

For the financial period from 10 December 2020 (date of inception) to
30 June 2021 (Unaudited)

SEMI-ANNUAL REPORT

LION-OCBC SECURITIES

HANG SENG TECH ETF

Lion Global Investors Ltd

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Directors of Lion Global Investors Limited

Mr Khor Hock Seng (Chairman)
Mr Ching Wei Hong (Deputy Chairman)
Mr Gerard Lee How Cheng (Chief Executive Officer)
Mr Tan Siew Peng
Mr Ronnie Tan Yew Chye
Ms Wee Ai Ning
Ms Chong Chuan Neo
Mr Leslie Teo Eng Sipp

Trustee/Registrar

HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard,
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Custodian

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road
Central, Hong Kong

Independent Auditor

PricewaterhouseCoopers LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936

PERFORMANCE OF THE FUND

For the financial period from 10 December 2020 (date of inception) to 30 June 2021 (Unaudited)

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 30 June 2021 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	-0.4	-0.2
6 months	-3.5	-3.1
Since Inception (10 December 2020)	1.2	1.7

Source: Morningstar/Lion Global Investors Ltd

*Benchmark/ Index: Hang Seng TECH Index

REVIEW

For the half year ended 30 June 2021, the Fund returned -3.5% in HKD terms.

In Hong Kong dollar terms, Financials (+14.6%) was the best performing sector, followed by Information Technology (+7.7%). On the other hand, Consumer Discretionary (-9.7%) and Healthcare (-18.5%) were the worst performing sectors.

Sunny Optical (+45.4%), Meituan (+8.8%) and Lenovo (+22.0%) contributed positively to performance, while Kuaishou (-48.4%), JD Health (-25.8%) and Xiaomi (-18.7%) detracted.

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

STRATEGY AND OUTLOOK

Disruptive innovation by technology companies is a long term secular growth trend that is likely to continue in a post-pandemic world. Taking a snapshot of the current industry as it is right now, categories that stand out include artificial intelligence, cloud computing, robotics and electric vehicles.

The successes of some of these technology companies have attracted more regulations. For example, China has stepped up regulations of various e-commerce platform providers and Fintech companies. Some examples of Fintech regulations include interest rate cap, leverage ratio requirements and anti-trust rules.

We believe a healthy dose of regulations to protect consumer rights and prevent monopolistic behaviours will ultimately be positive for the proper development of these industries. It is highly unlikely for regulators to “over-regulate” and suppress innovations that they so keenly promote.

Overall, we are bullish on Chinese tech companies in the long term, as the market has corrected quite significantly, and valuations have now come down to reasonable levels. In China, policies on the fiscal and monetary front are starting to normalize ahead of the rest of the world, and this should stabilize in the near term. In terms of regulation, most of the risk seems to have been priced into the stock market, and any relaxation from the worst case scenario would be a boost for the market.

As of 30 July 2021.

DISCLOSURES ON THE FUND¹

For the financial period from 10 December 2020 (date of inception) to 30 June 2021 (Unaudited)

1. DISTRIBUTION OF INVESTMENTS AS AT 30 JUNE 2021

	Fair Value HK\$	Percentage of total net assets attributable to unitholders %
a) <i>By Asset Class</i>		
Equities	1,366,580,048	100.0
Cash and other net liabilities	(285,112)	*
Net assets attributable to unitholders	1,366,294,936	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 period were HK\$1,052.

* denotes amount less than 0.1%

¹ As required by the Code on Collective Investment Schemes.

2. TOP 10 HOLDINGS

As at 30 June 2021

	Fair Value HK\$	Percentage of total net assets attributable to unitholders %
Meituan	114,160,763	8.4
Alibaba Group Holding Limited	112,421,760	8.2
Sunny Optical Technology Group Company Limited	109,107,049	8.0
Tencent Holdings Limited	103,678,104	7.6
Xiaomi Corporation - Class B	103,101,201	7.5
Kuaishou Technology Company Limited	102,252,078	7.5
JD.Com Inc.	88,335,118	6.5
JD Health International Inc.	77,357,952	5.7
Semiconductor Manufacturing International Corporation	66,631,216	4.9
Alibaba Health Information Technology Limited	50,666,595	3.7

3. RELATED PARTY TRANSACTIONS

For the financial period from 10 December 2020 (date of inception) to 30 June 2021

	HK\$
Transaction fee charged by a related company of the Trustee	105,554
Registration fees charged by a related company of the Trustee	36,308
Valuation and administration fees charged by the Trustee	105,796
Custodian fees charged by a related company of the Trustee	67,296
Bank service fees charged by a bank which is a related company of the Trustee	1,358
Cash transfer fees charged by a related company of the Trustee	199

Cash and bank balances placed with a financial institution related to the Trustee as at 30 June 2021 were HK\$343,827.

4. FINANCIAL RATIOS

	30 June 2021 %
Expense ratio ¹ (annualised) (excluding preliminary expenses)	0.60
Expense ratio ¹ (annualised) (including preliminary expenses)	0.68
Portfolio turnover ratio ²	<u>36</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 2021 were based on total operating expenses divided by the average net asset value for the period. 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 2021 HK\$
Total operating expenses (excluding preliminary expenses) (annualised)	5,670,415
Total operating expenses (including preliminary expenses) (annualised)	6,370,149
Average net asset value	<u>943,449,646</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\$339,484,723 divided by the average daily net asset value of HK\$943,449,646.

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

Nil

9. BORROWINGS

Nil

10. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS

The soft dollar commissions from various brokers for the 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 financial period from 10 December 2020 (date of inception) to 30 June 2021 (Unaudited)

	For the financial period from 10 December 2020 (date of inception) to 30 June 2021 HK\$
Income	
Dividends	1,626,738
Interest on cash and bank balances	46
	<u>1,626,784</u>
Less: Expenses	
Audit fee	49,098
Custodian fees	67,296
Management fee	2,380,417
Professional fees	79,603
Registration fee	36,308
Trustee fee	101,393
Valuation and administration fees	105,796
Preliminary expenses	699,734
Transaction costs	1,588,749
Miscellaneous expenses	405,652
	<u>5,514,046</u>
Net expense	<u>(3,887,262)</u>
Net gains or losses on value of investments and financial derivatives	
Net losses on investments	(24,172,683)
Net gains on foreign exchange spot contracts	1,052
Net foreign exchange losses	(8,081)
	<u>(24,179,712)</u>
Total deficit for the financial period before income tax	(28,066,974)
Less: Income tax	-
Total deficit for the financial period	<u>(28,066,974)</u>

STATEMENT OF FINANCIAL POSITION*As at 30 June 2021 (Unaudited)*

	30 June 2021 HK\$
ASSETS	
Portfolio of investments	1,366,580,048
Receivables	330,423
Cash and bank balances	343,827
Total assets	<u>1,367,254,298</u>
LIABILITIES	
Payables	959,362
Total liabilities	<u>959,362</u>
EQUITY	
Net assets attributable to unitholders	<u>1,366,294,936</u>

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS*For the financial period from 10 December 2020 (date of inception) to 30 June 2021 (Unaudited)*

	For the financial period from 10 December 2020 (date of inception) to 30 June 2021 HK\$
Net assets attributable to unitholders at the beginning of the financial period	-
Operations	
Change in net assets attributable to unitholders resulting from operations	(28,066,974)
Unitholders' contributions/(withdrawals)	
Creation of units	1,394,361,910
Cancellation of units	-
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<u>1,394,361,910</u>
Total increase in net assets attributable to unitholders	1,366,294,936
Net assets attributable to unitholders at the end of financial period	<u>1,366,294,936</u>

STATEMENT OF PORTFOLIO

As at 30 June 2021 (Unaudited)

	Holdings at 30 June 2021	Fair value at 30 June 2021 HK\$	Percentage of total net assets attributable to unitholders at 30 June 2021 %
By Industry (Primary)			
QUOTED EQUITIES			
TECHNOLOGY			
Sunny Optical Technology Group Company Limited	444,609	109,107,049	8.0
Xiaomi Corporation - Class B	3,818,563	103,101,201	7.5
Semiconductor Manufacturing International Corporation	2,787,917	66,631,216	4.9
Lenovo Group Limited	4,509,890	40,273,318	3.0
Kingdee International Software Group Company Limited	1,515,651	39,937,404	2.9
AAC Technologies Holdings Inc.	452,609	26,296,583	1.9
Kingsoft Corporation Limited	556,960	25,926,488	1.9
BYD Electronic International Company Limited	492,260	25,105,260	1.8
ASM Pacific Technology Limited	192,314	20,231,433	1.5
Weimob Inc.	1,136,349	19,454,295	1.4
Ming Yuan Cloud Group Holdings Limited	481,173	18,549,219	1.4
Hua Hong Semiconductor Limited	324,077	13,902,903	1.0
GDS Holdings Limited	127,749	9,823,898	0.7
		518,340,267	37.9
CONSUMER, CYCLICAL			
Meituan	356,307	114,160,763	8.4
Alibaba Group Holding Limited	511,008	112,421,760	8.2
JD.Com Inc.	289,244	88,335,118	6.5
Haier Smart Home Company Limited	1,459,261	39,545,973	2.9
Tongcheng-Elong Holdings Limited	751,703	14,613,106	1.0
Koolearn Technology Holding Limited	249,605	2,428,656	0.2
		371,505,376	27.2

	Holdings at 30 June 2021	Fair value at 30 June 2021 HK\$	Percentage of total net assets attributable to unitholders at 30 June 2021 %
By Industry (Primary) (continued)			
QUOTED EQUITIES (continued)			
COMMUNICATIONS			
Tencent Holdings Limited	177,531	103,678,104	7.6
Kuaishou Technology Company Limited	524,908	102,252,078	7.5
Netease Inc.	191,856	33,747,470	2.5
China Literature Limited	285,324	24,637,728	1.8
Baidu Inc.	112,709	22,474,175	1.6
Bilibili Inc.	21,330	20,391,480	1.5
Autohome Inc.	10,434	1,330,335	0.1
		<u>308,511,370</u>	<u>22.6</u>
CONSUMER, NON-CYCLICAL			
JD Health International Inc.	695,040	77,357,952	5.7
Alibaba Health Information Technology Limited	2,942,311	50,666,595	3.7
Ping An Healthcare and Technology Company Limited	214,303	20,723,100	1.5
		<u>148,747,647</u>	<u>10.9</u>
FINANCIAL			
ZhongAn Online P&C Insurance Company Limited H Shares	443,126	19,475,388	1.4
Portfolio of investments		1,366,580,048	100.0
Other net liabilities		(285,112)	*
Net assets attributable to unitholders		<u>1,366,294,936</u>	<u>100.0</u>

* denotes amount less than 0.1%

**Percentage of
total net assets
attributable to
unitholders at
30 June
2021
%**

By Industry (Summary)

Technology	37.9
Consumer, Cyclical	27.2
Communications	22.6
Consumer, Non-cyclical	10.9
Financial	1.4

Portfolio of investments

100.0

Other net liabilities

*

Net assets attributable to unitholders

100.0

* denotes amount less than 0.1%

	Fair value at 30 June 2021 HK\$	Percentage of total net assets attributable to unitholders at 30 June 2021 %
By Geography (Secondary)		
China	1,302,235,499	95.3
Hong Kong	64,344,549	4.7
Portfolio of investments	1,366,580,048	100.0
Other net liabilities	(285,112)	*
Net assets attributable to unitholders	1,366,294,936	100.0

* denotes amount less than 0.1%

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