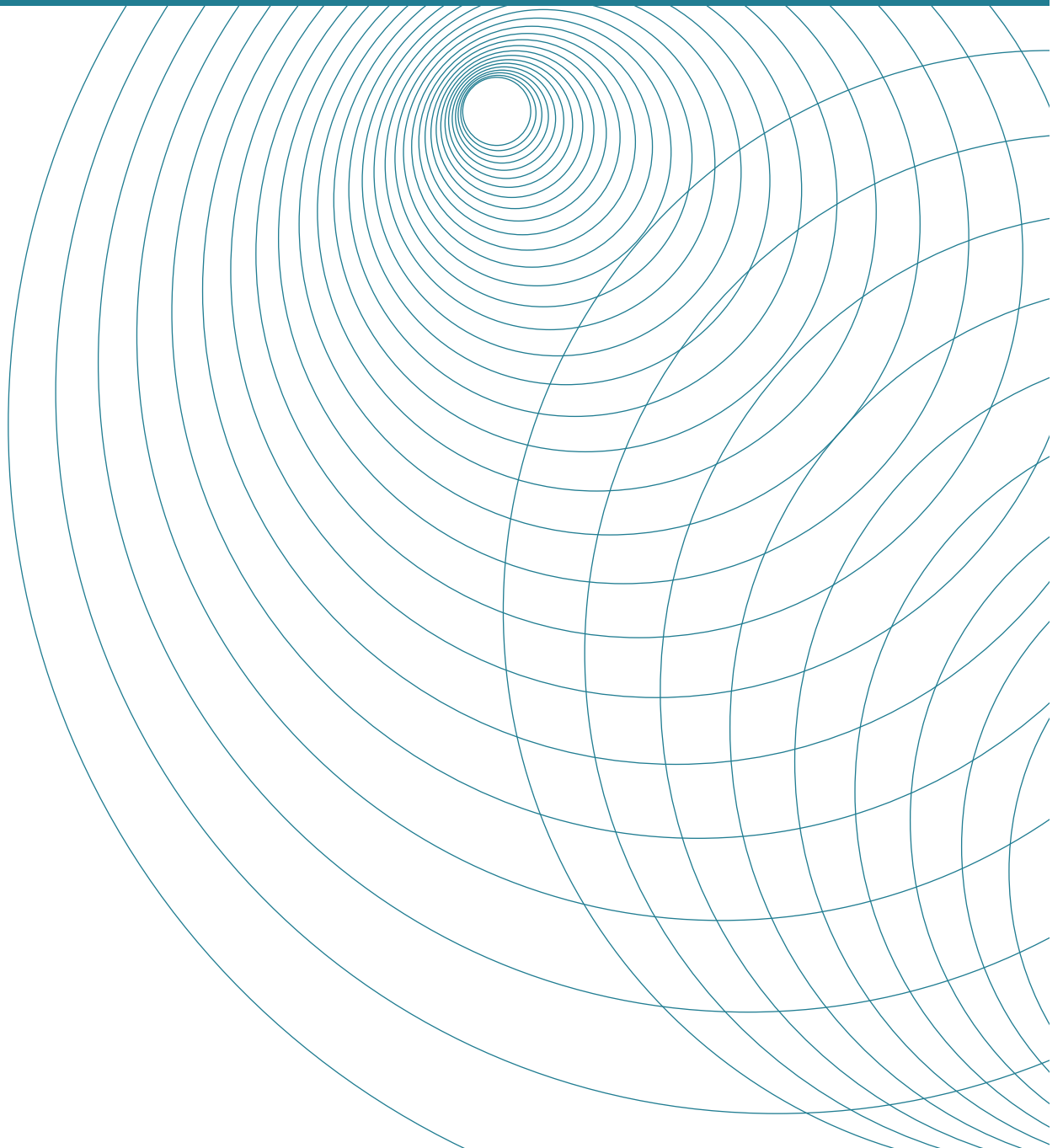

SEMI-ANNUAL REPORT

Nikko AM ASEAN Equity Fund

Financial period ending 31 December 2023



MANAGERS

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

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

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

CUSTODIAN

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-3.75	-2.07	-3.75	-1.68	1.37	N/A	2.59
Benchmark ¹	0.46	-0.10	-1.15	-1.36	-1.12	N/A	1.49

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-8.57	-6.96	-8.57	-3.34	0.34	N/A	1.94
Benchmark ¹	0.46	-0.10	-1.15	-1.36	-1.12	N/A	1.49

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 12 November 2015

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	-0.49	0.41	-2.15	-1.63	2.03	N/A	2.67
Benchmark ¹	3.95	2.50	0.51	-1.30	-0.47	N/A	1.49

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	-5.46	-4.61	-7.05	-3.30	0.98	N/A	1.99
Benchmark ¹	3.95	2.50	0.51	-1.30	-0.47	N/A	1.49

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 4 April 2016

Note:

(1) With effect from January 2017, the benchmark MSCI South East Asia Index (Net total return) has been renamed as MSCI AC ASEAN Index (Net total return).

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Portfolio Review

Fund returned -2.07% in 2H23

For the six months to end December 2023, the Nikko AM ASEAN Equity Fund (the "Fund") returned -2.07% (SGD terms, on a NAV-NAV basis), underperforming the MSCI AC ASEAN Index (Net Total Return) which posted a corresponding return of -0.10%. Over the review period, stock selection in Malaysia and Thailand added the most to performance, while stock selection in Indonesia and Singapore detracted the most from performance.

Market Review

ASEAN markets mixed over the review period

The MSCI AC ASEAN Index (Net Total Return) inched down 0.10% in SGD terms over the review period. ASEAN markets, in tandem with their global peers, kicked off the second half of 2023 (2H23) with renewed optimism, driven by US economic data that reinforced the soft-landing narrative. Optimism soon waned over August and September though, as the prospect of higher-for-longer rates gripped markets again. The negative sentiment carried over to October amid surging government bond yields. However, global markets soon concluded 2023 with a remarkable two-month surge as the US Federal Reserve sent its clearest message yet that its aggressive hiking campaign has ended by pencilling in a series of rate cuts in 2024.

Within ASEAN, Malaysia and Singapore led the region in 2H23, with SGD gains of 6.49% and 1.51% respectively. The Philippines, Thailand and Indonesia followed behind with respective returns of -0.27%, -3.31% and -3.96% in SGD terms.

Headline inflation prints across the region largely moderated over the six months, helped in part by the deceleration of energy and food price inflation. In the latest reading, headline Consumer Price Index (CPI) inflation in Thailand printed -0.83% year-on-year (YoY) in December 2023, down from 0.23% in June 2023. In Singapore, the December 2023 headline CPI registered 3.7%, easing from a 4.5% rise in June 2023. Inflationary pressures in Indonesia similarly moderated, with overall CPI coming in at 2.61% YoY in December 2023, from 3.52% in June.

During 2H23, central banks in the region took divergent monetary paths. Monetary authorities in Thailand, Indonesia and the Philippines continued to tighten monetary policy. The Bank of Thailand raised its key rate by a total of 50 basis points (bps) to 2.50%, with the belief that the policy rate is now at a "neutral" level. In October, Bank Indonesia increased rates by 25 bps, with Bank Governor Perry Warjiyo declaring that the move was a "pre-emptive, forward-looking" measure to address imported inflation risks and stabilise the Indonesian rupiah. Separately, the Bangko Sentral ng Pilipinas' announced an off-cycle 25 bps rate hike in the same month, "to prevent supply-side price pressures from inducing additional second-round effects and further dislodging inflation expectations". On the other hand, Malaysia's central bank maintained their policy rates over the six months. The Monetary Authority of Singapore also opted to keep the slope, centre and band width of the Singapore dollar nominal effective exchange rate (SGDNEER) unchanged during this period.

Vietnam stocks declined in 2H23

Vietnamese stocks retreated in the six months to end December 2023, with the VNINDEX returning -4.43% in SGD terms. The Vietnamese stock market kicked off 2H23 with a bang in July; factors supporting the strong performance include lower interest rates, a nascent recovery in property transactions and prices in the secondary market, and a stabilisation of consumption activity. Vietnam's GDP grew by 5.3% YoY in 3Q23, improving from the 4.1% seen in 2Q23. In October, the market sold off as US bond yields continued to grind higher on inflation concerns. Locally, a large sell-off in the Vingroup-related tickers also hit investor sentiment. However, the last two months of the year saw positive returns in Vietnam, along with global markets, as expectations of central banks lowering interest rates in 2024 grew. Vietnam's economy expanded by 6.7% YoY in 4Q23, bringing full year growth to 5%.

Market Outlook and Strategy

ASEAN well placed for growth in 2024

2023 was characterised by a time of monetary tightening globally and the US dollar's exceptionalism and strength. This posed a major headwind for most emerging markets including ASEAN. In our view, focus in 2024 will likely shift from interest rate tightening risks towards growth, or more specifically, finding pockets of growth amid a slowing global economy. We expect ASEAN to perform relatively well in this environment, as the region possesses a relatively stronger growth narrative and a more accommodative policy backdrop.

ASEAN's growth as a region is poised to accelerate from an estimated 4.0% in 2023 to 4.5% in 2024. Though incremental, ASEAN's growth may be stronger compared to the rest of the world, where growth in general is expected to moderate. We see ASEAN's growth improving on the back of the expected recovery of exports in the second half of 2024, led by technology as well as its resilience in domestic consumption. Export-oriented economies such as Singapore, Malaysia, Vietnam and Thailand should benefit most from the recovery of technology exports. More domestically-driven economies such as Indonesia and the Philippines, should experience steady to improving consumption growth supported by their governments' proactive fiscal policies.

Policy remains accommodative while valuations are looking attractive

Policy conditions are accommodative in the most parts of ASEAN with central banks generally appearing to be sanguine about inflation risks. Looking towards 2024, we expect anchored interest rates and falling core inflation globally to offer ASEAN policymakers a more favourable tailwind and help drive stronger equity performances in the region compared to 2023. Should core inflation surprise on the downside and allow for non-recessionary easing by central banks, we believe ASEAN economies are well placed to benefit from positive liquidity conditions.

Valuations are looking attractive, with ASEAN markets trading at a 12 times forward earnings, about one standard deviation below the historical mean. We see current valuations in 2024 as attractive and expect corporate earnings growth in ASEAN to be supported by improving economic prospects. With the prospect of peak rates or global growth turning out better than expected, ASEAN's corporate earnings could also be primed for upward revisions.

Vietnam's manufacturing engine strengthens

The manufacturing recovery in Vietnam is gaining strength, with exports growing 13.1% in December, up from 6.7% in November. The recovery in exports mirror recent trends around the region and comes on the back of resilient external demand from the US, lower inventories in the tech supply chain and a normalising of consumer behaviour as the revenge spending on services and travel begins to fade. We believe that the Vietnamese economy will grow by about 6% in 2024. Apart from recovering exports, supportive factors include a continued recovery in tourism, lower domestic interest rates, a nascent recovery in the property sector and a stabilisation of consumption activity.

Longer term, we remain convinced that the fundamentals of the Vietnamese economy remain sound, and that long term drivers remain intact. In particular, Vietnam continues to be the leading alternative to China as Asia's manufacturing hub and should gain from the continued diversification of global supply chains. Our stock selection continues to focus on the beneficiaries of structural economic growth. We like proxies to long-term consumption growth, and we also like beneficiaries of industrial production growth and energy transition.

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.

(Where relevant – for funds included under CPFIS) 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.

For Hong Kong Investors

The Fund may only be offered to professional investors in Hong Kong and is not authorised by the Securities and Futures Commission. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 July 2023 to 31 December 2023 (unaudited)*

	31 December 2023	31 December 2022
	US\$	US\$
Income		
Dividends	131,277	222,363
Interest on cash and cash equivalents	14,059	6,025
	145,336	228,388
Less: Expenses		
Management fee	99,373	108,199
Transfer agent fee	1,327	3,919
Trustee fee	1,788	1,927
Custody fee	2,833	3,416
Audit fee	6,241	4,608
Valuation fee	2,412	2,570
Transaction costs	39,938	57,051
Other expenses	8,712	7,086
	162,624	188,776
Net (losses)/income	(17,288)	39,612
Net gains or losses on value of investments		
Net gains on investments	89,582	328,751
Net foreign exchange losses	(15,321)	(41,666)
	74,261	287,085
Total return for the financial period before income tax	56,973	326,697
Less: Income tax	(5,202)	(12,076)
Total return for the financial period after income tax	51,771	314,621

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 31 December 2023 (unaudited)*

	31 December 2023	30 June 2023
	US\$	US\$
ASSETS		
Portfolio of investments	12,789,568	12,578,621
Sales awaiting settlement	25,347	-
Receivables	10,015	11,752
Cash and cash equivalents	401,731	777,303
Total assets	13,226,661	13,367,676
LIABILITIES		
Payables	98,431	120,807
Purchases awaiting settlement	-	29,355
Total liabilities	98,431	150,162
EQUITY		
Net assets attributable to unitholders	13,128,230	13,217,514

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 July 2023 to 31 December 2023 (unaudited)*

	31 December 2023 US\$	30 June 2023 US\$
Net assets attributable to unitholders at the beginning of the financial period/year	13,217,514	14,262,137
Operations		
Change in net assets attributable to unitholders resulting from operations	51,771	(33,430)
Unitholders' contributions/(withdrawals)		
Creation of units	359,608	875,249
Cancellation of units	(500,663)	(1,886,442)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(141,055)	(1,011,193)
Total decreases in net assets attributable to unitholders	(89,284)	(1,044,623)
Net assets attributable to unitholders at the end of the financial period/year	13,128,230	13,217,514

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2023 (unaudited)***By Geography (Primary)**

	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities			
CHINA			
Yangzijiang Shipbuilding Holdings Limited	267,600	302,268	2.30
Total CHINA		302,268	2.30
INDONESIA			
Arwana Citramulia TBK PT	4,818,400	208,108	1.58
Bank Central Asia TBK PT	947,200	578,274	4.40
Bank Mandiri Persero TBK PT	752,200	295,565	2.25
Bank Negara Indonesia Persero TBK PT	1,003,900	350,455	2.67
BFI Finance Indonesia TBK PT	1,954,800	152,987	1.17
Dharma Polimetal TBK PT	2,619,600	241,595	1.84
Mastersystem Infotama PT	2,188,900	199,030	1.52
Medikaloka Hermina TBK PT	1,410,800	136,526	1.04
Merdeka Battery Materials TBK PT	3,177,900	115,583	0.88
Merdeka Copper Gold TBK PT	368,200	64,567	0.49
Mitra Adiperkasa TBK PT	2,475,800	287,828	2.19
Saratoga Investama Sedaya TBK PT	2,440,600	259,959	1.98
Sumber Alfaria Trijaya TBK PT	1,557,000	296,292	2.26
Total INDONESIA		3,186,769	24.27
MALAYSIA			
Cape EMS Manufacturing (M) SDN Berhad	501,000	115,573	0.88
Gamuda Berhad	385,000	384,579	2.93
Genetec Technology Berhad	462,300	237,437	1.81
Inari Amertron Berhad	559,000	366,176	2.79
Padini Holdings Berhad	41,100	31,395	0.24
Press Metal Aluminium Holdings Berhad	212,600	222,546	1.69
YTL Power International Berhad	785,500	434,202	3.31
Total MALAYSIA		1,791,908	13.65
PHILIPPINES			
ACEN Corporation	1,965,500	155,465	1.18
Bloomberry Resorts Corporation	774,200	137,573	1.05
Century Pacific Food Incorporated	323,300	180,698	1.38
First Gen Corporation	605,100	190,135	1.45
GT Capital Holdings Incorporated	14,280	152,148	1.16
SM Prime Holdings Incorporated	296,400	176,100	1.34
Total PHILIPPINES		992,119	7.56
SINGAPORE			
DBS Group Holdings Limited	50,500	1,279,052	9.74
SATS Limited	61,600	128,420	0.98
Sea Limited	4,298	174,069	1.33
Seatrium Limited	6,204,130	554,987	4.23
Sembcorp Industries Limited	121,600	489,495	3.73
UMS Holdings Limited	331,000	336,243	2.56
United Overseas Bank Limited	29,600	638,402	4.86
Total SINGAPORE		3,600,668	27.43

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2023 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities (continued)			
THAILAND			
AAPICO Hitech Public Company Limited	419,800	344,375	2.62
Bangchak Corporation Public Company Limited	309,300	394,186	3.00
CP All Public Company Limited	127,200	208,692	1.59
Hana Microelectronics Public Company Limited	338,300	527,781	4.02
Minor International Public Company Limited	235,900	203,883	1.55
Sabina Public Company Limited	230,300	173,741	1.33
Total THAILAND		1,852,658	14.11
VIETNAM			
Mobile World Investment Corporation	150,000	264,611	2.03
Nam Long Investment Corporation	124,700	188,371	1.43
PetroVietnam Technical Services Corporation	198,800	311,368	2.37
Phu Nhuan Jewelry JSC	84,173	298,363	2.27
Saigon Beer Alcohol Beverage Corporation	140	364	-*
Vicem Ha Tien Cement JSC	2	1	-*
Vietnam National Petroleum Group	20	28	-*
Vincom Retail JSC	66	63	-*
Vingroup JSC	5	9	-*
Total VIETNAM		1,063,178	8.10
Total Quoted Equities		12,789,568	97.42
Portfolio of investments		12,789,568	97.42
Other net assets		338,662	2.58
Net assets attributable to unitholders		13,128,230	100.00

* denotes amount less than 0.01%

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2023 (unaudited)

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities		
China	2.30	2.29
Indonesia	24.27	24.99
Malaysia	13.65	7.85
Philippines	7.56	12.24
Singapore	27.43	25.59
Thailand	14.11	16.96
Vietnam	8.10	5.25
Total Quoted Equities	97.42	95.17
Portfolio of investments	97.42	95.17
Other net assets	2.58	4.83
Net assets attributable to unitholders	100.00	100.00

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2023 (unaudited)***By Industry (Secondary)**

	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Agriculture	-	-	0.72
Apparel	173,741	1.32	2.05
Auto Manufacturers	152,148	1.16	-
Auto Parts & Equipment	241,595	1.84	3.32
Banks	3,141,748	23.93	20.46
Beverages	364	-*	0.01
Building Materials	208,109	1.59	2.15
Computers	436,467	3.32	2.12
Diversified Financial Services	152,987	1.17	-
Electric	1,269,297	9.67	5.05
Electronics	643,354	4.90	1.98
Engineering and Construction	772,958	5.89	5.59
Entertainment	137,573	1.05	5.31
Food	476,990	3.63	3.57
Hand/Machine Tools	344,375	2.62	2.51
Healthcare-Services	136,526	1.04	-
Internet	174,069	1.33	3.47
Lodging	203,883	1.55	3.06
Media	-	-	1.70
Mining	402,696	3.07	3.85
Oil and Gas	1,260,569	9.60	5.77
Pharmaceuticals	-	-	1.51
Real Estate	364,543	2.78	3.33
Retail	1,090,889	8.31	14.45
Semiconductors	702,419	5.35	0.90
Shipbuilding	302,268	2.30	2.29
Portfolio of investments	12,789,568	97.42	95.17
Other net assets	338,662	2.58	4.83
Net assets attributable to unitholders	13,128,230	100.00	100.00

* denotes amount less than 0.01%

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2023 to 31 December 2023 (unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 10 to 13.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 31 December 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	1,279,052	9.74
United Overseas Bank Limited	638,402	4.86
Bank Central Asia TBK PT	578,274	4.40
Seatrium Limited	554,987	4.23
Hana Microelectronics Public Company Limited	527,781	4.02
Sembcorp Industries Limited	489,495	3.73
YTL Power International Berhad	434,202	3.31
Bangchak Corporation Public Company Limited	394,186	3.00
Gamuda Berhad	384,579	2.93
Inari Amertron Berhad	366,176	2.79

10 largest holdings at 31 December 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	1,335,349	9.31
Keppel Corporation Limited	876,914	6.11
Bank Mandiri Persero TBK PT	626,644	4.37
Wilmar International Limited	610,015	4.25
Bank Central Asia TBK PT	550,320	3.84
Sembcorp Industries Limited	486,384	3.39
United Overseas Bank Limited	478,399	3.33
Bank Negara Indonesia Persero TBK PT	467,250	3.26
Press Metal Aluminium Holdings Berhad	415,662	2.90
Polyplex Thailand Public Company Limited	415,183	2.89

4. Exposure to financial derivatives

Nil.

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2023 to 31 December 2023 (unaudited)

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 10 to 13.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 31 December 2023

	US\$
Units created	359,608
Units cancelled	(500,663)

11. Turnover ratio

		31 December 2023	31 December 2022
Lower of total value of purchases or sales	US\$	5,204,829	6,984,898
Average daily net asset value	US\$	13,136,513	14,312,050
Total turnover ratio¹	%	<u>39.62</u>	<u>48.80</u>

¹ 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.

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2023 to 31 December 2023 (unaudited)

12. Expense ratio

		31 December 2023	31 December 2022
<u>SGD Class A</u>			
Total operating expenses	US\$	236,877	249,246
Average daily net asset value	US\$	12,390,334	13,376,619
Total expense ratio²	%	1.91	1.86
<hr/>			
		31 December 2023	31 December 2022
<u>USD Class A</u>			
Total operating expenses	US\$	25,018	32,075
Average daily net asset value	US\$	1,318,355	1,722,732
Total expense ratio²	%	1.90	1.86

² 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 period 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.

13. 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 BNP Paribas Trust Services Singapore Limited (the "Trustee").

Management fee is payable to the Manager. Trustee fee is payable to the Trustee. Custody fee, transfer agent fee and valuation fee are payable to a related company of the Trustee, BNP Paribas, acting through its Singapore Branch.

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 2023	30 June 2023
	US\$	US\$
Bank balances held with related party of the Trustee	401,731	777,303

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

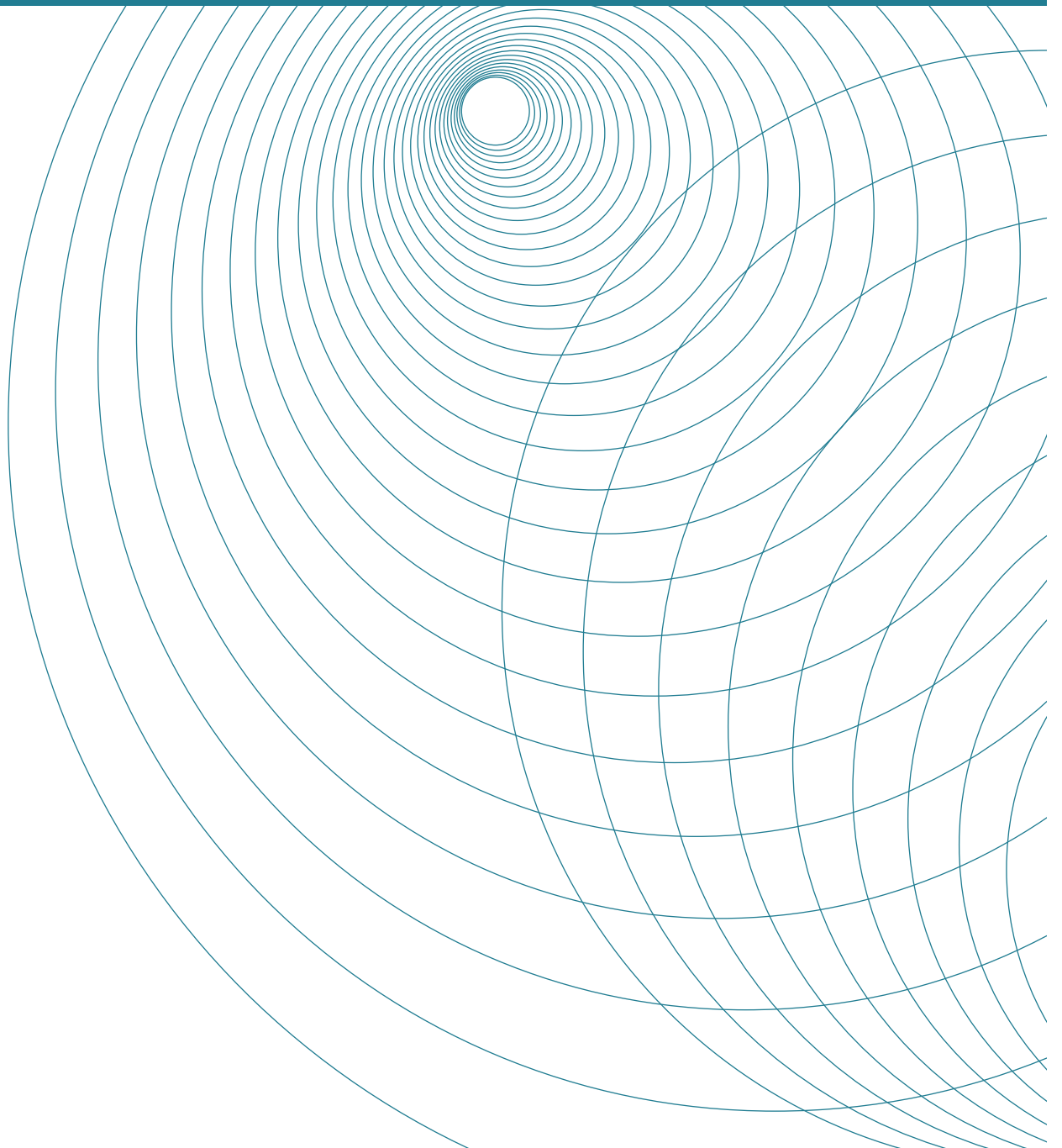
Nil.

15. Soft dollar commissions/arrangements

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

ANNUAL REPORT
Nikko AM ASEAN Equity Fund

Financial year ended 30 June 2023



MANAGERS

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

DIRECTORS OF THE MANAGERS

Kiyotaka Ryu (resigned with effect from 22 September 2023)
Seet Oon Hui Eleanor

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

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

CUSTODIAN

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-2.93	-1.72	-3.08	5.35	0.92	N/A	3.04
Benchmark ¹	-2.93	-1.05	2.89	1.57	-0.90	N/A	1.61

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-7.79	-6.63	-7.93	3.57	-0.11	N/A	2.35
Benchmark ¹	-2.93	-1.05	2.89	1.57	-0.90	N/A	1.61

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 12 November 2015

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	-4.61	-2.55	-0.33	6.42	1.07	N/A	2.80
Benchmark ¹	-4.63	-1.94	5.80	2.60	-0.76	N/A	1.24

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	-9.38	-7.43	-5.31	4.62	0.03	N/A	2.07
Benchmark ¹	-4.63	-1.94	5.80	2.60	-0.76	N/A	1.24

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 4 April 2016

Note:

(1) With effect from January 2017, the benchmark MSCI South East Asia Index (Net total return) has been renamed as MSCI AC ASEAN Index (Net total return).

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Portfolio Review

Fund returned -3.08% in the year to end June 2023

For the year to end June 2023, the Nikko AM ASEAN Equity Fund (the "Fund") returned -3.08% (SGD terms, on a NAV-NAV basis), underperforming the MSCI AC ASEAN Index (Net Total Return) which posted a corresponding return of 2.89%. Over the review period, stock selection in Singapore and Malaysia contributed the most to performance, while stock selection in Thailand and Indonesia detracted the most from performance.

Market Review

ASEAN markets mixed over the review period

The MSCI AC ASEAN Index (Net Total Return) climbed 2.89% over the review period. Global markets kicked off the second half of 2022 (2H22) in better shape, driven by resilient corporate earnings and signs of a possible peak in inflation. However, equities soon resumed their decline during August and September, as central banks reaffirmed their commitment in tackling the stubbornly high inflation. Towards the end of the year, some support for markets came from China, as policymakers moved swiftly to lift its pandemic management measures, and tensions with the US appeared to ease. Entering 2023, the US Federal Reserve's monetary policy outlook and concerns of a global recession continued to drive much of the narrative. Investors shrugged off the short-lived market turbulence that followed the banking meltdown in the US and Europe. Inflation continued to gradually abate over the first half of 2023 (1H23), while the US economy remained resilient. There were some concerns over the US debt ceiling drama in May, although Congress eventually passed a bill to suspend the government's borrowing limit. The Fed then paused its aggressive series of interest rate hikes in June, snapping a string of 10 consecutive increases. Technology stocks raced higher with the explosion of interest in artificial intelligence. China's re-opening fuelled global growth optimism in the first quarter, but the country's modest stimulus has since fallen short of market expectations as its economic recovery loses steam.

Within the ASEAN region, Indonesia and Singapore were the best-performing markets, with respective SGD returns of 10.08% and 6.95% for the 12-month period. Meanwhile, Malaysia and Thailand lagged the region with respective returns of -8.98% and -1.09% in SGD terms. In 2H22, several central banks in the region raised benchmark interest rates as inflation rates continued on an upward trajectory. Consumer price pressures in most ASEAN countries, however, started to ease in 1H23, which eventually saw Bank Indonesia (from February to June) and Bangko Sentral ng Pilipinas (in 2Q23) keeping interest rates on hold, while the Monetary Authority of Singapore maintained its monetary policy in April. On the other hand, the Bank of Thailand continuously raised interest rates in 1H23. Thailand also chose a new government, but political gridlock followed as the Thai parliament blocked the winning Move Forward Party's leader Pita Limjaroenrat from running for prime minister. Elsewhere, Bank Negara Malaysia unexpectedly raised its key overnight policy rate by 25 basis points (bps) to 3% in May, marking the first increase since November to rein in inflation. Perceived fragility in Malaysian Prime Minister Anwar Ibrahim's Pakatan Harapan coalition also caused investors to shun Malaysian stocks over the review period.

Vietnam stocks declined over the period

Vietnamese stocks retreated over the year to end June 2023, with the VNINDEX declining -10.28% in SGD terms. In 2H22, investors initially worried about tighter domestic liquidity, waning external demand and a global slowdown. Subsequently, Vietnam's central bank raised its key policy rates by 100 bps, to head off inflation risks, protect its banking system and support the Vietnamese dong. The final quarter of 2022 remained challenging for Vietnamese equities amid growing concerns about the credit crunch spreading across the real estate sector, due to a sweeping regulatory probe on bond issuances and higher lending rates. The new year kicked off with the resignation of Vietnamese President Nguyen Xuan Phuc, amid a crackdown on corruption scandals. The State Bank of Vietnam (SBV) then embarked on the first of a series of interest rate cuts in March to stimulate economic growth. During the same month, the government issued a new decree (Decree 08, which allows the extension of maturing corporate bonds by up to two years) to help ease pressure on bond issuers. SBV eventually cut interest rates again for the third and fourth time since the beginning of 2023 in May and June respectively.

Market Outlook and Strategy

Riding ASEAN's investment cycle in electric vehicle (EV) and supply chain reconfiguration

We remain relatively constructive in ASEAN as we enter 2H23, given its earnings resilience, better policy backdrop and attractive valuations. We favour Indonesia and Philippines most where we believe macro conditions (consumption, investments and inflation) are improving more favourably within the region. In Malaysia and Thailand, the political situation remains fluid with pending state elections in Malaysia and the new government formation in Thailand. These might pose headwinds on consumption and investment decisions in these economies in the near term. While we retain a relatively more cautious stance in Malaysia and Thailand, we are also starting to see some of the risks being discounted in valuations, and better political clarity could see a relief recovery in both markets.

Within ASEAN, we remain most optimistic in the foreign direct investment (FDI) story and investment opportunities geared towards EV, energy transition and the technology supply chain. Much of this is taking place in Indonesia, where we see the government's downstream initiative anchoring an important role in driving FDI to Indonesia. The country is now becoming an important EV supply chain hub globally, thanks to the vast nickel reserve and policy reform announced which bodes well for the automotive, industrial and materials (nickel) sectors in Indonesia. We also like power/utilities in Singapore and the Philippines where we see the greatest change in energy transition. The move towards alternative and renewable energy, and the current tight electricity markets in select regions offer attractive growth opportunities for investors. We also like the technology supply chain which is benefitting from global supply chain shifts and trade reconfiguration due to China-US geopolitics. We favour tech companies riding on the shift towards high value-added manufacturing such as semiconductor, medical tech opportunities and advanced manufacturing in ASEAN.

Fundamentals of the Vietnamese economy remain sound in the long term

Despite soft GDP and corporate earnings data, the Vietnamese market has continued to perform well over the month of July. Factors supporting the strong performance include lower interest rates, a nascent recovery in property transactions and prices in the secondary market, and a stabilisation of consumption activity. There have been no further adverse announcements on the corporate bond debacle, and we believe that lending has been made available for developers to buy back bonds from retail holders, while institutional holders have been willing to extend the maturity of the bonds which they hold. If so, this bodes well for an eventual resolution to the bonds saga.

As such, we continue to believe that the Vietnamese economy will grow by about 5–6% in 2023. We see the exports sector stabilising and potentially growing again in 2H23, based on leading indicators that we monitor for other export-oriented economies like Singapore. Longer-term, we remain convinced that the fundamentals of the Vietnamese economy remain sound, and that long term drivers remain intact. In particular, Vietnam continues to be the leading alternative to China as Asia’s manufacturing hub and should gain from the continued diversification of global supply chains.

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.

(Where relevant – for funds included under CPFIS) 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.

For Hong Kong Investors

The Fund may only be offered to professional investors in Hong Kong and is not authorised by the Securities and Futures Commission. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM ASEAN EQUITY FUND

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

REPORT OF THE TRUSTEE

For the financial year ended 30 June 2023

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

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 12 to 29, 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
BNP Paribas Trust Services Singapore Limited

Authorised signatory
28 September 2023

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT BY THE MANAGER

For the financial year ended 30 June 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 12 to 29, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Nikko AM ASEAN Equity Fund (the "Fund") as at 30 June 2023, and the financial performance and movements in unitholders' funds for the 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 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM ASEAN EQUITY FUND**
(Constituted under a Trust Deed registered in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM ASEAN Equity Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 30 June 2023, 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 2023;
- the Statement of Financial Position as at 30 June 2023;
- the Statement of Movements of Unitholders' Funds for the financial year ended 30 June 2023;
- the Statement of Portfolio as at 30 June 2023; 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.

Other Information

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM ASEAN EQUITY FUND**
(Constituted under a Trust Deed registered in the Republic of Singapore)

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM ASEAN EQUITY FUND**
(Constituted under a Trust Deed registered in the Republic of Singapore)

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 28 September 2023

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial year ended 30 June 2023*

	Note	2023 US\$	2022 US\$
Income			
Dividends		503,568	442,379
Interest on cash and cash equivalents		20,651	448
		<u>524,219</u>	<u>442,827</u>
Less: Expenses			
Management fee		214,620	260,747
Transfer agent fee		7,727	7,347
Trustee fee		3,853	4,631
Custody fee		6,417	10,824
Audit fee		9,062	9,369
Valuation fee		5,138	6,175
Transaction costs		125,290	118,758
Other expenses		24,116	18,587
		<u>396,223</u>	<u>436,438</u>
Net income		<u>127,996</u>	<u>6,389</u>
Net gains or losses on value of investments			
Net losses on investments		(59,559)	(1,990,581)
Net foreign exchange losses		(64,296)	(71,632)
		<u>(123,855)</u>	<u>(2,062,213)</u>
Total return/(deficit) for the financial year before income tax		4,141	(2,055,824)
Less: Income tax	3	(37,571)	(35,904)
Total deficit for the financial year after income tax		<u>(33,430)</u>	<u>(2,091,728)</u>

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023 US\$	2022 US\$
ASSETS			
Portfolio of investments		12,578,621	13,019,822
Receivables	4	11,752	64,728
Cash and cash equivalents		777,303	1,388,864
Total assets		13,367,676	14,473,414
LIABILITIES			
Payables	5	120,807	182,173
Purchases awaiting settlement		29,355	29,104
Total liabilities		150,162	211,277
EQUITY			
Net assets attributable to unitholders	6	13,217,514	14,262,137

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 30 June 2023

	Note	2023 US\$	2022 US\$
Net assets attributable to unitholders at the beginning of the financial year		14,262,137	18,382,811
Operations			
Change in net assets attributable to unitholders resulting from operations		(33,430)	(2,091,728)
Unitholders' contributions/(withdrawals)			
Creation of units		875,249	6,196,152
Cancellation of units		(1,886,442)	(8,225,098)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(1,011,193)	(2,028,946)
Total decrease in net assets attributable to unitholders		(1,044,623)	(4,120,674)
Net assets attributable to unitholders at the end of the financial year	6	13,217,514	14,262,137

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities			
CHINA			
Yangzijiang Shipbuilding Holdings Limited	272,800	302,362	2.29
Total CHINA		302,362	2.29
INDONESIA			
Arwana Citramulia TBK PT	4,818,400	284,428	2.15
Astra International TBK PT	444,500	200,866	1.52
Bank Central Asia TBK PT	1,126,500	687,509	5.20
Bank Mandiri Persero TBK PT	928,800	322,145	2.44
Bank Negara Indonesia Persero TBK PT	335,500	204,757	1.55
Bukalapak.com PT TBK	9,583,800	135,519	1.02
Dharma Polimetal TBK PT	2,123,500	202,542	1.53
Kalbe Farma TBK PT	1,456,600	199,168	1.51
Merdeka Battery Materials TBK PT	3,177,900	171,692	1.30
Mitra Adiperkasa TBK PT	2,475,800	279,080	2.11
Sumber Alfaria Trijaya TBK PT	1,557,000	267,938	2.03
Surya Citra Media TBK PT	20,837,700	225,160	1.70
Trimegah Bangun Persada TBK PT	992,800	61,915	0.47
Vale Indonesia TBK PT	145,000	60,930	0.46
Total INDONESIA		3,303,649	24.99
MALAYSIA			
Gamuda Berhad	237,300	223,702	1.69
Genetec Technology Berhad	563,900	280,291	2.12
Inari Amertron Berhad	202,500	118,876	0.90
Padini Holdings Berhad	241,100	200,423	1.52
Press Metal Aluminium Holdings Berhad	212,600	214,082	1.62
Total MALAYSIA		1,037,374	7.85
PHILIPPINES			
ACEN Corporation	1,965,500	191,923	1.45
Bank of the Philippine Islands	37,110	73,145	0.56
Bloomberry Resorts Corporation	1,401,900	281,906	2.13
Century Pacific Food Incorporated	438,400	203,318	1.54
First Gen Corporation	605,100	204,552	1.55
SM Prime Holdings Incorporated	614,900	365,935	2.77
Union Bank of the Philippines	86,956	117,990	0.89
Wilcon Depot Incorporated	408,900	178,895	1.35
Total PHILIPPINES		1,617,664	12.24
SINGAPORE			
DBS Group Holdings Limited	50,300	1,171,137	8.86
First Resources Limited	92,600	95,108	0.72
Genting Singapore Limited	604,100	419,593	3.18
Keppel Corporation Limited	103,900	515,145	3.90
Sea Limited	5,563	322,877	2.44
Seatrium Limited	6,369,530	588,313	4.45
Sembcorp Industries Limited	63,600	270,219	2.04
Total SINGAPORE		3,382,392	25.59

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Primary) (continued)

	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities (continued)			
THAILAND			
AAPICO Hitech Public Company Limited	338,600	331,867	2.51
Bangchak Corporation Public Company Limited	97,100	99,962	0.76
Bangkok Bank Public Company Limited	28,400	127,762	0.97
Com7 Public Company Limited	242,400	181,176	1.37
CP All Public Company Limited	185,500	326,999	2.47
Hana Microelectronics Public Company Limited	196,400	261,737	1.98
Minor International Public Company Limited	419,100	404,856	3.06
Sabina Public Company Limited	362,800	271,166	2.05
Somboon Advance Technology Public Company Limited	443,800	236,577	1.79
Total THAILAND		2,242,102	16.96
VIETNAM			
Mobile World Investment Corporation	150,000	275,387	2.08
Nam Long Investment Corporation	53,300	74,577	0.56
PetroVietnam Technical Services Corporation	54,500	74,870	0.57
Phu Nhuan Jewelry JSC	84,173	267,669	2.03
Saigon Beer Alcohol Beverage Corporation	70	456	0.01
Vicem Ha Tien Cement JSC	2	1	-.*
Vietnam National Petroleum Group	20	32	-.*
Vincom Retail JSC	66	75	-.*
Vingroup JSC	5	11	-.*
Total VIETNAM		693,078	5.25
Total Quoted Equities		12,578,621	95.17
Portfolio of investments		12,578,621	95.17
Other net assets		638,893	4.83
Net assets attributable to unitholders		13,217,514	100.00

* denotes amount less than 0.01%

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Quoted Equities		
China	2.29	-
Indonesia	24.99	25.45
Malaysia	7.85	8.65
Philippines	12.24	6.18
Singapore	25.59	32.16
Thailand	16.96	6.63
Vietnam	5.25	8.61
Total Quoted Equities	95.17	87.68
Quoted Real Estate Investment Trusts		
Philippines	-	2.20
Singapore	-	1.41
Total Quoted Real Estate Investment Trusts	-	3.61
Portfolio of investments	95.17	91.29
Other net assets	4.83	8.71
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2023*

By Industry (Secondary)	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Agriculture	95,108	0.72	1.25
Apparel	271,166	2.05	-
Auto Parts & Equipment	439,119	3.32	1.97
Banks	2,704,445	20.46	22.34
Beverages	456	0.01	-
Building Materials	284,429	2.15	1.85
Chemicals	-	-	0.85
Commercial Services	-	-	1.38
Computers	280,291	2.12	2.87
Distribution/Wholesale	-	-	5.14
Electric	666,694	5.05	6.54
Electronics	261,737	1.98	1.75
Engineering and Construction	738,847	5.59	5.63
Entertainment	701,499	5.31	-
Food	471,256	3.57	2.66
Hand/Machine Tools	331,867	2.51	-
Internet	458,396	3.47	1.11
Lodging	404,856	3.06	-
Media	225,160	1.70	-
Mining	508,619	3.85	9.64
Miscellaneous Manufacture	-	-	0.78
Oil and Gas	763,177	5.77	1.62
Packaging & Containers	-	-	2.32
Pharmaceuticals	199,168	1.51	-
Real Estate	440,598	3.33	5.82
Real Estate Investment Trusts (REITS)	-	-	3.61
Retail	1,910,495	14.45	7.27
Semiconductors	118,876	0.90	2.25
Shipbuilding	302,362	2.29	-
Telecommunications	-	-	1.07
Transportation	-	-	1.57
Portfolio of investments	12,578,621	95.17	91.29
Other net assets	638,893	4.83	8.71
Net assets attributable to unitholders	13,217,514	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

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

1. General

Nikko AM ASEAN Equity Fund (the "Fund") is a Singapore domiciled fund constituted by a Trust Deed dated 7 September 2015 as amended by Supplemental 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 BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Fund is Nikko Asset Management Asia Limited (the "Manager").

There are currently six classes of units established within the Fund, namely the Singapore Dollar ("SGD" or "S\$") Class A Units (denominated in SGD), the SGD Class B Units (denominated in SGD), the USD Class A Units (denominated in USD), the USD Class B Units (denominated in USD), the Japanese Yen ("JPY") Class Units (denominated in JPY) and the Renminbi ("RMB") Class A Units (denominated in RMB).

The classes differ in terms of their currency of denomination, management fee, initial sales charge, minimum initial and subsequent investment amounts, minimum realisation amount, minimum holding and number of decimal places for rounding of the issue price and the realisation price per unit.

As of 30 June 2023 and 2022, only units in the SGD Class A and USD Class A have been issued.

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 held 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.

(b) Recognition of income

Dividend income from investments 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) 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.

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

2. Significant accounting policies (continued)

(c) Investments (continued)

(ii) *Subsequent measurement*

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

(iii) *Derecognition*

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

(d) 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.

(e) 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.

(f) 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.

(g) Payables

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

(h) Cash and cash equivalents

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

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

2. Significant accounting policies (continued)

(i) Foreign currency translation

(i) *Functional and presentation currency*

The Fund qualifies as an authorised scheme under the Securities and Futures Act 2001 ("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 denominated in Singapore Dollar ("SGD") and United States Dollar ("USD").

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

(ii) *Transactions and balances*

Foreign currency monetary assets and liabilities are translated into United States Dollar 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 year are recorded in United States Dollar at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

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 fulfils its reporting obligations under the DUT Scheme.

Under the DUT Scheme, certain income of the DUT fund is not taxable in accordance to Sections 35(12) and 35(12A) of the Income Tax Act 1947. 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 1947);
- (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 fees, 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.

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

3. Income Tax (continued)

Income tax for the financial year ended 30 June 2023 and 2022 comprises:

	2023 US\$	2022 US\$
Singapore income (credit)/ tax	(156)	913
Overseas income tax	37,727	34,991
	<u>37,571</u>	<u>35,904</u>

The Singapore income tax represents tax deducted at source for Singapore sourced dividends and tax credit/charge on distribution from Singapore REITs. The overseas income tax represents tax deducted at source on dividend derived from outside Singapore.

4. Receivables

	2023 US\$	2022 US\$
Receivable from unitholders for creation of units	1,771	54,999
Dividends receivable	9,981	9,729
	<u>11,752</u>	<u>64,728</u>

5. Payables

	2023 US\$	2022 US\$
Payable to unitholders for cancellation of units	48,547	97,475
Amount due to the Manager	56,355	62,875
Amount due to the Trustee	1,014	1,129
Valuation fee payable	1,352	1,505
Transfer agent fee payable	452	436
Provision for audit fee	9,461	9,443
Custody fee payable	1,443	1,058
Other payables	2,183	8,252
	<u>120,807</u>	<u>182,173</u>

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee is payable to BNP Paribas Trust Services Singapore Limited. Valuation fee and custody fee are payable to BNP Paribas, acting through its Singapore Branch. Transfer agent fee is payable to BNP Paribas, acting through its Singapore Branch with effect from 1 April 2023.

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

6. Units in issue

During the year ended 30 June 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

<u>SGD Class A</u>	2023	2022
Units at beginning of the financial year	13,544,757	15,338,087
Units created	819,482	5,623,700
Units cancelled	(1,393,079)	(7,417,030)
Units at end of the financial year	12,971,160	13,544,757
Net assets attributable to unitholders - US\$	12,048,281	12,625,818
Net asset value per unit - US\$	0.929	0.932
<u>USD Class A</u>	2023	2022
Units at beginning of the financial year	1,335,689	1,468,302
Units created	75,481	136,656
Units cancelled	(453,425)	(269,269)
Units at end of the financial year	957,745	1,335,689
Net assets attributable to unitholders - US\$	1,169,233	1,636,319
Net asset value per unit - US\$	1.221	1.225

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 not presented as there is no difference to the net assets attributable to unitholders value per unit.

7. Financial risk management

The Fund's activities expose it to a variety of risk, including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Manager is responsible for the implementation of the 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 to achieve medium to long term capital appreciation by investing primarily in the equities of corporations listed on any recognised stock exchange in any part of the world and which carry on significant business in, or whose operations are in, or which derive substantial revenue from, or whose subsidiaries, related or associated corporations derive substantial revenue from, countries which are members of ASEAN (Association of Southeast Asian Nations).

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

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Financial risk management (continued)

(a) Market risk - Price risk

Price risk is the risk that arises from uncertainties about 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 any deviation from the Fund's investment objective. 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.

The benchmark against which the performance of the Fund is measured is the MSCI AC ASEAN Index (Net Total Return) (the "Benchmark").

As at 30 June 2023, an increase/decrease of the index component within the Benchmark by 17% (2022: 18%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 11% (2022: 17%). The analysis was based on the assumptions that the index components within the Benchmark 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 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 equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly.

However, the effects of changes in interest rates on the Fund's portfolio may not be quantified as the relationship between the interest rates and the value of equity 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 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.

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

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

As at 30 June 2023	IDR US\$	VND US\$	USD US\$	SGD US\$	PHP US\$	THB US\$	MYR US\$	Total US\$
Assets								
Portfolio of investments	3,303,649	693,078	322,877	3,361,877	1,617,664	2,242,102	1,037,374	12,578,621
Receivables	7,227	2,146	-	1,771	-	-	608	11,752
Cash and bank balances	5,843	31,627	713,062	20,614	3,289	-	2,868	777,303
Total assets	3,316,719	726,851	1,035,939	3,384,262	1,620,953	2,242,102	1,040,850	13,367,676
Liabilities								
Payables	-	-	56,408	64,399	-	-	-	120,807
Purchases awaiting settlement	29,355	-	-	-	-	-	-	29,355
Total liabilities	29,355	-	56,408	64,399	-	-	-	150,162
Net currency exposure	3,287,364	726,851	979,531	3,319,863	1,620,953	2,242,102	1,040,850	
As at 30 June 2022								
Assets								
Portfolio of investments	3,629,643	1,227,868	592,993	4,193,832	1,195,130	945,689	1,234,667	13,019,822
Receivables	2,566	1,630	99	54,900	-	-	5,533	64,728
Cash and cash equivalents	3,807	368,394	998,119	17,815	723	-	6	1,388,864
Total assets	3,636,016	1,597,892	1,591,211	4,266,547	1,195,853	945,689	1,240,206	14,473,414
Liabilities								
Payables	-	-	62,875	119,269	29	-	-	182,173
Purchases awaiting settlement	-	-	-	-	29,104	-	-	29,104
Total liabilities	-	-	62,875	119,269	29,133	-	-	211,277
Net currency exposure	3,636,016	1,597,892	1,528,336	4,147,278	1,166,720	945,689	1,240,206	

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

Portfolio of investments, 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 which include listed equities and real estate investment funds as part of the 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 the Manager's 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 2023	30 June 2022	30 June 2023	30 June 2022
IDR	9	9	2	2
PHP	7	7	1	1
SGD	5	5	1	2
THB	8	8	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 the majority of the securities are listed on recognised stock exchanges.

The Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining year at the Statement of Financial Position date to the contractual maturity date. As at 30 June 2023 and 2022, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Financial risk management (continued)

(d) Liquidity risk (continued)

	<u>Less than 3 months</u>	
	As at 30 June 2023 US\$	As at 30 June 2022 US\$
Payables	120,807	182,173
Purchases awaiting settlement	29,355	29,104
Contractual cash outflows	150,162	211,277

(e) Credit risk

Credit risk is the risk that a counterparty will be unable to fulfil its obligations 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 its financial assets held at amortised cost. As at 30 June 2023 and 2022, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realised within three months. 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 settlement 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 arises from cash and cash equivalents and outstanding and committed transactions from brokers. The table below summarises the credit rating of bank and custodians in which the Fund's assets are held as at 30 June 2023 and 2022.

	Credit rating as at 30 June 2023	Credit rating as at 30 June 2022
Bank and custodian		
- BNP Paribas, acting through its Singapore Branch	Aa3	A+

As at 30 June 2023, the credit ratings are based on Local Long-Term Bank Deposits from Moody's (2022: Long-Term Local Issuer Ratings from a well-known rating agency).

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

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Financial risk management (continued)

(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).

The following tables analyse within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 30 June 2023 and 2022:

As at 30 June 2023	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Financial assets designated at fair value through profit or loss:				
- Quoted equities	12,578,621	-	-	12,578,621
As at 30 June 2022				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Financial assets designated at fair value through profit or loss:				
- Quoted equities	12,505,734	-	-	12,505,734
- Quoted real estate investment trusts	514,088	-	-	514,088
	13,019,822	-	-	13,019,822

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

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

NIKKO AM ASEAN EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. 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 the related party at terms agreed between the parties and within the provisions of the Deeds:

	2023 US\$	2022 US\$
Bank balances held with related party of the Trustee	<u>777,303</u>	<u>1,388,864</u>

9. Financial ratios

Expense ratio

		2023	2022
<u>SGD Class A</u>			
Total operating expenses	US\$	241,216	283,408
Average daily net asset value	US\$	12,717,317	15,510,815
Total expense ratio¹	%	<u>1.90</u>	<u>1.83</u>

		2023	2022
<u>USD Class A</u>			
Total operating expenses	US\$	29,713	34,272
Average daily net asset value	US\$	1,586,256	1,872,915
Total expense ratio¹	%	<u>1.87</u>	<u>1.83</u>

Turnover ratio

		2023	2022
Lower of total value of purchases or sales	US\$	15,882,663	13,692,825
Average daily net asset value	US\$	14,303,573	17,383,730
Total turnover ratio²	%	<u>111.04</u>	<u>78.77</u>

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at 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.

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2023

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 15 to 18.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 30 June 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	1,171,137	8.86
Bank Central Asia TBK PT	687,509	5.20
Seatrium Limited	588,313	4.45
Keppel Corporation Limited	515,145	3.90
Genting Singapore Limited	419,593	3.18
Minor International Public Company Limited	404,856	3.06
SM Prime Holdings Incorporated	365,935	2.77
AAPICO Hitech Public Company Limited	331,867	2.51
CP All Public Company Limited	326,999	2.47
Sea Limited	322,877	2.44

10 largest holdings at 30 June 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Keppel Corporation Limited	803,033	5.63
DBS Group Holdings Limited	784,815	5.50
Bank Negara Indonesia Persero TBK PT	559,604	3.92
Oversea-Chinese Banking Corporation Limited	553,255	3.88
United Tractors TBK PT	543,694	3.81
Sembcorp Industries Limited	526,505	3.69
Bank Central Asia TBK PT	487,632	3.42
Jardine Cycle & Carriage Limited	473,635	3.32
Bank Mandiri Persero TBK PT	461,004	3.23
Mobile World Investment Corporation	460,993	3.23

4. Exposure to financial derivatives

Nil.

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2023

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

Nil.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 30 June 2023

	US\$
Units created	875,249
Units cancelled	(1,886,442)

11. Turnover ratio

Please refer to Note 9 of the Notes to the Financial Statements on page 29.

12. Expense ratio

Please refer to Note 9 of the Notes to the Financial Statements on page 29.

13. Related party transactions

Please refer to Note 8 of the Notes to the Financial Statements on page 29.

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

Nil.

15. Soft dollar commissions/arrangements

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

Intentionally left blank.

SEMI-ANNUAL REPORT

For the financial period ending 31 December 2022

Nikko AM
ASEAN Equity Fund

MANAGERS

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

DIRECTORS OF THE MANAGERS

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

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

CUSTODIAN

BNP Paribas, operating through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-2.59	-1.39	-10.87	2.06	0.28	N/A	3.51
Benchmark ¹	2.68	3.98	-4.81	-3.70	-2.27	N/A	1.87

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - SGD Class A	-7.46	-6.32	-15.33	0.33	-0.74	N/A	2.77
Benchmark ¹	2.68	3.98	-4.81	-3.70	-2.27	N/A	1.87

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 12 November 2015

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	4.16	2.29	-10.44	2.14	0.21	N/A	3.40
Benchmark ¹	9.86	7.90	-4.31	-3.62	-2.34	N/A	1.63

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM ASEAN Equity Fund - USD Class A	-1.05	-2.83	-14.91	0.41	-0.81	N/A	2.62
Benchmark ¹	9.86	7.90	-4.31	-3.62	-2.34	N/A	1.63

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 4 April 2016

Note:

(1) With effect from January 2017, the benchmark MSCI South East Asia Index (Net total return) has been renamed as MSCI AC ASEAN Index (Net total return).

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Portfolio Review

Fund returned -1.39% in 2H22

For the six months to end December 2022, the Nikko AM ASEAN Equity Fund (the "Fund") returned -1.39% (SGD terms, on a NAV-NAV basis), underperforming the MSCI AC ASEAN Index (Net Total Return) which posted a corresponding return of 3.98%. Over the review period, stock selection in Singapore added the most to performance, while stock selection in Thailand detracted the most from performance.

Market Review

ASEAN markets rose in the six months to end December 2022

The MSCI AC ASEAN Index (Net Total Return) gained 3.98% in SGD terms over the review period. ASEAN equities generally fared better than other markets in 3Q22. Global markets kicked off the quarter with a recovery rally in July, driven by resilient corporate earnings and signs of a possible peak in inflation. However, global equities resumed their decline in August and September, as central banks reaffirmed their commitment in tackling high inflation. 4Q22 brought some relief to a turbulent year, starting with the United Kingdom's political and fiscal turmoil coming to an end. Elsewhere in China, policymakers relaxed some COVID-19 measures, and tensions with the US appeared to ease. The US Federal Reserve also moderated the pace of its interest rate hike in December while maintaining its hawkish rhetoric.

Within ASEAN, Thailand and Singapore led the region in 2H22, with SGD gains of 8.64% and 4.85% respectively. Malaysia, the Philippines and Indonesia followed behind with respective returns of 2.11%, 0.83% and 0.15% in SGD terms.

High energy and food prices were key factors that kept inflationary pressures elevated for most countries in ASEAN. That said, headline consumer price index (CPI) prints for some countries moderated towards the end of the year. In the latest reading, headline CPI inflation in Singapore printed 6.7% year-on-year (YoY) in November 2022, unchanged from June 2022. Inflationary pressures in Thailand similarly eased compared to June 2022, with overall CPI coming in at 5.55% YoY in November 2022, from 7.66% in June. In the Philippines, headline CPI continued to accelerate over the period, rising to 8.0% YoY in November 2022 from 6.1% in June 2022, as food prices continued to climb.

The threat of higher and more persistent inflation prompted most central banks in the region to tighten monetary conditions over the period. Bank Negara Malaysia raised its Overnight Policy Rate by a total of 75 basis points (bps) in the six-month period. Moving forward, the bank declared that adjustments to monetary policy settings will continue to be "measured and gradual", ensuring that monetary policy remains accommodative to support sustainable economic growth in an environment of price stability. Monetary authorities in the Philippines and Singapore moved aggressively to dampen inflation. The Bangko Sentral ng Pilipinas raised its policy rate by a total of 300 bps, while the Monetary Authority of Singapore strengthened the Singapore dollar twice. In contrast, the Bank of Thailand took on a significantly more gradual rate hike approach, citing well-anchored medium-term inflation expectations and subdued demand-pull inflation pressures.

Vietnam stocks declined in 2H22

Vietnamese stocks retreated in the sixth months to end December 2022, with the VNINDEX returning -20.02% in SGD terms. The Vietnamese stock market advanced in July and August, amidst improving domestic economic indicators, along with the easing inflation in both the US and Vietnam. However, Vietnamese stocks followed global markets lower in September, as investors worried about tighter domestic liquidity, waning external demand and a global slowdown. Vietnam's central bank raised its key policy rates by 100 bps, to head off inflation risks, protect its banking system and support the Vietnamese dong. In October though, Vietnamese stocks tumbled, as investor sentiment soured over the news that senior leaders at FLC Group and Van Thinh Phat Group among others were arrested for alleged fraud over the issuance and trading of corporate bonds. The market continued to decline on concerns that other issuers of corporate bonds, particularly other property companies, could default as they may be unable to refinance maturing bonds amidst a sharp deterioration in sentiment among bond investors. Towards the end of the year, more positive news emerged on a potential resolution to the liquidity crunch in the corporate bond market..

Market Outlook and Strategy

ASEAN remains well-placed with FDI recovery and growth in 2023

We believe ASEAN continues to offer investors a rare mix of resilience and growth in today's uncertain environment. We remain optimistic heading into 2023, with strong conviction particularly in the foreign direct investment (FDI) story within ASEAN and the investment opportunities focused towards energy and power security and infrastructure capital expenditure.

ASEAN FDI was robust in 2022, with new record commitments and FDI flows into the region led by manufacturing investments (electric vehicle (EV), battery, semiconductor and electronics). ASEAN's share in global FDI flows has also continued to grow, supported by pro-business government policies, cost competitiveness, improving industrial linkages and rising middle class income. We also see positive trends in trade regionalisation and new investment agreements which add to these existing advantages of ASEAN.

ASEAN governments are also committing more fiscal spending towards maintaining energy self-sufficiency in light of the global energy shortages and challenges. Government policies are also progressively focusing towards sustainability and decarbonisation agendas. In November, Indonesia and the US announced a USD 20 billion climate finance deal to help the country to pivot away from coal and committed towards its net zero emissions in the power industry by 2050, ten years earlier compared to its previous commitment. The country also committed towards further boosting renewable energy to about a third of its power generation needs by 2030, as well as several initiatives to strengthen ambition to become a global EV battery supply chain hub. Power infrastructure security, renewable energy transition and the EV supply chain investments represent compelling areas where we identify most significant positive change and growth opportunities.

Remain focused on long-term beneficiaries of robust economic growth in Vietnam

We remain optimistic on Vietnam as an investment proposition for 2023 and are cautiously optimistic that the Vietnamese stock market will continue to build on the gains made in November and December, given further positive developments in the potential resolution of the liquidity crunch in the corporate bond market. In particular, the proposal to allow for an extension of the maturity of existing bonds, if approved, will buy the issuers valuable time to gather funds for the bonds' repayment. We continue to favour the Vietnamese economy which is set to grow by 6–7% in 2023. While external demand could be dampened by slower economic activity in the developed markets, Vietnam's economy should be

supported the continued diversification of manufacturing activity to Vietnam from China. The end of China's zero-COVID policy also bodes well for Vietnam's tourism industry as China accounted for 30% of Vietnam's tourist arrivals just before the pandemic. We continue to focus on the long-term beneficiaries of robust economic growth in Vietnam, particularly good proxies to the strong consumption growth story in Vietnam.

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 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.

For Hong Kong Investors

The Fund may only be offered to professional investors in Hong Kong and is not authorised by the Securities and Futures Commission. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 July 2022 to 31 December 2022 (unaudited)*

	31 December 2022	31 December 2021
	US\$	US\$
Income		
Dividends	222,363	177,906
Interest on cash and cash equivalents	6,025	-
	228,388	177,906
Less: Expenses		
Management fee	108,199	142,140
Registrar fee	3,919	3,369
Trustee fee	1,927	2,522
Custody fee	3,416	5,091
Audit fee	4,608	4,976
Valuation fee	2,570	3,363
Transaction costs	57,051	59,209
Other expenses	7,086	6,620
	188,776	227,290
Net income/loss	39,612	(49,384)
Net gains or losses on value of investments		
Net gains on investments	328,751	69,419
Net foreign exchange losses	(41,666)	(40,545)
	287,085	28,874
Total return/(deficit) for the financial period before income tax	326,697	(20,510)
Less: Income tax	(12,076)	(12,606)
Total return/(deficit) for the financial period after income tax	314,621	(33,116)

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022 (unaudited)

	31 December 2022	30 June 2022
	US\$	US\$
ASSETS		
Portfolio of investments	13,838,628	13,019,822
Receivables	16,769	64,728
Cash and cash equivalents	607,472	1,388,864
Total assets	14,462,869	14,473,414
LIABILITIES		
Payables	113,366	182,173
Purchases awaiting settlement	-	29,104
Total liabilities	113,366	211,277
EQUITY		
Net assets attributable to unitholders	14,349,503	14,262,137

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 July 2022 to 31 December 2022 (unaudited)*

	31 December 2022	30 June 2022
	US\$	US\$
Net assets attributable to unitholders at the beginning of the financial period/year	14,262,137	18,382,811
Operations		
Change in net assets attributable to unitholders resulting from operations	314,621	(2,091,728)
Unitholders' contributions/(withdrawals)		
Creation of units	502,913	6,196,152
Cancellation of units	(730,168)	(8,225,098)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(227,255)	(2,028,946)
Total increase/(decrease) in net assets attributable to unitholders	87,366	(4,120,674)
Net assets attributable to unitholders at the end of the financial period/year	14,349,503	14,262,137

NIKKO AM ASEAN EQUITY FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2022 (unaudited)

By Geography (Primary)

	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities			
INDONESIA			
Aneka Tambang TBK	1,420,500	181,127	1.26
Arwana Citramulia TBK PT	3,933,300	251,398	1.75
Bank Central Asia TBK PT	1,002,000	550,320	3.84
Bank Jago TBK PT	70,123	16,757	0.12
Bank Mandiri Persero TBK PT	982,900	626,644	4.37
Bank Negara Indonesia Persero TBK PT	788,500	467,250	3.26
Ciputra Development TBK PT	1,157,200	69,874	0.49
Merdeka Copper Gold TBK PT	1,549,200	410,002	2.86
Pakuwon Jati TBK PT	3,234,000	94,730	0.66
Sumber Alfaria Trijaya TBK PT	1,395,500	237,551	1.65
Telkom Indonesia Persero TBK PT	277,200	66,774	0.46
United Tractors TBK PT	148,600	248,900	1.73
Vale Indonesia TBK PT	145,000	66,131	0.46
Total INDONESIA		3,287,458	22.91
MALAYSIA			
Gamuda Berhad	243,800	207,550	1.44
Genetec Technology Berhad	373,300	202,541	1.41
Inari Amertron Berhad	202,500	119,984	0.84
Petronas Chemicals Group Berhad	114,900	224,324	1.56
Press Metal Aluminium Holdings Berhad	375,200	415,662	2.90
Sime Darby Berhad	227,400	118,734	0.83
Total MALAYSIA		1,288,795	8.98
PHILIPPINES			
Acen Corporation	2,064,400	282,279	1.97
Bloomberry Resorts Corporation	1,490,000	204,540	1.43
Century Pacific Food Incorporated	438,400	202,965	1.41
First Gen Corporation	511,700	155,546	1.08
Robinsons Land Corporation	505,500	135,701	0.95
Union Bank of the Philippines	79,160	122,304	0.85
Wilcon Depot Incorporated	161,200	85,333	0.59
Total PHILIPPINES		1,188,668	8.28
SINGAPORE			
DBS Group Holdings Limited	52,800	1,335,349	9.31
First Resources Limited	155,700	171,813	1.20
Jardine Cycle & Carriage Limited	14,500	309,200	2.16
Keppel Corporation Limited	162,000	876,914	6.11
Oversea-Chinese Banking Corporation Limited	8,100	73,559	0.51
Sea Limited	7,283	378,934	2.64
Sembcorp Industries Limited	193,000	486,384	3.39
TDCX Incorporated	16,875	209,250	1.46
UMS Holdings Limited	292,000	256,903	1.79
United Overseas Bank Limited	20,900	478,399	3.33
Wilmar International Limited	196,200	610,015	4.25
Total SINGAPORE		5,186,720	36.15

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2022 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities (continued)			
THAILAND			
Betagro Public Company Limited	182,000	178,663	1.24
Com7 Public Company Limited	242,400	237,956	1.66
Hana Microelectronics Public Company Limited	129,800	193,004	1.35
Polyplex Thailand Public Company Limited	569,500	415,183	2.89
Precious Shipping Public Company Limited	641,300	298,107	2.08
Somboon Advance Technology Public Company Limited	576,600	349,606	2.44
Star Petroleum Refining Public Company Limited	415,300	128,301	0.89
Total THAILAND		1,800,820	12.55
VIETNAM			
Mobile World Investment Corporation	150,000	272,959	1.90
Nam Long Investment Corporation	149,200	196,191	1.37
Phu Nhuan Jewelry JSC	84,173	320,982	2.24
Saigon Beer Alcohol Beverage Corporation	70	496	-
Vicem Ha Tien Cement JSC	2	1	-
Vietnam National Petroleum Group	20	27	-
Vincom Retail JSC	66	74	-
Vingroup JSC	5	11	-
Total VIETNAM		790,741	5.51
Total Quoted Equities		13,543,202	94.38
Quoted Real Estate Investment Trusts			
PHILIPPINES			
Citicore Energy REIT Corporation	3,712,000	152,536	1.06
Total PHILIPPINES		152,536	1.06
SINGAPORE			
Digital Core REIT Management Pte Limited	259,800	142,890	1.00
Total SINGAPORE		142,890	1.00
Total Quoted Real Estate Investment Trusts		295,426	2.06
Portfolio of investments		13,838,628	96.44
Other net assets		510,875	3.56
Net assets attributable to unitholders		14,349,503	100.00

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2022 (unaudited)*

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Quoted Equities		
Indonesia	22.91	25.45
Malaysia	8.98	8.65
Philippines	8.28	6.18
Singapore	36.15	32.16
Thailand	12.55	6.63
Vietnam	5.51	8.61
Total Quoted Equities	94.38	87.68
Quoted Real Estate Investment Trusts		
Philippines	1.06	2.20
Singapore	1.00	1.41
Total Quoted Real Estate Investment Trusts	2.06	3.61
Portfolio of investments	96.44	91.29
Other net assets	3.56	8.71
Net assets attributable to unitholders	100.00	100.00

NIKKO AM ASEAN EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2022 (unaudited)*

By Industry (Secondary)	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Agriculture	781,828	5.45	1.25
Auto Parts & Equipment	349,606	2.44	1.97
Banks	3,670,582	25.58	22.34
Beverages	496	-	-
Building Materials	251,399	1.75	1.85
Chemicals	224,324	1.56	0.85
Commercial Services	-	-	1.38
Computers	411,791	2.87	2.87
Distribution/Wholesale	118,734	0.83	5.14
Electric	924,209	6.44	6.54
Electronics	193,004	1.35	1.75
Engineering and Construction	1,084,464	7.56	5.63
Entertainment	204,540	1.43	-
Food	619,179	4.31	2.66
Internet	378,934	2.64	1.11
Mining	1,321,822	9.21	9.64
Miscellaneous Manufacture	-	-	0.78
Oil and Gas	128,328	0.89	1.62
Packaging & Containers	415,183	2.89	2.32
Real Estate	496,581	3.46	5.82
Real Estate Investment Trusts (REITS)	295,426	2.06	3.61
Retail	1,226,430	8.55	7.27
Semiconductors	376,887	2.63	2.25
Telecommunications	66,774	0.46	1.07
Transportation	298,107	2.08	1.57
Portfolio of investments	13,838,628	96.44	91.29
Other net assets	510,875	3.56	8.71
Net assets attributable to unitholders	14,349,503	100.00	100.00

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2022 to 31 December 2022 (unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 10 to 13.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 31 December 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	1,335,349	9.31
Keppel Corporation Limited	876,914	6.11
Bank Mandiri Persero TBK PT	626,644	4.37
Wilmar International Limited	610,015	4.25
Bank Central Asia TBK PT	550,320	3.84
Sembcorp Industries Limited	486,384	3.39
United Overseas Bank Limited	478,399	3.33
Bank Negara Indonesia Persero TBK PT	467,250	3.26
Press Metal Aluminium Holdings Berhad	415,662	2.90
Polyplex Thailand Public Company Limited	415,183	2.89

10 largest holdings at 31 December 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	1,073,214	5.99
Keppel Corporation Limited	741,338	4.14
Press Metal Aluminium Holdings Berhad	702,448	3.92
Sea Limited	586,568	3.28
United Tractors TBK PT	564,454	3.15
Bank Negara Indonesia Persero TBK PT	556,150	3.11
Oversea-Chinese Banking Corporation Limited	536,964	3.00
Hana Microelectronics Public Company Limited	515,025	2.88
Sembcorp Industries Limited	513,746	2.87
Inari Amertron Berhad	478,442	2.67

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2022 to 31 December 2022 (unaudited)

4. Exposure to financial 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 10 to 13.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 31 December 2022

	US\$
Units created	502,913
Units cancelled	(730,168)

11. Turnover ratio

		31 December 2022	31 December 2021
Lower of total value of purchases or sales	US\$	6,984,898	7,668,509
Average daily net asset value	US\$	14,312,050	18,786,764
Total turnover ratio¹	%	48.80	40.82

¹ 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.

NIKKO AM ASEAN EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 July 2022 to 31 December 2022 (unaudited)

12. Expense ratio

		31 December 2022	31 December 2021
<u>SGD Class A</u>			
Total operating expenses	US\$	249,246	306,777
Average daily net asset value	US\$	13,376,619	16,524,965
Total expense ratio²	%	1.86	1.86
<hr/>			
		31 December 2022	31 December 2021
<u>USD Class A</u>			
Total operating expenses	US\$	32,075	38,451
Average daily net asset value	US\$	1,722,732	2,068,448
Total expense ratio²	%	1.86	1.86

² 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 period 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.

13. 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 BNP Paribas Trust Services Singapore Limited (the "Trustee").

Management fee is payable to the Manager. Trustee fee and registrar fee are payable to the Trustee. Custody fee and valuation fee are payable to a related company of the Trustee, BNP Paribas, operating through its Singapore Branch.

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 2022	30 June 2022
	US\$	US\$
Bank balances held with related party of the Trustee	607,472	1,388,864

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

Nil.

15. Soft Dollar Commissions/Arrangements

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

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