

For the financial year ended 31 December 2021

ANNUAL REPORT LIONGLOBAL ASIA PACIFIC FUND

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

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 2021

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in SGD terms, on a single pricing basis with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	LionGlobal Asia Pacific Fund (SGD Class)	Benchmark* Returns (%)
3 months	-0.3	-1.5
6 months	-6.3	-8.8
1 year	0.9	-0.9
3 years**	15.2	11.9
5 years **	10.7	9.3
10 years**	7.6	8.1
Since inception** (19 May 1995)	4.7	5.0

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in USD terms, on a single pricing basis with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	LionGlobal Asia Pacific Fund (USD Class)	Benchmark* Returns (%)
3 months	0.4	-0.8
6 months	-6.6	-9.1
1 year	-1.1	-2.9
3 years**	14.6	12.3
5 years **	11.7	10.8
10 years**	6.9	7.7
Since inception** (2 August 2004)	8.6	9.4

Source: Morningstar/Lion Global Investors Ltd.

* Benchmark:

DBS CPF Index: Inception – December 1998

MSCI All Countries Asia Pacific ex Japan: From January 1999

** Returns more than 1 year are annualised.

REVIEW

For the year ended 31 December 2021, the Fund returned 0.9%, while the benchmark MSCI All Countries Asia Pacific ex Japan Index returned -0.9%, in SGD terms.

The drag came from China which was down some 20% due to a double whammy of regulatory changes and American Depositary Receipts (ADR) de-listing concerns amid an already slowing economy driven by tighter fiscal and monetary policy. The best performing market was India which soared on a buoyant information technology services sector with record profitability in a COVID-19 stricken world and hopes of a revival in the capital expenditure cycle. Taiwan also performed very well on the back of the technology sector and shipping names.

The Fund's outperformance in 2021 was driven by stock selection and sector selection. Our significant overweight in Financials and our large underweight in consumer discretionary worked out well for the Fund. The Fund also benefitted from being underweight in China which was one of the poorer performing markets during the year. More importantly, the underweight was particularly skewed towards the Chinese ADR space which was badly hit by regulatory risk and concerns over potential ADR de-listing. Within China, the weight skewed towards A-shares was a positive contributor as A-shares significantly outperformed the H-shares and ADRs. The top contributors were Chailease and Techtronics, National Australia Bank and ICICI Bank, all of which have been long term holdings in the Fund. These companies delivered stronger than expected earnings during the year on the back of solid execution. The largest detractors were Alibaba and China Feihe. The former was hit by regulatory changes which penalised the dominant players and curtailed their power to take advantage of their customers, suppliers and squeeze their competition. Meanwhile, China Feihe was hit by sharply falling birth rates which was feared to affect their infant formula milk business adversely.

STRATEGY AND OUTLOOK

We are more positive on the market in 2022 given the policy pivot in the China Economic Working Committee in November 2021. We expect significant policy easing on both the fiscal and monetary front which will augur well for the China market against a global backdrop of policy tightening. Market expectations are for the policy stimulus to be underwhelming given the longer term objectives of common prosperity and deleveraging. However, we believe that policy will surprise on the upside simply because that is what it will take to revive economic growth amid sagging confidence levels. Given that this is the year of the 20th China Party Congress, it will be imperative for the government to have a favourable economic backdrop leading up to the elections. With Beijing now making “economic development” the central task, and with growth now being a key performance index for local government officials, we believe this will cascade down the system in the next 2 quarters. The latest total social financing numbers show that the credit cycle is turning up, and this upturn should augur well for growth and markets

We believe regulatory risk, property tightening, de-carbonization push, namely the key factors which have dogged the market in 2021 have all peaked. On the regulatory front, we are unlikely to see significant new reforms. Instead, the focus will be on implementation of the new regulations introduced last year. On carbon emissions, the campaign style approach of 2021 will give way to a more balanced approach which considers energy security especially given the power shortage in the second half of 2021 (2H21). On the property front, we have already seen some easing measures on mortgages, use of pre-sales proceeds, and the 3 red lines, and we expect more to come in the coming months to stabilize the sector as the sector accounts for some 15-20% of Gross Domestic Product, thus it will be hard to achieve a recovery in economic growth if the sector does not stabilize.

With the lacklustre performance in 2021, Asian market valuations in 2022 are looking very undemanding, especially for China which have seen a significant correction, and are trading at the bottom of their historical range. This, coupled with the bearish investor positioning, suggests much of the negatives are already priced in. The key risk factors lie in earnings and China's zero COVID-19 strategy. Earnings downgrades likely to be a headwind given the sharply slower growth in 2H21. That said, if the policy stimulus surprises on the upside, the market may look through this and focus on the expected recovery; China's zero COVID-19 strategy is a major risk to growth especially with the highly transmissible Omicron variant. Any easing of this narrative in face of the sharply reduced severity of this variant will be a significant positive.

As of 24 February 2022.

DISCLOSURES ON THE FUND¹

For the financial year ended 31 December 2021

1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2021

	Fair Value \$	Percentage of total net assets attributable to unitholders %
a) <u>By Asset Class</u>		
Equities	118,623,615	92.2
Financial derivatives	(409)	*
Cash and other net assets	10,074,164	7.8
Net assets attributable to unitholders	128,697,370	100.0
b) <u>By Credit Rating of Debt Securities</u>		
Not applicable		
c) <u>By Derivative Type</u>		
Foreign exchange spot contracts	(409)	*
Total net realised and unrealised losses from financial derivatives at the end of the year were \$81,592 and \$409 respectively.		

* denotes amount less than 0.1%

¹ As required by Code on Collective Investment Schemes

2. TOP 10 HOLDINGS
As at 31 December 2021

	Fair Value	Percentage of total net assets attributable to unitholders
	\$	%
Taiwan Semiconductor Manufacturing Company Limited	10,638,479	8.3
Samsung Electronics Company Limited	6,876,438	5.3
Tencent Holdings Limited	6,508,830	5.1
Alibaba Group Holding Limited	5,470,628	4.3
National Australia Bank Limited	3,833,871	3.0
BHP Billiton Limited	3,370,631	2.6
DBS Group Holdings Limited	2,895,407	2.3
Techtronic Industries Company Limited	2,831,352	2.2
CSL Limited	2,801,115	2.2
ICICI Bank Limited	2,724,859	2.1

As at 31 December 2020

	Fair Value	Percentage of total net assets attributable to unitholders
	\$	%
Taiwan Semiconductor Manufacturing Company Limited	9,248,915	7.7
Samsung Electronics Company Limited	8,880,239	7.4
Tencent Holdings Limited	7,863,782	6.6
Alibaba Group Holding Limited (US01609W1027)	6,519,934	5.4
BHP Billiton Limited	3,849,979	3.2
National Australia Bank Limited	3,439,387	2.9
China Construction Bank Corporation H Shares	3,144,388	2.6
AIA Group Limited	3,024,820	2.5
ICICI Bank Limited	2,369,073	2.0
Techtronic Industries Company Limited	2,224,519	1.9

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 PURCHASE 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 financial 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 2021

The Trustee is under a duty to take into custody and hold the assets of LionGlobal Asia Pacific Fund (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 year 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 12 to 37, 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

28 March 2022

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2021

In the opinion of Lion Global Investors Limited, the accompanying financial statements set out on pages 12 to 37, 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 LionGlobal Asia Pacific Fund (the "Fund") as at 31 December 2021, 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

GERARD LEE HOW CHENG
CEO

28 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LIONGLOBAL ASIA PACIFIC FUND

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

Our Opinion

In our opinion, the accompanying financial statements of LionGlobal Asia Pacific Fund (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, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2021, 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 2021;
- the Statement of Financial Position as at 31 December 2021;
- the Statement of Movements of Unitholders' Funds for the financial year ended 31 December 2021;
- the Statement of Portfolio as at 31 December 2021; and
- the notes to the financial statements, including a summary of significant accounting policies.

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 audit 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") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LIONGLOBAL ASIA PACIFIC FUND

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

Other Information

The Fund's Manager (the "Manager") is responsible for the other information. The other information comprises all 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 Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LIONGLOBAL ASIA PACIFIC FUND

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

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

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.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 28 March 2022

STATEMENT OF TOTAL RETURN
For the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Income			
Dividends		2,198,598	2,186,144
Interest on cash and bank balances	11	2,794	14,055
		<u>2,201,392</u>	<u>2,200,199</u>
Less: Expenses			
Audit fee		10,000	10,000
Custodian fees	11	20,603	13,754
Management fee	11	1,881,474	1,524,797
Professional fees		16,091	29,700
Registration fee	11	16,186	14,682
Trustee fee	11	24,579	20,238
Transaction costs		571,106	498,780
Valuation and administration fees	11	25,086	20,331
Miscellaneous expenses		31,786	30,479
		<u>2,596,911</u>	<u>2,162,761</u>
Net (expense)/income		<u>(395,519)</u>	<u>37,438</u>
Net gains or losses on value of investments and financial derivatives			
Net gains on investments		1,592,168	24,860,434
Net losses on foreign exchange spot contracts		(75,720)	(61,425)
Net losses on foreign exchange forward contracts		(6,281)	-
Net foreign exchange gains		215,783	138,202
		<u>1,725,950</u>	<u>24,937,211</u>
Total return for the financial year before income tax		1,330,431	24,974,649
Less: Income tax	3	(243,660)	(210,105)
Total return for the financial year		<u>1,086,771</u>	<u>24,764,544</u>

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
Portfolio of investments		118,623,615	110,768,980
Receivables	4	210,554	240,568
Due from brokers	5	143,654	-
Cash and cash equivalents	7	10,383,783	9,272,116
Total assets		<u>129,361,606</u>	<u>120,281,664</u>
LIABILITIES			
Payables	8	209,232	193,571
Due to brokers	5	454,595	68,952
Financial derivatives at fair value	6	409	-
Total liabilities		<u>664,236</u>	<u>262,523</u>
EQUITY			
Net assets attributable to unitholders	9	<u>128,697,370</u>	<u>120,019,141</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 2021

	Note	2021 \$	2020 \$
Net assets attributable to unitholders at the beginning of the financial year		120,019,141	99,008,979
Operations			
Change in net assets attributable to unitholders resulting from operations		1,086,771	24,764,544
Unitholders' contributions/(withdrawals)			
Creation of units		17,475,649	10,961,004
Cancellation of units		(9,884,191)	(14,715,386)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		7,591,458	(3,754,382)
Total increase in net assets attributable to unitholders		8,678,229	21,010,162
Net assets attributable to unitholders at the end of the financial year	9	128,697,370	120,019,141

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

STATEMENT OF PORTFOLIO

As at 31 December 2021

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Geography (Primary)			
QUOTED EQUITIES			
CHINA			
Tencent Holdings Limited	82,400	6,508,830	5.1
Alibaba Group Holding Limited	266,076	5,470,628	4.3
Kweichow Moutai Company Limited	5,500	2,390,356	1.9
East Money Information Company Limited	217,800	1,713,542	1.3
Meituan	42,600	1,660,402	1.3
China Tourism Group Duty Free Corporation Limited	34,600	1,609,454	1.3
China Resources Cement Holding Limited	1,578,000	1,607,207	1.3
China Construction Bank Corporation H Shares	1,613,000	1,506,183	1.2
Beijing Oriental Yuhong	131,000	1,463,063	1.1
Jiangsu Hengli Highpressure Oil Cylinder Company Limited	83,900	1,454,994	1.1
China Feihe Limited	706,000	1,276,986	1.0
Minth Group Limited	204,000	1,211,732	0.9
WuXi Biologics Cayman Inc.	75,000	1,200,293	0.9
Ping An Bank Company Limited	309,200	1,080,296	0.8
Sungrow Power Supply Company Limited	33,400	1,032,405	0.8
Centre Testing International Group Company Limited	172,845	984,624	0.8
Ping An Insurance (Group) Company of China Limited H Shares	90,500	878,715	0.7
China Merchants Bank Company Limited H Shares	71,000	743,399	0.6
Baidu Inc.	28,800	720,129	0.5
		<u>34,513,238</u>	<u>26.9</u>

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

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
TAIWAN			
Taiwan Semiconductor Manufacturing Company Limited	355,000	10,638,479	8.3
Chailease Holding Company Limited	209,091	2,684,677	2.1
Quanta Computer Inc.	500,000	2,307,258	1.8
Win Semiconductors Corporation	80,000	1,459,882	1.1
Yageo Corporation	59,000	1,378,531	1.1
Accton Technology Corporation	105,000	1,330,267	1.0
		<u>19,799,094</u>	<u>15.4</u>
AUSTRALIA			
National Australia Bank Limited	135,625	3,833,871	3.0
BHP Billiton Limited	82,863	3,370,631	2.6
CSL Limited	9,830	2,801,115	2.2
Qualitas Limited	1,078,131	2,620,751	2.0
Mirvac Group	578,607	1,650,362	1.3
Steadfast Group Limited	310,840	1,599,553	1.3
OZ Minerals Limited	51,760	1,431,706	1.1
Karoo Gas Australia Limited	742,450	1,222,585	0.9
		<u>18,530,574</u>	<u>14.4</u>
SOUTH KOREA			
Samsung Electronics Company Limited	77,438	6,876,438	5.3
Kakaobank Corporation	28,835	1,929,388	1.5
Naver Corporation	4,143	1,778,396	1.4
Hansol Chemical Company Limited	3,891	1,348,094	1.0
Krafton Inc.	2,243	1,170,132	0.9
KB Financial Group Inc.	18,711	1,167,098	0.9
Wemade Entertainment Company Limited	5,594	1,128,615	0.9
Dear U Company Limited	9,193	853,864	0.7
		<u>16,252,025</u>	<u>12.6</u>

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

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
INDIA			
ICICI Bank Limited	202,994	2,724,859	2.1
Reliance Industries Limited	57,162	2,455,035	1.9
Housing Development Finance Corporation Limited	44,874	2,104,941	1.6
ICICI Prudential Life Insurance	151,369	1,539,522	1.2
Embassy Office Parks REIT	221,031	1,361,445	1.1
Devayani International Limited	445,792	1,334,409	1.0
Tata Consultancy Services Limited	19,304	1,308,785	1.0
Medplus Health Services Limited	4,565	85,883	0.1
		<u>12,914,879</u>	<u>10.0</u>
HONG KONG			
Techtronic Industries Company Limited	105,500	2,831,352	2.2
AIA Group Limited	199,400	2,710,175	2.1
Hong Kong Exchanges and Clearing Limited	26,400	2,078,962	1.6
Pacific Basin Shipping Limited	3,940,000	1,948,552	1.5
		<u>9,569,041</u>	<u>7.4</u>
SINGAPORE			
DBS Group Holdings Limited	88,653	2,895,407	2.3
TDCX Inc.	35,721	922,212	0.7
		<u>3,817,619</u>	<u>3.0</u>

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

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
By Geography (Primary) (continued)			
QUOTED EQUITIES (continued)			
INDONESIA			
PT Bank Rakyat Indonesia (Persero) Tbk	4,320,964	1,679,846	1.3
THAILAND			
Ngern Tid Lor Public Company Limited (THA271010R18)	597,000	879,415	0.7
Ngern Tid Lor Public Company Limited (THA271010011)	453,400	667,884	0.5
		1,547,299	1.2
Portfolio of investments		118,623,615	92.2
Other net assets		10,073,755	7.8
Net assets attributable to unitholders		128,697,370	100.0

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

	Percentage of total net assets attributable to unitholders at	
	31 December 2021 %	31 December 2020 %
By Geography (Summary)		
China	26.9	38.2
Taiwan	15.4	11.9
Australia	14.4	10.1
South Korea	12.6	10.9
India	10.0	8.0
Hong Kong	7.4	7.1
Singapore	3.0	2.9
Indonesia	1.3	1.4
Thailand	1.2	1.8
	<hr/>	<hr/>
Portfolio of investments	92.2	92.3
Other net assets	7.8	7.7
	<hr/>	<hr/>
Net assets attributable to unitholders	100.0	100.0
	<hr/>	<hr/>

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

	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at	
		31 December 2021 %	31 December 2020 %
By Industry (Secondary)			
Financial	37,038,485	28.8	22.5
Technology	25,697,185	20.0	22.0
Consumer, Cyclical	14,117,976	11.0	13.8
Communications	11,306,103	8.8	8.6
Basic Materials	9,220,701	7.2	5.9
Consumer, Non-cyclical	7,754,632	6.0	7.5
Industrial	6,799,106	5.3	3.0
Energy	3,677,620	2.8	3.8
Real Estate	3,011,807	2.3	5.2
Portfolio of investments	118,623,615	92.2	92.3
Other net assets	10,073,755	7.8	7.7
Net assets attributable to unitholders	128,697,370	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 2021

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

1. GENERAL

LionGlobal Asia Pacific Fund (the “Fund”) is a unit trust constituted by a Deed of Trust dated 6 April 1995 together with its Supplemental Deeds thereon (hereafter referred to as “Trust Deed”) between Lion Global Investors Limited (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore.

Subscriptions and redemptions of the Fund are denominated in Singapore Dollar and United States Dollar. Investors may subscribe in United States Dollar at the applicable rate of exchange from Singapore Dollar.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants in July 2020 for the financial year beginning on or after 1 July 2020.

The adoption of the revised RAP 7 did not result in substantial changes to the accounting policies of the Fund and had no material effect of the amounts reported for the current or prior years.

(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. SIGNIFICANT ACCOUNTING POLICIES (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.

(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 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. SIGNIFICANT ACCOUNTING POLICIES (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

Subscriptions and redemptions of the units in the Fund are denominated in Singapore Dollar and United States Dollar. The primary activity of the Fund is to invest in the equities markets of the Asia Pacific (ex-Japan) region.

The performance of the Fund is measured and reported to the investors in Singapore Dollar. In addition, the Fund's activities are substantially based in Singapore and expenses are predominantly in Singapore Dollar. Therefore, the Manager considers the Singapore Dollar 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 Singapore Dollar.

2. SIGNIFICANT ACCOUNTING POLICIES (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. 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 investment.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement 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 Fund or the counterparty.

3. INCOME TAX

The Fund was granted the status of Designated Unit Trust ("DUT") in Singapore. The Trustee of the Fund has assessed and is satisfied that the Fund has met the requisite conditions under the DUT Scheme for the current financial year. The Trustee of the Fund will also ensure that the Fund fulfills its reporting obligations under the DUT Scheme.

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT fund is not taxable in accordance with sections 35(12) and 35(12A) of the Income Tax Act. Such income includes:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act);
- (c) dividends derived from outside Singapore and received in Singapore;

3. INCOME TAX (continued)

- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

	2021	2020
	\$	\$
Singapore income tax	(346)	-
Overseas income tax	244,006	210,105
Total income tax	<u>243,660</u>	<u>210,105</u>

The overseas income tax represents tax deducted at source on dividends derived from outside Singapore.

The Fund invests in securities issued by entities which are domiciled in foreign countries. Many of these foreign countries have tax laws which indicate that taxes on gains on disposal of investments may be applicable to non-residents, such as the Fund. Typically, these taxes are required to be determined on a self assessment basis and, therefore, such taxes may not be deducted by the Fund's brokers on a "withholding" basis.

The Fund is required to recognise a tax liability when it is probable that the tax laws of foreign countries require a tax liability to be assessed on the Fund's gains on investments sourced from such foreign countries, assuming the relevant taxing authorities have full knowledge of all the facts and circumstances. The tax liability is then measured at the amount expected to be paid to the relevant taxation authorities using the tax laws and rates that have been enacted or substantively enacted by the end of the reporting period. There is sometimes uncertainty about the way enacted tax law is applied to offshore investment funds. This creates uncertainty about whether or not a tax liability will ultimately be paid by the Fund. Therefore when measuring any uncertain tax liabilities, management considers all of the relevant facts and circumstances available at the time which could influence the likelihood of payment, including any formal or informal practices of the relevant tax authorities.

At 31 December 2021 and 2020, the Fund has uncertain tax exposure with respect to gains on investments of which the tax liability is estimated to be nil. While this represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

4. RECEIVABLES

	2021	2020
	\$	\$
Amount receivable for creation of units	118,281	111,807
Interest receivable	5	5
Dividends receivable	56,965	99,770
Other receivables	35,303	28,986
	<u>210,554</u>	<u>240,568</u>

5. DUE FROM/(TO) BROKERS

	2021	2020
	\$	\$
Sales awaiting settlement	<u>143,654</u>	<u>-</u>
Purchases awaiting settlement	<u>(454,595)</u>	<u>(68,952)</u>

6. FINANCIAL DERIVATIVES AT FAIR VALUE

As at 31 December 2021, financial derivatives comprise foreign exchange spot contracts due for settlement within 4 days from the reporting date. There were no financial derivatives outstanding as at 31 December 2020. The contracts or underlying principal amounts of these financial derivatives and their corresponding gross fair values at the reporting date are analysed below.

As at 31 December 2021	Contract or underlying principal amount	Fair value	
	\$	Asset	Liability
		\$	\$
Foreign exchange spot contracts	191,005	<u>-</u>	<u>409</u>

7. CASH AND CASH EQUIVALENTS

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

8. PAYABLES

	2021	2020
	\$	\$
Amount payable for cancellation of units	21,155	4,965
Amount due to the Manager	163,835	149,975
Amount due to the Trustee	4,321	4,610
Amount due to the Custodian	249	-
Amount due to the Registrar	6,450	2,662
Other payables	13,222	31,359
	<u>209,232</u>	<u>193,571</u>

9. UNITS IN ISSUE

	2021	2020
	Units	Units
Units at beginning of the financial year	36,463,344	37,683,362
Units created	5,107,530	3,987,692
Units cancelled	(2,807,388)	(5,207,710)
Units at end of the financial year	<u>38,763,486</u>	<u>36,463,344</u>
of which, units denominated in		
- USD	<u>42,641</u>	<u>15,165</u>

	2021	2020
	\$	\$
Net assets attributable to unitholders	128,697,370	120,019,141
Net asset value per unit	<u>3.320</u>	<u>3.291</u>

There was no difference between the net assets attributable to unitholders per the financial statements and the net assets attributable to unitholders for issuing/redeeming units at the reporting date.

10. 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 investment in equity investments. 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 financial 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.

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 geographies/industries.

COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the Fund. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

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.

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(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 movement is measured against the daily price movement of the benchmark to derive the beta.

As at 31 December 2021, the Fund's beta was 0.97 (2020: 0.96) which was calculated based on the daily returns over the preceding 12 months for the Fund and its benchmark (2020: based on the daily returns over the preceding 12 months for the Fund and its benchmark). The tables below summarise 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 2021 and 2020. 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.

Fund	Benchmark	Impact of 5% (2020: 8%) movement in benchmark on net assets attributable to the unitholders	
		2021	2020
		\$	\$
	MSCI All Countries		
LionGlobal Asia	Asia Pacific ex Japan		
Pacific Fund	Index	5,753,245	8,507,058

(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.

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk

The Fund has monetary financial assets/liabilities denominated in currencies other than Singapore Dollar and the Fund may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between the Singapore Dollar 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.

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

As at 31 December 2021

	HKD \$	AUD \$	KRW \$	TWD \$	INR \$	SGD \$	USD \$	CNH \$	Others \$	Total \$
Assets										
Portfolio of investments	32,353,546	18,530,574	16,252,025	19,799,094	12,914,879	2,895,407	922,212	11,728,733	3,227,145	118,623,615
Receivables	-	15,908	-	37,580	3,477	152,236	1,348	5	-	210,554
Due from brokers	123,229	20,425	-	-	-	-	-	-	-	143,654
Cash and cash equivalents	142	145,108	-	323,014	3,260,927	4,896,733	137,967	1,618,829	1,063	10,383,783
Total assets	32,476,917	18,712,015	16,252,025	20,159,688	16,179,283	7,944,376	1,061,527	13,347,567	3,228,208	129,361,606
Liabilities										
Payables	-	-	-	-	-	208,983	249	-	-	209,232
Due to brokers	314,234	13,436	126,925	-	-	-	-	-	-	454,595
Total liabilities	314,234	13,436	126,925	-	-	208,983	249	-	-	663,827
Net financial assets	32,162,683	18,698,579	16,125,100	20,159,688	16,179,283	7,735,393	1,061,278	13,347,567	3,228,208	
Currency spots	191,005	-	-	-	-	(191,005)	-	-	-	
Net currency exposure	32,353,688	18,698,579	16,125,100	20,159,688	16,179,283	7,544,388	1,061,278	13,347,567	3,228,208	

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

As at 31 December 2020

	HKD	AUD	KRW	TWD	INR	SGD	USD	CNH	Others	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assets										
Portfolio of investments	33,393,662	12,052,378	13,074,706	14,313,254	9,688,941	3,494,543	11,419,273	9,516,784	3,815,439	110,768,980
Receivables	65,305	-	-	34,465	-	140,426	367	5	-	240,568
Cash and cash equivalents	259,512	1,228,770	-	1,810,602	3,203,446	2,056,198	31,452	681,317	819	9,272,116
Total assets	33,718,479	13,281,148	13,074,706	16,158,321	12,892,387	5,691,167	11,451,092	10,198,106	3,816,258	120,281,664
Liabilities										
Payables	-	-	-	-	-	189,507	4,064	-	-	193,571
Due to brokers	-	68,952	-	-	-	-	-	-	-	68,952
Total liabilities	-	68,952	-	-	-	189,507	4,064	-	-	262,523
Net financial assets	33,718,479	13,212,196	13,074,706	16,158,321	12,892,387	5,501,660	11,447,028	10,198,106	3,816,258	
Net currency exposure	33,718,479	13,212,196	13,074,706	16,158,321	12,892,387	5,501,660	11,447,028	10,198,106	3,816,258	

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.

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 2021 and 2020, 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.

10. FINANCIAL RISK MANAGEMENT (continued)
(b) Liquidity risk

The Fund is exposed to daily redemption of units in the Fund. It therefore invests the majority of its assets in investments that are traded in an 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 period at the reporting date to the contractual maturity date. The amounts in the tables 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 2021	Less than 3 months \$	3 months- 1 year \$	1-5 years \$	Above 5 years \$
Derivative financial instruments				
- inflows	(191,005)	-	-	-
- outflows	191,414	-	-	-
Due to brokers	454,595	-	-	-
Payables	209,232	-	-	-

As at 31 December 2020	Less than 3 months \$	3 months- 1 year \$	1-5 years \$	Above 5 years \$
Due to brokers	68,952	-	-	-
Payables	193,571	-	-	-

(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.

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

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.

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 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 period is not significant.

The tables below summarise the credit rating of banks and custodian in which the Fund's assets are held as at 31 December 2021 and 2020.

	Credit rating ##	Source of credit rating
As at 31 December 2021		
<u>Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
<u>Bank</u>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
Australia & New Zealand Banking Group Limited	AA-	S&P

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

	Credit rating ^{##}	Source of credit rating
As at 31 December 2020		
<u>Custodian</u>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
<u>Bank</u>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
Overseas-Chinese Banking Corporation Limited [#]	AA-	S&P

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

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

[#] *Ultimate holding company of the Manager.*

^{##} *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.

(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).

10. FINANCIAL RISK MANAGEMENT (continued)

 (e) Fair value estimation (continued)

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 2021 and 2020:

As at 31 December 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Portfolio of investments				
- Quoted equities	118,623,615	-	-	118,623,615

Liabilities				
Financial derivatives at fair value	-	409	-	409

As at 31 December 2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Portfolio of investments				
- Quoted equities	110,768,980	-	-	110,768,980

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 instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include over-the-counter derivatives.

Except for cash and cash equivalents which are classified as Level 1, the Fund's assets and liabilities not measured at fair value at 31 December 2021 and 2020 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

11. 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 between the Fund and related parties at terms agreed between the parties and within the provisions of the Trust Deed:

	2021	2020
	\$	\$
Brokerage on purchases and sales of investments charged by a related party of the Manager	1,896	4,498
Interest income earned from a bank which is a related company of the Trustee	2,794	14,055
Transaction fees charged by the Trustee	9,970	11,798
Registration fee charged by a related company of the Trustee	16,186	14,682
Valuation and administration fees charged by the Trustee	25,086	20,331
Custodian fees charged by a related company of the Trustee	20,603	13,754
Bank service fees charged by a bank which is a related company of the Trustee	2,618	560
Cash transfer fees charged by a related company of the Trustee	<u>1,887</u>	<u>1,397</u>

12. FINANCIAL RATIOS

	2021 %	2020 %
Expense ratio ¹	1.61	1.64
Portfolio turnover ratio ²	59	70

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 2021 was based on total operating expenses of \$2,025,805 (2020: \$1,663,980) divided by the average net asset value of \$125,499,550 (2020: \$101,506,353) for the year. 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 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 \$73,704,389 (2020: purchases of \$71,453,634) divided by the average daily net asset value of \$125,499,550 (2020: \$101,506,353).

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