund continues to replicate as closely as possible, before expenses, the performance of the Hang Seng TECH Index.

As of 7 July 2023.

DISCLOSURES ON THE FUND¹*For the half year ended 30 June 2023 (Unaudited)***1. DISTRIBUTION OF INVESTMENTS AS AT 30 JUNE 2023**

	Fair Value HK\$	Percentage of total net assets attributable to unitholders %
a) <i>By Asset Class</i>		
Equities	1,852,385,618	100.0
Cash and other net assets	384,198	*
Net assets attributable to unitholders	1,852,769,816	100.0

b) *By Credit Rating of Debt Securities*

Not applicable

c) *By Derivative Type*

Total net realised gains from financial derivatives at the end of the financial period were HK\$1,870.

* denotes amount less than 0.1%

¹ As required by the Code on Collective Investment Schemes.

2. TOP 10 HOLDINGS

As at 30 June 2023

	Fair Value HK\$	Percentage of total net assets attributable to unitholders %
Li Auto Inc.	162,960,566	8.8
Meituan	147,203,215	8.0
Tencent Holdings Limited	146,925,328	7.9
Alibaba Group Holding Limited	144,369,134	7.8
Xiaomi Corporation - Class B	143,037,325	7.7
JD.Com Inc.	142,688,407	7.7
Kuaishou Technology Company Limited	133,842,013	7.2
Netease Inc.	101,395,986	5.5
Baidu Inc.	90,306,922	4.9
Semiconductor Manufacturing International Corporation	81,849,003	4.4

As at 30 June 2022

	Fair Value HK\$	Percentage of total net assets attributable to unitholders %
Alibaba Group Holding Limited	161,644,809	8.5
Xiaomi Corporation - Class B	160,355,646	8.5
JD.Com Inc.	151,088,701	8.0
Kuaishou Technology Company Limited	146,751,068	7.8
Meituan	139,278,881	7.4
Tencent Holdings Limited	137,596,509	7.3
Sunny Optical Technology Group Company Limited	105,968,348	5.6
Netease Inc.	102,941,870	5.4
Semiconductor Manufacturing International Corporation	94,566,252	5.0
Haier Smart Home Company Limited	82,260,275	4.3

3. RELATED PARTY TRANSACTIONS

For the period from 1 January 2023 to 30 June 2023

	HK\$
Interest expenses incurred with a bank which is a related company of the Trustee	830
Transaction fees charged by the Trustee	48,015
Registration fee charged by a related company of the Trustee	32,047
Valuation and administration fees charged by the Trustee	192,875
Custodian fees charged by a related company of the Trustee	104,515
Bank service fees charged by a bank which is a related company of the Trustee	<u>1,637</u>

Cash and bank balances placed with a financial institution related to the Trustee as at 30 June 2023 were HK\$1,082,498.

4. FINANCIAL RATIOS

	30 June 2023 %	30 June 2022 %
Expense ratio ¹	0.58	0.57
Portfolio turnover ratio ²	<u>23</u>	<u>16</u>

¹ The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratios at 30 June 2023 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

Total operating expenses and average net asset value are as follows:

	30 June 2023 HK\$	30 June 2022 HK\$
Total operating expenses	10,449,399	9,356,747
Average net asset value	<u>1,807,754,245</u>	<u>1,635,417,206</u>

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, being sales of HK\$440,518,959 (2022: sales of HK\$260,665,130) divided by the daily net asset value of HK\$1,941,693,929 (2022: HK\$1,676,153,740).

5. GLOBAL EXPOSURE

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

6. COLLATERAL

Nil

7. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

Nil

8. INVESTMENT IN OTHER UNIT TRUSTS, MUTUAL FUNDS AND COLLECTIVE INVESTMENT SCHEMES

Please refer to Statement of Portfolio.

9. BORROWINGS

Nil

10. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS

The soft dollar commissions from various brokers for the financial period were utilised on research and advisory services, economic and political analyses, portfolio analyses, market analyses, data and quotation analyses and computer hardware and software used for and in support of the investment process of fund managers. Goods and services received were for the benefit of the scheme and there was no churning of trades. These brokers also execute trades for other funds managed by the managers. The trades are conducted on best available terms and in accordance with best practices.

11. OTHER MATERIAL INFORMATION

There is no other material information that will adversely impact the valuation of the Fund.

12. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS

Not applicable

STATEMENT OF TOTAL RETURN

For the half year ended 30 June 2023 (Unaudited)

	For the half year ended 30 June 2023 HK\$	For the half year ended 30 June 2022 HK\$
Income		
Dividends	4,739,498	6,520,285
Interest on cash and bank balances	7,257	32
	<u>4,746,755</u>	<u>6,520,317</u>
Less: Expenses		
Audit fee	54,407	48,353
Custodian fees	104,515	99,696
Management fee	4,339,695	3,735,137
Professional fees	62,555	62,290
Registration fee	32,047	32,488
Trustee fee	179,241	155,059
Valuation and administration fees	192,875	166,006
Transaction costs	892,954	749,181
Miscellaneous expenses	562,211	444,650
	<u>6,420,500</u>	<u>5,492,860</u>
Net(expense)/income	<u>(1,673,745)</u>	<u>1,027,457</u>
Net gains or losses on value of investments and financial derivatives		
Net losses on investments	(92,253,170)	(198,050,293)
Net gains/(losses) on foreign exchange spot contracts	1,870	(578)
Net foreign exchange gains	9,182	3,282
	<u>(92,242,118)</u>	<u>(198,047,589)</u>
Total deficit for the financial period before income tax	(93,915,863)	(197,020,132)
Less: Income tax	(3,023)	-
Total deficit for the financial period	<u>(93,918,886)</u>	<u>(197,020,132)</u>

STATEMENT OF FINANCIAL POSITION*As at 30 June 2023 (Unaudited)*

	30 June 2023 HK\$	31 December 2022 HK\$
ASSETS		
Portfolio of investments	1,852,385,618	1,905,138,937
Receivables	446,662	12,983,934
Cash and cash equivalents	1,082,498	583,047
Total assets	<u>1,853,914,778</u>	<u>1,918,705,918</u>
LIABILITIES		
Payables	1,144,962	1,184,754
Due to brokers	-	11,953,962
Total liabilities	<u>1,144,962</u>	<u>13,138,716</u>
EQUITY		
Net assets attributable to unitholders	<u>1,852,769,816</u>	<u>1,905,567,202</u>

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS*For the half year ended 30 June 2023 (Unaudited)*

	30 June 2023 HK\$	31 December 2022 HK\$
Net assets attributable to unitholders at the beginning of financial period/year	1,905,567,202	1,701,163,026
Operations		
Change in net assets attributable to unitholders resulting from operations	(93,918,886)	(462,556,424)
Unitholders' contributions/(withdrawals)		
Creation of units	244,681,500	756,271,000
Cancellation of units	(203,560,000)	(89,310,400)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	41,121,500	666,960,600
Total (decrease)/increase in net assets attributable to unitholders	(52,797,386)	204,404,176
Net assets attributable to unitholders at the end of financial period/year	1,852,769,816	1,905,567,202

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

	Holdings at 30 June 2023	Fair value at 30 June 2023 HK\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
By Industry (Primary)			
QUOTED EQUITIES			
CONSUMER DISCRETIONARY			
Li Auto Inc.	1,202,661	162,960,566	8.8
Meituan	1,203,624	147,203,215	8.0
Alibaba Group Holding Limited	1,777,945	144,369,134	7.8
JD.Com Inc.	1,077,707	142,688,407	7.7
Xpeng Inc.	1,162,088	58,104,400	3.1
Haier Smart Home Company Limited	2,343,284	57,761,951	3.1
JD Health International Inc.	1,070,181	52,920,450	2.9
Trip.Com Group	131,452	35,833,815	1.9
Alibaba Health Information Technology Limited	5,200,607	24,494,859	1.3
Ping An Healthcare and Technology Company Limited	591,689	11,206,590	0.6
Nio Inc.	48,891	3,708,382	0.2
		841,251,769	45.4
COMMUNICATIONS			
Tencent Holdings Limited	443,080	146,925,328	7.9
Kuaishou Technology Company Limited	2,499,384	133,842,013	7.2
Netease Inc.	664,456	101,395,986	5.5
Baidu Inc.	680,022	90,306,922	4.9
Bilibili Inc.	259,545	30,288,901	1.7
Kingsoft Corporation Limited	916,947	28,287,815	1.5
China Literature Limited	439,295	14,474,770	0.8
Weibo Corporation	4,439	455,441	*
		545,977,176	29.5

* denotes amount less than 0.1%

	Holdings at 30 June 2023	Fair value at 30 June 2023 HK\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
By Industry (Primary) (continued)			
QUOTED EQUITIES (continued)			
INFORMATION TECHNOLOGY			
Xiaomi Corporation - Class B Semiconductor Manufacturing International Corporation	13,343,034	143,037,325	7.7
Lenovo Group Limited	4,012,206	81,849,003	4.4
Sunny Optical Technology Group Company Limited	6,997,111	57,166,397	3.1
SenseTime Group Inc. - Class B	685,542	53,575,107	2.9
Kingdee International Software Group Company Limited	16,091,084	33,308,544	1.8
BYD Electronic International Company Limited	2,673,119	28,014,287	1.5
Hua Hong Semiconductor Limited	758,303	17,971,781	1.0
AAC Technologies Holdings Inc.	628,557	16,091,059	0.9
GDS Holdings Limited	691,455	12,750,430	0.7
	368,703	3,945,122	0.2
		447,709,055	24.2
FINANCIAL			
ZhongAn Online P&C Insurance Company Limited H Shares	819,137	17,447,618	0.9
Portfolio of investments		1,852,385,618	100.0
Other net assets		384,198	*
Net assets attributable to unitholders		1,852,769,816	100.0

* denotes amount less than 0.1%

	Percentage of total net assets attributable to unitholders at	
	30 June 2023	31 December 2022
	%	%
By Industry (Summary)		
Consumer Discretionary	45.4	31.9
Communications	29.5	29.9
Information Technology	24.2	29.4
Financial	0.9	1.1
Consumer, Non-cyclical	-	7.7
	<hr/>	<hr/>
Portfolio of investments	100.0	100.0
Other net assets	*	*
	<hr/>	<hr/>
Net assets attributable to unitholders	100.0	100.0

* denotes amount less than 0.1%

	Fair value at 30 June 2023 HK\$	Percentage of total net assets attributable to unitholders at	
		30 June 2023 %	31 December 2022 %
By Geography (Secondary)			
China	1,820,463,230	98.3	98.0
Hong Kong	31,922,388	1.7	2.0
Portfolio of investments	1,852,385,618	100.0	100.0
Other net assets	384,198	*	*
Net assets attributable to unitholders	1,852,769,816	100.0	100.0

* denotes amount less than 0.1%

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