

For the financial year ended 31 December 2025

ANNUAL REPORT LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

Lion Global Investors Ltd

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DIRECTORY

Manager

Lion Global Investors Limited
65 Chulia Street #18-01
OCBC Centre
Singapore 049513

Directors of Lion Global Investors Limited

Mr Seck Wai Kwong (Chairman)
Mr Teo Joo Wah (Chief Executive Officer)
Mr Gregory Thomas Hingston
Mr Ronnie Tan Yew Chye
Mr Tung Siew Hoong
Mr Sunny Quek Ser Khieng

Trustee/Registrar

HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard,
Marina Bay Financial Centre, Tower 2,
#48-01
Singapore 018983

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 year ended 31 December 2025

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2025 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	Benchmark / Index* Returns (%)
	Lion-Nomura Japan Active ETF (Powered by AI)	
3 months	5.42	2.25
6 months	17.09	12.24
1 year	30.76	18.13
Since inception** (31 January 2024)	15.60	13.30

Source: Lion Global Investors Ltd / Morningstar

** Benchmark / Index: Tokyo Stock Price Index (TOPIX)*

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

REVIEW

For the year ended 31 December 2025, the Fund returned 30.76% in SGD terms.

New record high for TOPIX in 2025

For 2025, TOPIX was up a significant +22.00% year-over-year (yoy) in Japanese Yen (JPY) terms, or 18.13% in Singapore Dollar (SGD) terms. The Lion-Nomura Japan Active Exchange-traded fund (ETF) returned 30.76% in SGD terms showing an outperformance of 12.63% in SGD terms, from active stock picking.

Japanese equities started the year weak on United States (US) tariff concerns, but recovered as tariff fears faded and optimism around Artificial Intelligence (AI) and monetary easing brought overseas investors back in. The Takaichi administration's October 2025 inauguration gave shares a further boost. The yen strengthened against the dollar in April 2025 before reversing course, ending the year around ¥156/\$—roughly flat versus 2024.¹

Should optimism around AI and the global economy broaden from US markets, Japanese equities are well positioned to benefit given their sensitivity to US economic trends and attractive valuations relative to peers.

ETF Performance

One of the key contributors to our outperformance for 2025 is the overweight in Advantest Corp, the stock did well in 2025, returning over 100%, significantly outperforming the index.

Advantest is a semiconductor tester manufacturer headquartered in Japan, and it dominates the market together with Teradyne of the US. Against a backdrop of increasing demand for High-performance Computing (HPC)/generative AI-related cutting-edge semiconductor devices since 2023, Advantest Corp has been outperforming the index substantially as a key name of the AI Trade.

The second largest contributor of returns for our Fund was NEC Corp, another key name of the Japan AI trade, which returned 95%.

To round up the top 3 is Aeon, the large, diversified retail holding company. The stock was up over 100% in 2025 and our Fund had a significant active weight in the stock throughout the year.

¹ UBS Japan Equity Strategy & Thematic Research 2025 recap and 2026 prospects: market drivers and key events 5 January 2026

STRATEGY AND OUTLOOK

2026 Market outlook

Beyond the global AI theme, we see Japan-specific structural drivers shaping the 2026 equity outlook: the economy's transition to sustained inflation and the ongoing push for corporate governance reform.²

Wage Inflation as key driver of Stock Market

The first round of spring wage negotiations in March 2025 to produce base pay increases modestly above 3%. This ongoing transition from entrenched deflation to sustained inflation represents a significant structural catalyst for Japanese equities.

Financial Services Agency (FSA) revisions of the Corporate Governance Code

Corporate reform follows three stages: payouts, restructuring, then growth investment. The focus is now shifting to restructuring, with more corporate actions expected around Financial Year (FY) 03/2026 earnings.

Meanwhile, the FSA's first governance code revision in five years (due mid-2026) aims to move beyond formality toward real accountability and cash discipline.

Japanese companies remain loaded with surplus capital—cash, cross-shareholdings, property, non-core assets. Unlocking this through better balance sheet management offers meaningful valuation upside. Return on Equity (ROE) could rise above 12% through corporate governance reform.

Figure 1: TOPIX ROE, Price-to-Book Ratio (PBR)



Source: Bloomberg, Union Bank of Switzerland (UBS) as of 28 November 2025

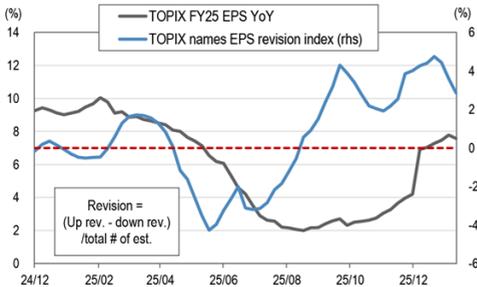
² UBS Japan Outlook 2026 Equity View and Top Picks 4 December 2025

Q4 Earnings beats and profit growth

Easing of US tariff upheavals and ongoing depreciation of the yen since October 2025 is a strong tailwind for profit at Japanese companies.

Earnings forecasts continue to be revised upward. Oct-Dec 2025 results for Tokyo Stock Exchange (TSE) Prime companies peak during the week of February 6-13. Since November 2025, the TOPIX Earnings Per Share (EPS) revision index has trended positive, with the FY2025 EPS consensus Institutional Brokers' Estimate System (IBES) now at +7% year-on-year.³

Figure 2: TOPIX consensus EPS and revision index



Source: Datastream, J.P. Morgan, Note: FY2025 IBES consensus EPS

Improved earnings forecasts

Price/Earnings (P/E) multiples on Japanese stocks have risen significantly but are supported by the strong upward revisions to earnings guidance following Q1 2025 results.

Looking towards end-2025, however, we see room for more upside. It is likely that, as we had expected, TOPIX EPS bottomed for both current and next fiscal year forecasts following Q1 2025 results, and expectations for next fiscal year's earnings recovery are significantly higher than for the current year.⁴

Conclusion

In summary, Japanese equities are likely to see gains as the global economy strengthens and domestic structural reforms advance. Key catalysts include spillover optimism from US-driven AI developments and economic growth, alongside Japan-specific factors such as the transition to an inflationary environment and corporate governance improvements that should enhance shareholder returns.

As of 25 January 2026

³ J.P. Morgan Japan Equity Strategy: Oct-Dec earnings outlook: Solid earnings outlook, watch company-specific impact of yen weakness and rare earth export restrictions 21 January 2026

⁴ Bank of America Japan Equity Strategy: Preference for AI and inflation-related stocks 12 September 2025

DISCLOSURES ON THE FUND¹*For the financial year ended 31 December 2025***1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2025**

	Fair Value JPY	Percentage of total net assets attributable to unitholders %
a) <i><u>By Asset Class</u></i>		
Equities	7,503,413,770	98.4
Cash and other net assets	122,236,179	1.6
Net assets attributable to unitholders	7,625,649,949	100.0

b) *By Credit Rating of Debt Securities*

Not applicable

c) *By Derivative Type*

Total net realised losses from financial derivatives at the end of the financial year were JPY133,169.

¹ As required by the Code on Collective Investment Schemes

2. TOP 10 HOLDINGS

As at 31 December 2025

	Fair Value JPY	Percentage of total net assets attributable to unitholders %
Honda Motor Company Limited	586,229,760	7.7
ORIX Corporation	561,872,520	7.4
NEC Corporation	531,743,400	7.0
Advantest Corporation	529,752,300	6.9
Murata Manufacturing Company Limited	462,814,680	6.1
Inpex Corporation	453,477,540	6.0
Mitsubishi UFJ Financial Group Inc	412,741,080	5.4
ITOCHU Corporation	266,230,000	3.5
Yokohama Financial Group Inc	199,587,050	2.6
FANUC Corporation	187,873,920	2.5

As at 31 December 2024

	Fair Value JPY	Percentage of total net assets attributable to unitholders %
Advantest Corporation	505,890,000	9.2
NEC Corporation	498,310,400	9.1
Recruit Holdings Company Limited	467,644,200	8.5
Mitsui Fudosan Company Limited	435,229,000	7.9
KDDI Corporation	427,158,240	7.8
Marubeni Corporation	261,787,350	4.8
Asahi Group Holdings Limited	243,247,600	4.4
Daiwa Securities Group Inc.	191,008,480	3.5
SBI Holdings Inc.	168,199,680	3.0
Daito Trust Construction Company Limited	159,932,500	2.9

3. 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.

4. COLLATERAL

Nil

5. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

Nil

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

Nil

7. BORROWINGS

Nil

8. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS

The soft dollar commissions from various brokers for the year 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.

9. OTHER MATERIAL INFORMATION

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

10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS

Not applicable

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2025

The Trustee is under a duty to take into custody and hold the assets of Lion-Nomura Japan Active ETF (Powered by AI) (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 14 to 39, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

Authorised signatory

25 March 2026

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2025

In the opinion of Lion Global Investors Limited, the accompanying financial statements set out on pages 14 to 39, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Lion-Nomura Japan Active ETF (Powered by AI) (the "Fund") as at 31 December 2025, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of
LION GLOBAL INVESTORS LIMITED

TEO JOO WAH
CEO

25 March 2026

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

(Constituted under a Trust Deed in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of Lion-Nomura Japan Active ETF (Powered by AI) (the "Fund") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2025, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2025;
- the Statement of Financial Position as at 31 December 2025;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 31 December 2025; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

(Constituted under a Trust Deed in the Republic of Singapore)

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

(Constituted under a Trust Deed in the Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF
LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)**

(Constituted under a Trust Deed in the Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ong King Howe.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 25 March 2026

STATEMENT OF TOTAL RETURN
For the financial year ended 31 December 2025

		For the financial period from 31 January 2024 (date of inception) to 31 December 2024	
	Note	2025 JPY	JPY
Income			
Dividends		175,889,909	140,408,960
Interest on cash and cash equivalents	9	2,390	3,094
		175,892,299	140,412,054
Less: Expenses			
Audit fee	10	2,221,969	2,125,875
Custodian fees	9	1,016,221	819,542
Management fee	9	42,902,683	34,545,685
Professional fees		2,588,008	1,101,414
Registration fee	9	1,333,327	1,249,835
Trustee fee	9	1,225,793	987,024
Valuation and administration fees	9	1,225,793	987,024
Preliminary expenses		-	14,655,285
Transaction costs		13,660,309	13,222,895
Miscellaneous expenses		7,536,198	6,937,121
		73,710,301	76,631,700
Net income		102,181,998	63,780,354
Net gains or losses on value of investments and financial derivatives			
Net gains on investments		1,920,485,667	320,141,484
Net losses on foreign exchange spot contracts		(133,169)	(13,008,084)
Net foreign exchange (losses)/gains		(763,885)	39,126,919
		1,919,588,613	346,260,319
Total return for the financial year/period before income tax		2,021,770,611	410,040,673
Less: Income tax	3	(26,937,527)	(21,503,628)
Total return for the financial year/period		1,994,833,084	388,537,045

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION*As at 31 December 2025*

	Note	2025 JPY	2024 JPY
ASSETS			
Portfolio of investments		7,503,413,770	5,407,543,362
Receivables	4	20,388,931	9,568,687
Cash and cash equivalents	5	110,105,019	90,168,203
Total assets		<u>7,633,907,720</u>	<u>5,507,280,252</u>
LIABILITIES			
Payables	6	8,257,771	7,334,484
Total liabilities		<u>8,257,771</u>	<u>7,334,484</u>
EQUITY			
Net assets attributable to unitholders	7	<u>7,625,649,949</u>	<u>5,499,945,768</u>

The accompanying notes form an integral part of these financial statements.

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2025

		For the financial period from 31 January 2024 (date of inception)
	2025	2024
	JPY	JPY
Net assets attributable to unitholders at the beginning of the financial year/period	5,499,945,768	-
Operations		
Change in net assets attributable to unitholders resulting from operations	1,994,833,084	388,537,045
Unitholders' contributions/(withdrawals)		
Creation of units	212,002,992	5,342,906,542
Cancellation of units	(81,131,895)	(231,497,819)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	130,871,097	5,111,408,723
Total increase in net assets attributable to unitholders	2,125,704,181	5,499,945,768
Net assets attributable to unitholders at the end of the financial year/period	7 7,625,649,949	5,499,945,768

The accompanying notes form an integral part of these financial statements.

STATEMENT OF PORTFOLIO*As at 31 December 2025*

	Holdings at 31 December 2025	Fair value at 31 December 2025 JPY	Percentage of total net assets attributable to unitholders at 31 December 2025 %
By Industry (Primary)			
QUOTED EQUITIES			
FINANCIAL			
ORIX Corporation	123,380	561,872,520	7.4
Mitsubishi UFJ Financial Group Inc	165,560	412,741,080	5.4
Yokohama Financial Group Inc	154,300	199,587,050	2.6
SBI Holdings Inc.	46,580	157,207,500	2.1
Fukuoka Financial Group Inc	24,140	122,317,380	1.6
Shizuoka Financial Group Inc.	47,540	115,617,280	1.5
Hachijuni Bank Limited	63,660	108,062,850	1.4
77 Bank Limited	9,540	71,941,140	0.9
Hirogin Holdings Inc.	41,760	66,043,440	0.9
Yamaguchi Financial Group Inc.	29,620	62,883,260	0.8
Kyushu Financial Group Inc.	56,500	57,517,000	0.8
Daiwa Securities Group Inc.	39,540	54,189,570	0.7
Mebuki Financial Group Inc	35,260	36,599,880	0.5
Nishi-Nippon Financial Holdings Inc.	11,320	36,348,520	0.5
Kiyo Bank Limited	8,960	29,209,600	0.4
North Pacific Bank Limited	34,320	29,103,360	0.4
Daishi Hokuetsu Financial Group Inc	14,760	24,029,280	0.3
Gunma Bank Limited	10,860	18,760,650	0.2
JACCS Company Limited	3,940	17,079,900	0.2
Mizuho Leasing Company Limited	11,840	16,729,920	0.2
Tokyo Century Corporation	8,180	16,593,130	0.2
		<u>2,214,434,310</u>	<u>29.0</u>

The accompanying notes form an integral part of these financial statements.

LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

	Holdings at 31 December 2025	Fair value at 31 December 2025 JPY	Percentage of total net assets attributable to unitholders at 31 December 2025 %
By Industry (Primary) (continued)			
QUOTED EQUITIES (continued)			
INFORMATION TECHNOLOGY			
NEC Corporation	100,140	531,743,400	7.0
Advantest Corporation	26,980	529,752,300	6.9
Murata Manufacturing Company Limited	142,580	462,814,680	6.1
Jeol Limited	4,880	24,551,280	0.3
ESPEC Corporation	5,000	16,775,000	0.2
		1,565,636,660	20.5
INDUSTRIAL			
ITOCHU Corporation	134,800	266,230,000	3.5
FANUC Corporation	30,880	187,873,920	2.5
Sojitz Corporation	31,780	154,673,260	2.1
Kawasaki Kisen Kaisha Limited	62,640	136,617,840	1.8
Fujikura Limited	5,300	92,432,000	1.2
INFRONEER Holdings Inc	28,320	60,548,160	0.8
Kajima Corporation	8,520	49,714,200	0.7
Japan Airlines Company Limited	13,740	39,914,700	0.5
Fuyo General Lease Company Limited	7,860	33,742,980	0.5
Taikisha Limited	7,480	24,646,600	0.3
Kanadevia Corporation	25,240	23,978,000	0.3
Hanwa Company Limited	3,200	22,944,000	0.3
Sodick Company Limited	18,800	18,066,800	0.2
Miyaji Engineering Group Inc.	9,340	17,559,200	0.2
Central Glass Company Limited	4,840	16,867,400	0.2
Kawada Technologies Inc.	3,840	16,800,000	0.2
Yahagi Construction Company Limited	7,200	16,797,600	0.2
Yokogawa Bridge Holdings Corporation	5,540	16,758,500	0.2
Sinko Industries Limited	11,700	16,567,200	0.2
Asanuma Corporation	15,900	16,249,800	0.2
		1,228,982,160	16.1

The accompanying notes form an integral part of these financial statements.

LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

	Holdings at 31 December 2025	Fair value at 31 December 2025 JPY	Percentage of total net assets attributable to unitholders at 31 December 2025 %
By Industry (Primary) (continued)			
QUOTED EQUITIES (continued)			
CONSUMER DISCRETIONARY			
Honda Motor Company Limited	381,660	586,229,760	7.7
Sumitomo Electric Industries Limited	29,360	185,702,000	2.5
Toyo Tire Corporation	14,400	62,424,000	0.8
Panasonic Holdings Corporation	27,220	55,079,670	0.7
Sumitomo Forestry Company Limited	30,320	48,648,440	0.7
Sankyo Company Limited	17,880	45,433,080	0.6
Tachi-S Company Limited	9,000	18,747,000	0.2
Mars Group Holdings Corporation	5,320	17,024,000	0.2
		1,019,287,950	13.4
ENERGY			
Inpex Corporation	145,020	453,477,540	6.0
ENEOS Holdings Inc	83,340	92,257,380	1.2
		545,734,920	7.2
CONSUMER, NON-CYCLICAL			
Astellas Pharma Inc.	82,400	172,463,200	2.3
AEON Company Limited	34,320	85,010,640	1.1
Nippon Shinyaku Company Limited	7,620	43,053,000	0.6
		300,526,840	4.0
REAL ESTATE			
Tokyo Tatemono Company Limited	28,400	100,706,400	1.3
Daito Trust Construction Company Limited	17,820	53,210,520	0.7
Mirarth Holdings Inc	54,840	21,223,080	0.3
Tosei Corporation	9,780	16,782,480	0.2
Leopalace21 Corporation	25,220	16,594,760	0.2
		208,517,240	2.7

The accompanying notes form an integral part of these financial statements.

LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

	Holdings at 31 December 2025	Fair value at 31 December 2025 JPY	Percentage of total net assets attributable to unitholders at 31 December 2025 %
By Industry (Primary) (continued)			
QUOTED EQUITIES (continued)			
COMMUNICATIONS			
Nintendo Company Limited	17,200	182,234,000	2.4
UTILITIES			
Chubu Electric Power Company Inc.	56,620	136,567,440	1.8
Kyushu Electric Power Company Inc.	18,180	30,524,220	0.4
		<u>167,091,660</u>	<u>2.2</u>
BASIC MATERIALS			
Ishihara Sangyo Kaish Limited	7,280	19,961,760	0.3
Nippon Yakin Kogyo Company Limited	3,800	17,195,000	0.2
Mitsubishi Chemical Group Company	18,500	16,929,350	0.2
Kumiai Chemical Industry Company	23,980	16,881,920	0.2
		<u>70,968,030</u>	<u>0.9</u>
Portfolio of investments		7,503,413,770	98.4
Other net assets		122,236,179	1.6
Net assets attributable to unitholders		<u>7,625,649,949</u>	<u>100.0</u>

The accompanying notes form an integral part of these financial statements.

	Percentage of total net assets attributable to unitholders at	
	31 December 2025 %	31 December 2024 %
By Industry (Summary)		
Financial	29.0	12.9
Information Technology	20.5	19.1
Industrial	16.1	24.4
Consumer Discretionary	13.4	8.7
Energy	7.2	2.1
Consumer, Non-Cyclical	3.9	7.2
Real Estate	2.7	11.2
Communications	2.4	7.8
Utilities	2.2	1.9
Basic Materials	0.9	3.0
Portfolio of investments	98.4	98.3
Other net assets	1.6	1.7
Net assets attributable to unitholders	100.0	100.0

The accompanying notes form an integral part of these financial statements.

LION-NOMURA JAPAN ACTIVE ETF (POWERED BY AI)

	Fair value at 31 December 2025 %	Percentage of total net assets attributable to unitholders at	
		31 December 2025 %	31 December 2024 %
By Geography (Secondary)			
Japan	7,503,413,770	98.4	98.3
Portfolio of investments	7,503,413,770	98.4	98.3
Other net assets	122,236,179	1.6	1.7
Net assets attributable to unitholders	7,625,649,949	100.0	100.0

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Lion-Nomura Japan Active ETF (Powered by AI) (the “Fund”) is a unit trust constituted by a Deed of Trust dated 28 December 2023 together with its Supplemental Deeds (thereafter referred to as “Trust Deed”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Manager of the Fund is Lion Global Investors Limited (the “Manager”).

The investment objective of the Fund is to achieve long-term capital growth through investment in an actively managed portfolio of Japanese equity securities, diversified across sectors and market capitalisation.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) revised and issued by the Institute of Singapore Chartered Accountants in August 2023 for the financial years beginning on or after 1 January 2023.

(b) Recognition of income

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**(c) Financial derivatives**

Financial derivatives are entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Trust Deed.

Financial derivatives outstanding at the end of the financial year are measured at their fair values using the marked-to-market method, and the resultant gains and losses are taken up in the Statement of Total Return.

When a financial derivative expires, or is sold or terminated, the gains or losses are taken up in the Statement of Total Return.

(d) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in the fair value of investments are included in the Statement of Total Return in the year/period in which they arise.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

(e) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)(f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(g) Due from and due to brokers

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

(i) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(j) Foreign currencies

(i) Functional and presentation currency

The Fund qualifies as an authorised scheme under the Securities and Futures Act ("SFA") of Singapore and is offered to retail investors in Singapore. The Fund's activities are substantially based in Japan, with subscriptions and redemptions of the units in the Fund denominated in Singapore Dollar ("SGD").

The performance of the Fund is measured and reported to the Investors in both Singapore Dollar and Japanese Yen ("JPY"). The Manager considers the Japanese Yen as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The Fund's functional and presentation currency is the Japanese Yen.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)(j) Foreign currencies (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statement of Total Return within the net foreign exchange gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities are also recognised in the Statement of Total Return within the net gain or loss on investments.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Funds or the counterparty.

(l) Expenses

Expenses are recognised in the Statement of Total Return as the related services are performed.

(m) Management fee

Management fee expense is recognised on an accrual basis and in accordance with the Prospectus. Management fee is recognised as an expense over the year/period for which the service is provided.

(n) Creation and cancellation of units

Units are issued and redeemed at the prices based on the Fund's net asset value per unit at the time of issue or redemption for each respective class. The Fund's net asset value per unit is calculated by dividing the net asset attributable to the holders of each class of units with the total number of outstanding units for each respective class.

3. INCOME TAX

The Fund meets the qualifying conditions under Section 13D of the Income Tax Act 1947 and the relevant Regulations for the current financial year/period (“Section 13D Scheme”). Under the Section 13D Scheme, the Fund enjoys Singapore corporate income tax exemptions on “specified income” derived from “designated investments”. Losses from “designated investments” are correspondingly disregarded. The terms “specified income” and “designated investments” are defined in the relevant Regulations.

The Trustee and the Manager of the Fund will ensure that the Fund fulfills its reporting obligations under the Section 13D Scheme.

	2025 JPY	For the financial period from 31 January 2024 (date of inception) to 31 December 2024 JPY
Overseas income tax	26,937,527	21,503,628

The overseas income tax represents tax deducted at source on income derived from outside Singapore. Such income is recorded gross of withholding tax in the Statement of Total Return.

4. RECEIVABLES

	2025 JPY	2024 JPY
Dividends receivable	9,736,235	4,969,112
Other receivables	10,652,696	4,599,575
	20,388,931	9,568,687

5. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are placed with a financial institution which is a related company of the Trustee.

6. PAYABLES

	2025	2024
	JPY	JPY
Amount due to the Manager	4,486,715	3,120,809
Amount due to the Trustee	256,384	178,334
Amount due to the Custodian	12,212	-
Amount due to the Registrar	128,326	117,127
Other payables	3,374,134	3,918,214
	<u>8,257,771</u>	<u>7,334,484</u>

7. UNITS IN ISSUE

		For the financial period from 31 January 2024 (date of inception) to 31 December 2024
	2025 Units	Units
Units at beginning of the financial year/period	46,720,320	-
Units created	1,460,000	48,745,320
Units cancelled	(700,000)	(2,025,000)
Units at end of the financial year/period	<u>47,480,320</u>	<u>46,720,320</u>
	2025	2024
	JPY	JPY
Net assets attributable to unitholders	7,625,649,949	5,499,945,768
Net assets attributable to unitholders (SGD equivalent)	62,641,181	47,844,826
Net asset value per unit	160	117
Net asset value per unit (SGD equivalent)	<u>1.319</u>	<u>1.024</u>

7. UNITS IN ISSUE (continued)

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the reporting date is presented below:

	2025	2024
	SGD	SGD
Net assets attributable to unitholders per unit per the financial statements	1.319	1.024
Effect of movement in the net asset value between the last dealing date and the end of the reporting year/ period	0.003	(0.013)
Net assets attributable to unitholders per unit for issuing/redeeming units	<u>1.322</u>	<u>1.011</u>

8. FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, options and/or currency forward contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

The Fund's assets principally consist of investments in equity securities. They are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

The following is a summary of the main risks and risk management policies:

(a) Market risk

Market risk is the risk of loss to the value of investments because of changes in market conditions like interest and currency rate movements and volatility in security prices. External factors such as changes in economic environment, consumption patterns and investor's expectation contribute to market risk which may have a significant impact on the asset's value.

8. FINANCIAL RISK MANAGEMENT (continued)

The following is a summary of the main risks and risk management policies:

(a) Market risk (continued)

The Fund's investments are substantially dependent on changes in market prices. The Manager monitors the Fund's investments closely so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Fund. Guidelines are set to reduce the Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various industries.

The Fund's market risk is affected primarily by changes in three components: changes in actual market prices, interest rate volatilities and foreign exchange movements.

(i) Price risk

The Fund's sensitivity to the market is measured using its beta, a ratio that describes how the expected return of a portfolio is correlated to the return of the financial market as a whole. The daily fund price movements are measured against the daily price movement of the benchmark to derive the beta.

As at 31 December 2025 and 2024, the Fund's beta is calculated based on the daily returns over the preceding 12 months for the Fund and its benchmark.

The table below summarises the impact of increases/decreases from the Fund's underlying investments in equities on the Fund's net assets attributable to the unitholders as at 31 December 2025 and 2024. The analysis was based on the assumptions that the index components within the benchmark index increased/decreased by a reasonable possible shift, with all variables held constant and that the fair value of the Fund's investments moved according to the beta.

As at 31 December 2025

Fund	Benchmark	Beta	Reasonable possible change %	Impact of reasonable possible change on net asset attributable to unitholders JPY
Lion-Nomura Japan Active ETF (Powered by AI)	Tokyo Stock Price Index (TOPIX)	0.79	8	474,215,750

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)(i) Price risk (continued)**As at 31 December 2024**

Fund	Benchmark	Beta	Reasonable possible change %	Impact of reasonable possible change on net asset attributable to unitholders JPY
Lion-Nomura Japan Active ETF (Powered by AI)	Tokyo Stock Price Index (TOPIX)	0.72	5	194,671,561

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Investment funds that invest in equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly. However, the effects of changes in interest rates on the Fund's portfolio may not be quantified as the relationship between interest rates and the value of the equity securities is indirect. Hence, no separate sensitivity analysis has been presented.

(iii) Currency risk

The Fund has monetary financial assets/liabilities denominated in currencies other than Japanese Yen and the Fund may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Japanese Yen and such other currencies. The Fund may enter into foreign currency contracts designed to either hedge some or all of this exposure, or alternatively increase exposure to preferred foreign currencies.

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

The tables below summarise the Fund's exposure to key currencies at the end of the financial year/period. Monetary and non-monetary items have been taken into account for the analysis.

As at 31 December 2025	USD JPY	SGD JPY	JPY JPY	Total JPY
Assets				
Portfolio of investments	-	-	7,503,413,770	7,503,413,770
Receivables	130,627	3,580,285	16,678,019	20,388,931
Cash and cash equivalents	304,209	105,261,504	4,539,306	110,105,019
Total assets	434,836	108,841,789	7,524,631,095	7,633,907,720

Liabilities				
Payables	12,212	3,502,460	4,743,099	8,257,771
Total liabilities	12,212	3,502,460	4,743,099	8,257,771

Net financial assets 422,624 105,339,329 7,519,887,996

Net currency exposure 422,624 105,339,329 7,519,887,996

As at 31 December 2024	USD JPY	SGD JPY	JPY JPY	Total JPY
Assets				
Portfolio of investments	-	-	5,407,543,362	5,407,543,362
Receivables	130,329	1,479,391	7,958,967	9,568,687
Cash and cash equivalents	24,143	13,494,599	76,649,461	90,168,203
Total assets	154,472	14,973,990	5,492,151,790	5,507,280,252

Liabilities				
Payables	-	4,035,341	3,299,143	7,334,484
Total liabilities	-	4,035,341	3,299,143	7,334,484

Net financial assets 154,472 10,938,649 5,488,852,647

Net currency exposure 154,472 10,938,649 5,488,852,647

Equity investments are non-monetary financial assets and are exposed to both currency risk and price risk. As these financial assets are non-monetary, no separate sensitivity analysis has been performed to analyse currency risk. The impact of currency risk arising from these financial assets on the Fund's net asset value has been included in the above price risk sensitivity analysis.

8. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

The Fund's monetary assets/liabilities are measured for their sensitivity to exchange rate movements based on the balance of the monetary assets/liabilities, forecasted exchange rate movements and the net asset value of the Fund.

As of 31 December 2025 and 2024, the Fund's exposure to foreign currency fluctuations with respect to the monetary assets/liabilities is not considered to be significant and hence no sensitivity analysis on foreign currency risk has been presented.

(b) Liquidity risk

Liquidity risk is the risk of loss arising from the inability of the Fund to meet its obligation as and when they fall due without incurring unacceptable cost or losses.

The Fund is exposed to daily redemption of units from unitholders. The Manager therefore ensures that the Fund maintains sufficient cash and cash equivalents and that it is able to obtain cash from the sale of investments held to meet its liquidity requirements. Reasonable efforts will be taken to invest in investments that are traded in active market and can be readily disposed of.

The tables below analyse the Fund's financial liabilities into relevant maturity groupings based on the remaining year/period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

As at 31 December 2025	Less than 3 months JPY	3 months- 1 year JPY	1-5 years JPY	Above 5 years JPY
Payables	8,257,771	-	-	-

As at 31 December 2024	Less than 3 months JPY	3 months- 1 year JPY	1-5 years JPY	Above 5 years JPY
Payables	7,334,484	-	-	-

8. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk is the risk that counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Credit risk also arises from cash and cash equivalents and assets held with financial institutions.

The Fund may also enter into derivatives to manage its exposures to currency risk and price risk, including foreign exchange forward contracts and options. Hence, the Fund is also exposed to the risk that its derivatives held with counterparties may not be recoverable in the event of any default by the parties concerned. The Manager minimises the Fund's credit risk by undertaking transactions with banks that are part of banking groups with good credit ratings assigned by Standard and Poor's ("S&P") or Moody's.

For purposes of impairment assessment, the Fund's assets which are measured at amortised cost are considered to have low credit risk as they are not due for payment at the end of the reporting year/period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL"). The ECL for these assets as at the end of the reporting year/period is not significant.

8. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The tables below summarise the credit rating of bank and custodian in which the Fund's assets are held as at 31 December 2025 and 2024.

	Credit rating ^{##}	Source of credit rating
As at 31 December 2025		

Custodian

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
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Bank

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
---	-----	-----

	Credit rating ^{##}	Source of credit rating
As at 31 December 2024		

Custodian

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
---	-----	-----

Bank

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
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The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

The credit ratings are based on the Long-Term Issuer Ratings published by the rating agency.

^{##} Group credit ratings are presented for unrated subsidiaries.

(d) Capital management

The Fund's capital is represented by the net assets attributable to unitholders. The Fund strives to invest the subscriptions of redeemable participating units in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

8. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables analyse within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2025 and 2024:

As at 31 December 2025	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Assets				
Portfolio of investments				
- Quoted equities	7,503,413,770	-	-	7,503,413,770

As at 31 December 2024	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Assets				
Portfolio of investments				
- Quoted equities	5,407,543,362	-	-	5,407,543,362

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, comprise active listed equities. The Fund does not adjust the quoted price for these investments.

The assets and liabilities included in the Statement of Financial Position except portfolio of investments are carried at amortised cost; their carrying values are reasonable approximation of fair value.

9. RELATED PARTY TRANSACTIONS

Management fee is paid to the Manager, while trustee fee is paid to the Trustee. These fees paid or payable by the Fund shown in the Statement of Total Return and in the respective notes to the financial statements are on terms set out in the Trust Deed.

In addition to the related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial year/period between the Fund and related parties at terms agreed between the parties and within the provisions of the Trust Deed:

	2025 JPY	For the financial period from 31 January 2024 (date of inception) to 31 December 2024 JPY
Interest income earned from a bank which is a related company of the Trustee	2,390	3,094
Transaction fees charged by the Trustee	435,651	745,310
Registration fees charged by a related company of the Trustee	1,333,327	1,249,835
Custodian fees charged by a related company of the Trustee	1,016,221	819,542
Valuation and administration fees charged by the Trustee	1,225,793	987,024
Bank service fees charged by a bank which is a related company of the Trustee	88,655	61,238

10. AUDITORS' REMUNERATION

During the financial year/period ended 31 December 2025 and 2024, the following fees were paid or payable for services provided by the auditor of the Fund.

	2025	For the financial period from 31 January 2024 (date of inception) to 31 December 2024
	JPY	JPY
Audit fee paid/payable to:		
- Auditor of the Fund	2,221,969	2,125,875
Other fees paid/payable to:		
- Auditor of the Fund	526,758	522,950
	2,748,727	2,648,825

11. FINANCIAL RATIOS

	2025	For the financial period from 31 January 2024 (date of inception) to 31 December 2024
	%	%
Expense ratio ¹ (excluding preliminary expenses) (annualised)	0.98	0.98
Expense ratio ¹ (including preliminary expenses) (annualised)	0.98	1.26
Portfolio turnover ratio ²	354	352

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 31 December 2025 was based on total operating expenses of JPY60,049,992 (2024: JPY52,682,867(excluding preliminary expenses of JPY14,655,285)) divided by the average net asset value of JPY6,126,520,975 (2024: JPY5,364,500,968) for the year/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.

11. FINANCIAL RATIOS (continued)

- 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 purchase of JPY21,658,998,614 (2024: sales of JPY18,873,452,239) divided by the average daily net asset value of JPY6,126,520,975 (2024: JPY5,364,500,968).

12. COMPARATIVES

The prior period comparative figures are not comparable as the prior period's financial statements are prepared for the financial period from 31 January 2024 (date of inception) to 31 December 2024.

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This publication may be translated into the Chinese language. In the event of any ambiguity, discrepancy or omission between the English and Chinese versions, the English version shall apply and prevail. In the event of any ambiguity, discrepancy or omission between this publication and the prospectus, the contents of the prospectus shall apply and prevail.



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