

LionGlobal Singapore Balanced Fund

(formerly known as Lion Capital Singapore Balanced Fund)

Annual Report

For the financial year ended 31 December 2008

Managers

Lion Global Investors Limited
One George Street #08-01
Singapore 049145

Directors of Lion Global Investors Limited

Ng Keng Hooi (Chairman)
David Philbrick Conner (Deputy Chairman)
Daniel Chan Choong Seng (CEO & Chief Investment Officer)
Soon Tit Koon
Andrew Lee Kok Keng
Loh Sook Mee (Mrs)

Trustee/Custodian/ Registrar

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay
#14-01, HSBC Building
Singapore 049320

Independent Auditor

PricewaterhouseCoopers LLP
8 Cross Street #17-00
PWC Building
Singapore 048424

LIONGLOBAL SINGAPORE BALANCED FUND

PERFORMANCE OF THE FUND

For the year ended 31 December 2008

Returns for the Fund are calculated up to 31 December 2008 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%) LionGlobal Singapore Balanced Fund - SGD Class	Benchmark Returns (%) (50% STI + 50% CPF Ordinary Rate)
3 months	-13.7	-12.5
6 months	-23.9	-21.2
1 year	-30.7	-26.6
3 years	-0.3	-7.8
5 years	20.1	9.2
10 years	90.4	36.7
Since Inception (22 September 1995)	61.7	23.9

Returns for the Fund are calculated up to 31 December 2008 in USD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%) LionGlobal Singapore Balanced Fund - USD Class	Benchmark Returns (%) (50% STI + 50% CPF Ordinary Rate)
3 months	-14.3	-13.1
6 months	-28.2	-25.7
1 year	-30.8	-26.6
3 years	15.0	6.4
Since Inception (2 August 2004)	37.3	24.8

Source: Morningstar/CPF Board/Lion Global Investors Ltd

FUND AND MARKET REVIEW

For the year ended 31 December 2008, the fund fell 30.7% underperforming the benchmark which fell 26.6%, in Singapore dollar terms.

In the first half of the year, our holdings in the industrial sector were heavily sold down on worries over the slowing economy. Smaller cap stocks were hit particularly hard in the sell-down.

During the latter part of the year, the global financial crisis escalated as the failure of Lehman Brothers and US government bailout of AIG caused an unprecedented freezing of global financial credit markets. Credit spreads and stock market volatility widened dramatically and global banks started cutting back on lending as their balance sheets were impacted by losses. This caused worldwide trade to slow and in some instances come to a virtual standstill.

All sectors in the market were affected by the sell-off with the telecom sector falling the least. Our underweight position in financials contributed positively to the Fund's performance while our holdings in the REITs sector were negatively impacted as concerns grew over their gearing ratios as well as refinancing concerns. With a sharp downward reversal in oil and coal prices, our exposure to holdings in the offshore and marine sectors also saw large declines.

Singapore government bonds performed very well as credit concerns trigger a flight to quality and easing of inflation worries as the economy went into recession. UOB Singapore Government Bond Index returned 7.35% for the whole year, with the second half of 2008 returning 7% as yields fell and the curve flattened. On the other hand, credit spreads and bid-offer spreads have widened massively.

STRATEGY AND OUTLOOK

The main concern overhanging equity markets is the global recession caused by the bursting of the credit bubble and near failure of the global banking system. The sharply curtailed economic backdrop, falling asset values and deleveraging will remain a drag on economic growth well into 2009.

Inflation which gripped the world in 2008, will likely start to ease this year. Demand destruction on the back of rapidly slowing growth, has caused both energy as well as prices of both hard and soft commodities to fall sharply over the past couple of months. Lower prices will begin to offer reprieve to consumers.

To ease inflationary concerns, the Monetary Authority of Singapore (“MAS”) reset the mid-point of the bandwidth at the prevailing level of Singapore dollar nominal effective exchange rate (“S\$NEER”) in 2008. This is equivalent to a one-off appreciation of about 2%. With slowing exports and easing inflationary pressures, we expect the MAS to change its tact from an anti-inflation bias policy to one emphasizing growth.

Economic growth in Singapore is likely to contract in the first half of 2009 on the back of declining exports. We have been seeing negative electronic exports growth over the past few months, with no indication of a turnaround. Even in the more resilient pharmaceutical sector, numbers are showing large negative swings.

Singapore’s open economy will likely be more affected than some of the regional countries due to its high exports to GDP ratio. The manufacturing sector and financial services sector have been affected by the economic slowdown and we expect rising unemployment in the near term as businesses restructure their operations to cope with the current environment. The government approved an expansionary stimulus package of \$20.5 billion in its 2009 Budget with the focus on supporting employment, controlling business costs, ensuring the availability of credit and encouraging infrastructure investment. The severity of this recession is underscored by the fact that the government will be dipping into past reserves to partially fund this package.

Against this backdrop, our strategy is to stay cautious and nimble. Valuations are looking attractive but the risk of earnings being further revised downwards on margin compression and slowing demand is high. Hence, we prefer to position ourselves in companies that have low leverage, strong balance sheets and stable cashflows. We see value in the financials which are trading below their book values. We also like domestic oriented sectors such as the telecom and transport sectors.

Some amount of recovery of risk appetite is likely in the near-term. Economic data have scope to disappoint but it is still uncertain whether the disappointment is sufficient to deter the recovery in risk appetite. The financing of the fiscal and monetary measures in the US may also dampen the flattening trend. This may also influence the shape of the Singapore Government Securities yield curve. Statutory board bonds in the short-end are still trading at attractive spreads to government bonds. On corporate bonds, the wide spreads are increasingly attractive as liquidity starts to flow back into the market. However, we continue to stay defensive on quality and short-duration as the economic cycle does not support credit fundamentals. We wait to see a few refinancing deals to be done before re-assessing the credit markets.

DISCLOSURES ON THE FUND ¹

For the financial year ended 31 December 2008

1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2008

	Fair Value \$	Percentage of total net assets attributable to unitholders %
<i>a) <u>By Asset Class</u></i>		
Equities	47,937,150	45.4
Debt Securities (including accrued interest on debt securities)	55,077,743	52.1
Cash and cash equivalents	2,641,348	2.5
Net assets attributable to unitholders	105,656,241	100.0
<i>b) <u>By Credit Rating of Debt Securities</u></i>		
Aaa	4,758,242	4.6
Aa2	1,717,733	1.6
Aa3	4,701,680	4.5
A1	2,506,200	2.3
A2	633,825	0.6
A3	1,522,440	1.4
Baa2	2,511,978	2.4
Unrated (Singapore - incorporated debt securities)	36,320,360	34.3
Accrued interest on debt securities	405,285	0.4
	55,077,743	52.1
<i>c) <u>By Derivative Type</u></i>		
Not applicable		

¹ As required by the Code on Collective Investment Schemes

2. TOP 10 HOLDINGS

As at 31 December 2008

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Singapore Telecommunications Limited	6,168,348	5.8
United Overseas Bank Limited	5,136,264	4.9
United Overseas Land Limited 3.34% due 15/05/2012	4,720,000	4.5
Ascott Capital Private Limited Series MTN 3.085% due 27/04/2010	3,994,880	3.8
DBS Group Holdings Limited	3,717,220	3.5
City Developments Limited Series MTN 3.38% due 25/04/2012	3,012,480	2.9
Singapore Exchange Limited	2,823,990	2.7
Oversea-Chinese Banking Corporation	2,718,552	2.6
DBS Capital Funding Corporation Preference Shares	2,707,560	2.6
Sunshine Asset Limited MTN 3.915% due 21/04/2009	2,511,978	2.4

LIONGLOBAL SINGAPORE BALANCED FUND

As at 31 December 2007

	Fair Value \$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	9,140,560	5.4
United Overseas Bank Limited	7,907,458	4.7
Singapore Telecommunications Limited	7,658,482	4.6
Hyflux Limited	6,340,920	3.8
United Overseas Land Limited 3.34% due 15/05/2012	4,975,290	3.0
Oversea-Chinese Banking Corporation	4,516,392	2.7
MacarthurCook Industrial Real Estate Investment Trust	4,215,800	2.5
Macquarie International Infrastructure Fund Limited	4,165,000	2.5
Ascott Capital Private Limited Series MTN 3.085% due 27/04/2010	3,980,067	2.4
CapitaMall Trust	3,970,950	2.4

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

Nil

4. BORROWINGS

Nil

5. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS

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

6. OTHER MATERIAL INFORMATION

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

7. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS

Not applicable

REPORT OF THE TRUSTEE

The Trustee is under a duty to take into custody and to hold the assets of LionGlobal Singapore Balanced Fund (formerly known as Lion Capital Singapore Balanced Fund) (the “Fund”) in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the “laws and regulations”), the Trustee shall monitor the activities of the Managers 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 which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Certified Public Accountants of Singapore and the Trust Deed.

To the best knowledge of the Trustee, the Managers have, in all material respects, managed the Fund during the period covered by these financial statements, set out on pages 12 to 42 comprising the Statement of Total Return, Balance Sheet, Portfolio Statement and Notes to the Financial Statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

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

Authorised signatory

STATEMENT BY THE MANAGERS

In the opinion of the directors of Lion Global Investors Limited (formerly known as Lion Capital Management Ltd), the accompanying financial statements set out on pages 12 to 42, comprising the Statement of Total Return, Balance Sheet, Portfolio Statement and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of LionGlobal Singapore Balanced Fund (formerly known as Lion Capital Singapore Balanced Fund) (the "Fund") as at 31 December 2008 and the total deficit for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. 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 directors of
LION GLOBAL INVESTORS LIMITED

DANIEL CHAN CHOONG SENG
CEO & Chief Investment Officer

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF LIONGLOBAL SINGAPORE BALANCED FUND

(formerly known as Lion Capital Singapore Balanced Fund)

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

We have audited the financial statements of LionGlobal Singapore Balanced Fund (the "Fund") set out on pages 12 to 42, which comprise the Balance Sheet and Portfolio Statement as at 31 December 2008, the Statement of Total Return for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Manager's Responsibility for the Financial Statements

The Fund's 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 Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Fund's Manager, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2008 and the total deficit for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

PricewaterhouseCoopers LLP
Public Accountants & Certified Public Accountants

Singapore

LIONGLOBAL SINGAPORE BALANCED FUND

STATEMENT OF TOTAL RETURN

For the financial year ended 31 December 2008

	Note	2008 \$	2007 \$
Income			
Dividends		3,870,166	3,383,348
Interest		81,850	237,956
Other income		10	-
		<u>3,952,026</u>	<u>3,621,304</u>
Less: Expenses			
Audit fee		7,700	11,472
Custodian fees		36,801	35,577
Management fee		1,860,282	1,853,228
Professional fees		4,106	21,450
Registration fee		37,360	40,300
Trustee fee		77,275	47,530
Valuation and administration fee		56,526	57,023
Miscellaneous expenses		163,305	150,592
		<u>2,243,355</u>	<u>2,217,172</u>
Net income		<u>1,708,671</u>	<u>1,404,132</u>
Net gains or losses on investments			
Net realised (losses)/gains on investments		(19,337,220)	15,043,665
Net change in fair value of investments		(34,305,889)	(2,986,037)
Net foreign exchange gains		1,824	19,321
		<u>(53,641,285)</u>	<u>12,076,949</u>
Total (deficit)/return for the year before income tax		(51,932,614)	13,481,081
Less: Income tax	3	(137,760)	(231,185)
Total (deficit)/return for the year after income tax before distribution		<u>(52,070,374)</u>	<u>13,249,896</u>
Less: Distribution	4	-	-
Total (deficit)/return for the year		<u>(52,070,374)</u>	<u>13,249,896</u>

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

LIONGLOBAL SINGAPORE BALANCED FUND

BALANCE SHEET

As at 31 December 2008

	Note	2008 \$	2007 \$
ASSETS			
Investments		103,014,893	153,157,401
Receivables	5	365,188	6,363,240
Due from broker		434,091	-
Fixed deposits	6	1,657,104	10,601,608
Cash and bank balances	7	753,567	2,202,891
Total assets		<u>106,224,843</u>	<u>172,325,140</u>
LIABILITIES			
Payables	8	568,602	4,420,967
Net assets attributable to unitholders	9	105,656,241	167,904,173
Total liabilities		<u>106,224,843</u>	<u>172,325,140</u>

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

LIONGLOBAL SINGAPORE BALANCED FUND

PORTFOLIO STATEMENT

As at 31 December 2008

	Holdings at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
By Industry (Primary)			
QUOTED			
EQUITIES			
FINANCIAL			
United Overseas Bank Limited	398,160	5,136,264	4.9
DBS Group Holdings Limited	442,000	3,717,220	3.5
Singapore Exchange Limited	557,000	2,823,990	2.7
Oversea-Chinese Banking Corporation*	544,800	2,718,552	2.6
CapitaMall Trust	1,151,000	1,818,580	1.7
CapitaLand Limited	505,000	1,570,550	1.5
Frasers Centrepoint Trust	2,213,000	1,383,125	1.3
City Developments Limited	200,000	1,274,000	1.2
Hongkong Land Holdings Limited	280,000	996,423	0.9
CapitaRetail China Trust	1,467,000	880,200	0.8
Suntec Real Estate Investment Trust	1,000,000	710,000	0.7
CDL Hospitality Trusts	822,000	595,950	0.6
Ascendas India Trust	1,300,000	591,500	0.5
Ascendas Real Estate Investment Trust	360,000	493,200	0.5
		<u>24,709,554</u>	<u>23.4</u>

* ultimate holding company of the Managers

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Holdings at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
COMMUNICATIONS			
Singapore Telecommunications Limited	2,418,960	6,168,348	5.8
StarHub Limited	600,000	1,158,000	1.1
		<u>7,326,348</u>	<u>6.9</u>
INDUSTRIAL			
Singapore Post Limited	2,800,000	2,212,000	2.1
SMRT Corporation Limited	1,080,000	1,782,000	1.7
Singapore Technologies Engineering Limited	560,000	1,327,200	1.3
Venture Corporation Limited	299,000	1,309,620	1.2
SBS Transit Limited	218,000	374,960	0.4
		<u>7,005,780</u>	<u>6.7</u>
CONSUMER, NON-CYCLICAL			
Raffles Medical Group Limited	2,701,600	1,837,088	1.7
Wilmar International Limited	443,000	1,231,540	1.2
Thomson Medical Centre Limited	2,100,000	1,008,000	1.0
		<u>4,076,628</u>	<u>3.9</u>
CONSUMER, CYCLICAL			
Singapore Airlines Limited	98,000	1,103,480	1.0
DIVERSIFIED			
Keppel Corporation Limited	244,000	1,056,520	1.0
ENERGY			
Straits Asia Resources Limited	1,203,000	938,340	0.9

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Holdings at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
TECHNOLOGY			
CSE Global Limited	1,500,000	<u>562,500</u>	<u>0.5</u>
UTILITIES			
CitySpring Infrastructure Trust	1,000,000	<u>495,000</u>	<u>0.5</u>
UNQUOTED			
EQUITIES			
FINANCIAL			
DBS Group Holdings Limited Nil Paid Rights due 20/01/2009	221,000	<u>663,000</u>	<u>0.6</u>
BASIC MATERIALS			
Ferrochina Limited	532,000	<u>-</u>	<u>-</u>
INDUSTRIAL			
Peace Mark (Holdings) Limited	91,200	<u>-</u>	<u>-</u>
TOTAL EQUITIES		<u>47,937,150</u>	<u>45.4</u>

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Nominal amounts at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
QUOTED			
DEBT SECURITIES			
FINANCIAL			
United Overseas Land Limited 3.34% due 15/05/2012	5,000,000	4,720,000	4.5
Ascott Capital Private Limited Series MTN 3.085% due 27/04/2010	4,000,000	3,994,880	3.8
City Developments Limited Series MTN 3.38% due 25/04/2012	3,000,000	3,012,480	2.9
DBS Capital Funding Corporation Preference Shares	30,000	2,707,560	2.6
Sunshine Asset Limited MTN 3.915% due 21/04/2009	2,500,000	2,511,978	2.4
Frasers Centrepoint Limited MTN 4.045% due 14/03/2011	2,000,000	2,035,920	1.9
F&N Treasury Private Limited MTN 3.405% due 11/06/2012	2,000,000	2,021,880	1.9
Joynote Limited 3.655% due 26/10/2009	2,000,000	2,019,060	1.9
United Overseas Bank Limited Class E 5.05% Non-Cumulative Preference Shares	20,000	1,860,000	1.8
General Electric Capital Corporation EMTN 3.03% due 11/02/2013	2,000,000	1,671,022	1.6
CDL Properties Limited DMTN 3.85% due 12/10/2011	1,500,000	1,526,925	1.4
HK Land Treasury SG 3.01% due 04/10/2010	1,500,000	1,522,440	1.4

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Nominal amounts at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
Sun Hung Kai Properties MTN 3.69% due 06/11/2009	1,500,000	1,515,360	1.4
Solitaire Capital Limited MTN 3.95% due 23/02/2009	1,500,000	1,502,880	1.4
United Overseas Bank Limited 4.95% due 30/09/2016	1,250,000	1,253,853	1.2
Mapletreelog Treasury Company Series MTN 3.81% due 19/10/2009	1,000,000	1,008,940	1.0
CDL Properties Limited MTN 3.15% due 16/09/2010	1,000,000	1,006,982	1.0
General Electric Capital Corporation EMTN 3.65% due 06/04/2009	1,000,000	1,006,360	1.0
IFS Capital Limited Series MTN 4.435% due 07/08/2009	1,000,000	1,005,480	1.0
Sing Investments & Finance Limited MTN 4.36% due 17/04/2009	1,000,000	1,005,180	0.9
CapitaLand Treasury Limited Series MTN 3.89% due 25/08/2009	1,000,000	1,002,560	0.9
National Agricultural Company Series GMTN FRN due 29/06/2009	1,000,000	990,840	0.9
Morgan Stanley EMTN 3.585% due 23/10/2012	750,000	633,825	0.6
CapitaLand Limited Series 2.95% due 20/06/2022	1,000,000	510,500	0.5
IFS Capital Limited MTN FRN due 29/05/2009	500,000	499,994	0.5
F&N Treasury Private Limited MTN 2.43% due 21/05/2009	500,000	499,580	0.5

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Nominal amounts at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
DBS Bank Limited MTN Var 15/07/2021	500,000	463,880	0.4
CapitaCommercial Trust 2% due 06/05/2013	500,000	435,000	0.4
Housing & Development Board MTN 5.07% due 21/09/2009	280,000	286,871	0.3
Queensley Holdings Limited Series A 4.5% due 05/12/2009	250,000	253,540	0.2
Solitaire Capital Limited FRN due 23/02/2009	250,000	250,013	0.2
Sengkang Mall Limited Series A 4.88% due 20/11/2012	250,000	244,625	0.2
DBS Group Holdings Limited 6% Non-Cumulative Preference Shares	1,400	134,120	0.1
		<u>45,114,528</u>	<u>42.7</u>
CONSUMER, CYCLICAL			
Cathay Pacific Airways Limited MTN 3.82% due 09/11/2011	1,500,000	1,526,130	1.4
Singapore Airlines 4.15% due 19/12/2011	1,250,000	1,326,912	1.3
Hotel Properties Limited Series MTN 3.3% due 07/03/2011	1,000,000	1,008,139	0.9
Hotel Properties Limited MTN 3.95% due 29/01/2010	750,000	746,078	0.7
Hotel Properties Limited MTN 3.215% due 27/03/2009	500,000	501,432	0.5
		<u>5,108,691</u>	<u>4.8</u>

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

LIONGLOBAL SINGAPORE BALANCED FUND

	Nominal amounts at 31 December 2008	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at 31 December 2008 %
SOVEREIGN			
Government of Singapore 2.25% due 01/07/2013	2,000,000	<u>2,080,860</u>	<u>2.0</u>
CONSUMER, NON CYCLICAL			
Petra Foods Limited EMTN 4.435% due 11/01/2012	1,250,000	<u>1,167,625</u>	<u>1.1</u>
UTILITIES			
Singapore Power 4.05% due 04/05/2013	940,000	<u>941,472</u>	<u>0.9</u>
INDUSTRIAL			
Singapore Post Limited 3.13% due 11/04/2013	250,000	<u>259,282</u>	<u>0.2</u>
Accrued interest receivable on debt securities		<u>405,285</u>	<u>0.4</u>
TOTAL DEBT SECURITIES		<u>55,077,743</u>	<u>52.1</u>
UNQUOTED			
NIL			
Investments		103,014,893	97.5
Other net assets		<u>2,641,348</u>	<u>2.5</u>
Net assets attributable to unitholders		<u>105,656,241</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 2008	31 December 2007
	%	%
By Industry (Summary)		
Financial	66.7	49.7
Communications	6.9	6.6
Industrial	6.9	13.5
Consumer, Cyclical	5.8	3.4
Consumer, Non-Cyclical	5.0	12.2
Sovereign	2.0	1.2
Utilities	1.4	0.6
Diversified	1.0	2.0
Energy	0.9	-
Technology	0.5	1.1
Basic Materials	-	0.6
	<hr/>	<hr/>
	97.1	90.9
Accrued interest receivable on debt securities	0.4	0.3
	<hr/>	<hr/>
Investments	97.5	91.2
Other net assets	2.5	8.8
	<hr/>	<hr/>
Net assets attributable to unitholders	100.0	100.0
	<hr/>	<hr/>

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

LIONGLOBAL SINGAPORE BALANCED FUND

PORTFOLIO STATEMENT

As at 31 December 2008

	Fair value at 31 December 2008 \$	Percentage of total net assets attributable to unitholders at	
		31 December 2008 %	31 December 2007 %
By Geography (Secondary)			
Singapore	94,073,871	89.0	86.9
United States of America	3,311,207	3.2	1.0
Cayman Islands	2,707,560	2.6	-
Hong Kong	1,526,130	1.4	0.9
South Korea	990,840	0.9	1.2
China	-	-	0.6
Australia	-	-	0.3
	<u>102,609,608</u>	<u>97.1</u>	<u>90.9</u>
Accrued interest receivable on debt securities	<u>405,285</u>	<u>0.4</u>	<u>0.3</u>
Investments	<u>103,014,893</u>	<u>97.5</u>	<u>91.2</u>
Other net assets	<u>2,641,348</u>	<u>2.5</u>	<u>8.8</u>
Net assets attributable to unitholders	<u>105,656,241</u>	<u>100.0</u>	<u>100.0</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2008

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

1. GENERAL

LionGlobal Singapore Balanced Fund (formerly known as Lion Capital Singapore Balanced Fund) (the "Fund") is a unit trust constituted by a Deed of Trust dated 15 September 1995 together with its Supplemental Deeds thereon (hereafter referred to as "Trust Deed") between Lion Capital Management Ltd, which changed its name to Lion Global Investors Limited on 2 June 2008 (the "Managers") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Fund is a unit trust under the Central Provident Fund Investment Scheme.

The Fund changed its name to LionGlobal Singapore Balanced Fund on 2 June 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention 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 Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore ("ICPAS").

(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.

(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 Managers 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) Distribution

The Managers have the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid out on the distribution date. The amount shall not be treated as part of the property of the Fund.

(e) 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 net of transaction costs, and are taken up in the Statement of Total Return.

(f) Basis of valuation of investments

The fair value of investments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price for the investments held by the Fund is the current market quoted bid price.

(g) 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.

(h) Foreign currencies

(i) Functional and presentation currency

The Fund's investors are mainly from Singapore with the subscriptions and redemptions of the units denominated in Singapore dollar and United States dollar. The primary activity of the Fund is to invest in securities and bonds (including real estate investment trusts) in Singapore with limited investments in countries outside Singapore.

The performance of the Fund is measured and reported to the investors in Singapore dollar. The Managers consider 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.

(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 at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies 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 fair value net gain or loss.

3. INCOME TAX

The Fund was granted the status of a Designated Unit Trust and included under the Central Provident Fund Investment Scheme and, therefore, the following income is exempted from tax in accordance with Section 35(12) and (12A) of the Income Tax Act (Cap 134):

- (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;
- (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; and
- (e) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

LIONGLOBAL SINGAPORE BALANCED FUND

	2008	2007
	\$	\$
Singapore income tax	137,760	229,936
Overseas income tax	-	1,249
Total income tax	<u>137,760</u>	<u>231,185</u>

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

4. DISTRIBUTION

The Managers do not propose any distribution to unitholders for the financial year ended 31 December 2008 (2007: Nil).

5. RECEIVABLES

	2008	2007
	\$	\$
Amount receivable for creation of units	198,139	6,251,633
Dividends receivable	166,962	108,302
Interest receivable from a bank which is the ultimate holding company of the Managers	87	-
Interest receivable from a bank which is a related company of the Trustee	-	3,305
	<u>365,188</u>	<u>6,363,240</u>

6. FIXED DEPOSITS

	2008	2007
	\$	\$
Fixed deposit placed with a bank which is the ultimate holding company of the Managers	1,657,104	-
Fixed deposit placed with a bank which is a related company of the Trustee	-	10,601,608
	<u>1,657,104</u>	<u>10,601,608</u>

LIONGLOBAL SINGAPORE BALANCED FUND

Fixed deposits have an average maturity of 5 days (2007: 4 days) from the end of the financial year with the following weighted average effective interest rate:

	2008	2007
	%	%
Singapore dollar	<u>0.36</u>	<u>1.31</u>

7. CASH AND BANK BALANCES

The cash and bank balances are placed with a financial institution related to the Trustee.

8. PAYABLES

	2008	2007
	\$	\$
Amount payable for cancellation of units	421,201	4,145,205
Amount due to Managers	113,667	227,992
Amount due to Trustee	8,783	13,280
Amount due to Custodian	2,123	892
Amount due to Registrar	4,991	5,240
Other payables	<u>17,837</u>	<u>28,358</u>
	<u>568,602</u>	<u>4,420,967</u>

9. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	2008	2007
	\$	\$
At beginning of financial year	167,904,173	64,814,930
Operations		
Change in net assets attributable to unitholders resulting from operations	(52,070,374)	13,249,896
Unitholders' contributions/(withdrawals)		
Creation of units	255,587,173	448,656,790
Cancellation of units	(265,764,731)	(358,817,443)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(10,177,558)	89,839,347
Total (decrease)/increase in net assets attributable to unitholders	(62,247,932)	103,089,243
At end of financial year	105,656,241	167,904,173
Units in issue (see Note 10)	74,969,886	82,671,303
Net assets attributable to unitholders per unit	\$1.409	\$2.030

Reconciliation of net assets attributable to unitholders per unit for issuing/redeeming units at financial year-end and the net assets attributable to unitholders per unit per the financial statements:

	2008	2007
	\$	\$
Net assets attributable to unitholders per unit for issuing/redeeming units	1.412	2.038
Effect of adopting bid prices as fair value	(0.003)	(0.008)
Net assets attributable to unitholders per unit per the financial statements	<u>1.409</u>	<u>2.030</u>

Quoted investments have been valued at the current bid prices in accordance with the recommendations of Statement of Recommended Accounting Practice 7. For the purpose of the net assets attributable to unitholders per unit calculation for the issuance and redemption of units, quoted investments are stated at the last available transacted price, in accordance with the Code on Collective Investment Schemes.

10. UNITS IN ISSUE

	2008	2007
	Units	Units
Units at beginning of the year	82,671,303	36,130,961
Units created	137,516,612	222,077,907
Units cancelled	<u>(145,218,029)</u>	<u>(175,537,565)</u>
Units at end of the year	<u>74,969,886</u>	<u>82,671,303</u>
of which, units denominated in		
- USD	<u>218,566</u>	<u>245,746</u>

11. 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, financial options contracts 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 financial instruments such as equity investments, fixed interest investments, money market investments and cash. 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 Managers 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 Managers monitor the Fund's investments closely so as to assess changes in fundamentals and valuation. Although the Managers make reasonable efforts in the choice of investments, events beyond reasonable control of the Managers 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.

The Fund's market risk is affected by three main 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 price movement of the portfolio's holdings as at year-end are measured against the price movement of a benchmark index (an index that best reflects the Fund's equity investment as at year-end) to derive the beta.

As at 31 December 2008, the Fund beta was 1.06 (2007: 0.93) which is calculated based on the daily returns over the preceding 12 months for the Fund and benchmark (2007 is based on the daily returns over the preceding 12 months for the Fund and 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 2007 and 2008. The analysis was based on the assumptions that the index components within the benchmark 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.

	Impact of 12% (2007: 5%) movement in benchmark on net assets attributable to the unitholders	
Benchmark	2008 \$	2007 \$
Straits Times Index	6,097,605	4,587,303

(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.

It affects the value of fixed income securities more directly than equities, and is a risk to the Fund. As interest rates rise, prices of fixed income securities fall and vice versa. The rationale is that as interest rates increase, the opportunity cost of holding a fixed income security increases since investors are able to realize greater yields by switching to other investments that reflect the higher interest rate. Fixed deposits have short term to maturity and have minimal exposure to interest rate risk. The Managers will regularly assess the economic condition, monitor changes in interest rates outlook and take appropriate measures accordingly to control the impact of interest rate risk.

The tables below summarise the Fund's exposure to interest rate risks. They include the Fund's assets and liabilities at fair value, categorized by the interest rate types.

31 December 2008	Variable rates	Fixed rates	Non-interest bearing	Total
	\$	\$	\$	\$
Assets				
Investments	2,204,727	52,467,731	48,342,435	103,014,893
Receivables	-	-	365,188	365,188
Due from broker	-	-	434,091	434,091
Fixed deposits	-	1,657,104	-	1,657,104
Cash and bank balances	753,567	-	-	753,567
Total assets	2,958,294	54,124,835	49,141,714	106,224,843
Liabilities				
Payables	-	-	568,602	568,602
Net assets attributable to unitholders	-	105,656,241	-	105,656,241
Total liabilities	-	- 106,224,843	-	106,224,843

LIONGLOBAL SINGAPORE BALANCED FUND

31 December 2007	Variable rates \$	Fixed rates \$	Non-interest bearing \$	Total \$
Assets				
Investments	3,270,312	50,900,952	98,986,137	153,157,401
Receivables	-	-	6,363,240	6,363,240
Fixed deposits	-	10,601,608	-	10,601,608
Cash and bank balances	2,202,891	-	-	2,202,891
Total assets	5,473,203	61,502,560	105,349,377	172,325,140
Liabilities				
Payables	-	-	4,420,967	4,420,967
Net assets attributable to unitholders	-	-	167,904,173	167,904,173
Total liabilities	-	-	172,325,140	172,325,140

The duration, a measure of the sensitivity of the price of a fixed income security to a change in interest, for the 12 months period is 3.36% (2007: 2.62%). As of 31 December 2008, should interest rates have lowered or risen by 1% (2007: 1%) with all other variables remaining constant, the increase or decrease in net assets attributable to unitholders for the year would be as follows:

Fund	Impact of 1% (2007: 1%) movement in interest rates on net assets attributable to the unitholders	
	2008 \$	2007 \$
LionGlobal Singapore Balanced Fund	1,762,916	1,333,605

LIONGLOBAL SINGAPORE BALANCED FUND

(iii) Currency risk

The Fund has securities denominated in currencies other than Singapore dollars 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 on balance sheet exposure to currency risks for the Fund.

31 December 2008	USD \$	MYR \$	TWD \$	SGD \$	Total \$
Assets					
Investments	996,423	-	-	102,018,470	103,014,893
Receivables	-	-	-	365,188	365,188
Due from broker	-	-	-	434,091	434,091
Fixed deposits	-	-	-	1,657,104	1,657,104
Cash and bank balances	217,462	33,380	1	502,724	753,567
Total assets	1,213,885	33,380	1	104,977,577	106,224,843
Liabilities					
Payables	4,169	-	-	564,433	568,602
Net assets attributable to unitholders	308,029	-	-	105,348,212	105,656,241
Total liabilities	312,198	-	-	105,912,645	106,224,843
Notional value of foreign exchange contracts	-	-	-	-	-

LIONGLOBAL SINGAPORE BALANCED FUND

31 December 2007	USD \$	MYR \$	TWD \$	SGD \$	Total \$
Assets					
Investments	1,982,986	-	-	151,174,415	153,157,401
Receivables	2,511	-	-	6,360,729	6,363,240
Fixed deposits	-	-	-	10,601,608	10,601,608
Cash and bank balances	129,369	34,893	1	2,038,628	2,202,891
Total assets	2,114,866	34,893	1	170,175,380	172,325,140
Liabilities					
Payables	669	-	-	4,420,298	4,420,967
Net assets attributable to unitholders	499,106	-	-	167,405,067	167,904,173
Total liabilities	499,775	-	-	171,825,365	172,325,140
Notional value of foreign exchange contracts					
	-	-	-	-	-

The following table shows the Fund's sensitivity to foreign currency exposure should those currencies increase by a reasonable possible shift with all other variables held constant. The sensitivity analysis is not presented separately should those currencies decrease as it is the reversal of the impact disclosed below.

Currency	Reasonable possible FX movement		Impact of increase in FX rates on net assets attributable to the unitholders	
	2008	2007	2008	2007
	%	%	\$	\$
USD	5	4	60,486	84,568
MYR	5	4	1,669	1,396
TWD	5	4	*	*

* denotes amount less than \$1

(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 balance sheet 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.

31 December 2008	Less than 3 months -			Above 5 years
	3 months	1 year	1-5 years	
	\$	\$	\$	\$
Payables	568,602	-	-	-
Net assets attributable to unitholders	105,656,241	-	-	-

31 December 2007	Less than 3 months -			Above 5 years
	3 months	1 year	1-5 years	
	\$	\$	\$	\$
Payables	4,420,967	-	-	-
Net assets attributable to unitholders	167,904,173	-	-	-

(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.

The Fund invests mostly in financial assets, which have an investment grade as rated by Standard and Poor's or Moody's. The credit ratings are reviewed regularly.

The table below analyses the Fund's investments by credit ratings.

	2008	2007
	%	%
Aaa	4.6	1.8
Aa1	-	0.3
Aa2	1.6	1.1
Aa3	4.5	0.4
A1	2.3	1.5
A2	0.6	-
A3	1.4	0.9
Baa2	2.4	1.5
Unrated (Singapore - incorporated debt securities)	34.3	24.7
Accrued interest on debt securities	0.4	0.3
Total	52.1	32.5

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 enters 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 Managers minimize the Fund's credit risk by undertaking transactions with banks that are part of a banking group with good credit-ratings assigned by international credit rating agencies.

The tables below summarise the credit rating of banks and custodian in which the Fund's assets are held as at 31 December 2007 and 2008.

31 December 2008	Amount \$	Credit Rating^{##}	Source of Credit Rating
<u>Custodian</u>			
HSBC Institutional Trust Services (Singapore) Limited	103,014,893	AA-	S&P
<u>Bank</u>			
The Hongkong and Shanghai Banking Corporation Limited	753,567	AA-	S&P
Oversea-Chinese Banking Corporation Limited	1,657,104	A+	S&P

^{##} Group credit rating will be presented for unrated subsidiaries.

31 December 2007	Amount \$	Credit Rating ^{##}	Source of Credit Rating
<u>Custodian</u>			
HSBC Institutional Trust Services (Singapore) Limited	153,157,401	AA-	S&P
<u>Bank</u>			
The Hongkong and Shanghai Banking Corporation Limited	12,804,499	AA-	S&P

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

(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.

^{##} Group credit rating will be presented for unrated subsidiaries.

12. RELATED PARTY TRANSACTIONS

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:

	2008	2007
	\$	\$
Brokerage on purchases and sales of investments charged by the ultimate holding company of the Managers	3,437	12,270
Interest income earned from a bank which is the ultimate holding company of the Managers	42,889	42,327
Interest income earned from a bank which is a related company of the Trustee	11,867	97,278
Interest expenses incurred with a bank which is a related company of the Trustee	310	2,748
Transaction fees charged by the Trustee	8,379	20,170
Registration fee charged by a related company of the Trustee	37,360	40,300
Valuation and administration fee charged by the Trustee	56,526	57,023
Custodian fees charged by a related company of the Trustee	36,801	35,577
Bank service fees charged by a bank which is a related company of the Trustee	<u>19,050</u>	<u>21,418</u>

13. FINANCIAL RATIOS

	2008	2007
	%	%
Expense ratio ¹	1.51	1.49
Portfolio turnover ratio ²	<u>36</u>	<u>67</u>

¹ The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee.

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes.

Disclaimer

This is not a recommendation to invest in any particular fund nor an offer or solicitation for the purchase or sales of the securities/investments mentioned herein. This document does not have regard to your specific investment objectives, financial situation or particular needs. All applications for units in our funds must be made on application forms accompanying the prospectus. You should read the prospectus for details on the unit trust before deciding whether to subscribe for or purchase units in any unit trust. A copy of the prospectus can be obtained from the Manager, or any of its approved distributors. Lion Global Investors Limited's ("Lion Global Investors") unit trusts and investment products, except for guaranteed funds, are not obligations of, deposits in, or guaranteed by any of its affiliates. An investment in unit trusts is subject to investment risks, including the possible loss of the principal amount invested. The value of units and the income from them may fall as well as rise. Past performance figures as well as any projection or forecast made in this publication, are not necessarily indicative of future or likely performance of any Lion Global Investors' unit trusts. Any opinion or view presented in this publication may change without notice. Accordingly, no warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on any information, opinion or estimate contained in this publication. You may wish to seek advice from a financial adviser before making a commitment to purchase any fund. In the event that you choose not to seek advice from a financial adviser, you should consider whether the fund is suitable for you.

Lion Global Investors does not take into consideration the tax implications of the income earned as the tax position of each person is different. Investors are advised to seek independent tax advice on their personal tax position arising from investing in the product in question.

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.

This page is left blank intentionally.

Lion Global Investors Limited
One George Street #08-01
Singapore 049145

TEL (65) 6417 6900 FAX (65) 6417 6806
www.lookforLion.com
Co Reg No.: 198601745D

A member of the OCBC Group