

For the financial period from 28 March 2025 (date of inception) to
30 June 2025 (Unaudited)

SEMI-ANNUAL REPORT

LION-CHINA MERCHANTS

CSI DIVIDEND INDEX ETF

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Singapore 018936

PERFORMANCE OF THE FUND

For the financial period from 28 March 2025 (date of inception) to 30 June 2025 (Unaudited)

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 30 June 2025 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%) Lion-China Merchants CSI Dividend Index ETF	Benchmark / Index* Returns (%)
3 months	-2.01	-1.60
Since Inception** (28 March 2025)	-2.51	-2.54

Source: Lion Global Investors Ltd / Morningstar

** Benchmark / Index: CSI Dividend Index*

*** Return periods longer than 1 year are annualised.*

REVIEW

For the period ended 30 June 2025, the Fund returned -2.51% in SGD terms.

While economic data held up well this year, financial markets were whipsawed by the uncertainties around trade, tariffs, and geopolitics. 'Liberation Day' marked the peak of tariff uncertainty, with the President Donald Trump's administration delivering massive tariffs to major trading partners that disrupted supply chains and stoked recession fears. This stance was softened after the administration announced a temporary tariff moratorium for partners to engage in negotiations. Meanwhile, tensions in the Middle East flared again, as Israel carried out airstrikes against Iran, but a subsequent ceasefire appeared to hold. Despite the volatility, easing trade tensions, resilient data, and potential policy support, offered reasons for cautious optimism.

The risk of an escalating trade war with the United States (US) is amongst the most significant economic challenges to China. In a surprising breakthrough, constructive trade talks in Switzerland saw the world's two largest economies announce a mutual reduction in trade measures for 90 days from 14 May 2025. China agreed to temporarily restore rare-earth licenses to US manufacturers, in exchange for a relaxation of restrictions on student visas and some microchips, as well as a reduction in US tariffs on Chinese exports from 145% to around 55%. This trade truce was reaffirmed and formally signed in June 2025.

At the National People's Congress in March 2025, China set an ambitious economic growth target of about 5% for the third straight year and listed boosting consumption as the government's top priority for 2025. Policymakers have maintained accommodative fiscal and monetary policies this year, including cutting a series of key interest rates in May 2025 to stimulate the economy. However, the protracted domestic spending slump remained a key drag. Deflationary pressures remained prevalent, and economic activity moderated from a strong start in the first quarter of 2025. Policy tailwind areas outperformed, including retail sales activity which was bolstered by the government's trade-in subsidy program.

STRATEGY AND OUTLOOK

The Fund continues to replicate as closely as possible, before expenses, the performance of the CSI Dividend Index, by investing in units of the China Merchants CSI Dividend ETF.

As of 10 July 2025

DISCLOSURES ON THE FUND¹

For the financial period from 28 March 2025 (date of inception) to 30 June 2025 (Unaudited)

1. DISTRIBUTION OF INVESTMENTS AS AT 30 JUNE 2025

	Fair Value	Percentage of
	\$	total net assets
		attributable to
		unitholders
		%
a) <u>By Asset Class</u>		
Investment fund	16,956,394	100.0
Cash and other net liabilities	(310)	*
Net assets attributable to unitholders	16,956,084	100.0
b) <u>By Credit Rating of Debt Securities</u>		
Not applicable		
c) <u>By Derivative Type</u>		
Total net realised losses from financial derivatives at the end of the financial period were \$6,611.		

* denotes amount less than 0.1%

¹ As required by the Code on Collective Investment Schemes

2. TOP 10 HOLDINGS

As at 30 June 2025

	Fair Value	Percentage of total net assets attributable to unitholders
	\$	%
China Merchants CSI Dividend ETF	16,956,394	100.0

3. RELATED PARTY TRANSACTIONS

For the financial period from 28 March 2025 (date of inception) to 30 June 2025

	\$
Interest income earned from a bank which is a related company of the Trustee	50
Bank service fees charged by a bank which is a related company of the Trustee	20
Transaction fees charged by the Trustee	118
Custodian fees charged by a related company of the Trustee	1,107
Valuation and administration fees charged by the Trustee	995
Registration fee charged by a related company of the Trustee	<u>3,253</u>
Cash and cash equivalents placed with a financial institution related to the Trustee as at 30 June 2025 were \$34,328.	

4. FINANCIAL RATIOS

	For the financial period from 28 March 2025 (date of inception) to 30 June 2025 %
Expense ratio ¹ (annualised) (excludes underlying sub-fund's expense ratio and preliminary expenses)	0.76
Expense ratio ² (annualised) (includes underlying sub-fund's expense ratio and preliminary expenses)	1.25
Portfolio turnover ratio ³	<u>15</u>

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at 30 June 2025 was based on total operating expenses of \$144,928 divided by the average net asset value of \$19,164,214 for the period. The total operating expenses do not include (where applicable) brokerage and other transactions 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.

² The expense ratio is the sum of the Sub-Fund's expense ratio and the underlying fund's unaudited expense ratio of 0.31%.

³ 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 \$2,815,820 divided by the average daily net asset value of \$19,164,214.

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 Sub-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 Sub-Fund.

12. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS²

	30 June 2025
a) Ratio of expenses to average net assets (annualised)	0.31%
b) Turnover ratios	12%
c) Top 10 holdings	

As at 30 June 2025

	Fair Value RMB	Percentage of total net assets %
COSCO Ship Holdings	177,742,720	2.59
Jizhong Energy	125,078,600	1.82
Ningbo Huaxiang	119,364,917	1.74
CITIC Bank	109,184,413	1.59
Bank of Chengdu	104,813,118	1.53
HLA Group	103,548,437	1.51
Industrial Bank	103,440,546	1.51
Daqin Railway	96,569,220	1.41
Bank of Jiangsu	94,788,233	1.38
Bank of Communications	93,784,944	1.37

² Based on latest available information provided by the underlying sub-fund managers.

STATEMENT OF TOTAL RETURN

For the financial period from 28 March 2025 (date of inception) to 30 June 2025 (Unaudited)

	For the financial period from 28 March 2025 (date of inception) to 30 June 2025 \$
Income	
Dividends	191,659
Interest on cash and cash equivalents	50
	<hr/> 191,709 <hr/>
Less: Expenses	
Audit fee	5,108
Custodian fees	1,107
Management fee	24,886
Professional fees	1,193
Registration fee	3,253
Trustee fee	995
Transaction costs	5,188
Valuation and administration fees	995
Preliminary expenses	35,706
Miscellaneous expenses	4,844
	<hr/> 83,275 <hr/>
Net income	<hr/> 108,434 <hr/>
Net gains or losses on value of investments and financial derivatives	
Net losses on investments	(601,314)
Net losses on foreign exchange spot contracts	(6,611)
Net foreign exchange losses	(22,160)
	<hr/> (630,085) <hr/>
Total return for the financial period before income tax	(521,651)
Less: Income tax	-
Total return for the financial period	<hr/> (521,651) <hr/>

STATEMENT OF FINANCIAL POSITION*As at 30 June 2025 (Unaudited)*

	30 June 2025 \$
ASSETS	
Portfolio of investments	16,956,394
Receivables	2,515
Cash and cash equivalents	34,328
Total assets	<u>16,993,237</u>
LIABILITIES	
Payables	37,153
Total liabilities	<u>37,153</u>
EQUITY	
Net assets attributable to unitholders	<u>16,956,084</u>

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS*For the financial period from 28 March 2025 (date of inception) to 30 June 2025 (Unaudited)*

	For the financial period from 28 March 2025 (date of inception) to 30 June 2025 \$
Net assets attributable to unitholders at the beginning of the financial period	-
Operations	
Change in net assets attributable to unitholders resulting from operations	(521,651)
Unitholders' contributions/(withdrawals)	
Creation of units	20,316,835
Cancellation of units	(2,839,100)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<u>17,477,735</u>
Total increase in net assets attributable to unitholders	16,956,084
Net assets attributable to unitholders at the end of the financial period	<u>16,956,084</u>

STATEMENT OF PORTFOLIO

As at 30 June 2025 (Unaudited)

	Holdings at 30 June 2025	Fair value at 30 June 2025 \$	Percentage of total net assets attributable to unitholders at 30 June 2025 %
QUOTED FUND			
China Merchants CSI Dividend ETF	62,495,400	16,956,394	100.0
Portfolio of investments		16,956,394	100.0
Other net liabilities		(310)	*
Net assets attributable to unitholders		16,956,084	100.0

Information on investment portfolio by industry and geographical segments is not presented as the Sub-Fund is a feeder into another investment fund, which invests primarily in China stocks.

* denotes amount less than 0.1%

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