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Nikko Asset Management

YOUR GOALS,
OUR COMMITMENT.

ANNUAL REPORT
Nikko AM Dynamic Bond Fund

Financial year ended 31 December 2024

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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 Dynamic Bond Fund - SGD Hedged Class	-3.61	-0.48	-1.47	-3.41	N/A	N/A	-2.30

Source: Nikko Asset Management Asia Limited. Returns as at 31 December 2024. 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 Dynamic Bond Fund - SGD Hedged Class	-8.43	-5.45	-6.39	-5.05	N/A	N/A	-3.63

Source: Nikko Asset Management Asia Limited. Returns as at 31 December 2024. 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.

Returns (%)	*3 Mth*	*6 Mth*	*1 Yr*	*3 Yr*	*5 Yr*	*10 Yr*	*Since Inception*
Nikko AM Dynamic Bond Fund - USD Hedged Class	-3.19	0.63	0.39	-2.21	N/A	N/A	-1.43

Source: Nikko Asset Management Asia Limited. Returns as at 31 December 2024. 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 Dynamic Bond Fund - USD Hedged Class	-8.03	-4.40	-4.62	-3.86	N/A	N/A	-2.77

Source: Nikko Asset Management Asia Limited. Returns as at 31 December 2024. 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: 12 April 2021

Note:

With effect from 1 September 2025, references to “Nikko Asset Management Asia Limited”, “Nikko AM Dynamic Bond Fund” and “Nikko Asset Management Co., Ltd” shall be deemed deleted and replaced with “Amova Asset Management Asia Limited”, “Amova Dynamic Bond Fund” and “Amova Asset Management Co., Ltd” respectively.

Portfolio Review

Fund returned -1.47% in 2024

The Nikko AM Dynamic Bond Fund (the "Fund") posted a return of -1.47% (in SGD terms, on a NAV-NAV basis) in the 12 months period ending December 2024.

First quarter of 2024

The fund saw modest negative performance in the first quarter, stemming mainly from our allocation to government bonds in developed markets (via cash bonds and derivatives). The negative contribution came especially from our exposure to US Treasuries, and to a smaller extent, our exposure to UK and New Zealand. The fund's exposure to emerging market rates in South Korea and Brazil also detracted from performance.

On the other hand, corporate bonds contributed positively to performance mainly in financials, healthcare and consumer staples, albeit partially offset by an idiosyncratic story in the telecommunications space. While our exposure to developed markets high yield was flat, the fund's exposure to emerging markets corporate bonds was positive, including our allocation to a real estate developer in Czech Republic, and to developed markets investment grade bonds particularly in the financials and real estate space. Some positive contribution also came from our long US Dollar (USD) foreign exchange (FX) exposure, while negative contribution came from our Brazilian Real (BRL) exposure.

Second quarter of 2024

The fund saw overall flat returns during the quarter, closing around the third quartile of the Morningstar Global Flexible Bond category. This was driven mainly by our exposure to government bonds, especially Australian government bonds and US treasuries; exposure to UK gilts, to a smaller extent, contributed negatively as well. The fund's exposure to emerging market rates also provided a marginal negative contribution.

Conversely, the fund's exposure to corporate bonds provided an overall positive contribution, coming mainly from developed markets high yield bonds—especially from our positions in the financials and communication services sectors. Exposure to developed markets investment grade bonds provided a marginal positive contribution instead. Meanwhile, the fund's exposure to emerging markets corporate bonds contributed positively, particularly from the Czech Republic. In terms of FX, negative contribution came from our BRL exposure.

Third quarter of 2024

The fund's exposure to government bonds provided strong positive contribution, particularly to government bonds in the US (via cash bonds and futures). Exposure to Australia, New Zealand and UK also contributed positively, while exposure to rates in Brazil marginally detracted.

Our exposure to corporate bonds provided a positive contribution—especially in developed markets high yield corporate bonds, with major gains coming from financials and communication services. While our credit risk hedging via XOVER contracts provided a negative contribution, exposures to developed markets investment grade corporate bonds and emerging markets corporate bonds were positive.

FX exposure provided a negative contribution mostly due to our exposure to BRL and USD.

Fourth quarter of 2024

The fund suffered negative returns over the quarter.

The fund's exposure to government bonds was the key detractor from performance, especially that to government bonds in the US (via cash bonds and futures). Exposure to UK and Australia also provided a negative contribution, as did our exposure to rates in Brazil to a marginal extent.

Exposure to corporate bonds provided a positive contribution, driven mainly by developed market investment-grade corporate bonds and emerging market corporate bonds, while exposure to developed market high-yield corporate bonds provided a marginal positive contribution. Within the segment, financials and consumer discretionary did well, while healthcare and consumer staples provided negative contribution. Our credit risk hedging via Crossover contracts also provided a negative contribution.

Currency exposure provided a positive contribution, mostly coming from our exposure to the US dollar.

Market Review

First quarter of 2024

Macroeconomic data were the main market mover of the first quarter of 2024. In January, the US job market continued to print relatively solid numbers with higher-than-expected payroll numbers for December, a low unemployment rate and job openings for January above expectations. The fourth quarter gross domestic product (GDP) growth numbers for the US also performed better than expected with quarter-on-quarter (QoQ) annualised growth of 3.3%. Inflation numbers were mixed, with the consumer price index (CPI) slightly higher-than-expected, while the US Federal Reserve's (Fed) favourite core personal consumption expenditures (PCE) actually printed below expectations year-on-year (YoY), at 2.9% and below 2% on a 3-month and 6-month annualised basis respectively. European data was varied, but overall, a picture of weakness continued to emerge. January ended on a somewhat cautious tone from the Fed, with Fed Chairman Jerome Powell highlighting a low likelihood of a rate cut in the March meeting. February data reinforced the narrative, as the US job market continued to print strong changes in nonfarm payrolls and a low unemployment rate, while inflation numbers exceeded expectations.

The macroeconomic "dominance" continued in March but idiosyncratic credit stories, especially in the European high yield (HY) space started to become more frequent. From a data standpoint, the key market mover was once again inflation, with CPI numbers for February coming in modestly above expectations for both headline and core. Producer price index (PPI) numbers saw a similar trend as well, while job market data gave an overall softer feeling. Changes in nonfarm payrolls were still strong, but strong revisions for previous months revealed a less than stellar pattern of job creation compared to what was initially expected. Importantly, the unemployment rate saw a 20-basis point (bp) uptick, printing at 3.9%. Overall messaging from the Federal Open Market Committee (FOMC) statement and especially from the press conference was received as dovish by market participants. The new dot plot continues to pencil in three rate cuts for 2024, with only a modest uptick in the terminal rate to 2.6%. During the conference, Fed Chairman Powell highlighted how rate cuts at some point in 2024 are still the base case and provided reasons to make the FOMC believe that progress towards the inflation target is still intact. Meanwhile, the race to the US Presidential election finally started, with Donald Trump appearing as the most likely candidate for the Republican party following results from the primary elections.

Outside the US, the Bank of Japan closed the season of unconventional monetary policy, bringing rates back into positive territory and scrapping yield curve control measures. The overall dovish tone, however, brought further weakness in the Japanese Yen. The Swiss National Bank was the first developed market central bank to cut rates (by 25 basis points) in a surprise move. Elsewhere, global supply chains saw some renewed disruptions as Houthis attacks in the Red Sea forced contained ships to reroute.

In the government bond space, yields closed broadly higher across the curve in the US, Eurozone and the UK, especially at the front end. The exception was Australia, with yields closing only marginally higher. Emerging market rates also fared better than developed market rates, with a more modest increase. Meanwhile, the credit markets benefited from the broad risk on sentiment with spreads tightening across the board and especially in the HY space. Contingent convertibles (CoCos) in particular, recorded a strong tightening. The end result was negative performance for government bonds, with investment grade corporate bonds showing either flat to negative performance, and positive returns for HY bonds. In the FX space, the USD appreciated against major currencies and especially versus the Swiss Franc, Japanese Yen and Scandinavian currencies.

<u>Second quarter of 2024</u>
April was negative for fixed income markets. The key catalyst came once again from macroeconomic data in the US, especially the March CPI print. Inflation proved hotter than expected, confirming the trend already seen in January and February. This further fuelled the bearish narrative over interest rates, with markets toning down their expectations to just one cut in 2024 from three. Yields traded broadly higher as some commentators debated whether rate hikes might be back on the table.

A potential retaliatory military strike by Iran on Israel briefly changed the interest rate narrative. Risk assets saw a negative reaction, with classic safe-haven assets such as government bonds and precious metals outperforming, In the following days, markets priced out most of the geopolitical risk as the escalation turned out to be a muted affair. Concerns over inflation returned and markets went back to the previous regimen of higher yields. In the second part of the month, the initial estimate for first-quarter GDP growth came in at 1.6% QoQ annualised, falling short of the expected 2.5%. The decline in inventory and increase in the trade deficit were the key factors for the lower-than-expected numbers.

In contrast, May was a more positive month for fixed income markets although with some dispersion. Once again, markets were mostly focused on new information coming from data prints in the US and elsewhere. US CPI came in modestly below expectations (0.3% month-on-month versus the projected 0.4%) for the headline and in line (0.3% month-on-month) for the core. This, together with weak retail sales data, supported an initial downward shift in yields, especially in the US. Job market figures were also on the softer side. In terms of central banks, the key news in May was the tapering of quantitative tightening from the Fed. The reduction in treasury holdings was capped at a pace of USD 25 billion vs. the previous USD 60 billion.

June started with mixed data from the job market. On one hand, we saw another robust increase in nonfarm payrolls. On the other hand, the unemployment rate edged up to 4.0% and job openings continued to decline. US CPI data helped alleviate concerns, however, that the reacceleration in inflation seen over the first quarter of 2024 was only temporary. Notwithstanding the slowdown in CPI, the FOMC meeting brought some revision in the dot plot with the median FOMC member now seeing just one cut in 2024 compared to the previous three cuts. Still, the overall extent of easing in 2025 and 2026 remained unchanged, and the terminal dot drifted only slightly higher to 2.7%. Outside the US, the European Central Bank delivered its first rate cut (25 basis points) but gave little guidance on the future path of easing ahead. Markets are tentatively pricing a quarterly pace. The Swiss National Bank also delivered another rate cut and the Bank of Canada started its rate cutting cycle as well.

Another key theme of the month was political volatility. After many relatively quiet years, the European Union found itself once again under the spotlight. The strong showing of right-wing parties in the European elections brought French President Emmanuel Macron to call for a snap election in France. Worries over potential new fiscal spending from both right-wing and left-wing parties drove a sizeable widening in OAT (French government bonds) spreads and spreads for French bank capital. Elsewhere, election results across emerging markets (especially India, Mexico and South Africa) generated some volatility as well, driving weakness in the emerging market local currency space.

Overall, the second quarter saw higher government bond yields across most developed markets with some steepening in the US, Eurozone and UK, as well as some flattening in Australia. Credit spreads closed wider in both the investment grade (IG) and high-yield (HY) space, with European HY underperforming the US and global markets. Political risk was a contributing factor to Europe's underperformance. FX markets were mixed, with the USD appreciating against the euro and the Japanese Yen but lost ground against the Australian dollar, New Zealand dollar and other cyclical developed market currencies. Emerging market FX and especially Latin American currencies like the Mexican Peso and Brazilian Real suffered from political volatility.

Third quarter of 2024

July was another positive month for fixed income markets, with all market segments recording positive returns and with government bonds and IG corporate bonds outperforming HY. Once again, the key catalyst for market movements came from macroeconomic data in the US and particularly from the June CPI reading, which came in below expectations. On the other hand, Q2 GDP numbers came in well above expectations, showing a QoQ annualised increase of 2.8% vs. the 2.0% expected. Following the prints, the FOMC meeting of July opened the door to a potential first rate cut in September, but Fed Chairman Powell highlighted once again that the committee will follow a data dependent approach in the coming months. The month also saw some new important developments in the US elections, with President Joe Biden stepping down and leaving the race to Vice President Kamala Harris. Following the announcement, odds of a Democrat win saw a modest recovery. The end of the month also saw increased geopolitical tensions between Israel, Lebanon and Iran.

August was a positive month for fixed income markets, with most market segments particularly the high duration ones like government bonds and investment grade recording strong gains. Government bond yields closed lower, with a clear bull steepening in the US and Australia, but less so in the Eurozone. UK was an outlier with an increase in yields, especially at the front-end. Credit spreads closed with a modest tightening in HY and slightly wider in IG. The month started with a material spike in volatility driven by increasing concerns over the potential for a US recession, given the unexpected increase in the US unemployment rate, which jumped from 4.1% to 4.3% and a much weaker-than-expected change in nonfarm payrolls. This, combined with a few additional weak data prints was enough to trigger an equity selloff, a spike in the volatility index (VIX) and credit spreads, as well as a material decrease in government bond yields. The front-end in the US saw a sharp repricing, with the market at one point pricing almost 5 rate cuts (now 4) by the end of 2024. The following weeks saw mixed data. On one hand, inflation continued to show progress and CPI was generally in line with expectations, although exhibiting a modest reacceleration in shelter inflation from the very modest levels recorded in June. On the other hand, manufacturing data continued to disappoint, services data came in stronger than expected and retail sales recorded a strong reacceleration. The overall data framework brought markets to reprice up to a certain extent the soft-landing scenario, with government bond yields remaining steady and credit spreads generally tightening. The Jackson Hole Symposium provided additional confirmation, with Fed Chairman Powell pretty much providing the green light for rate cuts in September, although with limited guidance over size of cut and path for the following meetings.

September was a positive month as well for fixed income markets. The key event of the month was the FOMC meeting. As anticipated by markets, the Fed delivered its first rate cut. The 50-bps reduction in reference rates was however more than what was initially priced by market participants. The increase in the unemployment rate, as well as the slowdown in pace of hiring, combined with benign inflation reports were ultimately key factors in driving the FOMC decision. On the other hand, the new dot plot from the FOMC also showed a marginal increase in the terminal rate to 2.875%. Macroeconomic data continued to show a mixed picture. On one hand, inflation data were broadly well behaved (especially when it comes to PCE). The unemployment rate edged down from 4.3% to 4.2%, but the change in nonfarm payrolls were below expectations with meaningful downward revisions. Elsewhere, the ECB delivered the second cut (25 bps) of this cycle. Notwithstanding the initial prudent guidance, markets have now shifted towards a back-to-back easing in the coming meetings. Fairly weak purchasing managers' index (PMIs) data and latest inflation readings which were well below expectations and below 2% across major European economies are key factors driving the movement in particular. The Bank of England (BOE) showed a more prudent approach, keeping rates unchanged. PMIs also showed some marginal deterioration here. Outside of the developed markets complex, the news of the month was the unveiling of a massive stimulus plan by China. Rate cutting measures, together with measures aimed at supporting the property and stock market were announced by the People's Bank of China (PBOC) and a few days later, the Politburo announced its willingness to pursue additional fiscal support. Equity market reaction has been extreme, with Chinese stocks sharply rising across the board.

Overall, in terms of market movements over the quarter, we saw a meaningful decrease in government bond yields especially in the US, with a clear steepening trend. UK and Japanese rates underperformed against other developed markets. Credit spreads had some brief moments of volatility, but closed the quarter broadly tighter, especially in the HY and emerging market debt space. The USD saw meaningful depreciation.

<u>Fourth quarter of 2024</u>
October was a difficult month for fixed income markets. Most indexes closed in negative territory, with US Treasuries recording the worst month since 2022 and government bond yields closing meaningfully higher across most major regions and maturities. Several different factors drove these market movements. First, US macroeconomic data continued to show a tendency towards hotter-than-expected readings. Second, as US elections came closer and Republican odds improved, concerns over possible inflationary policies came back to the forefront. Outside the US, data was more mixed. GDP growth and inflation in the Eurozone came in modestly above expectations. The European Central Bank (ECB) also proceeded with another 25 basis-point (bps) rate cut, bringing the deposit rate to 3.25%. Meanwhile, UK data came in mostly below expectations, but the BOE paused, keeping rates unchanged. The key event in the UK was the October budget from the new Labour government. In her speech, Chancellor Rachel Reeves announced a wide range of tax increases that only partially funded increased government spending. Concerns over additional borrowing needs in the upcoming years and possible fiscal impact on inflation exerted upward pressure on UK Gilt yields. Across other major markets, weak growth and falling inflation brought the Reserve Bank of New Zealand (RBNZ) to cut rates by 50 bps to 4.75%.

November was a more positive month for fixed income markets, albeit a volatile one. The key market moving event was the highly anticipated US elections. The Republican Party managed to score a strong result; Donald Trump was elected as the new President of the United States and both the House of Representatives and the US Senate will see a (although thin) Republican majority. Following the results, fixed income markets saw strong movements. The initial reaction was an increase in government bond yields, supported by the narrative of a more inflationary administration. As the situation cleared, however, markets started to digest the result and the initial spike in yields reversed. The following weeks saw sudden changes in sentiment, with the appointment of hedge fund manager Scott Bessent as Treasury Secretary seen as a market-friendly outcome and threats of major tariffs to Mexico, Canada and China from Donald Trump seen as a major risk for the global economy. The Fed proceeded with another 25-bp rate cut, bringing rates in the US to between 4.50% and 4.75%. Similarly, the BOE proceeded with another cut, bringing rates to 4.75%, while the RBNZ proceeded with the second 50-bp cut in a row, bringing rates to 4.25%.

December proved to be another complex month for fixed income markets, with most market segments closing in negative territory. In general, European fixed income outperformed, given better movements from a spread and yield standpoint as compared to the US (especially in the HY space). The key market catalyst of the month was once again the US FOMC meeting. The Fed delivered a 25-bp rate cut, bringing the target range to 4.25%–4.50%. The overall tone was modestly more hawkish than markets had expected. The Fed revised up growth and inflation expectations for the coming years and the new dot plot showcased an expectation of just 50 bps of rate cuts from the median FOMC member in 2025. Two and one additional cuts were signalled instead respectively for 2026 and 2027. The long-run terminal dot moved up to 3.0% (from the previous 2.875%). In terms of other central banks, the ECB delivered an additional 25-bp cut bringing the deposit rate to 3.0%. Importantly the ECB removed the reference to a "sufficiently restrictive monetary policy" from the statement. The BOE took a pause instead, leaving rates at 4.75%. Looking at macroeconomic data, the US continued to show strength, although with some weaker spots. Data in the Eurozone continued to show a weak picture although with a marginal uptick in PMIs. In the UK, CPI data came in line with expectations, but wage growth showcased an unexpected, renewed increase. Australia and New Zealand continued to post weak GDP growth numbers.

Overall during the quarter, markets saw a broad increase in government bond yields with some steepening across major curves. US and UK showcased the largest increases. Rates in the Eurozone and in Australia outperformed, posting a more modest increase. Credit spreads recorded some additional tightening, with HY outperforming IG and Europe outperforming the US. CoCos also posted solid tightening. In currencies, the US dollar saw a sizeable appreciation versus most major currencies.

Market Outlook & Strategy

2024 continues to see volatility and lack of stability when it comes to the consensus macroeconomic narrative. The year started with very optimistic expectations for rate cuts, mainly backed by the slowdown in inflation. The first two quarters of the year saw a strong reversal in the narrative, given the pick-up in services inflation (especially in the first quarter), with markets pricing out most of the expectations for rate cuts. The third quarter, however, brought softer inflation prints and a clear weakening trend in the US jobs market, pushing markets to price in once again meaningful cuts. The month of October and the modest uptick in data brought about another reversal with an aggressive sell-off in government bond yields. The strong result for the Republican party in the US elections opened a new phase of market speculation over possible key policies from the new administration.

Such fluid market narrative is perhaps the result of a very complex picture from a data standpoint, with different variables providing diverging signals. We would argue that part of such inconsistency comes from the strong divergence that characterises the US economy today. A small subset of very large corporations is seeing most of the growth in profits and a restricted cohort of very wealthy consumers is driving most of the spending. In the meantime, a large number of small- and medium-sized enterprises struggle to cope with an environment of high financing costs and less profitability, driven by resistance to bear further price increases from the large share of lower income households. This strong discrepancy looks unusual and, if anything, unsustainable in the long run. Also, the public sector in the US is now the key driver of growth and is also underpinning the jobs market. In the longer term, this is going to be a drag on productivity and in turn, economic activity. The manufacturing sector in the US has been stalling for a few years now.

Moving forward, we continue to expect a slowdown in the US. We would not underestimate the recent increase in the unemployment rate as a historically accurate predictor of recessions. At this stage, the only piece missing is a more material increase in layoffs. We believe jobs in the housing sector is a place to monitor closely since activity here has slowed significantly. The rest of the world continues to look in a precarious position to us. The recovery in the Eurozone has pretty much faded, with recent PMI readings showing renewed weakness and inflation quickly cooling. The UK economy has surprised to the upside in the first half of 2024, although more recent data have shown some deterioration. The budget from the Labour Party appears to have damaged business confidence as additional fiscal spending comes at the expenses of higher taxes on labour. Australia and New Zealand have seen weak GDP numbers by historical standards.

Inflation across the globe increasingly seems relatively under control (although still above target) and the widely discussed lags in service inflation still leave meaningful room for disinflation in the coming quarters. Additionally, while a lot of uncertainty on future policies remains, we do not think that the new Republican administration in the US is going to be particularly inflationary. In fact, a case can be made that the combined effect of new policies might prove disinflationary over the medium to long term as lower energy prices and deregulation are key parts of their economic policies. The key consequence of all of this is that rates remain way too high as of today and more easing is needed.

We continue to see exposure to rates and government bonds as the most compelling area of fixed income markets, especially given the most recent backup in rates. While credit continues to price in a goldilocks scenario, at this stage, we prefer to keep historically low exposure to credit with high selectivity. Broadly speaking, risk assets pretty much across the board are elevated with very little in the way of risk premium to compensate investors. It is worth noting that Warren Buffett has accumulated USD 325 billion in cash, a record amount, and a number of valuation metrics for the US stock market are at or close to record highs. Ignoring these factors could be risky.

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

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

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(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 be offered to professional investors in Hong Kong. Hong Kong investors should note that the contents of this document have not been reviewed by any regulatory authority in Hong Kong and are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2024

The Trustee is under a duty to take into custody and hold the assets of Nikko AM Dynamic Bond 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 16 to 38, 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
27 March 2025

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2024

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 16 to 38, 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 Dynamic Bond Fund (the "Fund") as at 31 December 2024, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Nikko Asset Management Asia Limited

Authorised signatory
27 March 2025

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

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Dynamic Bond 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 ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2024, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:
- the Statement of Total Return for the financial year ended 31 December 2024;
- the Statement of Financial Position as at 31 December 2024;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 31 December 2024; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

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

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

Responsibilities of the Manager for the Financial Statements

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

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

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

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.

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, 27 March 2025

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF TOTAL RETURN
For the financial year ended 31 December 2024

	Note	2024 EUR	2023 EUR
Income			
Dividends		**370,746**	140,117
Interest on cash and cash equivalents		**11,461**	2,283
		382,207	142,400
Less: Expenses			
Management fee		**81,005**	34,739
Management fee rebate		**(2,963)**	(1,317)
Expenses reimbursement		**(75,802)**	(56,757)
Transfer agent fee		**7,516**	2,981
Trustee fee		**3,159**	3,087
Audit fee*		**6,781**	6,789
Valuation fee		**4,393**	4,321
Transaction costs		**10,579**	5,717
Other expenses		**24,009**	28,114
		58,677	27,674
Net income		**323,530**	114,726
Net gains or losses on value of investments and financial derivatives			
Net (losses)/gains on investments		**(514,983)**	110,335
Net foreign exchange losses		**(39,826)**	(2,725)
Net gains/(losses) on financial derivatives		**299,078**	(31,383)
		(255,731)	76,227
Total return for the financial year before income tax		**67,799**	190,953
Less: Income tax	3	**-**	295
Total return for the financial year after income tax		**67,799**	191,248

* There were no non-audit related fees paid to a network firm of the Fund's auditor for the financial year ended 31 December 2024 and 2023.

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	2024 EUR	2023 EUR
ASSETS			
Portfolio of investments		**12,877,818**	3,693,861
Receivables	4	**142,939**	36,794
Cash and cash equivalents		**505,181**	83,758
Financial derivatives at fair value	6	**28,370**	-
Total assets		**13,554,308**	3,814,413
LIABILITIES			
Payables	5	**114,397**	21,127
Distributions payable	8	**60,968**	13,748
Financial derivatives at fair value	6	**14,454**	27,233
Total liabilities		**189,819**	62,108
EQUITY			
Net assets attributable to unitholders	7	**13,364,489**	3,752,305

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial year ended 31 December 2024

	Note	**2024 EUR**	2023 EUR
Net assets attributable to unitholders at the beginning of the financial year		**3,752,305**	2,159,389
Operations			
Change in net assets attributable to unitholders resulting from operations		**67,799**	191,248
Unitholders' contributions/(withdrawals)			
Creation of units		**12,579,158**	1,759,204
Cancellation of units		**(2,670,457)**	(219,324)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		**9,908,701**	1,539,880
Distributions	8	**(364,316)**	(138,212)
Total increase in net assets attributable to unitholders		**9,612,184**	1,592,916
Net assets attributable to unitholders at the end of the financial year	7	**13,364,489**	3,752,305

STATEMENT OF PORTFOLIO

As at 31 December 2024

By Geography (Primary)	Holdings at 31 December 2024	Fair value at 31 December 2024 EUR	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Investment Fund			
LUXEMBOURG			
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	**1,681,177**	**12,877,818**	**96.36**
Total LUXEMBOURG		**12,877,818**	**96.36**
Total Quoted Investment Fund		**12,877,818**	**96.36**
Portfolio of investments		**12,877,818**	**96.36**
Other net assets		**486,671**	**3.64**
Net assets attributable to unitholders		**13,364,489**	**100.00**

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2024 %	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Investment Fund		
Luxembourg	**96.36**	98.44
Total Quoted Investment Fund	**96.36**	98.44
Portfolio of investments	**96.36**	98.44
Other net assets	**3.64**	1.56
Net assets attributable to unitholders	**100.00**	100.00

As the Fund is invested wholly into The Jupiter Global Fund-Jupiter Dynamic Bond, which is registered in Luxembourg, information on investment portfolio by industry segments is not presented as the Fund invests only into an underlying fund.

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

1. General

Nikko AM Dynamic Bond Fund (the "Fund") is a standalone unit trust in Singapore, constituted under a Trust Deed dated 4 February 2021, as amended by Supplemental Deeds and Amended and Restated 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 five classes of units established within the Fund, namely the SGD Hedged Class, the SGD Hedged (Acc) Class, the USD Hedged Class, the AUD Hedged Class and the EUR Class.

The classes differ in terms of their currency of denomination. In addition, for the SGD Hedged Class, the SGD Hedged (Acc) Class, the AUD Hedged Class and the USD Hedged Class, the Managers intends to hedge the currency exposure of the assets of the Fund attributable to (a) the SGD Hedged Class and the SGD Hedged (Acc) Class into SGD, (b) the AUD Hedged Class into AUD, and (c) the USD Hedged Class into USD, through the use of currency forwards. Consequently, the net asset value (“NAV”) per unit of each of the SGD Hedged Class, the SGD Hedged (Acc) Class, the AUD Hedged Class and the USD Hedged Class will take into account any gains or losses arising from the use of the currency forwards in respect of the relevant class. Classes denoted with “(Acc)” are accumulating share classes whilst other classes are distributing units classes.

As of 31 December 2024 and 2023, only units in the SGD Hedged Class and USD Hedged Class have been issued.

2. Material accounting policy information

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 instruments at fair value, 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.

2. Material accounting policy information (continued)

(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) Expenses reimbursement

As stipulated in the Fund's prospectus, in respect of the existing five classes described in Note 1, the Managers intends to cap the total expense ratio of each class at 1.45%. Any fees and expenses that are payable by the relevant class and are in excess of the total expense ratio cap for such class will be borne by the Manager and not the class. The Manager reserves full discretion, to remove or vary the percentage of such cap by notification to unitholders. In addition, for new classes established subsequently, the Manager reserves the discretion not to impose a cap or to impose a different cap on such subsequent classes.

(d) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

(e) Investments

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

(i) Initial recognition

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

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in fair value on investments 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.

(f) Basis of valuation of investments

The fair value of investments held in the underlying fund is the quoted net asset value of the underlying fund as determined by the underlying fund's administrator.

2. Material accounting policy information (continued)

(g) Receivables

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

(h) Sales and purchases awaiting settlement

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

(i) Payables

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

(j) Cash and cash equivalents

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

(k) 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 Euro. The Manager considers the Euro as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are expressed in Euro, which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency monetary assets and liabilities are translated into Euro 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 within the net foreign exchange gain or loss. Transactions during the year are recorded in Euro at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

2. Material accounting policy information (continued)

(l) Offsetting financial instruments

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

(m) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers all of its investments in other fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Fund invests in Underlying Fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Underlying Fund applies various investment strategies to accomplish their respective investment objectives. The Underlying Fund finances their operations by issuing redeemable units which are puttable at the unitholder's option and entitles the unitholder to a proportional stake in the respective fund's net assets. The Fund holds redeemable units in the Underlying Fund.

The change in fair value of the Underlying Fund are included in the Statement of Total Return in "Net (losses)/gains on investments".

(n) Financial derivatives

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

Financial derivatives outstanding at the end of the financial year are valued at forward rates or at current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statement of Total Return.

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

(o) Expenses

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

2. Material accounting policy information (continued)

(p) Management fee

Management fee expense is recognised on an accrual basis and in accordance with the Prospectus. Management fee is recognised as an expense over the period for which the service is provided. The management fee charged on any investment in other unit trusts managed by the Manager is rebated back to the Fund, where applicable.

(q) Creation and cancellation of units

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

3. Income tax

The Manager and the Trustee of the Fund have assessed and are satisfied that the Fund has met the requisite conditions of the Section 13D Scheme provided under section 13D of the Income Tax Act (and the relevant Regulations) for the current financial year. Under the Section 13D Scheme, the Fund enjoys Singapore corporate income tax exemption on “specified income’ derived from “designated investments”. Losses from “designated investments” are correspondingly disregarded. The terms “specified income” and “designated investments” are defined in the relevant Regulations.

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

Income tax for the financial year ended 31 December 2024 and 2023 comprises:

	2024 **EUR**	2023 EUR
Singapore income tax	**-**	(295)

For the financial year ended 31 December 2023, the Singapore income tax was a credit balance due to adjustment of over-provision of tax.

4. Receivables

	2024 EUR	2023 EUR
Receivable from unitholders for creation of units	**79,727**	19,490
Dividends receivable	**63,212**	14,494
Amount due from the Manager	**-**	2,395
Other receivables	**-**	415
	142,939	36,794

Amount due from the Manager comprises expenses reimbursement due from and management fee payable to Nikko Asset Management Asia Limited.

5. Payables

	2024 EUR	2023 EUR
Payable to unitholders for cancellation of units	**79,753**	1,805
Amount due to the Manager	**18,523**	-
Amount due to the Trustee	**2,555**	2,508
Valuation fee payable	**3,577**	3,511
Transfer agent fee payable	**434**	1,253
Provision for audit fee	**6,787**	6,692
Other payables	**2,768**	5,358
	114,397	21,127

Amount due to the Manager comprises management fee payable to and expenses reimbursement due from Nikko Asset Management Asia Limited. Trustee fee is payable to BNP Paribas Trust Services Singapore Limited. Transfer agent fee and valuation fee are payable to BNP Paribas, acting through its Singapore Branch.

6. Financial derivatives

Financial derivatives comprise of forward foreign exchange contracts for purchases and sales of foreign currencies. The year-end positive and negative fair values represent the unrealised gains and losses respectively on revaluation of forward foreign exchange contracts at the Statement of Financial Position date. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at Statement of Financial Position date are analysed below.

	Contract or underlying principal amount		**Year-end positive fair value**		**Year-end negative fair value**	
	2024 EUR	2023 EUR	**2024 EUR**	2023 EUR	**2024 EUR**	2023 EUR
Forward foreign exchange contracts	**13,437,243**	3,597,258	**28,370**	-	**(14,454)**	(27,233)

The Fund also restricts its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with approved brokers with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of Statement of Financial Position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Fund's overall exposure to credit risk on derivative instruments subject to a master netting arrangement can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

Financial assets and financial liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2024 and 2023 are detailed in the following table.

(i) **Offsetting financial assets**

				Related accounts not set-off in the Statement of Financial Position		
2024	**Gross amounts of recognised financial assets EUR**	**Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position EUR**	**Net amounts of financial assets presented in the Statement of Financial Position EUR**	**Financial instruments EUR**	**Cash collateral EUR**	**Net exposure EUR**
Forward foreign exchange contracts	**28,370**	**-**	**28,370**	**14,454**	**-**	**13,916**

As at 31 December 2023, there is no position of financial assets which are subject to enforceable master netting agreements or similar agreements.

6. Financial derivatives (continued)

(ii) **Offsetting financial liabilities**

2024	Gross amounts of recognised financial liabilities EUR	Gross amounts of recognised financial assets set-off in the Statement of Financial Position EUR	Net amounts of financial liabilities presented in the Statement of Financial Position EUR	Related accounts not set-off in the Statement of Financial Position: Financial instruments EUR	Related accounts not set-off in the Statement of Financial Position: Cash collateral EUR	Net exposure EUR
Forward foreign exchange contracts	**14,454**	**-**	**14,454**	**14,454**	**-**	**-**

As at 31 December 2023, there is no position of financial liabilities which are subject to enforceable master netting agreements or similar agreements.

7. Units in issue

During the financial year ended 31 December 2024 and 2023, the number of units issued, redeemed and outstanding were as follows:

SGD Hedged Class	**2024**	2023
Units at beginning of the financial year	**5,850,048**	3,062,573
Units created	**20,275,396**	3,030,245
Units cancelled	**(4,380,259)**	(242,770)
Units at end of the financial year	**21,745,185**	5,850,048
Net assets attributable to unitholders - EUR	**11,866,109**	3,310,232
Net asset value per unit - EUR	**0.5456**	0.566

USD Hedged Class	**2024**	2023
Units at beginning of the financial year	**584,014**	565,167
Units created	**1,680,327**	133,847
Units cancelled	**(317,808)**	(115,000)
Units at end of the financial year	**1,946,533**	584,014
Net assets attributable to unitholders - EUR	**1,498,380**	442,073
Net asset value per unit - EUR	**0.7697**	0.757

7. Units in issue (continued)

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

SGD Hedged Class	**2024 EUR**	2023 EUR
Net assets attributable to unitholders per financial statements per unit	**0.5456**	0.566
Effects of distribution per unit	**0.0025**	0.002
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	**-**	-*
Net assets attributable to unitholders for issuing/redeeming per unit	**0.5481**	0.568

USD Hedged Class	**2024 EUR**	2023 EUR
Net assets attributable to unitholders per financial statements per unit	**0.7697**	0.757
Effects of distribution per unit	**0.0035**	0.003
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	**-**	-*
Net assets attributable to unitholders for issuing/redeeming per unit	**0.7732**	0.760

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

* Effect is less than 0.001.

8. Distributions

	2024 EUR	2023 EUR
January interim distribution of S$0.31 (SGD Hedged Class) & US$0.31 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**15,339**	-
February interim distribution of S$0.44 (SGD Hedged Class) & US$0.44 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**23,396**	-
March interim distribution of S$0.30 (SGD Hedged Class) & US$0.31 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**16,641**	-
April interim distribution of S$0.35 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**19,741**	-
May interim distribution of S$0.37 (SGD Hedged Class) & US$0.37 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**21,099**	-
June interim distribution of S$0.37 (SGD Hedged Class) & US$0.37 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**20,482**	-
July interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**18,497**	-
August interim distribution of S$0.38 (SGD Hedged Class) & US$0.39 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**23,080**	-
September interim distribution of S$0.33 (SGD Hedged Class) & US$0.34 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**23,897**	-
October interim distribution of S$0.33 (SGD Hedged Class) & US$0.34 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**53,581**	-
November interim distribution of S$0.40 (SGD Hedged Class) & US$0.41 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**67,595**	-
December final distribution of S$0.35 (SGD Hedged Class) & US$0.36 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2024	**60,968**	-

8. Distributions (continued)

	2024 EUR	2023 EUR
January interim distribution of S$0.34 (SGD Hedged Class) & US$0.40 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	8,953
February interim distribution of S$0.40 (SGD Hedged Class) & US$0.40 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	11,039
March interim distribution of S$0.32 (SGD Hedged Class) & US$0.32 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	9,655
April interim distribution of S$0.37 (SGD Hedged Class) & US$0.37 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	11,153
May interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	9,037
June additional distribution of S$0.39 (SGD Hedged Class) & US$0.39 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	11,767
July interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	10,241
August interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	9,595
September interim distribution of S$0.35 (SGD Hedged Class) & US$0.36 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	13,712
October interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	13,979
November interim distribution of S$0.35 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	15,333
December final distribution of S$0.30 (SGD Hedged Class) & US$0.31 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**-**	13,748
	364,316	138,212

9. 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 investment objective is to achieve a high income with the prospect of capital growth. The Fund will invest directly or indirectly primarily in high yield bonds, investment grade bonds, government bonds, convertible bonds and other bonds.

The Manager seeks to achieve the investment objective of the Fund by investing all or substantially all of the Fund’s assets into the Jupiter Dynamic Bond, a sub fund of the Jupiter Global Fund (the “Underlying Fund”), which seeks to achieve its investment objective of a high income with the prospect of capital growth from a portfolio of investments in global fixed interest securities.

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

(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 Fund is actively managed. There is no benchmark against which the performance of the Fund is measured as the Underlying Fund, which the Fund invests substantially into, is actively managed and is not managed by reference to a benchmark. The Manager has assessed that the price risk of the Fund is best reflected by movements in the Bloomberg Global Aggregate Total Return Index (the "Index").

As at 31 December 2024, an increase/decrease of the index component within the Index by 5% (2023: 9%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 7% (2023: 10%). The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund’s investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

9. Financial risk management (continued)

(b) Market risk - Interest rate risk

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

Investment funds that invest in securities may be subject to interest rate risk as any interest rate change may affect the risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly.

As at 31 December 2024 and 2023, except for cash and bank balances with maturity period of less than 3 months, all other assets and liabilities are non-interest bearing. Changes in interest rates may also have an impact on the value of investment portfolios that consist of fixed income components within the Underlying Fund. The impact of a change in interest rates on the net assets attributable to unitholders is analysed in Note 9(a), where such a change has an impact on the benchmarked bond indices used in the price risk sensitivity analysis. Hence, no separate interest rate risk sensitivity analysis is presented.

(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.

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

As at 31 December 2024	**EUR** **EUR**	**SGD** **EUR**	**USD** **EUR**	**Total** **EUR**
Assets				
Portfolio of investments	12,877,818	-	-	12,877,818
Receivables	63,212	74,260	5,467	142,939
Cash and cash equivalents	243,585	203,932	57,664	505,181
Total assets	13,184,615	278,192	63,131	13,525,938
Liabilities				
Payables	-	82,076	32,321	114,397
Distributions payable	-	54,148	6,820	60,968
Total liabilities	-	136,224	39,141	175,365
Net off-balance sheet derivative financial instruments	(13,412,106)	11,876,335	1,549,687	
Net currency exposure	(227,491)	12,018,303	1,573,677	

9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

As at 31 December 2023	EUR EUR	SGD EUR	USD EUR	Total EUR
Assets				
Portfolio of investments	3,693,861	-	-	3,693,861
Receivables	17,304	19,490	-	36,794
Cash and cash equivalents	66,815	12,088	4,855	83,758
Total assets	3,777,980	31,578	4,855	3,814,413
Liabilities				
Payables	-	21,127	-	21,127
Distributions payable	-	12,094	1,654	13,748
Total liabilities	-	33,221	1,654	34,875
Net off-balance sheet derivative financial instruments	(3,622,000)	3,166,568	428,199	
Net currency exposure	155,980	3,164,925	431,400	

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 quoted investment funds as part of the price risk sensitivity analysis.

The following table shows the Fund's sensitivity to major foreign currencies exposure, with respect to monetary assets and liabilities, 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 (%)**	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
SGD	**2**	5	**2**	4
USD	**8**	7	**1**	1

9. Financial risk management (continued)

(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 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 31 December 2024 and 2023, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

	Less than 3 months	
	As at 31 December 2024 EUR	As at 31 December 2023 EUR
Payables	**114,397**	21,127
Distributions payable	**60,968**	13,748
Contractual cash outflows (excluding gross settled derivatives)	**175,365**	34,875

The table below analyses the Fund's derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 3 months	
	As at 31 December 2024 EUR	As at 31 December 2023 EUR
Currency forwards		
- Outflow	**(11,890,788)**	(3,622,000)
- Inflow	**11,876,334**	3,594,767
Net outflow	**(14,454)**	(27,233)

9. Financial risk management (continued)

(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 31 December 2024 and 2023, 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 31 December 2024 and 2023.

	Credit rating as at 31 December 2024	Credit rating as at 31 December 2023	**Source of credit rating**
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	**A1**	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- Australia and New Zealand Bank	**N.A.**	Aa3	Moody's
- HSBC Bank	**Aa3**	N.A.	Moody's

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

The custodian of the Underlying Fund is Citibank Europe Plc (Luxembourg). As at 31 December 2024, Citibank Europe Plc (Luxembourg) is rated A3 (2023: A3) based on the Long Term Issuer Default rating by Moody's.

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

9. 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 table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2024 and 2023:

As at 31 December 2024	**Level 1 EUR**	**Level 2 EUR**	**Level 3 EUR**	**Total EUR**
Assets				
Portfolio of investments:				
- Quoted investment fund	**12,877,818**	**-**	**-**	**12,877,818**
Financial derivatives at fair value	**-**	**28,370**	**-**	**28,370**
	12,877,818	**28,370**	**-**	**12,906,188**
Liabilities				
Financial derivatives at fair value	**-**	**14,454**	**-**	**14,454**

As at 31 December 2023	**Level 1 EUR**	**Level 2 EUR**	**Level 3 EUR**	**Total EUR**
Assets				
Portfolio of investments:				
- Quoted investment fund	3,693,861	-	-	3,693,861
Liabilities				
Financial derivatives at fair value	-	27,233	-	27,233

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include investments in open-ended investment fund whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. The Fund does not adjust the quoted price for these instruments.

9. Financial risk management (continued)

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

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

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

(h) **Interests in unconsolidated structured entities**

The Fund's investments in the Underlying Fund are subject to the terms and conditions of the respective Underlying Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of the Underlying Fund. The Manager makes investment decisions after extensive due diligence of the Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager. The Underlying Fund in the Statement of Portfolio is managed by the portfolio manager who is compensated by the respective Underlying Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Fund's investments in each of the Underlying Fund.

The Fund has the right to request redemption of its investments in the Underlying Fund on a daily basis.

The exposure to investments in the Underlying Fund at fair value is disclosed under the Statement of Portfolio. These investments are included in “Portfolio of investments” in the Statement of Financial Position.

The Fund's holding in the Underlying Fund, as a percentage of the Underlying Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Underlying Fund's level. It is possible that the Fund may, at any point in time, hold a majority of the Underlying Fund's total units in issue.

The Fund's maximum exposure to loss from its interests in the Underlying Fund is equal to the total fair value of its investments in the Underlying Fund.

Once the Fund has disposed of its units in the Underlying Fund, the Fund ceases to be exposed to any risk from that Underlying Fund.

10. 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:

	2024	2023
	EUR	EUR
Bank balances held with related party of the Trustee	**505,181**	83,758

11. Financial ratios

Expense ratio

		2024	2023
SGD Hedged Class			
Total operating expenses	EUR	**42,922**	18,264
Average daily net asset value	EUR	**5,514,567**	2,232,662
Total expense ratio[1] (including the Underlying Fund's expense ratio)	%	**1.42**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.64**	0.63

		2024	2023
USD Hedged Class			
Total operating expenses	EUR	**5,174**	3,692
Average daily net asset value	EUR	**645,528**	449,890
Total expense ratio[1] (including Underlying Fund's expense ratio)	%	**1.44**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.64**	0.63

Turnover ratio

		2024	2023
Lower of total value of purchases or sales	EUR	**925,000**	154,000
Average daily net asset value	EUR	**6,160,095**	2,682,552
Total turnover ratio[2]	%	**15.02**	5.74

[1] The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Fund's expense ratio and the weighted average of the Underlying Fund's unaudited expense ratio. 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.

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 19.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

Largest holdings at 31 December 2024	**Fair value EUR**	**Percentage of total net assets attributable to unitholders %**
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	**12,877,818**	**96.36**

Largest holdings at 31 December 2023	Fair value EUR	Percentage of total net assets attributable to unitholders %
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	3,693,861	98.44

4. Exposure to financial derivatives

	Fair value at 31 December 2024 EUR	**Percentage of total net assets attributable to unitholders 31 December 2024 %**	**Unrealised gains/(losses) EUR**	**Realised gains/(losses) EUR**
Forward foreign exchange contracts	**13,916**	**0.10**	**13,916**	**285,162**

5. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and

c. the sum of the values of cash collateral received pursuant to:

   i. the reduction of exposure to counterparties of OTC financial derivatives; and

   ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

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 page 19.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 31 December 2024

	EUR
Units created	12,579,158
Units cancelled	(2,670,457)

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 38.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 38.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 37.

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.

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Underlying Fund, the Underlying Fund Investment Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party. The Underlying Fund Investment Manager will return to the Underlying Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or person acting on behalf of a third party in relation to the services provided to the Underlying Fund, and disclose in its annual report the fees, commissions or any monetary benefits transferred to them. However, the Underlying Fund Investment Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to clients; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interest of clients.

16. Subsequent events

The Manager, Nikko Asset Management Asia Limited will be changing its name to Amova Asset Management Asia Limited with effect from 1 September 2025.

The details which follow make reference to the investments within the Jupiter Global Fund - Jupiter Dynamic Bond, unless stated otherwise.

1. Top 10 holdings

10 largest holdings as at 31 December 2024	**Fair value EUR ('000)**	**Percentage of total net assets attributable to unitholders %**
Treasury Note 4.375% 15/05/34	**354,054**	**6.41**
Australia (Commonwealth Of) 1.75% 21/06/51	**262,550**	**4.75**
Treasury Bond 2.875% 15/05/52	**210,426**	**3.81**
Treasury Bond 2.375% 15/02/42	**208,513**	**3.77**
Australia (Commonwealth Of) 3% 21/03/47	**169,630**	**3.07**
Uk Conv Gilt 4.375% 31/07/54	**165,323**	**2.99**
Treasury Bond 3% 15/08/52	**143,335**	**2.59**
Uk Conv Gilt 0.625% 22/10/50	**128,967**	**2.33**
Australia (Commonwealth Of) 3.75% 21/04/37	**119,736**	**2.17**
Australia (Commonwealth Of) 4.5% 21/04/33	**117,490**	**2.13**

10 largest holdings as at 31 December 2023	Fair value EUR ('000)	Percentage of total net assets attributable to unitholders %
Treasury Bond 2.375% 15/02/42	423,438	7.00
Korea (Republic Of) 2.375% 10/12/31	402,939	6.66
Australia (Commonwealth Of) 1.75% 21/06/51	298,736	4.94
Treasury Bond 2.875% 15/05/52	225,249	3.73
Australia (Commonwealth Of) 3% 21/03/47	188,529	3.12
Treasury Bond 3% 15/08/52	153,330	2.54
Australia (Commonwealth Of) 3.75% 21/04/37	128,515	2.13
Australia (Commonwealth Of) 4.5% 21/04/33	124,754	2.06
New Zealand (Government Of) 1.75% 15/05/41	99,638	1.65
UK Conv Gilt 0.625% 22/10/50	92,312	1.53

2. Financial Ratios

	2024 %	2023 %
Expense ratio[1]	**0.66**	0.64
Turnover ratio	**46.9**	26.00

1 The expense ratio has been computed based on the 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 average net asset value is based on the daily balances.

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Nikko Asset Management

YOUR GOALS,
OUR COMMITMENT.

SEMI-ANNUAL REPORT
Nikko AM Dynamic Bond Fund

Financial period ending 30 June 2024

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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 Dynamic Bond Fund - SGD Hedged Class	-0.33	-1.00	4.52	-3.04	N/A	N/A	-2.51

Source: Nikko Asset Management Asia Limited. Returns as at 30 June 2024. 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 Dynamic Bond Fund - SGD Hedged Class	-5.31	-5.95	-0.71	-4.69	N/A	N/A	-4.05

Source: Nikko Asset Management Asia Limited. Returns as at 30 June 2024. 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.

Returns (%)	***3 Mth***	***6 Mth***	***1 Yr***	***3 Yr***	***5 Yr***	***10 Yr***	***Since Inception***
Nikko AM Dynamic Bond Fund - USD Hedged Class	0.18	-0.23	6.58	-2.26	N/A	N/A	-1.84

Source: Nikko Asset Management Asia Limited. Returns as at 30 June 2024. 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 Dynamic Bond Fund - USD Hedged Class	-4.83	-5.22	1.25	-3.92	N/A	N/A	-3.39

Source: Nikko Asset Management Asia Limited. Returns as at 30 June 2024. 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: 12 April 2021

Portfolio Review

Fund returned -1.00% in 1H2024

The Nikko AM Dynamic Bond Fund (the "Fund") posted a return of -1.00% (in SGD terms, on a NAV-NAV basis) in the six months to end June 2024.

Market Review

Macroeconomic data were the main market mover of the first quarter of 2024. In January, the US job market continued to print relatively solid numbers with higher-than-expected payroll numbers for December, a low unemployment rate and job openings for January above expectations. The fourth quarter gross domestic product (GDP) growth numbers for the US also performed better than expected with quarter-on-quarter (QoQ) annualised growth of 3.3%. Inflation numbers were mixed, with the consumer price index (CPI) slightly higher-than-expected, while the US Federal Reserve's (Fed) favourite core personal consumption expenditures (PCE) actually printed below expectations on a year-on-year (YoY) basis, at 2.9% and below 2% on a 3-month and 6-month annualised basis respectively. European data was varied, but overall, a picture of weakness continued to emerge. January ended on a somewhat cautious tone from the Fed, with Fed Chairman Jerome Powell highlighting a low likelihood of a rate cut in the March meeting. February data reinforced the narrative, as the US job market continued to print strong changes in nonfarm payrolls and a low unemployment rate, while inflation numbers exceeded expectations.

The macroeconomic "dominance" continued in March but idiosyncratic credit stories, especially in the European high yield (HY) space started to become more frequent. From a data standpoint, the key market mover was once again inflation, with CPI numbers for February coming in modestly above expectations for both headline and core. Producer price index (PPI) numbers saw a similar trend as well, while job market data gave an overall softer feeling. Changes in nonfarm payrolls were still strong, but strong revisions for previous months revealed a less than stellar pattern of job creation compared to what was initially expected. Importantly, the unemployment rate saw a 20 basis-point uptick, printing at 3.9%. Overall messaging from the Federal Open Market Committee (FOMC) statement and especially from the press conference was received as dovish by market participants. The new dot plot continues to pencil in three rate cuts for 2024, with only a modest uptick in the terminal rate to 2.6%. During the conference, Fed Chairman Powell highlighted how rate cuts at some point in 2024 are still the base case and provided reasons to make the FOMC believe that progress towards the inflation target is still intact. Meanwhile, the race to the US Presidential election finally started, with Donald Trump appearing as the most likely candidate for the Republican party following results from the primary elections.

Outside the US, the Bank of Japan closed the season of unconventional monetary policy, bringing rates back into positive territory and scrapping yield curve control measures. The overall dovish tone, however, brought further weakness in the Japanese Yen. The Swiss National Bank was the first developed market central bank to cut rates (25 basis points) in a surprise move. Elsewhere, global supply chains saw some renewed disruptions as Houthis attacks in the Red Sea forced contained ships to reroute.

In the government bond space, yields closed broadly higher across the curve in the US, Eurozone and the UK, especially at the front end. The exception was Australia, with yields closing only marginally higher. Emerging market rates also fared better than developed market rates, with a more modest increase. Meanwhile, the credit markets benefited from the broad risk on sentiment with spreads tightening across the board and especially in the HY space. Contingent convertibles (CoCos) in particular, recorded a strong tightening. The end result was negative performance for government bonds, with investment grade corporate bonds showing either flat to negative performance, and positive returns for HY bonds. In the foreign exchange (FX) space, the USD appreciated against major currencies and especially versus the Swiss Franc, Japanese Yen and Scandinavian currencies.

April was negative for fixed income markets. The key catalyst came once again from macroeconomic data in the US, especially the March CPI print. Inflation proved hotter than expected, confirming the trend already seen in January and February. This further fuelled the bearish narrative over interest rates, with markets toning down their expectations to just one cut in 2024 from three. Yields traded broadly higher as some commentators debated whether rate hikes might be back on the table.

A potential retaliatory military strike by Iran on Israel briefly changed the interest rate narrative. Risk assets saw a negative reaction, with classic safe-haven assets such as government bonds and precious metals outperforming, In the following days, markets priced out most of the geopolitical risk as the escalation turned out to be a muted affair. Concerns over inflation returned and markets went back to the previous regimen of higher yields. In the second part of the month, the initial estimate for first-quarter GDP growth came in at 1.6% QoQ annualised, falling short of the expected 2.5%. The decline in inventory and increase in the trade deficit were the key factors for the lower-than-expected numbers.

In contrast, May was a more positive month for fixed income markets although with some dispersion. Once again, markets were mostly focused on new information coming from data prints in the US and elsewhere. US CPI came in modestly below expectations (0.3% month-on-month versus the projected 0.4%) for the headline and in line (0.3% month-on-month) for the core. This, together with weak retail sales data, supported an initial downward shift in yields, especially in the US. Job market figures were also on the softer side. In terms of central banks, the key news in May was the tapering of quantitative tightening from the Fed. The reduction in treasury holdings was capped at a pace of USD 25 billion vs. the previous USD 60 billion.

June started with mixed data from the job market. On one hand, we saw another robust increase in nonfarm payrolls. On the other hand, the unemployment rate edged up to 4.0% and job openings continued to decline. US CPI data helped alleviate concerns, however, that the reacceleration in inflation seen over the first quarter of 2024 was only temporary. Notwithstanding the slowdown in CPI, the FOMC meeting brought some revision in the dot plot with the median FOMC member now seeing just one cut in 2024 compared to the previous three cuts. Still, the overall extent of easing in 2025 and 2026 remained unchanged, and the terminal dot drifted only slightly higher to 2.7%. Outside the US, the European Central Bank delivered its first rate cut (25 basis points) but gave little guidance on the future path of easing ahead. Markets are tentatively pricing a quarterly pace. The Swiss National Bank also delivered another rate cut and the Bank of Canada started its rate cutting cycle as well.

Another key theme of the month was political volatility. After many relatively quiet years, the European Union found itself once again under the spotlight. The strong showing of right-wing parties in the European elections brought French President Emmanuel Macron to call for a snap election in France. Worries over potential new fiscal spending from both right-wing and left-wing parties drove a sizeable widening in OAT (French government bonds) spreads and spreads for French bank capital. Elsewhere, election results across emerging markets (especially India, Mexico and South Africa) generated some volatility as well, driving weakness in the emerging market local currency space.

Overall, the second quarter saw higher government bond yields across most developed markets with some steepening in the US, Eurozone and UK, as well as some flattening in Australia. Credit spreads closed wider in both the IG and HY space, with European HY underperforming the US and global markets. Political risk was a contributing factor to Europe's underperformance. FX markets were mixed, with the USD appreciating against the euro and the Japanese Yen but lost ground against the Australian dollar, New Zealand dollar and other cyclical developed market currencies. Emerging market FX and especially Latin American currencies like the Mexican Peso and Brazilian Real suffered from political volatility.

Market Outlook & Strategy

Although US growth in the past two years has exceeded our initial expectations, as well as the markets, we continue to see strong reasons for weakness ahead. We believe that higher rates are beginning to have an impact worldwide with signs of fatigue emerging in the US job market as well as in consumption and spending patterns. The UK appears to be a particularly vulnerable spot, with more advanced weakness in the labour market than in the US. Finally, we should not dismiss recent political results in Europe, as the "vote for change" might be a symptom of an uneven post-Covid recovery with rising inequality.

The uptick in inflation data over the first quarter caused some concern about the extent of a potential rate cutting cycle, leading to a sharp repricing of the relatively generous rate cutting expectations for 2024 priced by markets at the beginning of the year. However, with more supportive inflation readings in April and May, markets were able to, at least partially, embrace once again the disinflation narrative. As such, resuming disinflation might still be a key variable to watch. We believe that today's inflation is mostly the last echo of the past inflation wave, given the combination of more favourable seasonality, softer job markets, and gradual catch-up of lagged inflation components.

Given the above, our investment implications remain stable. We still see plenty of value in government bonds and rates in developed markets. With a few exceptions, the possibility of material rate hikes from here looks low and if anything, government bonds may present an asymmetric trade (where the upside potential is greater than the downside loss). Credit spreads continue to look overall unattractive, with limited margin for error. Lower exposure and selectivity thus remain key themes for us.

Beginning signs of economic impact

The strength of global and especially US economic growth over the last two years has been a surprise for us as well as for many market participants. The post-Covid cycle has been challenging to interpret, with conflicting signals from various data points at any given point in time. Random bouts of geopolitical volatility (Eastern Europe and Middle East) and concerns over financial stability (US regional banks and Credit Suisse) added additional noise to the mix.

Moving forward, we see plenty of late-cycle dynamics and signals that restrictive monetary policy is having an impact, albeit with some lag.

Firstly, looking at major developed markets, many countries and regions are showing a gradual but steady increase in unemployment rate. Although current values might still seem small relative to history, these are time series that rarely give false signals. The US is in the mix as well, with the unemployment rate going from a low of 3.4% to the current 4.0%. This increase is not trivial. Interestingly, while plenty of time has been spent discussing the strength of the job market in the US, we really see a tale of two job markets today. Data coming from the establishment survey provide the positive narrative, with continuous growth in nonfarm payrolls. Data coming from the household survey (which is used for the unemployment rate) see instead negative growth in new employees since the beginning of the year and a much lower pace of job creation since 2021.

The two surveys have some key compositional differences, but it is very likely that the true state of the US job market might be somewhat weaker than what payrolls numbers are saying.

According to our computation, 45% of the new jobs counted by the establishment survey since the end of 2021 were attributed to the "Net Birth/Death Adjustment". This figure aims to capture the growth in employees resulting from the growth/contraction of the overall number of US firms. Strong growth in part-time jobs and contraction in full-time jobs is also another discrepancy worth monitoring. More broadly, the US job market looks today much less tight compared to two years ago, with lower hiring and quitting rates and the gap between job openings and unemployed persons almost entirely reabsorbed. This trend should further support the normalisation of wage growth. In fact, with productivity running at somewhere between 1.5% and 2.0%, we would argue that current rates of wage growth are conducive to the Fed's 2% target.

A second key theme is US consumer fatigue. Consumers and their relentless spending have been the key engine of the post-Covid recovery. However, we have been observing the gradual decrease in excess savings accumulated during the pandemic and a deterioration in consumer financial health over the past year. The gradual increase in delinquency rates for consumer loans is a clear indication of this fatigue. Recent core retail sales data also add to the picture with pretty much flat growth in nominal terms over the last six months, implying negative volume growth. Large retailers have been much less optimistic on their recent earnings conference calls. We have seen plenty of anecdotal evidence from corporates as well suggesting that consumers are pulling back. Restaurant spending has also softened somewhat year to date.

Outside the US, we see no signs of resurgence. The recovery in manufacturing Purchasing Managers Index (PMI) has already stalled and recent volatility coming from the results of the European elections adds political uncertainty to an already weak mix of higher energy prices, low competitiveness versus cheap goods coming from China and a lack of additional fiscal space. The UK is also worth monitoring closely. Following the rate hiking cycle from the Bank of England, effective mortgage rates paid on the current stock of mortgages saw a sharp increase from 2.0% to the current 3.6%. This increase is much faster than in the US, where rates went from 3.2% to less than 3.8%. A different structure in the mortgage market (2 and 5 years fixed versus 30 years fixed) is the key reason, but this implies a much faster transmission mechanism for monetary policy. As effective mortgage rates continue to increase, the buffer for consumption will continue to go down. Job creation has also been much weaker in the UK, where payrolls have now completely stalled since the beginning of the year.

<u>The disinflation story is still intact</u>

We disregarded the uptick in inflation prints over the first quarter and were further reassured that the disinflation trend is still intact based on more recent April and May numbers from the US. The strong seasonality in MoM inflation data and unreliable seasonal adjustments have made it challenging to assess the true progress towards the 2% target. However, if we revert to more basic metrics and analyse the not-seasonally-adjusted MoM numbers for US core CPI, it is quite interesting to see that since October 2022, monthly inflation has been lower than the same figure reported one year earlier in 18 out of 20 months, with the only exceptions being March 2023 and March 2024.

This is not surprising if we consider that most of the usual drivers of inflation have not been there in the last two years. Firstly, money supply growth has been non-existent across major developed markets. Secondly, commodity prices (Bloomberg Commodity Spot Index) have declined by 15%. Thirdly, food prices (as measured by the UN FAO Food Price Index) are down by 23%. Lastly, supply chain pressures have eased. In addition, prospects of slack in the job market also remove a potential wage-price spiral out of the equation. What remains are mostly the last echoes of inflation of the past, coming from items like shelter or auto insurance that are likely to drift lower in the coming months with long and variable lags.

Investment implications

We see material value in government bonds in developed markets, with particular focus on US and Australia, as well as some emerging markets such as Brazil and India. We prefer to keep historically high duration exposure across our portfolios, given meaningful value along the curve, and keep a diversified stance in terms of maturities.

Corporate credit markets look complacent, with global investment grade and high yield spreads below long-term averages and well below recessionary averages. The beginning of 2024 has brought strong refinancing activity and many companies have already worked their way through the maturity wall. Not all the increase in rates have been absorbed yet and cost of debt might still see some uptick in the coming months for some companies (especially in the 'B' or 'CCC' rated categories). The increase in idiosyncratic volatility and the substantial "amend and extend" activity in the background are also possible signals of stress. The increase in alternative sources of financing like private credit makes the overall fundamentals and valuations data picture more uncertain as well.

Notwithstanding the above, the overall level of yield provides a decent cushion which will support total returns even in an environment of higher spread volatility. Especially in the investment grade space, strong investor demand to lock-in yields have been a key supporting factor. More recently, high yield markets have started to see an increase in investor demand as well. Broadly speaking, we see our high yield portfolio, especially since convexity has been removed from much of the market, as predominantly a source of carry for our investors. This also includes our sovereign book, which may be a source of strong capital gains as our macro view plays out.

We see some dispersion across regions, rating segments and sectors. In particular, the lower quality segment of the European high yield market continues to be out of sync with the rest of the market, but it is possible certain idiosyncratic stories might have played a key role in keeping spreads wider here.

Considering our outlook, we continue to see value in more defensive sectors such as telecommunications, healthcare, consumer staples and selectively across financials, where relatively short call contingent convertible bonds (CoCos) can provide some very compelling risk-adjusted yield (although the trade has already partially played out in the first quarter). We see weakness ahead in more cyclical sectors (e.g. chemicals) or in areas more exposed to consumer behaviour (e.g. automotive, retail).

Emerging markets can offer some interesting stories in the corporate space, but it is mostly about single names in major countries (e.g. Brazil, Czech Republic) rather than broad attractiveness for the asset class.

We remain prudent in the FX space, keeping exposure only in those areas where we find clear justification in terms of outstanding real yield (e.g. Brazil) or a strong economy and supportive technical (e.g. India). We keep a constructive stance on the USD.

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

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

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(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 be offered to professional investors in Hong Kong. Hong Kong investors should note that the contents of this document have not been reviewed by any regulatory authority in Hong Kong and are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF TOTAL RETURN
For the financial period from 01 January 2024 to 30 June 2024 (unaudited)

	30 June 2024 EUR	30 June 2023 EUR
Income		
Dividends	**119,804**	63,545
Interest on cash and cash equivalents	**2,072**	579
	121,876	64,124
Less: Expenses		
Management fee	**27,856**	15,295
Management fee rebate	**(1,049)**	(586)
Expenses reimbursement	**(33,501)**	(28,917)
Transfer agent fee	**1,366**	1,790
Trustee fee	**1,541**	1,534
Audit fee	**3,628**	3,683
Valuation fee	**2,156**	2,147
Transaction costs	**3,559**	2,737
Other expenses	**15,252**	14,551
	20,808	12,234
Net income	**101,068**	51,890
Net gains or losses on value of investments and financial derivatives		
Net losses on investments	**(132,626)**	(36,680)
Net foreign exchange losses	**(2,136)**	(969)
Net gains/(losses) on financial derivatives	**29,964**	(55,487)
	(104,798)	(93,136)
Total deficit for the financial period before income tax	**(3,730)**	(41,246)
Less: Income tax	**-**	(137)
Total deficit for the financial period after income tax	**(3,730)**	(41,383)

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
As at 30 June 2024 (unaudited)

	30 June 2024 EUR	31 December 2023 EUR
ASSETS		
Portfolio of investments	**4,242,575**	3,693,861
Receivables	**164,486**	36,794
Cash and cash equivalents	**122,444**	83,758
Financial derivatives at fair value	**19,577**	-
Total assets	**4,549,082**	3,814,413
LIABILITIES		
Payables	**72,003**	21,127
Distributions payable	**20,623**	13,748
Financial derivatives at fair value	**-**	27,233
Total liabilities	**92,626**	62,108
EQUITY		
Net assets attributable to unitholders	**4,456,456**	3,752,305

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial period from 01 January 2024 to 30 June 2024 (unaudited)

	30 June 2024 EUR	31 December 2023 EUR
Net assets attributable to unitholders at the beginning of the financial period/year	**3,752,305**	2,159,389
Operations		
Change in net assets attributable to unitholders resulting from operations	**(3,730)**	191,248
Unitholders' contributions/(withdrawals)		
Creation of units	**1,347,036**	1,759,204
Cancellation of units	**(522,317)**	(219,324)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	**824,719**	1,539,880
Distributions	**(116,838)**	(138,212)
Total increases in net assets attributable to unitholders	**704,151**	1,592,916
Net assets attributable to unitholders at the end of the financial period/year	**4,456,456**	3,752,305

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO
As at 30 June 2024 (unaudited)

By Geography (Primary)	**Holdings at 30 June 2024**	**Fair value at 30 June 2024 EUR**	**Percentage of total net assets attributable to unitholders at 30 June 2024 %**
Quoted Investment Fund			
LUXEMBOURG			
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	**539,082**	**4,242,575**	**95.20**
Total LUXEMBOURG		**4,242,575**	**95.20**
Total Quoted Investment Fund		**4,242,575**	**95.20**
Portfolio of investments		**4,242,575**	**95.20**
Other net assets		**213,881**	**4.80**
Net assets attributable to unitholders		**4,456,456**	**100.00**

By Geography (Summary)	**Percentage of total net assets attributable to unitholders at 30 June 2024 %**	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Investment Fund		
Luxembourg	**95.20**	98.44
Total Quoted Investment Fund	**95.20**	98.44
Portfolio of investments	**95.20**	98.44
Other net assets	**4.80**	1.56
Net assets attributable to unitholders	**100.00**	100.00

As the Fund is invested wholly into The Jupiter Global Fund - Jupiter Dynamic Bond, which is registered in Luxembourg, information on investment portfolio by industry segments is not presented as the Fund invests only into an underlying fund.

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 12.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

Largest holdings at 30 June 2024	**Fair value EUR**	**Percentage of total net assets attributable to unitholders %**
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	**4,242,575**	**95.20**

Largest holdings at 30 June 2023	Fair value EUR	Percentage of total net assets attributable to unitholders %
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	2,416,846	98.89

4. Exposure to financial derivatives

	Fair value at 30 June 2024 EUR	**Percentage of total net assets attributable to unitholders at 30 June 2024 %**	**Unrealised gains/(losses) EUR**	**Realised gains/(losses) EUR**
Forward foreign exchange contracts	**19,577**	**0.44**	**19,577**	**10,387**

5. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and

c. the sum of the values of cash collateral received pursuant to:

   i. the reduction of exposure to counterparties of OTC financial derivatives; and

   ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

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 page 12.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 30 June 2024

	EUR
Units created	1,347,036
Units cancelled	(522,317)

11. Turnover ratio

		30 June 2024	30 June 2023
Lower of total value of purchases or sales	EUR	**323,000**	88,000
Average daily net asset value	EUR	**4,299,353**	2,378,420
Total turnover ratio[1]	%	**7.51**	3.70

[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.

12. Expense ratio

		30 June 2024	30 June 2023
SGD Hedged Class			
Total operating expenses	EUR	**25,961**	14,853
Average daily net asset value	EUR	**3,170,330**	1,808,519
Total expense ratio[2] (including Underlying Fund's expense ratio)	%	**1.45**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.63**	0.63

		30 June 2024	30 June 2023
USD Hedged Class			
Total operating expenses	EUR	**3,748**	3,767
Average daily net asset value	EUR	**454,450**	459,024
Total expense ratio[2] (including Underlying Fund's expense ratio)	%	**1.45**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.63**	0.63

[2] The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Fund's expense ratio and the weighted average of the Underlying Fund's unaudited expense ratio. 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:

	30 June 2024 EUR	31 December 2023 EUR
Bank balances held with related party of the Trustee	**122,444**	83,758

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.

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Underlying Fund, the Underlying Fund Investment Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non monetary benefits, where these are paid or provided by any third party. The Underlying Fund Investment Manager will return to the Underlying Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or person acting on behalf of a third party in relation to the services provided to the Underlying Fund, and disclose in its annual report the fees, commissions or any monetary benefits transferred to them. However, the Underlying Fund Investment Manager may accept without disclosure minor non monetary benefits that are capable of enhancing the quality of service provided to clients; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interest of clients.

The details which follow make reference to the investments within The Jupiter Global Fund - Jupiter Dynamic Bond, unless stated otherwise.

1. Top 10 holdings

10 Largest holdings at 30 June 2024	**Fair value EUR**	**Percentage of total net assets attributable to unitholders %**
Treasury Note 4.375% 15/05/34	**333,794,726**	**5.92**
Australia (Commonwealth Of) 1.75% 21/06/51	**280,766,899**	**4.98**
Treasury Bond 2.875% 15/05/52	**214,221,904**	**3.80**
Treasury Bond 2.375% 15/02/42	**206,831,332**	**3.67**
Australia (Commonwealth Of) 3% 21/03/47	**179,530,626**	**3.19**
Treasury Bond 3% 15/08/52	**145,864,915**	**2.59**
UK Conv Gilt 4.375% 31/07/54	**127,423,605**	**2.26**
Australia (Commonwealth Of) 3.75% 21/04/37	**125,239,666**	**2.22**
Australia (Commonwealth Of) 4.5% 21/04/33	**122,424,084**	**2.17**
UK Conv Gilt 0.625% 22/10/50	**115,509,358**	**2.05**

10 Largest holdings at 30 June 2023	Fair value EUR	Percentage of total net assets attributable to unitholders %
US Treasury Note/Bond 2.375% 15/02/2042	426,326,586	6.53
Korea Treasury Bond 2.375% 10/12/2031	385,657,511	5.91
Australian Government 1.75% 21/06/2051	290,462,594	4.45
US Treasury Note/Bond 2.875% 15/05/2052	233,346,971	3.57
Australian Government 3% 21/03/2047	173,029,717	2.65
US Treasury Note/Bond 3% 15/08/2052	157,229,500	2.41
Australian Government 3.75% 21/04/2037	124,865,447	1.91
Australian Government 4.5% 21/04/2033	121,791,837	1.87
Altice France Holding SA 8% 15/05/2027	91,122,074	1.40
New Zealand Government 1.75% 15/05/2041	86,541,816	1.33

2. Financial ratios

	30 June 2024 %	30 June 2023 %
Expense ratio[1]	**0.66**	0.64
Turnover ratio	**28.00**	13.59

[1] The expense ratio has been computed based on the 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 average net asset value is based on the daily balances.

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Nikko Asset Management

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Nikko Asset Management

YOUR GOALS,
OUR COMMITMENT.

ANNUAL REPORT
Nikko AM Dynamic Bond Fund

Financial year ended 31 December 2023

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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 Dynamic Bond Fund SGD Hedged Class	7.71	5.57	7.19	N/A	N/A	N/A	-2.60

Source: Nikko Asset Management Asia Limited. 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 Dynamic Bond Fund SGD Hedged Class	2.33	0.29	1.83	N/A	N/A	N/A	-4.42

Source: Nikko Asset Management Asia Limited. 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.

Returns (%)	*3 Mth*	*6 Mth*	*1 Yr*	*3 Yr*	*5 Yr*	*10 Yr*	*Since Inception*
Nikko AM Dynamic Bond Fund USD Hedged Class	8.30	6.82	9.00	N/A	N/A	N/A	-2.09

Source: Nikko Asset Management Asia Limited. 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 Dynamic Bond Fund USD Hedged Class	2.88	1.48	3.55	N/A	N/A	N/A	-3.92

Source: Nikko Asset Management Asia Limited. 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: 12 April 2021

Portfolio Review

Fund returned 7.19% in 2023

The Nikko AM Dynamic Bond Fund (the "Fund") posted a return of 7.19% (in SGD terms, on a NAV-NAV basis) in the 12 months period ending December 2023.

First quarter of 2023

The first quarter of 2023 has been positive for fixed income markets and the fund. The biggest positive contributor came from our exposure to government bonds in developed markets, driven by the meaningful and abrupt downward shift in government bond yields seen across the globe as investors repriced growth prospects and the future path of monetary policy. Our positions on Australian government bonds generated more than half of the positive contribution, followed by our allocation to US Treasuries, as well as exposure to sovereign bonds in New Zealand and government bonds in South Korea.

In the credit space, positive performance was mainly driven by our exposure to corporate high yield (HY) bonds in developed markets, particularly Europe and UK. This mostly came from the repricing of short- and medium-term government bond yields, and marginally from some modest spread tightening. Exposure to corporate investment grade (IG) bonds in developed and emerging markets also contributed positively at the margin.

Some marginal negative contribution came from our long foreign exchange (FX) exposure to the USD. More importantly, our strategies did not have any exposure to Silicon Valley Bank (SVB), Signature Bank or any other US regional banks amidst the turmoil in the US regional banking sector in March, as well as to Credit Suisse AT1s. There was instead a marginal positive contribution from senior bonds which now form a small part of the portfolio.

Second quarter of 2023

The quarter has been overall negative for our strategy, as some of the trends seen in the first quarter effectively reversed. The biggest negative contribution came from our exposure to government bonds in developed markets. In particular, the majority of the losses came from our exposure to Australian government bonds in the long-end, as yields on Australia 30-year government bonds saw a meaningful shift upwards. Exposure to US treasuries, New Zealand government bonds, UK gilts and South Korean government bonds contributed negatively as well, while exposure to BRL-denominated Brazilian government bonds contributed positively.

With regards to our credit investments, exposure to developed markets high yield had an overall marginal negative contribution, driven mostly by a few issuers in the European HY telecommunications and consumer staples sectors as well as our HY hedging via XOVER. Meanwhile, our exposure to developed markets IG corporates, especially selected securities in the financials space, made a positive contribution together with corporate bonds in emerging markets.

Third quarter of 2023

The quarter has been overall negative for our strategy and for most of the high-quality segments of the fixed income market.

The biggest detractor to performance in the third quarter was our allocation to government bonds in developed markets, particularly our exposure to the US and Australia and to a smaller extent, New Zealand and United Kingdom. Additionally, exposure to local rates in emerging markets contributed negatively, stemming from negative returns on our government bond allocations in South Korea and Brazil.

Conversely, our exposure to corporate bonds contributed positively, coming especially from the HY corporate bonds space in developed markets. Here, our positions in the telecommunications sector in Europe were a strong contributor, albeit offset partly by our exposure to the consumer staples sector. Our allocation to developed markets IG corporate bonds also provided a positive contribution, driven mostly by our positions in the financials and real estate sectors, and marginally our exposure to corporates in emerging markets as well.

Fourth quarter of 2023
Going into the last quarter of 2023, the biggest performance contribution during the quarter came from our exposure to government bonds in developed markets. Our exposure to US treasuries, particularly, was the most meaningful source of positive contribution. Elsewhere, our exposure to Australia, New Zealand and United Kingdom together with our positions on Brazilian and South Korean local currency bonds in the emerging markets rates space, also provided a positive contribution.

On our allocation to corporate bonds, our exposure to HY bonds in developed markets provided a strong positive contribution, particularly from the telecommunications, financials, healthcare and consumer staples sectors. Additionally, our exposure to IG corporate bonds and emerging markets corporate bonds also contributed positively to performance, while the main detractor to performance came from our HY XOVER hedging and marginally from our long exposure on the USD.

Market Review

First quarter of 2023
Throughout the quarter, different economic environments prevailed. In January, the environment was generally positive with buoyant sentiment for risk assets and lower government bond yields, supported by a new goldilocks narrative. In February, however, inflation became a concern once again due to the strong macroeconomic readings from the US, with government bond yields shifting higher but risk assets still behaving broadly well. In March, the focus shifted to financial stability as the first signs of turmoil emerged in the US regional banking sector. Market participants noticed elevated stress at SVB and Signature Bank, with SVB ultimately collapsing in a matter of days after experiencing a parabolic growth in its asset base over the past 3 years. As stress and volatility increased in the US, concerns quickly mounted over the banking sector in Europe with Credit Suisse emerging as a potential weak link. Following the main shareholder’s announcement that they would not be providing any further support to the Swiss bank, both markets and more importantly, depositors, interpreted this as a clear lack of confidence in the company’s prospects. With deposits flowing out, this prompted the Swiss National Bank and regulator FINMA to intervene and coordinate an emergency takeover by rival UBS. This resulted in a complete write-down of Additional Tier-1 (AT1) bondholders, while equity holders received some recovery value in the form of UBS shares. In response, markets rushed to reprice the risk for AT1 securities.

Following these events, market participants began to reevaluate the overall macroeconomic narrative, with a steep repricing of government bond yields and interest rate hike expectations from central banks. Market pricing for terminal rates particularly decreased across major developed markets, with meaningful rate cuts by the end of the year priced in almost everywhere. While credit spreads initially widened sharply, this trend reversed during the last trading days of the month.

Overall, the quarter saw broadly lower government bond yields with Australian and US rates outperforming the rest of the developed markets. Credit spreads saw significant volatility although by the end of the quarter, we see only a modest widening for IG spreads, with some tightening for HY spreads. However, emerging markets’ external debt underperformed, with relatively large widening. Bank capital was the worst performing credit asset, with spreads on Contingent Convertible Bonds widening by more than 100 bps.

Second quarter of 2023

After the frenetic events of March and the sudden banking turmoil in the US and Europe, the first weeks of April saw some stabilisation. However, this quickly gave way to reacceleration in deposit outflows in the second half of April and the rapid capitulation of yet another US regional bank: First Republic. Not surprisingly, market participants continued to focus on developments on the deposit side and the state of lending activity in US and Europe.

In May, attention turned to the US debt ceiling saga as the deadline for a possible US government default approached. Despite the meaningful press coverage, most of the market impact of the debt ceiling standoff was limited to the very short end of the US treasury curve, with certain T-bill yields surpassing 7% and leading to a material widening of US credit default swaps. Risk assets were largely unaffected as many market participants believed that an agreement to raise the debt ceiling was inevitable. The US Federal Reserve (Fed) continued on its rate hiking path, divided into two camps: those who considered inflation still too high and those who preferred to "wait-and-see" given recent events in the banking sector. Meanwhile, Germany entered into a technical recession with a second consecutive quarter of contraction in line with weak manufacturing data across the region, but the European Central Bank (ECB) continued to hike up interest rates without any intention of pausing. In the UK, higher-than-expected CPI data drove a sell-off in Gilts, particularly in the front-end. Finally, the Reserve Bank of Australia (RBA) surprised the market with a 25 bps rate hike (now at 3.85%), citing persistent inflation, immigration figures and a modest recovery in house prices.

In June, we observed some progress in the disinflationary process in the US and Europe, with US headline inflation dropping to 4.0% year-on-year (YoY). However, the pace of such progress has been insufficient for central banks to justify a more dovish stance, particularly as core numbers remained sticky in the US and surprised to the upside in the UK. This renewed hawkishness across major central banks, with unexpected hikes by the RBA, Bank of Canada and Bank of England. In contrast, the Fed delivered a "hawkish skip", pausing for the first time after 15 months in its rate hiking path, but also indicating two additional hikes by the end of the year as the median expectation of the Federal Open Market Committee (FOMC).

Throughout the quarter, government bond yields were generally higher, with the front-end showing a more significant increase compared to the long-end. The UK was a clear underperformer, with 2-year Gilt yields increasing almost 200 bps. Positive risk sentiment, on the other hand, led to tighter credit spreads across IG and especially HY corporates. Emerging markets hard currency spreads also saw meaningful tightening across corporates and sovereigns.

Third quarter of 2023

The quarter saw two distinct segments and market environments.

In July, the focus was on macroeconomic data, particularly disinflation in the US, Europe and the UK. The US June CPI report showed meaningful progress towards the 2% inflation target, with headline YoY CPI finally printing below 3% and core YoY CPI below 5%. China also continued to send worrying signals from a macroeconomic standpoint, with Q2 GDP numbers falling well below expectations, YoY CPI remaining essentially flat and YoY PPI deeply in deflationary territory. However, a more dovish-than-expected tone from the Chinese Politburo meeting reignited market sentiment. With that, markets remained fairly stable during the month although yield curves were starting to steepen.

August and September were negative for the broader markets as well as fixed income. From the first half of August, there was a broad increase in government bond yields, particularly due to concerns over an increased deficit and subsequent government bond supply. At the same time, resilient growth in the US fuelled discussions over potentially higher long-term neutral level for interest rates, resulting in an increase in yields and a partial steepening of the yield curve in the US. September was overall negative for financial markets and fixed income, with a few exceptions (e.g. European HY). Market narrative mostly focused on the resiliency of the growth backdrop in the US and other countries, while the prospects of a US government shutdown also influenced market sentiment. Some central banks began to pause or cut rates, but in some cases, the tone was more hawkish than expected. The Fed, in particular, left rates unchanged but signalled one additional hike in 2023 and only two rate cuts in 2024, citing solid economic growth. The ECB delivered another 25 bps hike, but also signalled that rates might already be at a level that would support the disinflationary process. The BOE actually opted for a pause, citing the increasing impacts of policy on the labour market and the broader economy; while some emerging markets such as Brazil or Chile continued to cut rates. The strong rebound in oil prices was clearly also an important factor affecting overall sentiment on rates/ inflation, but from a pure macroeconomic standpoint, there were some signs of loosening in the job market, with an increase in unemployment, decrease in job openings and quit rates accompanied by an increase in permanent job losses.

Overall, the quarter saw higher government bond yields, with the US underperforming other major developed markets. Yield curves steepened in almost every region, with the spread between the US 10-year yield curve and 2-year yield curve steepening by 59 bps. Breakeven inflation in the US also saw some modest increase. In credit markets, IG spreads closed modestly tighter, with EUR credits outperforming. Global HY credit spreads also tightened somewhat, with a widening in the US and a tightening in Europe. EM sovereign spreads were broadly flat, while corporates saw some tightening. In the FX space, the main trend was a meaningful USD appreciation.

Fourth quarter of 2023
The quarter saw essentially two different regimes for financial markets and fixed income assets.

October was once again a challenging month, with negative returns across the board with few exceptions. Investors had to deal with the uncertainty of a potential war in the Middle East following an attack by Hamas militants on Israeli territory, prompting Israel to launch military operations in the Gaza strip. Meanwhile, growth in the US continued to exceed expectations, with quarter-on-quarter GDP growth (annualised) coming at 4.9%, surpassing the expected 4.5%. The US job market also showed robust data, with more jobs created and an increase in job openings. Inflation numbers also came in slightly above expectations. In terms of market movements, there was a continued increase in yields in the rates space, similar to August and September, and credit spreads started to show some fatigue as well.

November and December saw a massive reversal of the trends seen in the previous months, with strong performance across financial markets and for fixed income. While previous months were characterised by concerns over strong economic growth (particularly in the US), the return of term premia in the market and renewed geopolitical volatility affecting energy markets, many of these headwinds found key turning points in November. Macroeconomic data was a significant driver, with many prints coming out softer than expected, including unemployment, nonfarm payrolls and inflation. Concerns over government bonds supply were partially lifted when US Treasury issuance plans for the coming quarters surprised to the downside. In December, the FOMC meeting and subsequent press conference held by Chairman J. Powell were the key events and drivers for the month. While the term "pivot" had been used extensively in recent years, the meeting brought a change in stance, with the dot plot now showing a median expectation of three rate cuts in 2024 from FOMC members. In the subsequent press conference, Chairman Powel highlighted that while inflation remains elevated, it has clearly come down and that rate cuts will be a topic of discussion moving forward. The dovishness from the Fed was somewhat counterbalanced by more hawkish declarations from the ECB and the BOE. Market expectations moved, however, in similar directions with five to six cuts expected in the US, Eurozone and UK for 2024.

Looking at markets, government bond yields experienced a strong rally, with most countries seeing lower yields. The Eurozone and the UK performed particularly well compared to the US and Australia. Most curves also saw a certain degree of steepening bias. Credit spreads tightened significantly, especially in the HY space, where US HY outperformed Pan-European HY on a spread basis. Emerging markets hard currency bonds also saw tightening, especially in the sovereign space and marginally in the corporate space.

Market Outlook & Strategy

Our key thesis remains that major developed markets economies are going to see a material slowdown and most likely a recession. Some emerging markets economies (especially China) look fragile. In recent quarters, the market narrative has changed multiple times. While admittedly GDP numbers and spot job market data (e.g. employment) remain solid for now, our view is that this environment might not last long.

Various reasons might have supported the global economy in 2023, allowing the printing of GDP growth numbers above initial expectations from market participants:

- Strength in consumer spending patterns. COVID distortions and previously accumulated excess savings supported abnormal spending. Increase in consumer credit (e.g. credit card debt) might be another factor.
- For years, corporates and households had the opportunity to lock in low rates of interest. This might perhaps make the "long and variable lags" of monetary policy even longer in this cycle.
- Governments continued to spend in 2023 at elevated deficit levels.

When we look at the current state of global economies, we think a slowdown at this stage might be even more likely. While various indicators have been suggesting this, there are at least three key factors to support such thesis, especially in the US:

- The aforementioned long and variable lags in monetary policy
- The contraction in lending activity and the tightening in lending standards
- Less support for consumption

The above points lead us to keep our bearish stance on the US, and in fact on much of the global economy. When it comes to inflation, we continue to expect further disinflation when looking at YoY numbers for headline and particularly, core inflation. The gradual catch-up of shelter inflation with trends seen in the past quarters of the new rental market will clearly be supportive in this sense. The collapse in money supply growth over the course of this year gives us added confidence that deflation will be the bigger threat over the next 12 months. Undoubtedly, the growth in wages is still somewhat above historical pre-COVID averages, especially when looking at YoY measures, but the last months have seen a clear showdown.

Outside the US, the environment looks even more fragile. Higher reliance on manufacturing has already brought the Eurozone in what de facto is a mild recession. Additionally, services have started to catch up to the downside. Structurally, we are somewhat concerned that European industry looks vulnerable to severe competition from China in the form of cheap cars and machinery. At this stage, the biggest risk for the ECB is probably trying to keep a tightened stance for too long. The Eurozone needs lower rates, and waiting too long might make the downturn more severe. Similar trends are also appearing in the UK, where mortgage repricing remains an additional key risk. Australia and South Korea have also started to show more meaningful downside surprises in recent weeks. Finally, our belief remains that China will continue to disappoint as it wrestles with many structural issues for years to come. We do not believe that the latest support measures enacted by the government will prove sufficient in solving the structural imbalances within the housing market — where almost 20%

of GDP is from construction (30% if we include construction-related sectors as well). It is important to keep in mind that China's property sector is the biggest asset class in the world. We believe that the piecemeal measures taken to address the issue thus far are unlikely to have a significant and long-lasting effect. Furthermore, there are also doubts over Xi's commitment to promoting economic growth, as his focus seems to be more on consolidating his power within the country rather than stimulating the economy.

Finally, one last piece of uncertainty clearly came from recent and tragic geopolitical developments in the Middle East. At present, it is difficult to make a conclusive prediction of potential developments and market consequences. Much of it hinges on military and geopolitical factors that we cannot forecast with certainty. The recent incidents in the Red Sea have undoubtedly introduced additional uncertainty on this front. There might be some left tail scenarios, however, where we might face much higher energy prices henceforth. Whilst this would clearly have some consequences on spot headline inflation, it's evident that oil prices in the $140/$150 barrel range would impose an unsustainable tax on global economic growth especially as money supply growth declines. We have recently been formulating a non-consensus view that technological advancements could lead to an oversupply of oil relative to demand in the long term, with increasing oil supply from the US and Russia supplying cheap energy to the East. If, in time, there proves to be a solution to the Russia-Ukraine conflict, it would also likely result in an incremental oil supply shock. In addition, it is worth monitoring the developments in Venezuela, where output is now starting to pick up.

The developments mentioned above could give central banks worldwide reasons (or possibly a necessity) to adopt a less hawkish stance. The Fed has already shown signs of moving in this direction in December, but the ECB and BOE continue to maintain a relatively hawkish position.

We see material value in government bonds in developed markets (US and Australia in particular) and in some emerging markets (South Korea, Brazil). We prefer to keep historically high duration exposure across our portfolios and see meaningful value along the curve, while keeping a diversified stance in terms of maturities.

Corporate credit markets look complacent with mounting recessionary risks, with global HY spreads below long-term averages and well below recessionary averages. As the maturity wall for HY bonds approaches, we expect to see more refinancing activity, which will inevitably increase the cost of debt for numerous corporates. This could make broad fundamentals less attractive, with interest coverage ratios already showing a clear deteriorating trend in the US. The deterioration in fundamentals could push default rates in the next 12 months to well above the current 4% for HY. It is worth noting that, according to statistics compiled by credit ratings agency Moody's, the US loan market has already reached the 6% mark.

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

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

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(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

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

The Trustee is under a duty to take into custody and hold the assets of Nikko AM Dynamic Bond 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 15 to 36, 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

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Authorised signatory
27 March 2024

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 15 to 36, 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 Dynamic Bond Fund (the "Fund") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Nikko Asset Management Asia Limited

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Authorised signatory
27 March 2024

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM DYNAMIC BOND FUND

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

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Dynamic Bond 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 ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 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 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 31 December 2023; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

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

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

Responsibilities of the Manager for the Financial Statements

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

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

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

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.

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, 27 March 2024

NIKKO AM DYNAMIC BOND FUND
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF TOTAL RETURN
For the financial year ended 31 December 2023

	Note	2023 EUR	2022 EUR
Income			
Dividends		**140,117**	107,720
Interest on cash and cash equivalents		**2,283**	189
		142,400	107,909
Less: Expenses			
Management fee		**34,739**	29,579
Management fee rebate		**(1,317)**	(1,093)
Expenses reimbursement		**(56,757)**	(46,790)
Transfer agent fee		**2,981**	2,434
Trustee fee		**3,087**	3,184
Audit fee		**6,789**	6,980
Valuation fee		**4,321**	4,457
Transaction costs		**5,717**	5,325
Other expenses		**28,114**	20,093
		27,674	24,169
Net income		**114,726**	83,740
Net gains or losses on value of investments and financial derivatives			
Net gains/(losses) on investments		**110,335**	(497,498)
Net foreign exchange (losses)/gains		**(2,725)**	2,941
Net (losses)/gains on financial derivatives		**(31,383)**	202,277
		76,227	(292,280)
Total return/(deficit) for the financial year before income tax		**190,953**	(208,540)
Less: Income tax	3	**295**	(566)
Total return/(deficit) for the financial year after income tax		**191,248**	(209,106)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Note	**2023 EUR**	2022 EUR
ASSETS			
Portfolio of investments		**3,693,861**	2,086,526
Receivables	4	**36,794**	90,123
Cash and cash equivalents		**83,758**	27,348
Total assets		**3,814,413**	2,203,997
LIABILITIES			
Payables	5	**21,127**	12,430
Distributions payable	8	**13,748**	9,431
Financial derivatives at fair value	6	**27,233**	22,747
Total liabilities		**62,108**	44,608
EQUITY			
Net assets attributable to unitholders	7	**3,752,305**	2,159,389

STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial year ended 31 December 2023

	Note	**2023 EUR**	2022 EUR
Net assets attributable to unitholders at the beginning of the financial year		**2,159,389**	2,137,600
Operations			
Change in net assets attributable to unitholders resulting from operations		**191,248**	(209,106)
Unitholders' contributions/(withdrawals)			
Creation of units		**1,759,204**	549,286
Cancellation of units		**(219,324)**	(215,387)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		**1,539,880**	333,899
Distributions	8	**(138,212)**	(103,004)
Total increases in net assets attributable to unitholders		**1,592,916**	21,789
Net assets attributable to unitholders at the end of the financial year	7	**3,752,305**	2,159,389

STATEMENT OF PORTFOLIO
As at 31 December 2023

By Geography (Primary)	Holdings at 31 December 2023	Fair value at 31 December 2023 EUR	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Investment Fund			
LUXEMBOURG			
The Jupiter Global Fund-Jupiter Dynamic Bond Class I	**454,350**	**3,693,861**	**98.44**
Total LUXEMBOURG		**3,693,861**	**98.44**
Total Quoted Investment Fund		**3,693,861**	**98.44**
Portfolio of investments		**3,693,861**	**98.44**
Other net assets		**58,444**	**1.56**
Net assets attributable to unitholders		**3,752,305**	**100.00**

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Investment Fund		
Luxembourg	**98.44**	96.63
Total Quoted Investment Fund	**98.44**	96.63
Portfolio of investments	**98.44**	96.63
Other net assets	**1.56**	3.37
Net assets attributable to unitholders	**100.00**	100.00

As the Fund is invested wholly into The Jupiter Global Fund-Jupiter Dynamic Bond, which is registered in Luxembourg, information on investment portfolio by industry segments is not presented as the Fund invests only into an underlying fund.

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

1. General

Nikko AM Dynamic Bond Fund (the "Fund") is a standalone unit trust in Singapore, constituted under a Trust Deed dated 4 February 2021 (referred to as the "Deed"). The Deed is 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 five classes of units established within the Fund, namely the SGD Hedged Class, the SGD Hedged (Acc) Class, the USD Hedged Class, the AUD Hedged Class and the EUR Class.

The classes differ in terms of their currency of denomination. In addition, for the SGD Hedged Class, the SGD Hedged (Acc) Class, the AUD Hedged Class and the USD Hedged Class, the Managers intends to hedge the currency exposure of the assets of the Fund attributable to (a) the SGD Hedged Class and the SGD Hedged (Acc) Class into SGD, (b) the AUD Hedged Class into AUD, and (c) the USD Hedged Class into USD, through the use of currency forwards. Consequently, the net asset value (“NAV”) per unit of each of the SGD Hedged Class, the SGD Hedged (Acc) Class, the AUD Hedged Class and the USD Hedged Class will take into account any gains or losses arising from the use of the currency forwards in respect of the relevant class. Classes denoted with “(Acc)” are accumulating share classes whilst other classes are distributing units classes.

As of 31 December 2023 and 2022, only units in the SGD Hedged Class and USD Hedged Class have been issued.

2. Material accounting policy information

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 instruments at fair value, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued and revised by the Institute of Singapore Chartered Accountants in August 2023 for the financial year beginning on or after 1 January 2023.

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

2. Material accounting policy information (continued)

(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) Expenses reimbursement

As stipulated in the Fund's prospectus, in respect of the existing five classes described in Note 1, the Managers intends to cap the total expense ratio of each class at 1.45%. Any fees and expenses that are payable by the relevant class and are in excess of the total expense ratio cap for such class will be borne by the Manager and not the class. The Manager reserves full discretion, to remove or vary the percentage of such cap by notification to unitholders. In addition, for new classes established subsequently, the Manager reserves the discretion not to impose a cap or to impose a different cap on such subsequent classes.

(d) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid on the distribution date. The amount shall not be treated as part of the property of the Fund. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

(e) Investments

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

(i) Initial recognition

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

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in fair value on investments 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.

(f) Basis of valuation of investments

The fair value of investments held in the underlying fund is the quoted net asset value of the underlying fund as determined by the underlying fund's administrator.

2. Material accounting policy information (continued)

(g) Receivables

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

(h) Sales and purchases awaiting settlement

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

(i) Payables

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

(j) Cash and cash equivalents

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

(k) 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 Euro. The Manager considers the Euro as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are expressed in Euro, which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency monetary assets and liabilities are translated into Euro 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 within the net foreign exchange gain or loss. Transactions during the year are recorded in Euro at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statement of Total Return.

2. Material accounting policy information (continued)

(l) Offsetting financial instruments

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

(m) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers all of its investments in other fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Fund invests in Underlying Fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Underlying Fund applies various investment strategies to accomplish their respective investment objectives. The Underlying Fund finances their operations by issuing redeemable units which are puttable at the unitholder's option and entitles the unitholder to a proportional stake in the respective fund's net assets. The Fund holds redeemable units in the Underlying Fund.

The change in fair value of the Underlying Fund are included in the Statement of Total Return in "Net gains/(losses) on investments".

(n) Financial derivatives

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

Financial derivatives outstanding at the end of the financial year are valued at forward rates or at current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statement of Total Return.

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

(o) Expenses

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

2. Material accounting policy information (continued)

(p) Management fee

Management fee expense is recognised on an accrual basis and in accordance with the Prospectus. Management fee is recognised as an expense over the period for which the service is provided. The management fee charged on any investment in other unit trusts managed by the Manager is rebated back to the Fund, where applicable.

(q) Creation and cancellation of units

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

3. Income tax

The Fund is under the Offshore Fund Scheme (Section 13D of the Income Tax Act and the relevant Regulations).

In accordance to Section 13D of Income Tax Act 1947 of Singapore, subject to certain conditions, the following income shall not form part of the statutory income of the Fund and is thus not taxable for the year of assessment:

(a) gains or profit 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 fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and

(f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore

Income tax for the financial year ended 31 December 2023 and 2022 comprises:

	2023	2022
	EUR	EUR
Singapore income tax	**(295)**	566

For the financial year ended 31 December 2023, the Singapore income tax was a credit balance due to adjustment of over-provision of tax. The Singapore income tax represents tax charged on other income received by the Fund.

4. Receivables

	2023 EUR	2022 EUR
Receivable from unitholders for creation of units	**19,490**	73,963
Dividends receivable	**14,494**	8,938
Amount due from the Manager	**2,395**	6,956
Other receivables	**415**	266
	36,794	90,123

Amount due from the Manager comprises management fee payable to and expenses reimbursement due from Nikko Asset Management Asia Limited.

5. Payables

	2023 EUR	2022 EUR
Payable to unitholders for cancellation of units	**1,805**	2
Amount due to the Trustee	**2,508**	857
Valuation fee payable	**3,511**	1,200
Transfer agent fee payable	**1,253**	428
Provision for audit fee	**6,692**	6,641
Provision for tax liabilities	**-**	287
Other payables	**5,358**	3,015
	21,127	12,430

Trustee fee is payable to BNP Paribas Trust Services Singapore Limited. Valuation fee is 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.

6. Financial derivatives

Financial derivatives comprise of forward foreign exchange contracts for purchases and sales of foreign currencies. The year-end positive and negative fair values represent the unrealised gains and losses respectively on revaluation of forward foreign exchange contracts at the Statement of Financial Position date. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at Statement of Financial Position date are analysed below.

	Contract or underlying principal amount		**Year-end positive fair value**		**Year-end negative fair value**	
	2023 EUR	2022 EUR	**2023 EUR**	2022 EUR	**2023 EUR**	2022 EUR
Forward foreign exchange contracts	**3,597,258**	2,278,133	**-**	-	**(27,233)**	(22,747)

6. Financial derivatives (continued)

The Fund also restricts its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with approved brokers with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of Statement of Financial Position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Fund's overall exposure to credit risk on derivative instruments, subject to a master netting arrangement, can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

Financial assets and financial liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2023 and 2022 are detailed in the following table.

(i) **Offsetting financial assets**

As at 31 December 2023 and 2022, there is no position of financial assets which are subject to enforceable master netting agreements or similar agreements

(ii) **Offsetting financial liabilities**

As at 31 December 2023, there is no position of financial liabilities which are subject to enforceable master netting agreements or similar agreements

				Related accounts not set-off in the Statement of Financial Position		
2022	**Gross amounts of recognised financial liabilities EUR**	**Gross amounts of recognised financial assets set-off in the Statement of Financial Position EUR**	**Net amounts of financial liabilities presented in the Statement of Financial Position EUR**	**Financial instruments EUR**	**Cash collateral EUR**	**Net exposure EUR**
Forward foreign exchange contracts	(84)	-	(84)	-	-	(84)

7. Units in issue

During the financial year ended 31 December 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

SGD Hedged Class	**2023**	2022
Units at beginning of the financial year	**3,062,573**	2,580,409
Units created	**3,030,245**	847,920
Units cancelled	**(242,770)**	(365,756)
Units at end of the financial year	**5,850,048**	3,062,573
Net assets attributable to unitholders - EUR	**3,310,232**	1,731,676
Net asset value per unit - EUR	**0.566**	0.565

USD Hedged Class	**2023**	2022
Units at beginning of the financial year	**565,167**	536,542
Units created	**133,847**	28,625
Units cancelled	**(115,000)**	-
Units at end of the financial year	**584,014**	565,167
Net assets attributable to unitholders - EUR	**442,073**	427,713
Net asset value per unit - EUR	**0.757**	0.757

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

SGD Hedged Class	**2023 EUR**	2022 EUR
Net assets attributable to unitholders per financial statements per unit	**0.566**	0.565
Effects of distribution per unit	**0.002**	0.003
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	**-***	-*
Net assets attributable to unitholders for issuing/redeeming per unit	**0.568**	0.568

USD Hedged Class	**2023 EUR**	2022 EUR
Net assets attributable to unitholders per financial statements per unit	**0.757**	0.757
Effects of distribution per unit	**0.003**	0.003
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	**-***	-*
Net assets attributable to unitholders for issuing/redeeming per unit	**0.760**	0.760

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

* Effect is less than 0.001

8. Distributions

	2023 EUR	2022 EUR
January interim distribution of S$0.34 (SGD Hedged Class) & US$0.34 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**8,953**	-
February interim distribution of S$0.40 (SGD Hedged Class) & US$0.40 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**11,039**	-
March interim distribution of S$0.32 (SGD Hedged Class) & US$0.32 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**9,655**	-
April interim distribution of S$0.37 (SGD Hedged Class) & US$0.37 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**11,153**	-
May interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**9,037**	-
June interim distribution of S$0.39 (SGD Hedged Class) & US$0.39 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**11,767**	-
July interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**10,241**	-
August interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**9,595**	-
September interim distribution of S$0.35 (SGD Hedged Class) & US$0.36 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**13,712**	-
October interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**13,979**	-
November interim distribution of S$0.35 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**15,333**	-
December final distribution of S$0.30 (SGD Hedged Class) & US$0.31 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2023	**13,748**	-

8. Distributions (continued)

	2023 EUR	2022 EUR
January interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	7,359
February interim distribution of S$0.33 (SGD Hedged Class) & US$0.33 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	8,247
March interim distribution of S$0.32 (SGD Hedged Class) & US$0.32 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	8,149
April interim distribution of S$0.39 (SGD Hedged Class) & US$0.39 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	10,366
May interim distribution of S$0.25 (SGD Hedged Class) & US$0.25 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	6,693
June interim distribution of S$0.36 (SGD Hedged Class) & US$0.36 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	9,318
July interim distribution of S$0.32 (SGD Hedged Class) & US$0.32 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	8,314
August interim distribution of S$0.36 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	9,293
September interim distribution of S$0.35 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	9,320
October interim distribution of S$0.34 (SGD Hedged Class) & US$0.34 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	8,853
November interim distribution of S$0.30 (SGD Hedged Class) & US$0.30 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	7,661
December final distribution of S$0.35 (SGD Hedged Class) & US$0.35 (USD Hedged Class) per 100 units in respect of the financial year ended 31 December 2022	-	9,431
	138,212	103,004

9. 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 investment objective is to achieve a high income with the prospect of capital growth. The Fund will invest directly or indirectly primarily in high yield bonds, investment grade bonds, government bonds, convertible bonds and other bonds.

The Manager seeks to achieve the investment objective of the Fund by investing all or substantially all of the Fund's assets into the Jupiter Dynamic Bond, a sub fund of the Jupiter Global Fund (the "Underlying Fund"), which seeks to achieve its investment objective of a high income with the prospect of capital growth from a portfolio of investments in global fixed interest securities.

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

(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 Fund is actively managed. There is no benchmark against which the performance of the Fund is measured as the Underlying Fund, which the Fund invests substantially into, is actively managed and is not managed by reference to a benchmark. The Manager has assessed that the price risk of the Fund is best reflected by movements in the Bloomberg Global Aggregate Total Return Index (the "Index").

As at 31 December 2023, an increase/decrease of the index component within the Index by 9% (2022: 8%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 10% (2022: 3%). The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

(b) Market risk - Interest rate risk

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

Investment funds that invest in securities may be subject to interest rate risk as any interest rate change may affect the 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.

9. Financial risk management (continued)

(b) Market risk - Interest rate risk (continued)

As at 31 December 2023 and 2022, except for cash and cash equivalents with maturity period of less than 3 months, all other assets and liabilities are non-interest bearing. Changes in interest rates may also have an impact on the value of investment portfolios that consist of fixed income components within the Underlying Fund. The impact of a change in interest rates on the net assets attributable to unitholders is analysed in Note 9(a), where such a change has an impact on the benchmarked bond indices used in the price risk sensitivity analysis. Hence, no separate interest rate risk sensitivity analysis is presented.

(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.

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

As at 31 December 2023	**EUR** **EUR**	**SGD** **EUR**	**USD** **EUR**	**Total** **EUR**
Assets				
Portfolio of investments	**3,693,861**	**-**	**-**	**3,693,861**
Receivables	**17,304**	**19,490**	**-**	**36,794**
Cash and cash equivalents	**66,815**	**12,088**	**4,855**	**83,758**
Total assets	**3,777,980**	**31,578**	**4,855**	**3,814,413**
Liabilities				
Payables	**-**	**21,127**	**-**	**21,127**
Distributions payable	**-**	**12,094**	**1,654**	**13,748**
Total liabilities	**-**	**33,221**	**1,654**	**34,875**
Net off-balance sheet derivative financial instruments	**(3,622,000)**	**3,166,568**	**428,199**	
Net currency exposure	**155,980**	**3,164,925**	**431,400**	

As at 31 December 2022	**EUR** **EUR**	**SGD** **EUR**	**USD** **EUR**	**Total** **EUR**
Assets				
Portfolio of investments	2,086,526	-	-	2,086,526
Receivables	16,160	73,963	-	90,123
Cash and cash equivalents	17,678	8,419	1,251	27,348
Total assets	2,120,364	82,382	1,251	2,203,997
Liabilities				
Payables	-	12,430	-	12,430
Distributions payable	-	7,557	1,874	9,431
Total liabilities	-	19,987	1,874	21,861
Net off-balance sheet derivative financial instruments	(2,173,815)	1,722,755	428,313	
Net currency exposure	(53,451)	1,785,150	427,690	

9. 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 investment funds as part of the price risk sensitivity analysis.

The following table shows the Fund's sensitivity to major foreign currencies exposure, with respect to monetary assets and liabilities, 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 (%)	
	31 December 2023	31 December 2022	**31 December 2023**	31 December 2022
SGD	**5**	6	**4**	5
USD	**7**	8	**1**	2

(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 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 31 December 2023 and 2022, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

	Less than 3 months	
	As at 31 December 2023 EUR	As at 31 December 2022 EUR
Payables	**21,127**	12,430
Distributions payable	**13,748**	9,431
Contractual cash outflows (excluding gross settled derivatives)	**34,875**	21,861

9. Financial risk management (continued)

(d) **Liquidity risk** (continued)

The table below analyses the Fund's derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 3 months	
	As at 31 December 2023 EUR	As at 31 December 2022 EUR
Currency forwards		
- Outflow	**(3,622,000)**	(2,294,231)
- Inflow	**3,594,767**	2,271,484
Net outflow	**(27,233)**	(22,747)

(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 31 December 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 custodian in which the Fund's assets are held as at 31 December 2023 and 2022.

9. **Financial risk management** (continued)

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

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	**Source of credit rating**
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	**Aa3**	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- Australia and New Zealand Bank	**Aa3**	Aa3	Moody's
- HSBC Bank	**N.A.**	A3	Moody's

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

The custodian of the Underlying Fund is Citibank Europe Plc (Luxembourg). As at 31 December 2023, Citibank Europe Plc (Luxembourg) is rated A3 (2022: A3) based on the Long Term Issuer Default rating by Moody's.

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

(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).

9. Financial risk management (continued)

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

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2023 and 2022:

As at 31 December 2023	**Level 1 EUR**	**Level 2 EUR**	**Level 3 EUR**	**Total EUR**
Assets				
Portfolio of investments:				
- Quoted investment fund	**3,693,861**	**-**	**-**	**3,693,861**
Liabilities				
Financial derivatives at fair value	**-**	**27,233**	**-**	**27,233**

As at 31 December 2022	**Level 1 EUR**	**Level 2 EUR**	**Level 3 EUR**	**Total EUR**
Assets				
Portfolio of investments:				
- Quoted investment fund	2,086,526	-	-	2,086,526
Liabilities				
Financial derivatives at fair value	-	22,747	-	22,747

Investments in open-ended investment fund whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within Level 1. The Fund does not adjust the quoted price for these instruments.

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

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

9. Financial risk management (continued)

(h) **Interests in unconsolidated structured entities**

The Fund's investments in the Underlying Fund are subject to the terms and conditions of the respective Underlying Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of the Underlying Fund. The Manager makes investment decisions after extensive due diligence of the Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager. The Underlying Fund in the Statement of Portfolio is managed by the portfolio manager who is compensated by the respective Underlying Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Fund's investments in each of the Underlying Fund.

The Fund has the right to request redemption of its investments in the Underlying Fund on a daily basis.

The exposure to investments in the Underlying Fund at fair value is disclosed under the Statement of Portfolio. These investments are included in "Portfolio of investments" in the Statement of Financial Position.

The Fund's holdings in the Underlying Fund, as a percentage of the Underlying Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Underlying Fund's level. It is possible that the Fund may, at any point in time, hold a majority of the Underlying Fund's total units in issue.

The Fund's maximum exposure to loss from its interests in the Underlying Fund is equal to the total fair value of its investments in the Underlying Fund.

Once the Fund has disposed of its units in the Underlying Fund, the Fund ceases to be exposed to any risk from that Underlying Fund.

10. 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 Deed:

	2023	2022
	EUR	EUR
Bank balances held with related party of the Trustee	**83,758**	27,348

11. Financial ratios

Expense ratio

SGD Hedged Class

		2023	2022
Total operating expenses	EUR	**18,264**	14,837
Average daily net asset value	EUR	**2,232,662**	1,780,291
Total expense ratio[1] (including the Underlying Fund's expense ratio)	%	**1.45**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.63**	0.62

USD Hedged Class

		2023	2022
Total operating expenses	EUR	**3,692**	3,848
Average daily net asset value	EUR	**449,890**	461,614
Total expense ratio[1] (including the Underlying Fund's expense ratio)	%	**1.45**	1.45
Weighted average of the Underlying Fund's unaudited expense ratio	%	**0.63**	0.62

Turnover ratio

		2023	2022
Lower of total value of purchases or sales	EUR	**154,000**	195,000
Average daily net asset value	EUR	**2,682,552**	2,241,905
Total turnover ratio[2]	%	**5.74**	8.70

1 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Fund's expense ratio and the weighted average of the Underlying Fund's unaudited expense ratio. 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.

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on page 18.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

Largest holdings at 31 December 2023	**Fair value EUR**	**Percentage of total net assets attributable to unitholders %**
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	**3,693,861**	**98.44**

Largest holdings at 31 December 2022	Fair value EUR	Percentage of total net assets attributable to unitholders %
The Jupiter Global Fund - Jupiter Dynamic Bond Class I	2,086,526	96.63

4. Exposure to financial derivatives

	Fair value at 31 December 2023 EUR	**Percentage of total net assets attributable to unitholders at 31 December 2023 %**	**Unrealised gains/(losses) EUR**	**Realised gains/(losses) EUR**
Forward foreign exchange contracts	**(27,233)**	**(0.73)**	**(27,233)**	**(4,150)**

5. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;

b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and

c. the sum of the values of cash collateral received pursuant to:

   i. the reduction of exposure to counterparties of OTC financial derivatives; and

   ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

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 page 18.

9. Borrowings

Nil.

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

	EUR
Units created	1,759,204
Units cancelled	(219,324)

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 36.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 36.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 35.

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.

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Underlying Fund, the Underlying Fund Investment Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party. The Underlying Fund Investment Manager will return to the Underlying Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or person acting on behalf of a third party in relation to the services provided to the Underlying Fund, and disclose in its annual report the fees, commissions or any monetary benefits transferred to them. However, the Underlying Fund Investment Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to clients; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interest of clients.

The details which follow make reference to the investments within the Jupiter Global Fund - Jupiter Dynamic Bond, unless stated otherwise.

1. Top 10 holdings

10 largest holdings as at 31 December 2023	**Fair value EUR ('000)**	**Percentage of total net assets attributable to unitholders %**
Treasury Bond 2.375% 15/02/42	**423,438**	**7.00**
Korea (Republic Of) 2.375% 10/12/31	**402,939**	**6.66**
Australia (Commonwealth Of) 1.75% 21/06/51	**298,736**	**4.94**
Treasury Bond 2.875% 15/05/52	**225,249**	**3.73**
Australia (Commonwealth Of) 3% 21/03/47	**188,529**	**3.12**
Treasury Bond 3% 15/08/52	**153,330**	**2.54**
Australia (Commonwealth Of) 3.75% 21/04/37	**128,515**	**2.13**
Australia (Commonwealth Of) 4.5% 21/04/33	**124,754**	**2.06**
New Zealand (Government Of) 1.75% 15/05/41	**99,638**	**1.65**
UK Conv Gilt 0.625% 22/10/50	**92,312**	**1.53**

10 largest holdings as at 31 December 2022	Fair value EUR ('000)	Percentage of total net assets attributable to unitholders %
US Treasury Bond 2.375% 15/02/42	437,610	6.77
Korea (Republic Of) 2.375% 10/12/31	404,019	6.25
Australia (Commonwealth Of) 1.75% 21/06/51	301,118	4.66
US Treasury Bond 2.875% 15/05/52	235,757	3.65
Australia (Commonwealth Of) 3% 21/03/47	180,243	2.79
Australia (Commonwealth Of) 4.5% 21/04/33	160,077	2.48
Australia (Commonwealth Of) 3.75% 21/04/37	129,043	2.00
US Treasury Bond 3% 15/08/52	121,383	1.88
Altice France Holding SA 8% 15/05/27	115,108	1.78
Virgin Media Vendor Financing 4.875% 15/07/28	75,561	1.17

2. Financial Ratios

	2023 %	2022 %
Expense ratio[1]	**0.64**	0.64
Turnover ratio	**26.00**	55.20

[1] The expense ratio has been computed based on the 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 average net asset value is based on the daily balances.

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