

SEMI-ANNUAL REPORT

For the financial period ending 31 December 2021

**NikkoAM-StraitsTrading
Asia ex Japan REIT ETF**

MANAGERS

Nikko Asset Management Asia Limited
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Company Registration No. 198202562H

DIRECTORS

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TRUSTEE & REGISTRAR

HSBC Institutional Trust Services (Singapore) Limited
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AUDITORS

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CUSTODIAN

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

This report is also available on our website (www.nikkoam.com.sg)

PERFORMANCE SUMMARY

| <i>Returns (%)</i> | <i>3 Mth</i> | <i>6 Mth</i> | <i>1 Yr</i> | <i>3 Yr</i> | <i>5 Yr</i> | <i>10 Yr</i> | <i>Since Inception</i> |
|--|--------------|--------------|-------------|-------------|-------------|--------------|------------------------|
| NikkoAM-StraitsTrading Asia ex Japan REIT ETF ¹ | 1.66 | -1.11 | 1.67 | 4.58 | N/A | N/A | 6.20 |
| Benchmark ² | 1.81 | -0.61 | 2.68 | 5.53 | N/A | N/A | 7.02 |

Source: Nikko Asset Management Asia Limited & FTSE International Ltd. Returns as at 31 December 2021. Returns are calculated on a NAV-NAV basis, in SGD, and based on the assumption that all dividends and distributions are reinvested if any. Returns for periods in excess of 1 year are annualised. Past performance is not indicative of future performance.

Note:

- (1) With effect from 31 January 2018, SRE Capital Pte. Ltd. has ceased to be the Investment Adviser to Nikko Asset Management Asia Limited in respect of the NikkoAM-StraitsTrading Asia ex Japan REIT ETF.
- (2) The benchmark against which the performance of the Fund will be measured is the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (formerly known as FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index prior to 20 July 2020 and FTSE EPRA/NAREIT Asia ex Japan Net Total Return REIT Index prior to 3 September 2018). Benchmark returns are using the net total return version.

Inception date: 29 March 2017

The units of NikkoAM-StraitsTrading Asia ex Japan REIT ETF are not in any way sponsored, sold or promoted by FTSE International Limited ("FTSE"), by the London Stock Exchange Group companies ("LSEG"), Euronext N.V. ("Euronext"), European Public Real Estate Association ("EPRA"), or the National Association of Real Estate Investment Trusts ("NAREIT") (together the "Licensor Parties") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, none of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

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About NikkoAM-StraitsTrading Asia ex Japan REIT ETF

The NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the "Fund") is a collective investment scheme authorised under Section 286 of the Securities and Futures Act and is established under the terms of a trust deed dated 27 February 2017 made between Nikko Asset Management Asia Limited as manager, and HSBC Institutional Trust Services (Singapore) Limited as trustee, of the Fund.

The investment objective of the Fund is to replicate as closely as possible, before expenses, the performance of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index"), or upon the Manager giving three (3) months' prior written notice to the Trustee and the Holders, such other index that gives, in the opinion of the Manager, the same or substantially similar exposure as the Index. There is no assurance that the Fund will achieve its investment objective or that it will be able to fully track the performance of the Index.

The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Securities in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy).

The Fund is designed for investors who seek an "index-based" approach to investing in a portfolio of Asia ex Japan listed REIT or REIT-type securities in a cost effective and easy to access manner. Units may also be used as an asset allocation tool or as a trading instrument.

Note: Investors are advised to refer to the Fund's prospectus for more details on the Fund.

This document is purely for informational purposes only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. It should not be relied upon as financial advice. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. **You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.** Investments in funds are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia").

Past performance or any prediction, projection or forecast is not indicative of future performance. The Fund or any underlying fund may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. **Investments in the Fund are subject to investment risks, including the possible loss of principal amount invested.** You should read the relevant prospectus (including the risk warnings) and product highlights sheet of the Fund, which are available and may be obtained from appointed distributors of Nikko AM Asia or our website (www.nikkoam.com.sg) before deciding whether to invest in the Fund.

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The performance of the ETF's price on the Singapore Exchange Securities Trading Limited ("SGX-ST") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX-ST. Transactions in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX-ST through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

The Central Provident Fund ("CPF") Ordinary Account ("OA") interest rate is the legislated minimum 2.5% per annum, or the 3-month average of major local banks' interest rates, whichever is higher, reviewed quarterly. The interest rate for Special Account ("SA") is currently 4% per annum or the 12-month average yield of 10-year Singapore Government Securities plus 1%, whichever is higher, reviewed quarterly. Only monies in excess of \$20,000 in OA and \$40,000 in SA can be invested under the CPF Investment Scheme ("CPFIS"). Please refer to the website of the CPF Board for further information. Investors should note that the applicable interest rates for the CPF accounts and the terms of CPFIS may be varied by the CPF Board from time to time.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period ended 31 December 2021 (Unaudited)*

| | 31 December 2021 | 31 December 2020 |
|---|---------------------|-------------------|
| | S\$ | S\$ |
| Income | | |
| Dividends | 8,048,584 | 5,370,372 |
| Interest | 6 | 3 |
| Other Income | 11,158 | - |
| | <u>8,059,748</u> | <u>5,370,375</u> |
| Less: Expenses | | |
| Administrator fee | 54,559 | 45,967 |
| Audit fee | 10,199 | 11,031 |
| Management fee | 859,225 | 620,659 |
| Less: Management fee rebate | (250,210) | (197,689) |
| Trustee fee | 53,110 | 45,967 |
| Registrar fee | 7,054 | 9,942 |
| Custody fee | 42,537 | 42,953 |
| Transaction costs | 249,954 | 198,260 |
| Other expenses | 261,953 | 157,052 |
| | <u>1,288,381</u> | <u>934,142</u> |
| Net income | <u>6,771,367</u> | <u>4,436,233</u> |
| Net gains or losses on value of investments | | |
| Net (losses)/gains on investments | (11,672,809) | 7,811,472 |
| Net foreign exchange gains/(losses) | 197,411 | (299,196) |
| | <u>(11,475,398)</u> | <u>7,512,276</u> |
| Total (deficit)/gains for the period before income tax | (4,704,031) | 11,948,509 |
| Less: Income tax | (50,648) | (24,211) |
| Total (deficit)/gains for the period after income tax | <u>(4,754,679)</u> | <u>11,924,298</u> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021 (Unaudited)

| | 31 December 2021 | 30 June 2021 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| ASSETS | | |
| Portfolio of investments | 347,014,537 | 346,203,239 |
| Sales awaiting settlement | 40,750 | 68,075 |
| Receivables | 1,868,202 | 1,446,312 |
| Cash and bank balances | 2,044,471 | 2,200,482 |
| Total assets | 350,967,960 | 349,918,108 |
| LIABILITIES | | |
| Payables | 400,637 | 383,319 |
| Purchases awaiting settlement | 1,083,666 | 1,972,447 |
| Distribution payable | 3,983,000 | 3,524,578 |
| Total liabilities | 5,467,303 | 5,880,344 |
| EQUITY | | |
| Net assets attributable to unitholders | 345,500,657 | 344,037,764 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial period ended 31 December 2021 (Unaudited)

| | 31 December 2021 | 30 June 2021 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| Net assets attributable to unitholders at the beginning of financial period/ year | 344,037,764 | 235,223,171 |
| Operations | | |
| Change in net assets attributable to unitholders resulting from operations | (4,754,679) | 20,622,821 |
| Unitholders' contributions/(withdrawals) | | |
| Creation of units | 74,317,056 | 156,684,716 |
| Cancellation of units | (60,401,850) | (56,166,060) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 13,915,206 | 100,518,656 |
| Distributions | (7,697,634) | (12,326,884) |
| Total increase in net assets attributable to unitholders | 1,462,893 | 108,814,593 |
| Net assets attributable to unitholders at the end of financial period/ year | 345,500,657 | 344,037,764 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO
As at 31 December 2021 (Unaudited)

By Geography (Primary)

| | Holdings at 31 December 2021 | Fair value at 31 December 2021 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2021 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) | | | |
| HONG KONG SAR | | | |
| Champion REIT | 7,278,000 | 5,021,513 | 1.46 |
| Fortune Real Estate Investment Trust | 4,969,000 | 6,882,578 | 1.99 |
| Hui Xian Real Estate Investment Trust | 9,066,000 | 2,690,851 | 0.78 |
| Link REIT | 2,920,400 | 34,668,299 | 10.03 |
| Prosperity Real Estate Investment Trust | 4,352,000 | 2,317,871 | 0.67 |
| Sunlight Real Estate Investment Trust | 3,955,000 | 2,968,150 | 0.86 |
| Yuexiu Real Estate Investment Trust | 6,388,990 | 3,568,489 | 1.03 |
| Total Hong Kong SAR | | 58,117,751 | 16.82 |
| INDIA | | | |
| Brookfield India Real Estate Trust | 510,432 | 2,748,736 | 0.79 |
| Embassy Office Parks REIT | 1,955,148 | 12,042,779 | 3.49 |
| Total India | | 14,791,515 | 4.28 |
| INDONESIA | | | |
| First Real Estate Investment Trust | 3,957,714 | 1,207,103 | 0.35 |
| Total Indonesia | | 1,207,103 | 0.35 |
| MALAYSIA | | | |
| Axis Real Estate Investment Trust | 4,080,400 | 2,561,671 | 0.74 |
| IGB Real Estate Investment Trust | 6,259,500 | 3,342,277 | 0.97 |
| Sunway Real Estate Investment Trust | 7,203,000 | 3,286,634 | 0.95 |
| Total Malaysia | | 9,190,582 | 2.66 |
| PHILIPPINES | | | |
| AREIT Inc | 2,221,400 | 2,854,269 | 0.83 |
| Total Philippines | | 2,854,269 | 0.83 |
| SINGAPORE | | | |
| AIMS APAC REIT Management Limited | 2,034,100 | 2,949,445 | 0.85 |
| ARA LOGOS Logistics Trust | 4,659,400 | 4,193,460 | 1.21 |
| Ascendas Real Estate Investment Trust | 11,659,190 | 34,394,611 | 9.96 |
| Ascott Trust REIT | 6,994,100 | 7,203,923 | 2.09 |
| CapitaLand Integrated Commercial Trust | 17,079,200 | 34,841,568 | 10.08 |
| CapitaLand Retail China Trust | 4,154,870 | 4,944,295 | 1.43 |
| CDL Hospitality Trusts | 2,919,000 | 3,415,230 | 0.99 |
| Cromwell European Real Estate Investment Trust | 1,159,100 | 4,495,898 | 1.30 |
| ESR REIT | 9,864,700 | 4,735,056 | 1.37 |
| Far East Hospitality Trust | 3,566,700 | 2,104,353 | 0.61 |
| Frasers Centrepoint Trust | 3,949,129 | 9,122,488 | 2.64 |
| Frasers Logistics & Industrial Trust | 10,408,100 | 15,820,312 | 4.58 |
| Keppel DC REIT | 4,677,477 | 11,553,368 | 3.34 |
| Keppel REIT | 7,861,500 | 8,883,495 | 2.57 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2021 (Unaudited)***By Geography (Primary) (continued)**

| | Holdings at 31 December 2021 | Fair value at 31 December 2021 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2021 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) (continued) | | | |
| SINGAPORE (continued) | | | |
| Keppel Pacific Oak US REIT | 3,093,800 | 3,336,725 | 0.97 |
| Lendlease Global Commercial REIT | 3,245,400 | 2,904,633 | 0.84 |
| Manulife US REIT | 5,329,600 | 4,814,017 | 1.39 |
| Mapletree Commercial Trust | 8,025,539 | 16,051,078 | 4.65 |
| Mapletree Industrial Trust | 6,793,000 | 18,409,030 | 5.33 |
| Mapletree Logistics Trust | 10,944,687 | 20,794,905 | 6.02 |
| Mapletree North Asia Commercial Trust | 8,540,000 | 9,479,400 | 2.74 |
| OUE Commercial Real Estate Investment Shares REIT | 8,022,500 | 3,529,900 | 1.02 |
| Parkway Life Real Estate Investment Trust | 1,418,000 | 7,274,340 | 2.11 |
| Prime US REIT | 2,363,600 | 2,660,717 | 0.77 |
| Sasseur REIT | 1,878,700 | 1,587,502 | 0.46 |
| SPH REIT | 3,473,700 | 3,473,700 | 1.01 |
| Starhill Global REIT | 5,186,700 | 3,397,289 | 0.98 |
| Suntec Real Estate Investment Trust | 7,681,600 | 11,599,216 | 3.36 |
| Total Singapore | | <u>257,969,954</u> | <u>74.67</u> |
| THAILAND | | | |
| WHA Premium Growth Freehold & Leasehold Real Estate Investment Trust | 5,625,600 | 2,883,363 | 0.83 |
| Total Thailand | | <u>2,883,363</u> | <u>0.83</u> |
| Total Quoted Real Estate Investment Trusts (REITS) | | <u>347,014,537</u> | <u>100.44</u> |
| Portfolio of investments | | 347,014,537 | 100.44 |
| Other net liabilities | | (1,513,880) | (0.44) |
| Net assets attributable to unitholders | | <u>345,500,657</u> | <u>100.00</u> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO
As at 31 December 2021 (Unaudited)

| By Geography (Summary) | Percentage of total net assets attributable to unitholders at 31 December 2021 % | Percentage of total net assets attributable to unitholders at 30 June 2021 % |
|---|---|---|
| Quoted Real Estate Investment Trusts (REITS) | | |
| Hong Kong SAR | 16.82 | 17.00 |
| India | 4.28 | 4.01 |
| Indonesia | 0.35 | 0.38 |
| Malaysia | 2.66 | 3.38 |
| Philippines | 0.83 | - |
| Singapore | 74.67 | 74.82 |
| Thailand | 0.83 | 1.04 |
| Total Quoted Real Estate Investment Trusts (REITS) | 100.44 | 100.63 |
| Portfolio of investments | 100.44 | 100.63 |
| Other net liabilities | (0.44) | (0.63) |
| Net assets attributable to unitholders | 100.00 | 100.00 |

Information on investment portfolio by industry segments is not presented as the Fund invests only into Real Estate Investment Trusts (REITS).

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 8 to 10.

2. Credit rating of debt securities

Nil

3. Top 10 holdings

10 largest holdings at 31 December 2021

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|--|-------------|-------------------|--|
| CapitaLand Integrated Commercial Trust | 35,766,124 | 34,841,568 | 10.08 |
| Link REIT | 36,311,275 | 34,668,299 | 10.03 |
| Ascendas Real Estate Investment Trust | 34,358,263 | 34,394,611 | 9.96 |
| Mapletree Logistics Trust | 20,382,171 | 20,794,905 | 6.02 |
| Mapletree Industrial Trust | 17,654,833 | 18,409,030 | 5.33 |
| Mapletree Commercial Trust | 16,048,321 | 16,051,078 | 4.65 |
| Frasers Logistics & Industrial Trust | 13,457,800 | 15,820,312 | 4.58 |
| Embassy Office Parks REIT | 12,196,009 | 12,042,779 | 3.49 |
| Suntec Real Estate Investment Trust | 12,461,229 | 11,599,216 | 3.36 |
| Keppel DC REIT | 11,378,327 | 11,553,368 | 3.34 |

10 largest holdings at 31 December 2020

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------------|-------------|-------------------|--|
| CapitaLand Mall Trust | 24,650,892 | 25,678,080 | 10.23 |
| Ascendas Real Estate Investment Trust | 24,910,675 | 25,464,368 | 10.14 |
| Link REIT | 26,183,316 | 24,955,749 | 9.94 |
| Mapletree Logistics Trust | 17,665,295 | 19,812,550 | 7.89 |
| Mapletree Industrial Trust | 14,130,694 | 16,827,892 | 6.70 |
| Mapletree Commercial Trust | 15,067,574 | 16,605,563 | 6.61 |
| Frasers Logistics & Industrial Trust | 10,944,317 | 13,062,663 | 5.20 |
| Keppel DC REIT | 9,930,177 | 12,133,796 | 4.83 |
| Suntec Real Estate Investment Trust | 12,540,579 | 10,948,818 | 4.36 |
| Frasers Centrepoint Trust | 9,765,797 | 9,437,861 | 3.76 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

4. Exposure to derivatives

Nil

5. Global exposure to financial derivatives

Nil

6. Collateral

Nil

7. Securities Lending or Repurchase Transactions

(a) Transferable securities lent

As at 31 December 2021

Absolute amounts of the repurchase transactions – Nil

| Collateral provider | Security | Fair value of securities lent S\$ | Percentage of total lendable assets % | Percentage of total net assets attributable to unitholders % |
|-------------------------|-----------------------------------|--------------------------------------|--|---|
| The Bank of Nova Scotia | CDL Hospitality Trusts | 106,097 | 0.03 | 0.03 |
| The Bank of Nova Scotia | AIMS APAC REIT Management Limited | 144,653 | 0.04 | 0.04 |
| The Bank of Nova Scotia | SPH REIT | 1,609,706 | 0.46 | 0.47 |
| The Bank of Nova Scotia | Manulife US REIT | 137,147 | 0.04 | 0.04 |
| | | 1,997,603 | 0.57 | 0.58 |

(b) Collateral for securities lending transactions

| | |
|--|------------------|
| Cash Collateral | Nil |
| Collateral has been re-used or re-hypothecated | Nil |
| Proportion of cash versus non-cash collateral | Nil |
| Collateral type | Government bonds |
| Maturity tenor | Open tenor |
| Settlement/clearing | Bilateral |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

7. Securities Lending or Repurchase Transactions (continued)

(b) Collateral for securities lending transactions (continued)

| Collateral provider | Credit rating of the collateral provider by Moody's | Nature of the collateral | Marked-to market value of non-cash collateral S\$ | Fair value of collateral S\$ |
|-------------------------|---|--------------------------|--|---------------------------------|
| The Bank of Nova Scotia | A1 | Fixed income securities | 2,098,679 | 2,098,679 |

Collateral provider - The Bank of Nova Scotia

| Government bond | Rating Agencies | Credit Rating of collateral | Currency S\$ | Fair value of collateral S\$ | Percentage of total net assets attributable to unitholders % |
|------------------------------------|-----------------|-----------------------------|-----------------|---------------------------------|---|
| UK TREASURY UKTI 018 11/22/65 | Moody's | AA2 | GBP | 1,837,712 | 0.53 |
| FRANCE FRGV 0.100 03/01/28 | Moody's | AA2 | EUR | 68,650 | 0.02 |
| JAPAN JPGV 2.200 09/20/39 | Moody's | A1 | JPY | 58,339 | 0.02 |
| FRANCE FRGV 1.100 07/25/22 | Moody's | AA2 | EUR | 36,810 | 0.01 |
| FRANCE FRGV 2.500 05/25/30 | Moody's | AA2 | EUR | 31,416 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/29 | Moody's | AA2 | GBP | 20,240 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/46 | Moody's | AA2 | GBP | 19,138 | 0.01 |
| AUSTRIA ATGV 02/20/30 | Moody's | AA1 | EUR | 8,936 | - |
| FRANCE FRGV 0.100 03/01/29 | Moody's | AA2 | EUR | 6,548 | - |
| UK TREASURY UKTI 018 03/22/26 | Moody's | AA2 | GBP | 5,977 | - |
| FRANCE FRGV 0.250 07/25/24 | Moody's | AA2 | EUR | 2,585 | - |
| JAPAN JPGV 2.500 09/20/36 | Moody's | A1 | JPY | 1,133 | - |
| AUSTRIA ATGV 02/20/31 | Moody's | AA1 | EUR | 1,109 | - |
| UK TREASURY UKTI 0 1/2 03/22/50 | Moody's | AA2 | GBP | 86 | - |
| | | | | <u>2,098,679</u> | <u>0.61</u> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

7. Securities Lending or Repurchase Transactions (continued)

(b) Collateral for securities lending transactions (continued)

Top 10 collateral securities at 31 December 2021

| | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------|-------------------|--|
| UK TREASURY UKTI 018 11/22/65 | 1,837,712 | 0.53 |
| FRANCE FRGV 0.100 03/01/28 | 68,650 | 0.02 |
| JAPAN JPGV 2.200 09/20/39 | 58,339 | 0.02 |
| FRANCE FRGV 1.100 07/25/22 | 36,810 | 0.01 |
| FRANCE FRGV 2.500 05/25/30 | 31,416 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/29 | 20,240 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/46 | 19,138 | 0.01 |
| AUSTRIA ATGV 02/20/30 | 8,936 | - |
| FRANCE FRGV 0.100 03/01/29 | 6,548 | - |
| UK TREASURY UKTI 018 03/22/26 | 5,977 | - |

(c) Custodians and the amount of assets held by each custodian

As at 31 December 2021

| | Fair value S\$ |
|---|-------------------|
| Custodian of collateral securities HSBC Bank Plc | <u>2,098,679</u> |
| Custodian of securities lent HSBC Bank Plc | <u>1,997,603</u> |

All securities lending transactions arranged and collateral held are under fully segregated model. HSBC Bank Plc as the securities lending agent arranges the loan transactions and collateral management.

(d) Revenue earned

Security lending income of \$11,158 earned for period ended 31 December 2021.

(e) Split between the return from securities lending and repurchase transactions and the return from cash collateral reinvestment

100% from securities lending

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
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REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

8. Investment in unit trusts, mutual funds and collective investment schemes

Please refer to the Statement of Portfolio on pages 8 to 10.

9. Borrowings

Nil

10. Amount of units created and cancelled for the financial period ended 31 December 2021

| | |
|-----------------|---------------------|
| | S\$ |
| Units created | 74,317,056 |
| Units cancelled | (60,401,850) |

11. Financial ratios

Expense ratio

| | 31 December 2021 | 31 December 2020 |
|--|-----------------------------|---------------------|
| Total operating expenses | S\$ 1,947,383 | 1,400,741 |
| Average daily net asset value | S\$ 322,216,409 | 231,789,934 |
| Total expense ratio¹ | % 0.60 | 0.60 |

Turnover ratio

| | 31 December 2021 | 31 December 2020 |
|--|-----------------------------|---------------------|
| Lower of total value of purchases or sales | S\$ 116,871,253 | 93,975,870 |
| Average daily net asset value | S\$ 340,647,874 | 246,136,519 |
| Total turnover ratio² | % 34.31 | 38.18 |

¹The 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 divided by the average net asset value for the year. The total operating expenses do not include 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.

²The 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 and sales of the underlying investments, divided by the average daily net asset value.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

12. Related party transactions

The Manager of the Fund is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the "Trustee").

Management fee is payable to the Manager. Registrar fee, administrator fee and trustee fee are payable to the Trustee. Custody fee is payable to a related company of the Trustee, The Hongkong and Shanghai Banking Corporation Limited.

In addition to related party information shown elsewhere in the financial statements (including the Statement of Portfolio), the following significant transactions took place during the financial period between the Fund and a related party at terms agreed between the parties and within the provisions of the Deeds:

| | 31 December 2021 | 30 June 2021 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| Bank balances held with a related party of the Trustee | 2,044,471 | 2,200,482 |

13. Additional information

Service Providers:

| | |
|---------------------------------------|---|
| Fund Manager | : Nikko Asset Management Asia Limited appointed on 27 Feb 17; any retirement or removal per Clause 29 of Trust Deed |
| Remuneration Basis | : 0.5% p.a. on NAV |
| Custodian | : The Hongkong and Shanghai Banking Corporation Limited |
| Valuation Agent/ Trustee/Registrar | : HSBC Institutional Trust Services (Singapore) Limited |
| Market Makers | : Flow Traders Asia Pte Ltd, Phillip Securities Pte Ltd |
| Participating Dealers | : DBS Vickers Securities, UOB Kay Hian, OCBC Securities, CGS-CIMB Securities (S) Pte Ltd, ABN Amro Clearing Bank N.V.(S), Flow Traders Asia Pte Ltd, Societe Generale (Hong Kong), Phillip Securities Pte Ltd and Nomura Securities Singapore Pte Ltd |
| Corporate Secretariat | : Boardroom Corporate & Advisory Services Pte Ltd |
| Auditor | : PricewaterhouseCoopers appointed on 27 Feb 17 |
| Audit Partner | : Lim Kheng Wah |
| Tax Agent | : Ernst & Young Solutions LLP |
| Solicitors to Managers | : Chan & Goh LLP |
| Solicitors to Trustee | : Clifford Chance Pte Ltd |

14. Any other material information that will adversely impact the valuation of the Fund

Nil.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

15. Soft Dollar Commissions/Arrangements

In its management of the Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

The managers of the REITs into which the Fund may invest more than 10% of its asset value from time to time do not receive or intend to enter into soft dollar commissions or arrangements in their management of their REITs.

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12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961
Intermediaries Hotline: 1800 535 8025 / 65 6535 8025
Website: www.nikkoam.com.sg

Company registration number 198202562H

ANNUAL REPORT

For the financial year ended 30 June 2021

**NikkoAM-StraitsTrading
Asia ex Japan REIT ETF**

MANAGERS

Nikko Asset Management Asia Limited
12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Company Registration No. 198202562H

DIRECTORS

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

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

AUDITORS

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

CUSTODIAN

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

This report is also available on our website (www.nikkoam.com.sg)

PERFORMANCE SUMMARY

| <i>Returns (%)</i> | <i>3 Mth</i> | <i>6 Mth</i> | <i>1 Yr</i> | <i>3 Yr</i> | <i>5 Yr</i> | <i>10 Yr</i> | <i>Since Inception</i> |
|--|--------------|--------------|-------------|-------------|-------------|--------------|------------------------|
| NikkoAM-StraitsTrading Asia ex Japan REIT ETF ¹ | 1.67 | 2.81 | 8.13 | 6.12 | N/A | N/A | 7.23 |
| Benchmark ² | 1.93 | 3.31 | 9.38 | 6.94 | N/A | N/A | 8.04 |

Source: Nikko Asset Management Asia Limited & FTSE International Ltd. Returns as at 30 June 2021. Returns are calculated on a NAV-NAV basis, in SGD, and based on the assumption that all dividends and distributions are reinvested if any. Returns for periods in excess of 1 year are annualised. Past performance is not indicative of future performance.

Note:

- (1) With effect from 31 January 2018, SRE Capital Pte. Ltd. has ceased to be the Investment Adviser to Nikko Asset Management Asia Limited in respect of the NikkoAM-StraitsTrading Asia ex Japan REIT ETF.
- (2) The benchmark against which the performance of the Fund will be measured is the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (formerly known as FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index prior to 20 July 2020 and FTSE EPRA/NAREIT Asia ex Japan Net Total Return REIT Index prior to 3 September 2018). Benchmark returns are using the net total return version.

Inception date: 29 March 2017

The units of NikkoAM-StraitsTrading Asia ex Japan REIT ETF are not in any way sponsored, sold or promoted by FTSE International Limited ("FTSE"), by the London Stock Exchange Group companies ("LSEG"), Euronext N.V. ("Euronext"), European Public Real Estate Association ("EPRA"), or the National Association of Real Estate Investment Trusts ("NAREIT") (together the "Licensor Parties") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, none of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

"FTSE®" is a trade mark of LSEG, "NAREIT®" is a trade mark of the National Association of Real Estate Investment Trusts and "EPRA®" is a trade mark of EPRA and all are used by FTSE under licence.

About NikkoAM-StraitsTrading Asia ex Japan REIT ETF

The NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the "Fund") is a collective investment scheme authorised under Section 286 of the Securities and Futures Act and is established under the terms of a trust deed dated 27 February 2017 made between Nikko Asset Management Asia Limited as manager, and HSBC Institutional Trust Services (Singapore) Limited as trustee, of the Fund.

The investment objective of the Fund is to replicate as closely as possible, before expenses, the performance of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index"), or upon the Manager giving three (3) months' prior written notice to the Trustee and the Holders, such other index that gives, in the opinion of the Manager, the same or substantially similar exposure as the Index. There is no assurance that the Fund will achieve its investment objective or that it will be able to fully track the performance of the Index.

The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Securities in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy).

The Fund is designed for investors who seek an "index-based" approach to investing in a portfolio of Asia ex Japan listed REIT or REIT-type securities in a cost effective and easy to access manner. Units may also be used as an asset allocation tool or as a trading instrument.

Note: Investors are advised to refer to the Fund's prospectus for more details on the Fund.

This document is purely for informational purposes only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. It should not be relied upon as financial advice. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. **You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.** Investments in funds are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia").

Past performance or any prediction, projection or forecast is not indicative of future performance. The Fund or any underlying fund may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. **Investments in the Fund are subject to investment risks, including the possible loss of principal amount invested.** You should read the relevant prospectus (including the risk warnings) and product highlights sheet of the Fund, which are available and may be obtained from appointed distributors of Nikko AM Asia or our website (www.nikkoam.com.sg) before deciding whether to invest in the Fund.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

The performance of the ETF's price on the Singapore Exchange Securities Trading Limited ("SGX-ST") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX-ST. Transaction in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX-ST through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

REPORT OF THE TRUSTEE

For the financial year ended 30 June 2021

The Trustee is under a duty to take into custody and hold the assets of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (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, 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 period covered by these financial statements, set out on pages 10 to 28, 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 September 2021

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

STATEMENT BY THE MANAGER

For the financial year ended 30 June 2021

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 10 to 28, 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 portfolio holdings of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the "Fund") as at 30 June 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 the Manager
Nikko Asset Management Asia Limited

Authorised signatory
28 September 2021

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**
(Constituted under a Trust Deed registered in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (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 30 June 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 30 June 2021;
- the Statement of Financial Position as at 30 June 2021;
- the Statement of Movements of Unitholders' Funds for the financial year ended 30 June 2021;
- the Statement of Portfolio as at 30 June 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.

Our Audit Approach

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

Key Audit Matters

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**
(Constituted under a Trust Deed registered in the Republic of Singapore)

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, 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 management 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.

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.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**
(Constituted under a Trust Deed registered in the Republic of Singapore)

- 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 Funds' 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 Funds' 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Lim Kheng Wah.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 28 September 2021

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial year ended 30 June 2021*

| | Note | 2021 S\$ | 2020 S\$ |
|--|------|-------------------|---------------------|
| Income | | | |
| Dividends | | 11,630,375 | 8,360,595 |
| Interest | | 38,546 | 25 |
| | | <u>11,668,921</u> | <u>8,360,620</u> |
| Less: Expenses | | | |
| Administrator fee | | 100,955 | 76,923 |
| Audit fee | | 21,940 | 22,060 |
| Management fee | | 1,370,780 | 1,027,276 |
| Less: Management fee rebate | | (473,712) | (404,900) |
| Trustee fee | | 100,955 | 76,923 |
| Transaction costs | | 345,080 | 216,236 |
| Other expenses | | 523,918 | 433,165 |
| | | <u>1,989,916</u> | <u>1,447,683</u> |
| Net income | | <u>9,679,005</u> | <u>6,912,937</u> |
| Net gains or losses on value of investments | | | |
| Net gains/(losses) on investments | | 11,519,662 | (34,774,674) |
| Net foreign exchange (losses)/gains | | (520,270) | 133,899 |
| | | <u>10,999,392</u> | <u>(34,640,775)</u> |
| Total return/(deficit) for the financial year before income tax | | <u>20,678,397</u> | <u>(27,727,838)</u> |
| Less: Income tax | 3 | <u>(55,576)</u> | <u>(38,821)</u> |
| Total return/(deficit) for the financial year after income tax | | <u>20,622,821</u> | <u>(27,766,659)</u> |

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

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

| | Note | 2021 S\$ | 2020 S\$ |
|--|------|--------------------|--------------------|
| ASSETS | | | |
| Portfolio of investments | | 346,203,239 | 238,101,303 |
| Sales awaiting settlement | | 68,075 | - |
| Receivables | 4 | 1,446,312 | 986,306 |
| Cash and bank balances | | 2,200,482 | 1,032,381 |
| Total assets | | 349,918,108 | 240,119,990 |
| LIABILITIES | | | |
| Payables | 5 | 383,319 | 564,910 |
| Purchases awaiting settlement | | 1,972,447 | 967,324 |
| Distribution payable | 6 | 3,524,578 | 3,364,585 |
| Total liabilities | | 5,880,344 | 4,896,819 |
| EQUITY | | | |
| Net assets attributable to unitholders | 7 | 344,037,764 | 235,223,171 |

The accompanying notes form an integral part of these financial statements

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial year ended 30 June 2021

| | Note | 2021 S\$ | 2020 S\$ |
|--|------|---------------------|--------------|
| Net assets attributable to unitholders at the beginning of financial year | | 235,223,171 | 189,554,589 |
| Operations | | | |
| Change in net assets attributable to unitholders resulting from operations | | 20,622,821 | (27,766,659) |
| Unitholders' contributions/(withdrawals) | | | |
| Creation of units | | 156,684,716 | 106,558,430 |
| Cancellation of units | | (56,166,060) | (22,663,870) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | | 100,518,656 | 83,894,560 |
| Distributions | 6 | (12,326,884) | (10,459,319) |
| Total increase in net assets attributable to unitholders | | 108,814,593 | 45,668,582 |
| Net assets attributable to unitholders at the end of financial year | 7 | 344,037,764 | 235,223,171 |

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

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2021***By Geography (Primary)**

| | Holdings at 30 June 2021 | Fair value at 30 June 2021 S\$ | Percentage of total net assets attributable to unitholders at 30 June 2021 % |
|---|-----------------------------|--------------------------------------|---|
| Quoted Real Estate Investment Trusts (REITS) | | | |
| HONG KONG SAR | | | |
| Champion REIT | 9,134,000 | 6,909,034 | 2.01 |
| Fortune Real Estate Investment Trust | 6,249,000 | 8,999,300 | 2.62 |
| Hui Xian Real Estate Investment Trust | 11,059,000 | 4,072,521 | 1.18 |
| Link REIT | 2,649,300 | 34,507,422 | 10.03 |
| Yuexiu Real Estate Investment Trust | 5,770,000 | 3,994,944 | 1.16 |
| Total Hong Kong SAR | | 58,483,221 | 17.00 |
| INDIA | | | |
| Embassy Office Parks REIT | 2,176,400 | 13,790,428 | 4.01 |
| Total India | | 13,790,428 | 4.01 |
| INDONESIA | | | |
| First Real Estate Investment Trust | 4,969,714 | 1,316,974 | 0.38 |
| Total Indonesia | | 1,316,974 | 0.38 |
| MALAYSIA | | | |
| Axis Real Estate Investment Trust | 5,095,300 | 3,151,098 | 0.92 |
| IGB Real Estate Investment Trust | 7,838,900 | 4,340,203 | 1.26 |
| Sunway Real Estate Investment Trust | 8,953,200 | 4,145,464 | 1.20 |
| Total Malaysia | | 11,636,765 | 3.38 |
| SINGAPORE | | | |
| Ascendas Real Estate Investment Trust | 11,696,190 | 34,503,761 | 10.03 |
| Ascott Trust REIT | 8,272,300 | 8,272,300 | 2.40 |
| CapitaLand Integrated Commercial Trust | 16,046,000 | 33,536,140 | 9.75 |
| CapitaLand Retail China Trust | 4,731,870 | 6,482,662 | 1.89 |
| CDL Hospitality Trusts | 3,656,600 | 4,497,618 | 1.31 |
| Frasers Centrepoint Trust | 4,926,429 | 11,971,222 | 3.48 |
| Frasers Logistics & Industrial Trust | 12,207,100 | 17,578,224 | 5.11 |
| Keppel DC REIT | 5,582,677 | 13,900,866 | 4.04 |
| Keppel REIT | 9,797,100 | 11,560,578 | 3.36 |
| Manulife US REIT | 6,601,600 | 7,010,358 | 2.04 |
| Mapletree Commercial Trust | 10,073,939 | 21,759,708 | 6.32 |
| Mapletree Industrial Trust | 8,515,700 | 24,099,431 | 7.00 |
| Mapletree Logistics Trust | 13,184,590 | 27,028,410 | 7.86 |
| Mapletree North Asia Commercial Trust | 10,449,600 | 10,867,584 | 3.16 |
| Parkway Life Real Estate Investment Trust | 1,769,400 | 8,121,546 | 2.36 |
| Sasseur REIT | 2,356,500 | 2,226,892 | 0.65 |
| Suntec Real Estate Investment Trust | 9,568,400 | 13,969,864 | 4.06 |
| Total Singapore | | 257,387,164 | 74.82 |

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

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2021***By Geography (Primary) (continued)**

| | Holdings at 30 June 2021 | Fair value at 30 June 2021 S\$ | Percentage of total net assets attributable to unitholders at 30 June 2021 % |
|--|-----------------------------|--------------------------------------|---|
| Quoted Real Estate Investment Trusts (REITS) (continued) | | | |
| THAILAND | | | |
| WHA Premium Growth Freehold & Leasehold Real Estate Investment Trust | 6,385,500 | 3,588,687 | 1.04 |
| Total Thailand | | 3,588,687 | 1.04 |
| Total Quoted Real Estate Investment Trusts (REITS) | | 346,203,239 | 100.63 |
| Portfolio of investments | | 346,203,239 | 100.63 |
| Other net liabilities | | (2,165,475) | (0.63) |
| Net assets attributable to unitholders | | 344,037,764 | 100.00 |

By Geography (Summary)

| | Percentage of total net assets attributable to unitholders at 30 June 2021 % | Percentage of total net assets attributable to unitholders at 30 June 2020 % |
|---|---|---|
| Quoted Real Estate Investment Trusts (REITS) | | |
| Hong Kong SAR | 17.00 | 17.26 |
| India | 4.01 | - |
| Indonesia | 0.38 | 0.56 |
| Malaysia | 3.38 | 4.66 |
| Singapore | 74.82 | 77.33 |
| Thailand | 1.04 | 1.40 |
| Total Quoted Real Estate Investment Trusts (REITS) | 100.63 | 101.21 |
| Portfolio of investments | 100.63 | 101.21 |
| Other net liabilities | (0.63) | (1.21) |
| Net assets attributable to unitholders | 100.00 | 100.00 |

Information on investment portfolio by industry segments is not presented as the Fund invests only into Real Estate Investment Trusts (REITS).

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

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

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

1. General

NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the “Fund”) is a Singapore domiciled fund constituted by a Trust Deed dated 27 February 2017 as amended by Supplemental Deed and Amending and Restating Deeds (collectively referred to as the “Deeds”). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Manager of the Fund is Nikko Asset Management Asia Limited (the “Manager”).

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(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 on the amounts reported for the current or prior years.

(b) Recognition of income

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

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

(c) Foreign currency translation

(i) *Functional and presentation currency*

The Fund qualifies as an authorised scheme under the Securities and Futures Act (“SFA”) of Singapore and is offered to retail investors in Singapore. The Fund’s activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Fund being denominated in Singapore dollars.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

2. Significant accounting policies (continued)

(c) Foreign currency translation (continued)

(i) *Functional and presentation currency (continued)*

The performance of the Fund is measured and reported to the investors in Singapore dollars. The Manager considers the Singapore Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are expressed in Singapore dollars, which is the Fund's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange prevailing at the date of the Statement of Financial Position. The net unrealised gain or loss is taken to the Statement of Total Return. Transactions during the period are recorded in Singapore dollars at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

(d) Distributions

The Manager has 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 on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the point in time when the necessary approvals have been obtained and a legal or constructive obligation has been created.

(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 fair value on investments are included in the Statement of Total Return in the year in which they arise.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

2. Significant accounting policies (continued)

(e) Investments (continued)

(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.

(f) 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 quoted market price used for investments held by the Fund is 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.

(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, less accumulated impairment losses.

(h) Sales and purchases awaiting settlement

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.

(i) 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.

(j) Payables

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

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

3. Income tax

The Manager and Trustee of the Fund have assessed and are satisfied that the Fund has met the requisite conditions under the Designated Unit Trust ("DUT") Scheme for the current financial year. The Manager and Trustee of the Fund will ensure that the Fund fulfills its reporting obligations under the DUT Scheme.

Under the DUT Scheme, 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;
- (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.

Income tax for the financial year ended 30 June 2021 and 2020 comprises:

| | 2021 | 2020 |
|-----------------------------|---------------|---------------|
| | S\$ | S\$ |
| Overseas income tax | 55,576 | 43,222 |
| Singapore income tax credit | - | (4,401) |
| | 55,576 | 38,821 |

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

The Fund is also approved for tax transparency treatment under Section 43(2) of the Income Tax Act. Subject to meeting the terms and conditions of the tax transparency treatment, the Fund may not be taxed on the distributions received which are made out of the qualifying income of REITs listed on the Singapore Exchange ("S- REIT").

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2021***4. Receivables**

| | 2021 S\$ | 2020 S\$ |
|-------------------------------|------------------|----------------|
| Amount due from unitholders | 680,460 | 329,760 |
| Dividends receivables | 760,675 | 651,334 |
| Prepayment/ Other receivables | 5,177 | 5,212 |
| | 1,446,312 | 986,306 |

5. Payables

| | 2021 S\$ | 2021 S\$ |
|---------------------------|----------------|----------------|
| Amount due to the Manager | 210,716 | 147,552 |
| Amount due to the Trustee | 11,467 | 8,559 |
| Provision for audit fee | 21,999 | 22,059 |
| Other payables | 139,137 | 386,740 |
| | 383,319 | 564,910 |

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Amount due to the Trustee comprises of trustee fee and registrar fee payable to HSBC Institutional Trust Services (Singapore) Limited.

6. Distributions

| | 2021 S\$ | 2020 S\$ |
|---|-------------------|-------------------|
| July final distribution of S\$1.15 per 100 units in respect of the financial year ended 30 June 2021 | 3,524,578 | - |
| April interim distribution of S\$1.16 per 100 units in respect of the financial period ended 30 June 2021 | 3,119,994 | - |
| January interim distribution of S\$1.12 per 100 units in respect of the financial period ended 30 June 2021 | 2,524,314 | - |
| October interim distribution of S\$1.38 per 100 units in respect of the financial period ended 30 June 2021 | 3,157,998 | - |
| July final distribution of S\$1.55 per 100 units in respect of the financial year ended 30 June 2020 | - | 3,364,585 |
| April interim distribution of S\$1.46 per 100 units in respect of the financial period ended 30 June 2020 | - | 2,909,780 |
| January interim distribution of S\$1.39 per 100 units in respect of the financial period ended 30 June 2020 | - | 2,306,053 |
| October interim distribution of S\$1.25 per 100 units in respect of the financial period ended 30 June 2020 | - | 1,878,901 |
| | 12,326,884 | 10,459,319 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2021***7. Units in issue**

During the year ended 30 June 2021 and 30 June 2020 the number of units issued, redeemed and outstanding was as follow:

| | 2021 | 2020 |
|--|---------------------|--------------|
| Units at beginning of the financial year | 217,070,000 | 147,276,000 |
| Units created | 140,705,000 | 88,201,000 |
| Units cancelled | (51,290,000) | (18,407,000) |
| Units at end of the financial year | 306,485,000 | 217,070,000 |
| Net assets attributable to unitholders – S\$ | 344,037,764 | 235,223,171 |
| Net asset value per unit – S\$ | 1.1225 | 1.0836 |

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

| | 2021 | 2020 |
|--|---------------|--------|
| | S\$ | S\$ |
| Net assets attributable to unitholders as per financial statements per unit | 1.1225 | 1.0836 |
| Effect of movement in the net asset value between the last dealing date and the end of the reporting period [^] | 0.0001 | 0.0001 |
| Effect of distribution per unit | 0.0115 | 0.0155 |
| Net assets attributable to unitholders for issuing/redeeming per unit | 1.1341 | 1.0992 |

[^] The net asset value for the purposes of processing unit subscription and redemption was established in accordance with the methodology indicated in the Fund's Prospectus. This item reflects the movement in net asset value between the last dealing date and the end of the reporting period due to bid pricing adjustment and accrual of operating expenses.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

8. Financial risk management

The Fund's activities expose it to a variety of risk, including but not limited to market risk (including currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Manager is responsible for the implementation of overall risk management programme, which seeks to minimise potential adverse effects on the Fund's financial performance. Specific guidelines on exposures to individual securities and certain industries and/or countries are in place as part of the overall financial risk management to reduce the Fund's exposures to these risks.

The Fund's primary objective is provide investors with investment returns that correspond closely to the total return of the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (the "Index") before expenses.

The Fund's assets principally consist of investments in Index Securities in substantially the same weightings as reflected in the Index. The Manager may in its discretion also invest in non-Index Securities to achieve the Fund's investment objective. The Manager will rebalance the Fund's investment from time to time to reflect any changes to the composition of, or the weighting of securities in, the Index with a view to minimise tracking error of the Fund's overall returns relative to the performance of the Index. Such rebalancing may be in the form of investments in non-Index Securities.

The financial instruments are held in accordance with the published investment policies of the Fund and managed accordingly to achieve the investment objectives.

The 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 outbreak. As a result of the COVID-19 outbreak, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the duration of the volatility and its impact on the portfolio of the Fund. The Manager is closely monitoring the development of the COVID-19 outbreak and its related impact.

(a) Market risk - Price risk

Price risk is the risk that arises from uncertainties about the future prices of financial instruments.

The Fund's investment is substantially dependent on the changes of market prices. The Fund's overall market positions are monitored regularly so as to assess changes in fundamentals and valuation. However, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

8. Financial risk management (continued)

(a) Market risk - Price risk (continued)

As at 30 June 2021, an increase/decrease of the Index by 18% (2020: 24%), with all other variables remaining constant, the net asset attributable to unitholders for the period would increase/decrease by approximately 18% (2020: 23%) The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on the market volatility and other relevant factors.

(b) Market risk - 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 (fair value risk).

Investment funds that invest in securities may be subject to interest rate risk as any interest rate change may affect the 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 the interest rates and the value of securities is indirect. Hence, no sensitivity analysis has been presented separately.

(c) Market risk - Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

To minimise currency risk, the Fund mainly holds its excess cash in its functional currency. For hedging purposes, the Fund may also enter into forward foreign exchange contracts.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

8. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

The tables below summarise the Fund's exposure to currency risks.

| | SGD S\$ | USD S\$ | CNH S\$ | HKD S\$ | MYR S\$ | THB S\$ | INR S\$ | Total S\$ |
|-------------------------------|--------------------|------------------|------------------|-------------------|-------------------|------------------|--------------------|--------------------|
| As at 30 June 2021 | | | | | | | | |
| Assets | | | | | | | | |
| Portfolio of investments | 251,693,780 | 7,010,358 | 4,072,521 | 54,410,700 | 11,636,765 | 3,588,687 | 13,790,428 | 346,203,239 |
| Sales awaiting settlement | 68,075 | - | - | - | - | - | - | 68,075 |
| Receivables | 764,075 | 5,177 | - | 677,060 | - | - | - | 1,446,312 |
| Cash and bank balances | 2,199,329 | 1,153 | - | - | - | - | - | 2,200,482 |
| Total assets | 254,725,259 | 7,016,688 | 4,072,521 | 55,087,760 | 11,636,765 | 3,588,687 | 13,790,428 | 349,918,108 |
| Liabilities | | | | | | | | |
| Payables | 369,998 | 13,321 | - | - | - | - | - | 383,319 |
| Purchases awaiting settlement | 1,513,989 | - | 36,722 | 296,170 | 125,566 | - | - | 1,972,447 |
| Distribution payable | 3,524,578 | - | - | - | - | - | - | 3,524,578 |
| Total liabilities | 5,408,565 | 13,321 | 36,722 | 296,170 | 125,566 | - | - | 5,880,344 |
| Net currency exposure | 249,316,694 | 7,003,367 | 4,035,799 | 54,791,590 | 11,511,199 | 3,588,687 | 13,790,428 | |
| As at 30 June 2020 | | | | | | | | |
| Assets | | | | | | | | |
| Portfolio of investments | 177,830,305 | 5,401,658 | 3,663,182 | 36,937,562 | 10,970,758 | 3,297,838 | 238,101,303 | |
| Receivables | 490,927 | 5,212 | - | 466,247 | 23,920 | - | - | 986,306 |
| Cash and bank balances | 1,031,028 | 1,353 | - | - | - | - | - | 1,032,381 |
| Total assets | 179,352,260 | 5,408,223 | 3,663,182 | 37,403,809 | 10,994,678 | 3,297,838 | 240,119,990 | |
| Liabilities | | | | | | | | |
| Payables | 451,352 | 11,159 | - | - | - | - | - | 462,511 |
| Purchases awaiting settlement | 611,709 | - | 68,836 | 119,350 | 119,6544 | 47,775 | - | 967,324 |
| Distribution payable | 3,466,984 | - | - | - | - | - | - | 3,466,984 |
| Total liabilities | 4,530,045 | 11,159 | 68,836 | 119,350 | 119,6544 | 47,775 | - | 4,896,819 |
| Net currency exposure | 174,822,215 | 5,397,064 | 3,594,346 | 37,284,459 | 10,875,024 | 3,250,063 | | |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

8. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

Portfolio of investment, which is a significant item in the Statement of Financial Position, is exposed to currency risk and other price risk. The Manager has considered the impact of currency risk sensitivity on non-monetary assets as part of price risk sensitivity analysis.

The following table shows the Fund's sensitivity to major foreign currencies exposure with all other variables held constant. Changes in foreign currency rate are revised annually depending on management current view of market volatility and other relevant factors.

| | Increase/decrease in foreign exchange rate | | Increase/decrease in net asset attributable to unitholders | |
|-----|---|--------------|--|--------------|
| | % | | % | |
| | 30 June 2021 | 30 June 2020 | 30 June 2021 | 30 June 2020 |
| HKD | 4 | 5 | 1 | 1 |

(d) Liquidity risk

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

The Fund is exposed to daily cash redemptions from unitholders. However, in accordance with the Fund's prospectus, minimum holdings and redemption size are set.

To manage the liquidity risk, a cash buffer is maintained in the Fund and monitored for minimum cash balances to prevent any extensive disposition of assets which may occur at lower prices and overdraft situations to meet trade settlements and obligations.

The Fund's securities are considered readily realisable, as all the securities are listed on a recognised stock exchange.

The Fund's financial liabilities are analysed for maturity groupings using contractual undiscounted cashflows based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at 30 June 2021, all liabilities are either payable on demand or due in less than 3 months. The impact of discounting is not significant.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

8. Financial risk management (continued)

(d) Liquidity risk (continued)

| | As at 30 June 2021 S\$ | As at 30 June 2020 S\$ |
|----------------------------------|------------------------------|------------------------------|
| Distribution payable | 3,524,578 | 3,466,984 |
| Payables | 383,319 | 462,511 |
| Purchases awaiting settlement | 1,972,447 | 967,324 |
| Contractual cash outflows | 5,880,344 | 4,896,819 |

(e) Credit risk

Credit risk is the risk that counterparty will be unable to fulfil its obligation to the Fund in part or in full as and when they fall due.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties as well as the respective credit limits are approved;
- ensuring there are controls in place to identify and assess the creditworthiness of counterparties and review such controls on a semi-annual basis; and
- ensuring that transactions are undertaken with a large number of counterparties.

The Fund is also exposed to counterparty credit risk on amounts due from brokers and other receivable balances. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognised based on the 12-month expected credit losses as any such impairment would be insignificant to the Fund.

All trade settlements with approved counterparties are on Delivery versus Payment and/or Receipt versus Payment basis, with the exception of initial public offerings, new issues and placement transactions.

Credit risk also arises from cash and bank balances, and outstanding and committed transactions with brokers. The table below summarises the credit rating of the bank and custodian in which the Fund's assets are held 30 June 2021 and 30 June 2020.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2021

8. Financial risk management (continued)

(e) **Credit risk** (continued)

| | Credit rating as at 30 June 2021 | Credit rating as at 30 June 2020 | Source of credit rating |
|--|---|--|------------------------------------|
| Bank balances | | | |
| - The Hong Kong and Shanghai Banking Corporation Limited | AA- | AA- | Standard & Poor's |
| Custodian | | | |
| - The Hong Kong and Shanghai Banking Corporation Limited | AA- | AA- | Standard & Poor's |

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

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

(f) **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 unitholder redemptions.

(g) **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).

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2021

8. Financial risk management (continued)

(g) **Fair value estimation** (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 30 June 2021 and 30 June 2020:

| As at 30 June 2021 | Level 1 S\$ | Level 2 S\$ | Level 3 S\$ | Total S\$ |
|--|------------------------|------------------------|------------------------|----------------------|
| Assets | | | | |
| Financial assets designated at fair value through profit or loss at inception: | | | | |
| - Quoted real estate investment trusts | <u>346,203,239</u> | - | - | <u>346,203,239</u> |

| As at 30 June 2020 | Level 1 S\$ | Level 2 S\$ | Level 3 S\$ | Total S\$ |
|--|------------------------|------------------------|------------------------|----------------------|
| Assets | | | | |
| Financial assets designated at fair value through profit or loss at inception: | | | | |
| - Quoted real estate investment trusts | <u>238,101,303</u> | - | - | <u>238,101,303</u> |

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

Except for cash and bank balances which are classified as level 1, the Fund's assets and liabilities not measured at fair value at 30 June 2021 and 2020 have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the Statement of Financial Position date.

9. Related party transactions

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

| | 2021 S\$ | 2020 S\$ |
|--|---------------------|---------------------|
| Bank balances held with related party of the Trustee | <u>2,200,482</u> | <u>1,032,381</u> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2021

10. Financial ratios

Expense ratio

| | | 2021 | 2020 |
|--|----------|--------------------|-------------|
| Total operating expenses | S\$ | 1,644,836 | 1,231,447 |
| Average daily net asset value | S\$ | 274,137,501 | 205,074,840 |
| Total expense ratio¹ | % | 0.60 | 0.60 |

Turnover ratio

| | | 2021 | 2020 |
|--|----------|--------------------|-------------|
| Lower of total value of purchases or sales | S\$ | 113,284,964 | 66,913,990 |
| Average daily net asset value | S\$ | 274,137,501 | 205,074,840 |
| Total turnover ratio² | % | 41.32 | 32.63 |

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 financial year end was based on total operating expenses divided by the average net asset value 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, divided by the average daily net asset value.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2021

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 13 to 14.

2. Credit rating of debt securities

Nil

3. Top 10 holdings

10 largest holdings at 30 June 2021

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|--|-------------|-------------------|--|
| Link REIT | 33,234,020 | 34,507,422 | 10.03 |
| Ascendas Real Estate Investment Trust | 34,262,782 | 34,503,761 | 10.03 |
| CapitaLand Integrated Commercial Trust | 33,673,759 | 33,536,140 | 9.75 |
| Mapletree Logistics Trust | 24,267,203 | 27,028,410 | 7.86 |
| Mapletree Industrial Trust | 21,722,830 | 24,099,431 | 7.00 |
| Mapletree Commercial Trust | 19,939,990 | 21,759,708 | 6.32 |
| Frasers Logistics & Industrial Trust | 15,290,041 | 17,578,224 | 5.11 |
| Suntec Real Estate Investment Trust | 15,821,310 | 13,969,864 | 4.06 |
| Keppel DC REIT | 13,513,946 | 13,900,866 | 4.04 |
| Embassy Office Parks REIT | 13,553,224 | 13,790,428 | 4.01 |

10 largest holdings at 30 June 2020

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------------|-------------|-------------------|--|
| Ascendas Real Estate Investment Trust | 22,247,590 | 24,688,911 | 10.50 |
| Link REIT | 26,178,233 | 22,835,139 | 9.71 |
| Mapletree Logistics Trust | 15,765,038 | 17,908,509 | 7.61 |
| CapitaLand Mall Trust | 19,457,795 | 17,054,940 | 7.25 |
| CapitaLand Commercial Trust | 17,808,177 | 16,751,787 | 7.12 |
| Mapletree Industrial Trust | 12,459,813 | 15,950,025 | 6.78 |
| Mapletree Commercial Trust | 15,249,397 | 15,397,808 | 6.55 |
| Keppel DC REIT | 9,327,764 | 11,125,396 | 4.73 |
| Frasers Logistics & Industrial Trust | 10,281,661 | 10,843,518 | 4.61 |
| Suntec Real Estate Investment Trust | 13,331,991 | 10,534,674 | 4.48 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS
For the financial year ended 30 June 2021

4. Exposure to derivatives

Nil

5. Global exposure to financial derivatives

Nil

6. Collateral

Nil

7. Securities Lending or Repurchase Transactions

Nil.

8. Investment in unit trusts, mutual funds and collective investment schemes

Please refer to the Statement of Portfolio on pages 13 to 14.

9. Borrowings

Nil

10. Amount of units created and cancelled for the financial year ended 30 June 2021

S\$

| | |
|-----------------|---------------------|
| Units created | 156,684,716 |
| Units cancelled | <u>(56,166,060)</u> |

11. Turnover ratios

Please refer to Note 10 of the Notes to the Financial Statements on page 28.

12. Expense ratios

Please refer to Note 10 of the Notes to the Financial Statements on page 28.

13. Related party transactions

Please refer to Note 9 of the Notes to the Financial Statements on page 27.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2021

14. Additional information

Service Providers:

| | |
|--|--|
| Fund Manager | : Nikko Asset Management Asia Limited appointed on 27 Feb 17; any retirement or removal per Clause 29 of Trust Deed |
| Remuneration Basis | : 0.5% p.a. on NAV |
| Custodian | : The Hongkong and Shanghai Banking Corporation Limited |
| Valuation Agent/ Trustee/ Registrar | : HSBC Institutional Trust Services (Singapore) Limited |
| Market Makers | : Flow Traders Asia Pte Ltd, Phillip Securities Pte Ltd |
| Participating Dealers | : DBS Vickers Securities, UOB Kay Hian, OCBC Securities, Commerzbank, ABN Amro, CGS-CIMB Securities (S) Pte Ltd, Flow Traders Asia Pte Ltd, Nomura Securities Singapore Pte Ltd and Phillip Securities Pte Ltd |
| Corporate Secretariat | : Boardroom Corporate & Advisory Services Pte Ltd |
| Auditor | : PricewaterhouseCoopers LLP appointed on 27 Feb 17 |
| Audit Partner | : Lim Kheng Wah |
| Tax Agent | : Ernst & Young Solutions LLP |
| Solicitors to Managers | : Chan & Goh LLP |
| Solicitors to Trustee | : Clifford Chance Pte Ltd |

15. Any other material information that will adversely impact the valuation of the Fund

Nil.

16. Soft Dollar Commissions/Arrangements

In its management of the Fund, the Manager currently does not receive or enter into any soft dollar commissions or arrangements.

The managers of the REITs into which the Fund may invest more than 10% of its asset value from time to time do not receive or intend to enter into soft dollar commissions or arrangements in their management of their REITs.

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12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961
Intermediaries Hotline: 1800 535 8025 / 65 6535 8025
Website: www.nikkoam.com.sg

Company registration number 198202562H

SEMI-ANNUAL REPORT

For the financial period ending 31 December 2020

**NikkoAM-StraitsTrading
Asia ex Japan REIT ETF**

MANAGERS

Nikko Asset Management Asia Limited
12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Company Registration No. 198202562H

DIRECTORS

Hou Wey Fook (Resigned with effect from 15 January 2021)
Lim Soon Chong (Resigned with effect from 15 January 2021)
Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

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

AUDITORS

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

CUSTODIAN

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

This report is also available on our website (www.nikkoam.com.sg)

PERFORMANCE SUMMARY

| <i>Returns (%)</i> | <i>3 Mth</i> | <i>6 Mth</i> | <i>1 Yr</i> | <i>3 Yr</i> | <i>5 Yr</i> | <i>10 Yr</i> | <i>Since Inception</i> |
|--|--------------|--------------|-------------|-------------|-------------|--------------|------------------------|
| NikkoAM-StraitsTrading Asia ex Japan REIT ETF ¹ | 3.57 | 5.18 | -5.53 | 3.37 | N/A | N/A | 7.43 |
| Benchmark ² | 3.99 | 5.87 | -4.62 | 4.08 | N/A | N/A | 8.21 |

Source: Nikko Asset Management Asia Limited & FTSE International Ltd. Returns as at 31 December 2020. Returns are calculated on a NAV-NAV basis, in SGD, and based on the assumption that all dividends and distributions are reinvested if any. Returns for periods in excess of 1 year are annualised. Past performance is not indicative of future performance.

Note:

- (1) With effect from 31 January 2018, SRE Capital Pte. Ltd. has ceased to be the Investment Adviser to Nikko Asset Management Asia Limited in respect of the NikkoAM-StraitsTrading Asia ex Japan REIT ETF.
- (2) The benchmark against which the performance of the Fund will be measured is the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (formerly known as FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index prior to 20 July 2020 and FTSE EPRA/NAREIT Asia ex Japan Net Total Return REIT Index prior to 3 September 2018). Benchmark returns are using the net total return version.

Inception date: 29 March 2017

The units of NikkoAM-StraitsTrading Asia ex Japan REIT ETF are not in any way sponsored, sold or promoted by FTSE International Limited ("FTSE"), by the London Stock Exchange Group companies ("LSEG"), Euronext N.V. ("Euronext"), European Public Real Estate Association ("EPRA"), or the National Association of Real Estate Investment Trusts ("NAREIT") (together the "Licensor Parties") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, none of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

"FTSE®" is a trade mark of LSEG, "NAREIT®" is a trade mark of the National Association of Real Estate Investment Trusts and "EPRA®" is a trade mark of EPRA and all are used by FTSE under licence.

About NikkoAM-StraitsTrading Asia ex Japan REIT ETF

The NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the "Fund") is a collective investment scheme authorised under Section 286 of the Securities and Futures Act and is established under the terms of a trust deed dated 27 February 2017 made between Nikko Asset Management Asia Limited as manager, and HSBC Institutional Trust Services (Singapore) Limited as trustee, of the Fund.

The investment objective of the Fund is to replicate as closely as possible, before expenses, the performance of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index"), or upon the Manager giving three (3) months' prior written notice to the Trustee and the Holders, such other index that gives, in the opinion of the Manager, the same or substantially similar exposure as the Index. There is no assurance that the Fund will achieve its investment objective or that it will be able to fully track the performance of the Index.

The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Securities in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy).

The Fund is designed for investors who seek an "index-based" approach to investing in a portfolio of Asia ex Japan listed REIT or REIT-type securities in a cost effective and easy to access manner. Units may also be used as an asset allocation tool or as a trading instrument.

Note: Investors are advised to refer to the Fund's prospectus for more details on the Fund.

This document is purely for informational purposes only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. It should not be relied upon as financial advice. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. **You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.** Investments in funds are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia").

Past performance or any prediction, projection or forecast is not indicative of future performance. The Fund or any underlying fund may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. **Investments in the Fund are subject to investment risks, including the possible loss of principal amount invested.** You should read the relevant prospectus (including the risk warnings) and product highlights sheet of the Fund, which are available and may be obtained from appointed distributors of Nikko AM Asia or our website (www.nikkoam.com.sg) before deciding whether to invest in the Fund.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

The performance of the ETF's price on the Singapore Exchange Securities Trading Limited ("SGX-ST") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX-ST. Transaction in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX-ST through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period ended 31 December 2020 (Unaudited)*

| | 31 December 2020 | 31 December 2019 |
|--|-------------------------|------------------|
| | S\$ | S\$ |
| Income | | |
| Dividends | 5,370,372 | 4,267,340 |
| Interest | 3 | 4 |
| | 5,370,375 | 4,267,344 |
| Less: Expenses | | |
| Administrator fee | 45,967 | 36,660 |
| Audit fee | 11,031 | 11,091 |
| Management fee | 620,659 | 487,712 |
| Less: Management fee rebate | (197,689) | (216,051) |
| Trustee fee | 45,967 | 36,660 |
| Transaction costs | 198,260 | 108,119 |
| Other expenses | 209,947 | 210,513 |
| | 934,142 | 674,704 |
| Net income | 4,436,233 | 3,592,640 |
| Net gains or losses on value of investments | | |
| Net gains/ (losses) on investments | 7,811,472 | (6,476,626) |
| Net foreign exchange (losses)/gains | (299,196) | 60,848 |
| | 7,512,276 | (6,415,778) |
| Total gains/ (deficit) for the period before income tax | 11,948,509 | (2,823,138) |
| Less: Income tax | (24,211) | (18,463) |
| Total gains/ (deficit) for the period after income tax | 11,924,298 | (2,841,601) |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 31 December 2020 (Unaudited)*

| | 31 December 2020 | 30 June 2020 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| ASSETS | | |
| Portfolio of investments | 253,874,269 | 238,101,303 |
| Receivables | - | 986,306 |
| Cash and bank balances | 1,778,431 | 1,032,381 |
| Total assets | 255,652,700 | 240,119,990 |
| LIABILITIES | | |
| Payables | 281,308 | 564,910 |
| Purchases awaiting settlement | 1,726,559 | 967,324 |
| Distribution payable | 2,524,312 | 3,364,585 |
| Total liabilities | 4,532,179 | 4,896,819 |
| EQUITY | | |
| Net assets attributable to unitholders | 251,120,521 | 235,223,171 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 31 December 2020 (Unaudited)*

| | 31 December 2020 S\$ | 30 June 2020 S\$ |
|--|--------------------------------|---------------------|
| Net assets attributable to unitholders at the beginning of financial period/ year | 235,223,171 | 189,554,589 |
| Operations | | |
| Change in net assets attributable to unitholders resulting from operations | 11,924,298 | (27,766,659) |
| Unitholders' contributions/(withdrawals) | | |
| Creation of units | 60,923,914 | 106,558,430 |
| Cancellation of units | (51,268,550) | (22,663,870) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 9,655,364 | 83,894,560 |
| Distributions | (5,682,312) | (10,459,319) |
| Total increase in net assets attributable to unitholders | 15,897,350 | 45,668,582 |
| Net assets attributable to unitholders at the end of financial period/ year | 251,120,521 | 235,223,171 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2020 (Unaudited)***By Geography (Primary)**

| | Holdings at 31 December 2020 | Fair value at 31 December 2020 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2020 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) | | | |
| HONG KONG SAR | | | |
| Champion REIT | 7,008,000 | 5,411,172 | 2.15 |
| Fortune Real Estate Investment Trust | 4,794,000 | 6,038,673 | 2.40 |
| Hui Xian Real Estate Investment Trust | 8,559,000 | 3,151,581 | 1.26 |
| Link REIT | 2,073,800 | 24,955,749 | 9.94 |
| Yuexiu Real Estate Investment Trust | 4,332,000 | 2,791,125 | 1.11 |
| Total Hong Kong SAR | | 42,348,300 | 16.86 |
| INDIA | | | |
| Embassy Office Parks REIT | 1,055,600 | 6,572,456 | 2.62 |
| Total India | | 6,572,456 | 2.62 |
| INDONESIA | | | |
| First Real Estate Investment Trust | 1,834,200 | 431,037 | 0.17 |
| Total Indonesia | | 431,037 | 0.17 |
| MALAYSIA | | | |
| Axis Real Estate Investment Trust | 3,909,600 | 2,607,646 | 1.04 |
| IGB Real Estate Investment Trust | 6,037,200 | 3,411,806 | 1.36 |
| Pavilion Real Estate Investment Trust | 2,833,500 | 1,396,480 | 0.56 |
| Sunway Real Estate Investment Trust | 5,980,800 | 2,947,616 | 1.17 |
| Total Malaysia | | 10,363,548 | 4.13 |
| SINGAPORE | | | |
| Ascendas Real Estate Investment Trust | 8,545,090 | 25,464,368 | 10.14 |
| Ascott Trust REIT | 6,341,800 | 6,849,144 | 2.73 |
| CapitaLand Mall Trust | 11,888,000 | 25,678,080 | 10.23 |
| CapitaLand Retail China Trust | 2,735,570 | 3,802,443 | 1.52 |
| CDL Hospitality Trusts | 2,807,800 | 3,565,906 | 1.42 |
| Frasers Centrepoint Trust | 3,836,529 | 9,437,861 | 3.76 |
| Frasers Logistics & Industrial Trust | 9,264,300 | 13,062,663 | 5.20 |
| Keppel DC REIT | 4,318,077 | 12,133,796 | 4.83 |
| Keppel REIT | 6,969,900 | 7,806,288 | 3.11 |
| Manulife US REIT | 5,014,100 | 4,937,030 | 1.97 |
| Mapletree Commercial Trust | 7,796,039 | 16,605,563 | 6.61 |
| Mapletree Industrial Trust | 5,822,800 | 16,827,892 | 6.70 |
| Mapletree Logistics Trust | 9,856,990 | 19,812,550 | 7.89 |
| Mapletree North Asia Commercial Trust | 7,878,100 | 7,641,757 | 3.04 |
| Parkway Life Real Estate Investment Trust | 1,370,400 | 5,303,448 | 2.11 |
| Sasseur REIT | 1,785,700 | 1,464,274 | 0.58 |
| Suntec Real Estate Investment Trust | 7,348,200 | 10,948,818 | 4.36 |
| Total Singapore | | 191,341,881 | 76.20 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO
As at 31 December 2020 (Unaudited)

By Geography (Primary) (continued)

| | Holdings at 31 December 2020 | Fair value at 31 December 2020 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2020 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) (continued) | | | |
| THAILAND | | | |
| WHA Premium Growth Freehold & Leasehold Real Estate Investment Trust | 4,801,400 | 2,817,047 | 1.12 |
| Total Thailand | | <u>2,817,047</u> | <u>1.12</u> |
| Total Quoted Real Estate Investment Trusts (REITS) | | <u>253,874,269</u> | <u>101.10</u> |
| Portfolio of investments | | 253,874,269 | 101.10 |
| Other net liabilities | | <u>(2,753,748)</u> | <u>(1.10)</u> |
| Net assets attributable to unitholders | | <u>251,120,521</u> | <u>100.00</u> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

STATEMENT OF PORTFOLIO

As at 31 December 2020 (Unaudited)

| By Geography (Summary) | Percentage of total net assets attributable to unitholders at 31 December 2020 % | Percentage of total net assets attributable to unitholders at 30 June 2020 % |
|---|---|---|
| Quoted Real Estate Investment Trusts (REITS) | | |
| Hong Kong SAR | 16.86 | 17.26 |
| India | 2.62 | - |
| Indonesia | 0.17 | 0.56 |
| Malaysia | 4.13 | 4.66 |
| Singapore | 76.20 | 77.33 |
| Thailand | 1.12 | 1.40 |
| Total Quoted Real Estate Investment Trusts (REITS) | 101.10 | 101.21 |
| Portfolio of investments | 101.10 | 101.21 |
| Other net liabilities | (1.10) | (1.21) |
| Net assets attributable to unitholders | 100.00 | 100.00 |

Information on investment portfolio by industry segments is not presented as the Fund invests only into Real Estate Investment Trusts (REITS).

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2020 (Unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 8 to 10.

2. Credit rating of debt securities

Nil

3. Top 10 holdings

10 largest holdings at 31 December 2020

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------------|-------------|-------------------|--|
| CapitaLand Mall Trust | 24,650,892 | 25,678,080 | 10.23 |
| Ascendas Real Estate Investment Trust | 24,910,675 | 25,464,368 | 10.14 |
| Link REIT | 26,183,316 | 24,955,749 | 9.94 |
| Mapletree Logistics Trust | 17,665,295 | 19,812,550 | 7.89 |
| Mapletree Industrial Trust | 14,130,694 | 16,827,892 | 6.70 |
| Mapletree Commercial Trust | 15,067,574 | 16,605,563 | 6.61 |
| Frasers Logistics & Industrial Trust | 10,944,317 | 13,062,663 | 5.20 |
| Keppel DC REIT | 9,930,177 | 12,133,796 | 4.83 |
| Suntec Real Estate Investment Trust | 12,540,579 | 10,948,818 | 4.36 |
| Frasers Centrepoint Trust | 9,765,797 | 9,437,861 | 3.76 |

10 largest holdings at 31 December 2019

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------------|-------------|-------------------|--|
| Ascendas Real Estate Investment Trust | 19,312,439 | 20,695,851 | 10.05 |
| Link REIT | 19,227,568 | 20,651,096 | 10.03 |
| CapitaLand Mall Trust | 15,903,511 | 17,347,428 | 8.42 |
| Mapletree Commercial Trust | 11,790,142 | 15,344,849 | 7.45 |
| CapitaLand Commercial Trust | 13,451,201 | 14,709,881 | 7.14 |
| Mapletree Logistics Trust | 12,566,168 | 13,055,551 | 6.34 |
| Mapletree Industrial Trust | 9,298,684 | 11,712,740 | 5.69 |
| Suntec Real Estate Investment Trust | 11,077,869 | 11,050,120 | 5.37 |
| Keppel DC REIT | 7,295,787 | 7,370,640 | 3.58 |
| Keppel REIT | 6,842,563 | 7,222,876 | 3.51 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS
For the financial period ended 31 December 2020 (Unaudited)

4. Exposure to derivatives

Nil

5. Global exposure to financial derivatives

Nil

6. Collateral

Nil

7. Securities Lending or Repurchase Transactions

Nil

8. Investment in unit trusts, mutual funds and collective investment schemes

Please refer to the Statement of Portfolio on pages 8 to 10.

9. Borrowings

Nil

10. Amount of units created and cancelled for the financial period ended 31 December 2020

| | |
|-----------------|-------------------|
| | S\$ |
| Units created | 60,923,914 |
| Units cancelled | 51,268,550 |

11. Financial ratios

Expense ratio

| | 31 December 2020 | 31 December 2019 |
|--|-----------------------------|---------------------|
| Total operating expenses | S\$ 1,400,741 | 1,082,925 |
| Average daily net asset value | S\$ 231,789,934 | 179,306,967 |
| Total expense ratio¹ | % 0.60 | 0.60 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS
For the financial period ended 31 December 2020 (Unaudited)

11. Financial ratios (continued)

Turnover ratio

| | 31 December 2020 | 31 December 2019 |
|--|-----------------------------|---------------------|
| Lower of total value of purchases or sales | S\$ 93,975,870 | 45,051,260 |
| Average daily net asset value | S\$ 246,136,519 | 193,541,178 |
| Total turnover ratio² | % 38.18 | 23.28 |

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 2020 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include 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 and sales of the underlying investments, divided by the average daily net asset value.

12. Related party transactions

The Manager of the Fund is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the "Trustee").

Management fee is payable to the Manager. Registrar fee, administrator fee and trustee fee are payable to the Trustee. Custody fee is payable to a related company of the Trustee, The Hongkong and Shanghai Banking Corporation Limited.

In addition to related party information shown elsewhere in the financial statements (including the Statement of Portfolio), the following significant transactions took place during the financial period between the Fund and a related party at terms agreed between the parties and within the provisions of the Deeds:

| | 31 December 2020 | 30 June 2020 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| Bank balances held with a related party of the Trustee | 1,778,431 | 1,032,381 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2020 (Unaudited)

13. Additional information

Service Providers:

| | |
|--|---|
| Fund Manager | : Nikko Asset Management Asia Limited appointed on 27 Feb 17; any retirement or removal per Clause 29 of Trust Deed |
| Remuneration Basis | : 0.5% p.a. on NAV |
| Trustee/Custodian/ Valuation Agent/ Fund Registrar | : HSBC Institutional Trust Services (Singapore) Limited |
| Market Makers | : Flow Traders Asia Pte Ltd, Societe Generale (Hong Kong), Phillip Securities Pte Ltd |
| Participating Dealers | : DBS Vickers Securities (S) Pte Ltd, UOB Kay Hian Pte Ltd, OCBC Securities Pte Ltd, CGS-CIMB Securities (S) Pte Ltd, ABN Amro Clearing Bank N.V.(S), Flow Traders Asia Pte Ltd, Societe Generale (Hong Kong), Phillip Securities Pte Ltd and Nomura Securities Singapore Pte Ltd |
| Corporate Secretariat | : Boardroom Corporate & Advisory Services Pte Ltd |
| Auditor | : PricewaterhouseCoopers appointed on 27 Feb 17 |
| Audit Partner | : Lim Kheng Wah |
| Tax Agent | : Ernst & Young Solutions LLP |
| Solicitors to Managers | : Chan & Goh LLP |
| Solicitors to Trustee | : Clifford Chance Pte Ltd |

14. Any other material information that will adversely impact the valuation of the Fund

Nil.

15. Soft Dollar Commissions/Arrangements

In its management of the Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

The managers of the REITs into which the Fund may invest more than 10% of its asset value from time to time do not receive or intend to enter into soft dollar commissions or arrangements in their management of their REITs.

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Intermediaries Hotline: 1800 535 8025 / 65 6535 8025
Website: www.nikkoam.com.sg

Company registration number 198202562H