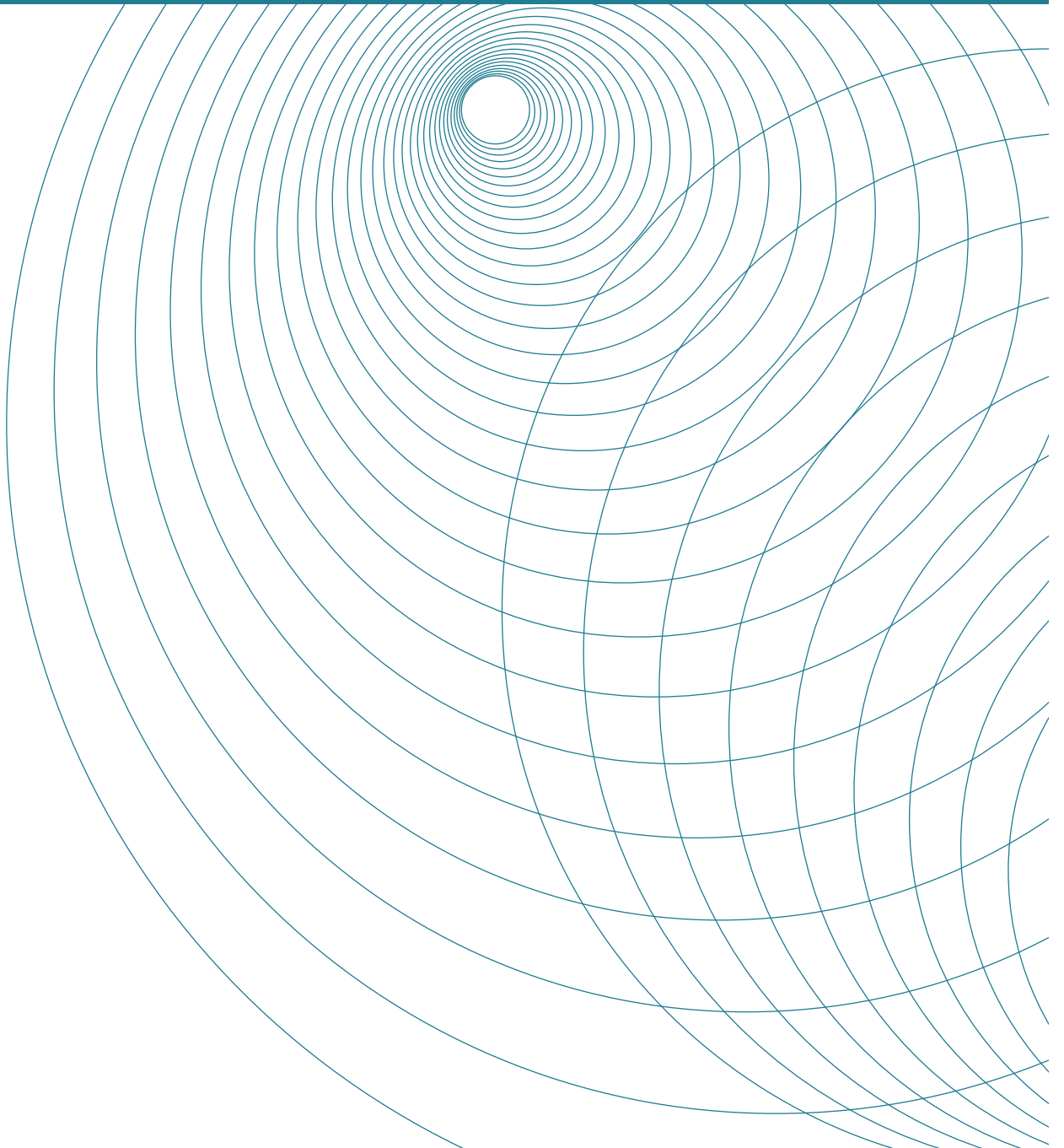

SEMI-ANNUAL REPORT
Nikko AM Shenton Global Property Securities Fund

Financial period ending 31 December 2023



MANAGERS

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

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

INVESTMENT ADVISER

Straits Investment Management Pte. Ltd.
1 Wallich Street, #15-01
Guoco Tower
Singapore 078881

TRUSTEE & REGISTRAR

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

AUDITORS

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

CUSTODIAN

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

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - SGD Class	12.60	8.95	11.92	-0.64	1.67	3.40	2.13

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 Shenton Global Property Securities Fund - SGD Class	6.97	3.50	6.32	-2.33	0.64	2.87	1.85

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 Shenton Global Property Securities Fund - USD Class	16.49	11.69	13.83	-0.56	2.30	2.95	3.35

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 Shenton Global Property Securities Fund - USD Class	10.66	6.11	8.14	-2.25	1.26	2.43	3.07

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: 11 April 2005

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund – SGD S Class	13.15	10.06	13.76	N/A	N/A	N/A	1.65

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 Shenton Global Property Securities Fund – SGD S Class	7.49	4.56	8.07	N/A	N/A	N/A	-0.08

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.

Inception date: 8 January 2021

Note:

With effect from 17 October 2011, the Fund (formerly known as “DBS Global Property Securities Fund”) has been renamed as Nikko AM Shenton Global Property Securities Fund.

The following changes were made to the Fund with effect from 24 August 2015:

- a. the sub-manager of the Fund was changed from CenterSquare Investment Management, Inc. to Adelante Capital Management LLC;
- b. the base currency of the Fund was changed from the Singapore dollar (“SGD”) to United States dollar (“USD”)

With effect from 30 September 2016, the Fund had ceased to accept new or further subscriptions for units of the Fund using CPF monies.

With effect from 1 December 2017, the benchmark has been removed and there is no longer any benchmark for the Fund. This is because in the Managers’ view, the benchmark imposes unnecessary costs on the Fund, and the benchmark is not necessary in order for the Managers to achieve the Fund’s stated investment objective. Prior to 1 April 2015, benchmark was UBS Global Real Estate Investors Total Return Index without reference to the yield component. Prior to 1 Mar 2010, the benchmark was Yield Component of UBS Global Real Estate Investors Total Return Index. Prior to 1 April 2006, the benchmark was UBS Global Real Estate Investors Total Return Index.

With effect from 7 January 2021, the sub-manager Adelante Capital Management LLC has been terminated and Straits Investment Management Pte. Ltd. has been appointed as the investment adviser for the Fund.

With effect from 22 March 2021, the Fund is no longer included under the Central Provident Fund Investment Scheme (“CPFIS”). The Fund will continue to be available for subscription via cash or supplementary retirement scheme (“SRS”) monies.

Portfolio Review

Fund rose 8.95% during the review period

The Nikko AM Shenton Global Property Securities Fund (the “Fund”) returned 8.95% (in SGD terms, on a NAV-NAV basis) over the six months ended 31 December 2023.

The Fund’s strong performance in the second half of 2023 (2H23) was driven by the US Federal Reserve’s (Fed) dovish policy shift in response to decreasing inflation, with a notable REIT rally in November and December. The Fund’s US holdings posted a gain of 8.8% in SGD terms. Simon Property Group

(SPG, +23.1%), Digital Realty Trust (DLR, +16.7%) and Boston Properties (BXP, +15.9%) emerged as the top performers. We continue to expect SPG to prove to be a long-term winner given its strong balance sheet and free cash flow generation. SPG's focus on premium outlets, both domestically and internationally, attracts a more affluent consumer base, making the typical SPG consumer more resilient during economic downturns. SPG was also one of the most active REITs, repurchasing 1,267,995 shares valued at over US dollar (USD) 105 million during the third quarter of 2023 (3Q23). Despite its outperformance, SPG offered a dividend yield of 5.3% by end-December, indicating a healthy 140 basis point (bps) spread from the wider US REIT universe (with a 40 bps spread from US retail REITs). BXP capitalised on the upswing in the US office REIT market, which experienced its most significant single-day rally in three years in November. The sector's comparatively higher leverage levels mean that the dovish stance of the Fed typically results in some degree of outperformance compared to other real estate sectors. Office REITs had also fallen furthest, thus offering the widest discount to net asset value (NAV) compared to other sectors. While idiosyncratic challenges still face office landlords, encouraging signs on the ground indicate fundamentals could be stabilising. Real estate services firm JLL reported that office leasing activity accelerated in 4Q23, jumping +14.1% quarter-on-quarter (QoQ) to 46.4 million square feet. Leasing activity is also expected to increase by approximately 15% next year, but several factors will shape the timing and scale of the projected recovery. BXP in November entered into an agreement to sell a 45% interest in two life science developments to Norway's Norges Bank for USD 1.66 billion (or USD 2,050 per square foot). The pricing suggests around a +25% upside to BXP based on the developments' price as of 3Q23 and is seen as a key positive capital market development for BXP. Tailwinds from the artificial intelligence (AI) boom continued to benefit DLR, with the company commenting of strong demand from customers even with AI at very early stages. Third-quarter earnings were solid with Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA) beating consensus despite seasonally higher utility costs. Lease renewal rates showed continued strength, up 4.5% on a cash basis (+6.4% on GAAP basis). DLR continues to expand its data centre portfolio, and in December, announced a USD 7 billion hyperscale data centre development joint venture with Blackstone.

The Fund's Singapore holdings contributed 3.4% to returns. The Fund's industrials-focused Singaporean portfolio paid off as the sector emerged as the second-best performing industry for the year, falling behind specialised REITs including Digital Core REIT and Keppel DC (KDC), where returns were skewed due to Digital Core REIT. KDC had been the second-best performing S-REIT up till mid-December before falling off due to tenant trouble in China. KDC registered a return of -7.6% for the six months ended December 2023. Top contributors in 2H23 included Mapletree Industrial (MIT, +15.8%), CapitaLand Ascendas (CLAR, +12.1%) and Mapletree Logistics (MLT, +10.3%). Both Mapletree companies continue to report solid operating metrics, with stable occupancy rates (93.2% for MIT and 96.9% for MLT) and positive rental reversions (+1.4% and +0.4% QoQ respectively for MIT's Singapore and USA portfolios, and +0.2% for MLT's overall portfolio). NAV for MIT went up 1.6% QoQ to Singapore dollar (SGD) 1.88 while MLT's NAV of SGD 1.42 was flat. MLT posted a 0.5% YoY rise in distribution per unit (DPU) in 1H FY23/24 to 4.539 cents, diverging from the trend of lower DPU declarations from most S-REITs. CLAR emerged as the fourth-best performing S-REIT in 2023. In its 3Q23 business update, CLAR reported healthy occupancy of 94.5%, up 0.1% QoQ, while rental reversions increased by 10.2%. Its Singapore portfolio, about 60% of its gross floor area, had the widest increase in occupancy (+0.4% QoQ), mainly due to new take ups. CLAR's gearing of 37.2% compares favourably against the S-REIT average of 38.1%. In August, CLAR expanded its data centre presence in the UK through a SGD 209 million acquisition. The acquisition deepens CLAR's data centre portfolio to SGD 1.5 billion and is anticipated to contribute towards overall DPU growth. CLAR's proactive asset management strategy saw it divest three Australian logistics properties in December, worth around SGD 61 million. The sale consideration represented a premium of 6.2% over the market valuation of the properties. Proceeds from the sale are expected to be used to finance committed investments, repay existing loans and fund general working capital needs. The sale consideration represented a premium of 6.2% over the market valuation of the properties.

The Fund's Japan positions posted a gain of 6.8% in SGD terms for 2H23, with notable outperformance observed in developers compared to J-REITs. Top contributors included Mitsui Fudosan (MF, +22.1%), Sumitomo Realty & Development (SRD, +18.9%), Daiwa House Industry (DHI, +14.1%) and Mitsubishi Estate (ME, +14.9%). The 8 J-REITs on the other hand, returned an average of 0.3% during the six-month period. Developers generally tend to outperform J-REITs when inflation and long-term interest rates are rising. This stems from various factors, including the larger size of developers, which often attracts greater institutional ownership. Additionally, developers typically maintain a more diverse range of property types in their portfolio, mitigating the risk of concentration into a specific sub-industry. Developers are typically sellers of real estate, utilising the proceeds from property sales to fund share buybacks, which is an added driver for shareholder returns. For example, ME repurchased almost 18 million shares between 1 July to 10 November (date of cessation of its latest approved repurchase mandate) worth over Japanese yen (JPY) 33.7 billion. ME's latest earnings were sluggish although this does not warrant a material change in positioning. Operating profit came in at JPY 90.3 billion, approximately 20% below consensus, mainly due to lower-than-expected booking of capital gains for the quarter. Despite this, full-year profit guidance was left unchanged as the recording of property sale gains and condominium sales is typically concentrated in the last quarter of the year. MF's latest earnings included a JPY 10 billion lift in its full-year profit guidance. The upgrade came after surpassing earnings expectations, with an operating profit of JPY 99.3 billion, exceeding estimates by around 27%, driven by faster property sales booking to overseas investors. MF's stock has been on an upward trajectory for much of the year and it could be due to expectations of a share buyback announcement at its latest earnings. While there was no announcement of a buyback, management's affirmation of steady progress in property sales to overseas investors and lingering expectations of profit exceeding full-year guidance maintains a bullish outlook.

Market Review

Global REITs close a volatile 2H23 with a late-year surge

In July, the Fed embarked on its final hike for 2023 with a 25-bps increase. This concluded a cumulative total of 525 bps of rate hikes since the hiking cycle began 16 months ago. July also saw the first half of second-quarter earnings prints with most companies from the S&P 500 index posting positive top and bottom-line surprises. Resilient corporate earnings together with robust macroeconomic indicators reinforced the notion of a soft-landing. Unfortunately, market volatility was decisively heightened for the subsequent three months. Hopes of a stabilising macroeconomic climate were dashed in August, when the US government's credit rating was downgraded from AAA to AA+ by credit ratings agency Fitch Ratings due to rising debt levels. The downgrade, along with a consolidating market view on "higher for longer" interest rates caused US Treasury (UST) yields to surge, with the US 10-year yield crossing 5% (its highest level since 2007) in October. In the final two months of the year, more signs of easing inflation fuelled market expectations of possible rate cuts by 2024. This was confirmed during the December Federal Open Market Committee meeting when the Fed indicated "at least" three rate cuts in the upcoming year. The result was a ferocious market rally between November and December.

As a result of the aforementioned macroeconomic factors, global REITs experienced a volatile 2H23, but staged a recovery the last two months of the year. REITs usually exhibit a notable inverse correlation with interest rates. Therefore, a dovish stance from the Fed typically results in REITs outperforming, as was evident in global REITs surpassing broader equities from mid-October through the end of the year. At the start of the review period (1 July), REITs were trading at a 18% discount to NAV. Subsequently, the gap widened and hit its peak of 25% by the end of October. The strong rally that followed resulted in a significant narrowing of the gap between REIT prices and NAV, as the sector concluded the year with a 11% discount to NAV (and 3.9% dividend yield), marking the lowest gap since 1Q22.

While the fundamental drivers behind global REIT share prices typically exhibits a cyclical pattern, dislocations in the public markets can occasionally result in significant P/NAV discounts and premiums. As we have witnessed, REITs become the short-term punching bag when expectations of interest rate hikes precipitate a broader move in the market to divert fund flows from the asset class. History suggests that, usually, the subsequent long-term performance of the sector tends to be robust, frequently aligning with or surpassing the relative performance of major equity indices and private real estate. While near-term performance could be volatile, particularly in an elevated rate environment, P/NAV dislocations tend not to last, as suggested by the impressive performance of REITs during the latter part of the year.

Market Outlook & Strategy

2024 presents a growing use case for REITs in institutional investor portfolio completion strategies

As we look ahead to 2024 and enter a new, more accommodative monetary policy period, REITs appear well placed to navigate a Fed easing cycle. REITs have typically enjoyed strong absolute and relative total returns after monetary policy tightening cycles end. The valuation divergence between REITs and private real estate is also expected to converge in 2024, as more asset write-downs are expected to take effect during the year. Healthy US REIT balance sheets (approximately 36% leverage as of 3Q23) will enable REITs to cope with ongoing economic uncertainty while providing an advantage in terms of acquisition and growth. With favourable macroeconomic conditions and stable fundamentals across most real estate sectors, we anticipate 2024 to present a growing use case for REITs to form a component of institutional investor portfolio completion strategies. We remain constructive on defensive sectors such as industrials, especially in 1H24, with more inclination to pivot towards growth in 2H24.

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

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

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

	31 December 2023	31 December 2022
	US\$	US\$
Income		
Dividends	331,857	377,442
Interest on cash and cash equivalents	16,362	13,205
	348,219	390,647
Less: Expenses		
Management fee	76,828	80,083
Transfer agent fee	8,015	16,280
Trustee fee	4,192	4,205
Custody fee	1,184	1,065
Audit fee	6,657	4,951
Valuation fee	4,716	5,586
Transaction costs	6,587	10,008
Other expenses	6,711	5,437
	114,890	127,615
Net income	233,329	263,032
Net gains or losses on value of investments		
Net gains/(losses) on investments	2,277,023	(1,567,197)
Net foreign exchange (losses)/gains	(1,502)	13,630
	2,275,521	(1,553,567)
Total return/(deficit) for the financial period before income tax	2,508,850	(1,290,535)
Less: Income tax	(67,400)	(79,251)
Total return/(deficit) for the financial period after income tax	2,441,450	(1,369,786)

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023 (unaudited)

	31 December 2023 US\$	30 June 2023 US\$
ASSETS		
Portfolio of investments	22,802,191	20,190,904
Sales awaiting settlement	29,035	564
Receivables	1,821,998	99,172
Cash and cash equivalents	215,822	706,698
Total assets	24,869,046	20,997,338
LIABILITIES		
Payables	97,626	72,224
Purchases awaiting settlement	37,604	35,037
Distribution payable	49,669	42,647
Total liabilities	184,899	149,908
EQUITY		
Net assets attributable to unitholders	24,684,147	20,847,430

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

	31 December 2023 US\$	30 June 2023 US\$
Net assets attributable to unitholders at the beginning of the financial period/year	20,847,430	21,991,821
Operations		
Change in net assets attributable to unitholders resulting from operations	2,441,450	(928,091)
Unitholders' contributions/(withdrawals)		
Creation of units	2,176,274	1,269,419
Cancellation of units	(518,251)	(909,368)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	1,658,023	360,051
Distributions	(262,756)	(576,351)
Total increase/(decrease) in net assets attributable to unitholders	3,836,717	(1,144,391)
Net assets attributable to unitholders at the end of the financial period/year	24,684,147	20,847,430

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

	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities			
GERMANY			
Vonovia SE	27,647	875,895	3.55
Total GERMANY		<u>875,895</u>	<u>3.55</u>
JAPAN			
Daiwa House Industry Company Limited	8,700	263,629	1.07
Mitsubishi Estate Company Limited	15,700	216,379	0.87
Mitsui Fudosan Company Limited	10,500	257,547	1.04
Sumitomo Realty & Development Company Limited	9,100	270,715	1.10
Total JAPAN		<u>1,008,270</u>	<u>4.08</u>
SINGAPORE			
CapitaLand Investment Limited	241,800	579,247	2.35
Total SINGAPORE		<u>579,247</u>	<u>2.35</u>
SWEDEN			
Castellum AB	17,399	246,107	1.00
Total SWEDEN		<u>246,107</u>	<u>1.00</u>
UNITED STATES OF AMERICA			
CBRE Group Incorporated	13,390	1,246,877	5.05
Total UNITED STATES OF AMERICA		<u>1,246,877</u>	<u>5.05</u>
Total Quoted Equities		<u>3,956,396</u>	<u>16.03</u>
Quoted Investment Funds			
UNITED STATES OF AMERICA			
Schwab U.S. REIT ETF	38,630	800,027	3.24
Vanguard Real Estate ETF	9,082	802,486	3.25
Total UNITED STATES OF AMERICA		<u>1,602,513</u>	<u>6.49</u>
Total Quoted Investment Funds		<u>1,602,513</u>	<u>6.49</u>

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2023 (unaudited)

By Geography (Primary) (continued)

	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Real Estate Investment Trusts			
AUSTRALIA			
Goodman Group	35,453	612,038	2.48
GPT Group	180,889	572,710	2.32
Mirvac Group	355,434	506,886	2.05
Stockland Corporation Limited	185,130	562,136	2.28
Total AUSTRALIA		2,253,770	9.13
BRITAIN			
Land Securities Group Public Listed Company	52,023	467,404	1.90
SEGRO Public Listed Company	58,352	659,351	2.67
Total BRITAIN		1,126,755	4.57
JAPAN			
Daiwa House REIT Investment Corporation	96	171,395	0.69
GLP J-REIT	182	181,380	0.74
Industrial & Infrastructure Fund Investment Corporation	180	178,238	0.72
Japan Real Estate Investment Corporation	50	207,122	0.84
Nippon Building Fund Incorporated	48	208,030	0.84
Nippon Prologis REIT Incorporated	95	182,884	0.74
Nomura Real Estate Master Fund Incorporated	175	204,816	0.83
United Urban Investment Corporation	191	195,227	0.79
Total JAPAN		1,529,092	6.19
SINGAPORE			
CapitaLand Ascendas REIT	341,500	784,429	3.18
Frasers Logistics & Commercial Trust	792,900	691,252	2.80
Keppel DC REIT	513,400	758,946	3.08
Mapletree Industrial Trust	445,390	847,490	3.43
Mapletree Logistics Trust	585,102	771,794	3.13
Total SINGAPORE		3,853,911	15.62
UNITED STATES OF AMERICA			
American Tower Corporation	4,744	1,024,941	4.15
Avalonbay Communities Incorporated	5,721	1,071,086	4.34
Boston Properties Incorporated	5,983	419,827	1.70
Digital Realty Trust Incorporated	9,938	1,338,052	5.42
Prologis Incorporated	8,196	1,092,609	4.43
Public Storage	3,382	1,031,983	4.18
Simon Property Group Incorporated	9,329	1,330,689	5.39
Weyerhaeuser Company	33,666	1,170,567	4.74
Total UNITED STATES OF AMERICA		8,479,754	34.35
Total Quoted Real Estate Investment Trusts		17,243,282	69.86
Portfolio of investments		22,802,191	92.38
Other net assets		1,881,956	7.62
Net assets attributable to unitholders		24,684,147	100.00

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2023 (unaudited)

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities		
Germany	3.55	2.20
Japan	4.08	4.31
Singapore	2.35	3.16
Sweden	1.00	0.66
United States of America	5.05	5.20
Total Quoted Equities	16.03	15.53
Quoted Investment Funds		
United States of America	6.49	6.97
Total Quoted Investment Funds	6.49	6.97
Quoted Real Estate Investment Trusts		
Australia	9.13	10.19
Britain	4.57	4.15
Japan	6.19	7.34
Singapore	15.62	18.01
United States of America	34.35	34.66
Total Quoted Real Estate Investment Trusts	69.86	74.35
Portfolio of investments	92.38	96.85
Other net assets	7.62	3.15
Net assets attributable to unitholders	100.00	100.00

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2023 (unaudited)

By Industry (Secondary)	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Equity Fund	1,602,513	6.49	6.97
Home Builders	263,629	1.07	1.06
Private Equity	579,247	2.35	3.16
Real Estate	3,113,520	12.61	11.31
Real Estate Investment Trusts (REITS)	17,243,282	69.86	74.35
Portfolio of investments	22,802,191	92.38	96.85
Other net assets	1,881,956	7.62	3.15
Net assets attributable to unitholders	24,684,147	100.00	100.00

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 11 to 14.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 Largest holdings at 31 December 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Digital Realty Trust Incorporated	1,338,052	5.42
Simon Property Group Incorporated	1,330,689	5.39
CBRE Group Incorporated	1,246,877	5.05
Weyerhaeuser Company	1,170,567	4.74
Prologis Incorporated	1,092,609	4.43
Avalonbay Communities Incorporated	1,071,086	4.34
Public Storage	1,031,983	4.18
American Tower Corporation	1,024,941	4.15
Vonovia SE	875,895	3.55
Mapletree Industrial Trust	847,490	3.43

10 Largest holdings at 31 December 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Simon Property Group Incorporated	998,815	4.87
Capitaland Investment Limited	866,512	4.23
Ascendas Real Estate Investment Trust	830,455	4.05
CBRE Group Incorporated	828,320	4.04
Mapletree Logistics Trust	815,983	3.98
Alexandria Real Estate Equities Incorporated	792,262	3.86
Prologis Incorporated	789,841	3.85
Keppel DC REIT	771,766	3.76
Weyerhaeuser Company	756,369	3.69
Public Storage	745,866	3.64

4. Exposure to financial derivatives

Nil.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

5. Global exposure to financial derivatives

Nil.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

Please refer to the Statement of Portfolio on pages 11 to 14.

9. Borrowings

Nil.

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

	US\$
Units created	2,176,274
Units cancelled	(518,251)

11. Turnover ratio

		31 December 2023	31 December 2022
Lower of total value of purchases or sales	US\$	2,386,207	2,293,045
Average daily net asset value	US\$	20,750,360	21,068,057
Total turnover ratio¹	%	11.50	10.88

¹ The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

12. Expense ratio

		31 December 2023	31 December 2022
<u>SGD Class</u>			
Total operating expenses	US\$	186,357	203,502
Average daily net asset value	US\$	9,738,007	10,814,026
Total expense ratio²	%	1.91	1.88
<hr/>			
		31 December 2023	31 December 2022
<u>USD Class</u>			
Total operating expenses	US\$	10,354	11,532
Average daily net asset value	US\$	539,341	612,636
Total expense ratio²	%	1.92	1.88
<hr/>			
		31 December 2023	31 December 2022
<u>SGD Class S</u>			
Total operating expenses	US\$	30,873	30,797
Average daily net asset value	US\$	10,548,895	11,375,240
Total expense ratio²	%	0.29	0.27

² The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial period end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

13. Related party transactions

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

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

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

	31 December 2023 US\$	30 June 2023 US\$
Bank balances held with related party of the Trustee	<u>215,822</u>	706,698

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

Nil.

15. Soft dollar commissions/arrangements

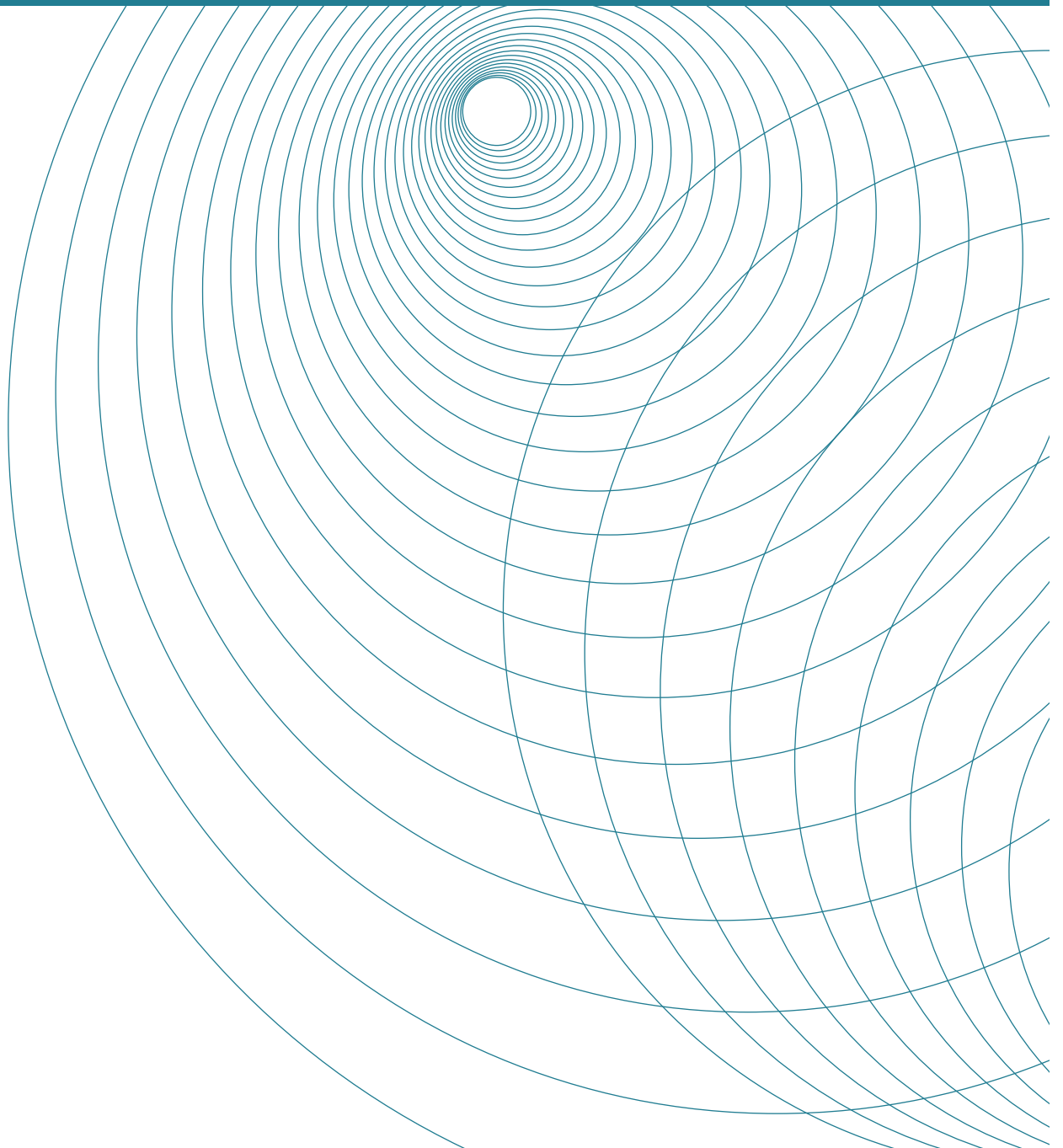
In their management of the Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

Intentionally left blank.

Intentionally left blank.

ANNUAL REPORT
Nikko AM Shenton Global Property Securities Fund

Financial year ended 30 June 2023



MANAGERS

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

DIRECTORS OF THE MANAGERS

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

INVESTMENT ADVISER

Straits Investment Management Pte. Ltd.
1 Wallich Street, #15-01
Guoco Tower
Singapore 078881

TRUSTEE & REGISTRAR

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

AUDITORS

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

CUSTODIAN

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

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - SGD Class	3.47	2.72	-7.48	-1.45	-1.74	2.35	1.71

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - SGD Class	-1.71	-2.41	-12.10	-3.12	-2.74	1.83	1.43

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - USD Class	1.73	1.91	-4.80	-0.44	-1.58	1.71	2.82

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - USD Class	-3.35	-3.18	-9.56	-2.13	-2.58	1.19	2.53

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

Inception date: 11 April 2005

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund – SGD S Class	3.81	3.36	-6.10	N/A	N/A	N/A	-1.88

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund – SGD S Class	-1.38	-1.81	-10.80	N/A	N/A	N/A	-3.90

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

Inception date: 8 January 2021

Note:

With effect from 17 October 2011, the Fund (formerly known as “DBS Global Property Securities Fund”) has been renamed as Nikko AM Shenton Global Property Securities Fund.

The following changes were made to the Fund with effect from 24 August 2015:

- a. the sub-manager of the Fund was changed from CenterSquare Investment Management, Inc. to Adelante Capital Management LLC;
- b. the base currency of the Fund was changed from the Singapore dollar (“SGD”) to United States dollar (“USD”)

With effect from 30 September 2016, the Fund had ceased to accept new or further subscriptions for units of the Fund using CPF monies.

With effect from 1 December 2017, the benchmark has been removed and there is no longer any benchmark for the Fund. This is because in the Managers’ view, the benchmark imposes unnecessary costs on the Fund, and the benchmark is not necessary in order for the Managers to achieve the Fund’s stated investment objective. Prior to 1 April 2015, benchmark was UBS Global Real Estate Investors Total Return Index without reference to the yield component. Prior to 1 Mar 2010, the benchmark was Yield Component of UBS Global Real Estate Investors Total Return Index. Prior to 1 April 2006, the benchmark was UBS Global Real Estate Investors Total Return Index.

With effect from 7 January 2021, the sub-manager Adelante Capital Management LLC has been terminated and Straits Investment Management Pte. Ltd. has been appointed as the investment adviser for the Fund.

With effect from 22 March 2021, the Fund is no longer included under the Central Provident Fund Investment Scheme (“CPFIS”). The Fund will continue to be available for subscription via cash or supplementary retirement scheme (“SRS”) monies.

Portfolio Review

Fund fell 7.48% during the review period

The Nikko AM Shenton Global Property Securities Fund (the “Fund”) returned -7.48% (in SGD terms, on a NAV-NAV basis) over the year ended 30 June 2023.

It was a challenging period for global REITs as returns are heavily correlated to the global interest rate narrative. With global central banks continuing to hike rates, REIT returns were under pressure. Australian positions outperformed the other geographies, as the Reserve Bank of Australia became the first central bank to pivot away from the global trend of outsized rate hikes by declaring a smaller-than-expected rate hike (25 basis points (bps) versus the expected 50 bps) in October 2022. Its dovish

move catalysed a resurgence of its listed real estate sector, which also consequentially led to the Australia 10-year Government Bond yield tumbling over 20% in less than two months between late October to early December 2022. Despite the share price recovery, the Fund's Australian holdings (excluding Goodman Group as industrial REITs typically provide a lower yield), continue to provide an average dividend yield of around 5.7% which indicates an approximately 150-bps spread from what global REITs provided by end-June 2023. Australian REITs generally have strong balance sheets as leverage levels tend to hover between 20% to 25% (versus US REITs above 50%), which considerably erodes concerns over debt defaults or breach of covenants.

The Fund's Singaporean holdings were stable and showed a flat return (+0.2%) for the twelve-month period. Keppel DC REIT (KDC) led returns, increasing by +15.1% for the year ended June 2023. While the artificial intelligence (AI) trend has contributed to investor demand towards data centre REITs, KDC has more importantly demonstrated solid fundamentals, brushing away initial concerns over shrinking margins due to higher energy and interest costs. In its 1H23 update, KDC reported an occupancy rate of 98.5%, driven by strong leasing momentum with healthy renewals and expansion by existing clients. Leverage remains low at 36.3%, with less than 10% of total debt maturing by end-2024. KDC had also entered a two-year fixed electricity contract from January 2023 for its Singapore colocation assets which should reflect lower energy prices in subsequent earnings prints. 1H23 distribution per unit (DPU) of 5.051 cents is +0.04% year-on-year (YoY) and annualises to a yield of 4.7% based on 30 June's share price. CapitaLand Ascendas REIT (CLAR) returned +3.2% for the period, also reported stable earnings as occupancy improved to 94.4%, +0.4% YoY and positive portfolio rental reversions of +14.2%. Leverage remained healthy at 36.7%, flat YoY, while DPU of 7.719 cents was -2.0% YoY. Despite gross revenue and net property income increasing, distributable income fell 1.0% YoY due to higher borrowing costs (weighted all-in debt cost increased 120 bps from 2.1% as at June 2022 to 3.3% to June 2023). CLAR also revised up its overall reversion guidance to high single digits (from mid-single digits) for 2023.

The movements of US REITs continued to be heavily influenced by monthly language by the US Federal Reserve (Fed). The Fund's US holdings lost 2.1% in SGD terms for the year ended June 2023. Despite earnings remaining broadly resilient, the Fed's battle with persistent inflation led to surging bond yields and a consequentially risk-off investor attitude towards listed real estate. In July 2022, US REITs were trading at a 15% discount to net asset value (NAV). The discount remained relatively unchanged (16%) by mid-December 2022 but had narrowed to just 5% by June 2023. Hopes of a Fed pivot as well as an improving economic outlook spurred capital rotations into real estate which had lagged other equity sectors. Simon Property Group (SPG) drove gains and registered a rise of 23.7% in SGD terms. In its 2Q23 earnings, SPG raised full year funds from operations (FFO) guidance to USD 11.90 at the midpoint. While the increase is quite modest, there is reason to believe SPG may have additional beats and raises through the year-end. Management also commented that they believe occupancy will exceed 95% (pre-covid levels) by year-end (versus 94.7% in 2Q23), driven by continued strong demand. SPG signed more than 1,300 leases for more than 5 million square feet of space in 2Q23. Management noted that more than 30% of 1H23 leasing activity was new deal volume, while new tenant demand was at the highest level it has been at since 2016. Prologis (PLD) returned +3.5% in SGD terms during the twelve-month period. 2Q23 FFO/share beat consensus by 10% due to strong pricing. Same-store net operating income grew 10.7% in the second quarter (just under the all-time-high of 11.4% in the first quarter). Occupancy dipped 80 bps quarter-on-quarter to 97.2%, in line with forecasts. PLD upgraded its 2023 earnings, with FFO/share increased to USD 5.58 up from the previous target of USD 5.46, mainly driven by increases in the outlook for its same store portfolio and strong pricing.

Market Review

Anticipating sufficient tailwinds to support the continued recovery in REIT valuations

The last six months of 2022 concluded a turbulent year for global equities. A bleak macroeconomic outlook driven by spiralling inflation continued to dominate investor sentiment, as the world's major central banks ramped up interest rates at the fastest pace and largest scale in at least two decades. This prompted most economists to forecast a recession at some point in 2023. Since then, encouraging economic data had shifted the narrative to a more optimistic tune as successive months of cooling inflation led to increased hopes of an end to the global hiking cycle. This resulted in a slightly better subsequent six-month performance (January to June 2023).

Due to undemanding valuations and perhaps a vote of confidence by REIT management teams on their companies' outlooks, US REITs had repurchased USD 4.8 billion worth of shares in 2022, the highest amount since 2018. USD 3.1 billion worth of shares were repurchased in 1H22 while USD 1.7 billion were repurchased in the second half. In 1Q23, USD 818 million shares were repurchased, which would annualise to around USD 2.5 billion worth of repurchases for the whole year. While that would be significantly lower than the amount in 2022, it would still be a +17% increase from 2021. Office REITs have been among the most bought back sectors, accounting for around 16% of total share repurchases between 1Q22 to 1Q23. By end-June 2023, US office REITs were trading at an approximately 44% discount to NAV (versus the median 5% discount for the US REIT universe).

In 3Q22, global REITs returned -11.6% but bounced back +7.5% in 4Q22. In the first two quarters of 2023, the sector returned +0.8% and +0.3% respectively. From recent quarterly performances, we can observe the steady recovery trend that appears to be playing out. While real estate had a relatively stable 1H23, it lagged other equity sectors, for e.g., the Nasdaq and S&P 500 returned +32.7% and +16.3% respectively versus global REIT's +1.6%. We acknowledge that much of the Nasdaq's outsized gains were isolated to its top constituents and is not reflective of the broader market. However, we also view the relatively muted performance of REITs as an opportunity for investors to participate in a potential "catch-up" play. To illustrate this point, global REITs were trading at a 18% discount to NAV by end-June 2023. Conversely, the sector traded at an 8% premium to NAV by end-December 2021, implying the gap between share prices and asset values had widened by 26% within an 18-month period.

In June 2023, US banking turmoil had cooled as Wall Street's biggest banks weathered a severe recession scenario in a Fed-led stress test. Coupled with confirmation over the disinflationary trend, an improving economic outlook, and broadly resilient quarterly earnings prints, we anticipate sufficient tailwinds to support the continued recovery in REIT valuations.

Market Outlook & Strategy

Market sentiment to continue revolving around incoming language from global central banks

August will see the remainder of the second-quarter earnings season and an incoming slew of economic data. While the Fed will not meet again until late September, the August data such as consumer price index and job prints will be key drivers of their potential policy changes. As always, market sentiment will continue to materially revolve around incoming language from global central banks vis-à-vis future policy stance. In July's Federal Open Market Committee decision, it was stressed that inflation remains elevated, and the Fed keeps "highly" attentive to inflation risks and remains on a tightening bias. While data on inflation and jobs are moving in the right direction, it is still early days, and the Fed has yet to reach its 2% inflation target. Since 1972, US REITs have seen an average return of -0.07% in the month of August, with 28 years in the green and 23 in the red. Only February and October have seen worse returns during that time frame, with an average return of -0.19% and -0.13% respectively.

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

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT OF THE TRUSTEE

For the financial year ended 30 June 2023

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

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 12 to 34, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
BNP Paribas Trust Services Singapore Limited

Authorised signatory
28 September 2023

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT BY THE MANAGER

For the financial year ended 30 June 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 12 to 34, 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 Shenton Global Property Securities Fund (the "Fund") as at 30 June 2023, and the financial performance and movements in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

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

Authorised signatory
28 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Shenton Global Property Securities Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 30 June 2023, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 30 June 2023;
- the Statement of Financial Position as at 30 June 2023;
- the Statement of Movements of Unitholders' Funds for the financial year ended 30 June 2023;
- the Statement of Portfolio as at 30 June 2023; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

Responsibilities of the Manager for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES
FUND**

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

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

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

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

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

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

	Note	2023 US\$	2022 US\$
Income			
Dividends		845,847	756,495
Interest on cash and cash equivalents		33,028	1,058
		<u>878,875</u>	<u>757,553</u>
Less: Expenses			
Management fee		157,498	192,040
Transfer agent fee		34,096	27,732
Trustee fee		8,377	10,099
Custody fee		2,314	2,666
Audit fee		9,776	10,098
Valuation fee		11,172	11,361
Transaction costs		18,881	24,020
Other expenses		13,664	10,542
		<u>255,778</u>	<u>288,558</u>
Net income		<u>623,097</u>	<u>468,995</u>
Net gains or losses on value of investments			
Net losses on investments		(1,413,255)	(4,134,592)
Net foreign exchange gains		14,756	5,377
		<u>(1,398,499)</u>	<u>(4,129,215)</u>
Total deficit for the financial year before income tax		<u>(775,402)</u>	<u>(3,660,220)</u>
Less: Income tax	3	<u>(152,689)</u>	<u>(155,895)</u>
Total deficit for the financial year after income tax		<u>(928,091)</u>	<u>(3,816,115)</u>

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2023*

	Note	2023 US\$	2022 US\$
ASSETS			
Portfolio of investments		20,190,904	19,669,309
Sales awaiting settlement		564	890
Receivables	4	99,172	87,679
Cash and cash equivalents		706,698	2,369,165
Total assets		20,997,338	22,127,043
LIABILITIES			
Payables	5	72,224	81,019
Purchases awaiting settlement		35,037	-
Distribution payable	7	42,647	54,203
Total liabilities		149,908	135,222
EQUITY			
Net assets attributable to unitholders	6	20,847,430	21,991,821

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 30 June 2023*

	Note	2023 US\$	2022 US\$
Net assets attributable to unitholders at the beginning of the financial year		21,991,821	25,429,133
Operations			
Change in net assets attributable to unitholders resulting from operations		(928,091)	(3,816,115)
Unitholders' contributions/(withdrawals)			
Creation of units		1,269,419	2,430,730
Cancellation of units		(909,368)	(1,344,752)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		360,051	1,085,978
Distributions	7	(576,351)	(707,175)
Total decreases in net assets attributable to unitholders		(1,144,391)	(3,437,312)
Net assets attributable to unitholders at the end of the financial year	6	20,847,430	21,991,821

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities			
GERMANY			
Vonovia SE	23,563	459,388	2.20
Total GERMANY		459,388	2.20
JAPAN			
Daiwa House Industry Company Limited	8,400	220,381	1.06
Mitsubishi Estate Company Limited	18,300	216,508	1.04
Mitsui Fudosan Company Limited	11,300	223,639	1.08
Sumitomo Realty & Development Company Limited	9,600	235,990	1.13
Total JAPAN		896,518	4.31
SINGAPORE			
CapitaLand Investment Limited	269,700	659,630	3.16
Total SINGAPORE		659,630	3.16
SWEDEN			
Castellum AB	14,386	136,650	0.66
Total SWEDEN		136,650	0.66
UNITED STATES OF AMERICA			
CBRE Group Incorporated	13,440	1,084,742	5.20
Total UNITED STATES OF AMERICA		1,084,742	5.20
Total Quoted Equities		3,236,928	15.53
Quoted Investment Funds			
UNITED STATES OF AMERICA			
Schwab U.S. REIT ETF	37,206	726,633	3.49
Vanguard Real Estate ETF	8,693	726,387	3.48
Total UNITED STATES OF AMERICA		1,453,020	6.97
Total Quoted Investment Funds		1,453,020	6.97
Quoted Real Estate Investment Trusts			
AUSTRALIA			
Goodman Group	40,688	543,575	2.61
GPT Group	182,109	501,854	2.40
Mirvac Group	373,059	561,218	2.69
Stockland Corporation Limited	193,255	518,420	2.49
Total AUSTRALIA		2,125,067	10.19
BRITAIN			
Land Securities Group Public Listed Company	47,659	347,912	1.67
SEGRO Public Listed Company	56,785	517,479	2.48
Total BRITAIN		865,391	4.15

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Primary) (continued)

	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Real Estate Investment Trusts (continued)			
JAPAN			
Daiwa House REIT Investment Corporation	96	183,452	0.88
GLP J-REIT	182	178,934	0.86
Industrial & Infrastructure Fund Investment Corporation	180	188,799	0.91
Japan Real Estate Investment Corporation	50	189,573	0.91
Nippon Building Fund Incorporated	48	187,968	0.90
Nippon Prologis REIT Incorporated	98	196,156	0.94
Nomura Real Estate Master Fund Incorporated	175	201,110	0.96
United Urban Investment Corporation	202	203,209	0.98
Total JAPAN		1,529,201	7.34
SINGAPORE			
CapitaLand Ascendas REIT	364,600	732,785	3.52
Frasers Logistics & Commercial Trust	807,900	746,206	3.58
Keppel DC REIT	516,300	824,038	3.95
Mapletree Industrial Trust	446,690	729,440	3.50
Mapletree Logistics Trust	603,302	722,172	3.46
Total SINGAPORE		3,754,641	18.01
UNITED STATES OF AMERICA			
American Tower Corporation	4,820	934,453	4.48
AvalonBay Communities Incorporated	5,779	1,093,156	5.24
Digital Realty Trust Incorporated	10,013	1,140,180	5.47
Prologis Incorporated	8,146	998,537	4.79
Public Storage	3,299	962,681	4.62
Simon Property Group Incorporated	8,662	1,000,115	4.80
Weyerhaeuser Company	32,772	1,097,534	5.26
Total UNITED STATES OF AMERICA		7,226,656	34.66
Total Quoted Real Estate Investment Trusts		15,500,956	74.35
Portfolio of investments		20,190,904	96.85
Other net assets		656,526	3.15
Net assets attributable to unitholders		20,847,430	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Quoted Equities		
Germany	2.20	2.30
Japan	4.31	8.58
Singapore	3.16	4.31
Sweden	0.66	0.50
United States of America	5.20	2.73
Total Quoted Equities	15.53	18.42
Quoted Investment Funds		
United States of America	6.97	-
Total Quoted Investment Funds	6.97	-
Quoted Real Estate Investment Trusts		
Australia	10.19	4.97
Britain	4.15	4.00
Japan	7.34	15.81
Singapore	18.01	19.61
United States of America	34.66	26.63
Total Quoted Real Estate Investment Trusts	74.35	71.02
Portfolio of investments	96.85	89.44
Other net assets	3.15	10.56
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 30 June 2023

By Industry (Secondary)

	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Equity Fund	1,453,020	6.97	-
Home Builders	220,381	1.06	1.04
Private Equity	659,630	3.16	4.31
Real Estate	2,356,917	11.31	13.07
Real Estate Investment Trusts (REITS)	15,500,956	74.35	71.02
Portfolio of investments	20,190,904	96.85	89.44
Other net assets	656,526	3.15	10.56
Net assets attributable to unitholders	20,847,430	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

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

1. General

Nikko AM Shenton Global Property Securities Fund (the "Fund") is a Singapore domiciled fund, constituted as a Sub-Fund of the Nikko AM Asia Investment Funds, pursuant to the Trust Deed dated 8 March 2000 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").

Nikko AM Asia Investment Funds comprise three separate and distinct sub-funds, namely Nikko AM Shenton Asia Dividend Equity Fund, Nikko AM Shenton Global Property Securities Fund and Nikko AM Shenton Asia Bond Fund.

Only the financial statements of Nikko AM Shenton Global Property Securities Fund is presented in this report.

There are currently six classes of units established within the Fund, namely SGD Class, SGD Class B, USD Class, USD Class B, RMB Class and SGD Class S.

The classes differ in terms of their class currency, the management fees and the minimum subscription amounts applicable.

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

2. Significant accounting policies

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

(a) Basis of preparation

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

(b) Recognition of income

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

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

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

2. Significant accounting policies (continued)

(c) 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.

(d) Investments

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

(i) *Initial recognition*

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

(ii) *Subsequent measurement*

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

(e) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments held by the Fund is the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

(f) Receivables

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

(g) 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.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

2. Significant accounting policies (continued)

(h) Payables

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

(i) Cash and cash equivalents

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

(j) Foreign currency translation

(i) *Functional and presentation currency*

The Fund qualifies as an authorised scheme under the Securities and Futures Act 2001 ("SFA") of Singapore and is offered to retail investors in Singapore. The Fund's activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Fund denominated in Singapore Dollar ("SGD") and United States Dollar ("USD").

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

(ii) *Transactions and balances*

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

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

3. Income tax

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

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT fund is not taxable in accordance to Sections 35(12) and 35(12A) of the Income Tax Act 1947. Such income includes:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act 1947);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount prepayment fees, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

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

	2023 US\$	2022 US\$
Singapore income tax	14,746	21,328
Overseas income tax	137,943	134,567
	<u>152,689</u>	<u>155,895</u>

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

4. Receivables

	2023 US\$	2022 US\$
Receivable from unitholders for creation of units	-	14,300
Dividends receivable	99,030	73,379
Other receivables	142	-
	<u>99,172</u>	<u>87,679</u>

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

5. Payables

	2023 US\$	2022 US\$
Payable to unitholders for cancellation of units	10,764	129
Amount due to the Manager	41,482	47,574
Amount due to the Trustee	2,229	2,517
Valuation fee payable	2,508	2,832
Transfer agent fee payable	4,019	3,874
Provision for audit fee	10,250	10,230
Custody fee payable	972	715
Provision for tax liabilities	-	10,092
Other payables	-	3,056
	72,224	81,019

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

6. Units in issue

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

<u>SGD Class</u>	2023	2022
Units at beginning of the financial year	21,085,239	19,366,279
Units created	2,611,575	3,787,869
Units cancelled	(2,015,099)	(2,068,909)
Units at end of the financial year	21,681,715	21,085,239
Net assets attributable to unitholders - US\$	9,726,779	10,506,344
Net asset value per unit - US\$	0.4486	0.4983
	2023	2022
Units at beginning of the financial year	1,180,108	1,029,219
Units created	132,215	241,497
Units cancelled	(4,465)	(90,608)
Units at end of the financial year	1,307,858	1,180,108
Net assets attributable to unitholders - US\$	586,859	588,322
Net asset value per unit - US\$	0.4487	0.4985

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2023***6. Units in issue (continued)**

<u>SGD Class S</u>	2023	2022
Units at beginning of the financial year	14,935,618	14,935,618
Units created	-	-
Units cancelled	-	-
Units at end of the financial year	14,935,618	14,935,618
Net assets attributable to unitholders - US\$	10,533,792	10,897,155
Net asset value per unit - US\$	0.7053	0.7296

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:

<u>SGD Class</u>	2023	2022
	US\$	US\$
Net assets attributable to unitholders per financial statements per unit	0.4486	0.4983
Effect of adopting bid prices per unit	0.0001	-
Effects of distribution per unit	0.0019	0.0024
Net assets attributable to unitholders for issuing/redeeming per unit	0.4506	0.5007

<u>USD Class</u>	2023	2022
	US\$	US\$
Net assets attributable to unitholders per financial statements per unit	0.4487	0.4985
Effect of adopting bid prices per unit	0.0001	-
Effects of distribution per unit	0.0019	0.0025
Net assets attributable to unitholders for issuing/redeeming per unit	0.4507	0.5010

<u>SGD Class S</u>	2023	2022
	US\$	US\$
Net assets attributable to unitholders per financial statements per unit	0.7053	0.7296
Effect of adopting bid prices per unit	0.0001	-
Net assets attributable to unitholders for issuing/redeeming per unit	0.7054	0.7296

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Distributions

	2023 US\$	2022 US\$
June final distribution of S\$0.25 (SGD Class) & US\$0.19 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	42,647	-
May interim distribution of S\$0.25 (SGD Class) & US\$0.19 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	42,832	-
April interim distribution of S\$0.25 (SGD Class) & US\$0.19 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	42,823	-
March interim distribution of S\$0.25 (SGD Class) & US\$0.19 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	42,783	-
February interim distribution of S\$0.26 (SGD Class) & US\$0.20 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	44,034	-
January interim distribution of S\$0.26 (SGD Class) & US\$ 0.20 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	44,277	-
December interim distribution of S\$0.27 (SGD Class) & US\$ 0.20 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	46,220	-
November interim distribution of S\$0.32 (SGD Class) & US\$0.23 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	52,840	-
October interim distribution of S\$0.30 (SGD Class) & US\$0.21 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	48,835	-
September interim distribution of S\$0.34 (SGD Class) & US\$ 0.24 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	53,114	-
August interim distribution of S\$0.37 (SGD Class) & US\$0.27 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	59,153	-
July interim distribution of S\$0.35 (SGD Class) & US\$0.25 (USD Class) per 100 units in respect of the financial year ended 30 June 2023	56,793	-
June final distribution of S\$0.34 (SGD Class) & US\$0.25 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	54,203
May interim distribution of S\$0.37 (SGD Class) & US\$0.26 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	58,605
April interim distribution of S\$0.40 (SGD Class) & US\$0.29 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	62,345
March interim distribution of S\$0.39 (SGD Class) & US\$0.29 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	60,906

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

7. Distributions (continued)

	2023 US\$	2022 US\$
February interim distribution of S\$0.40 (SGD Class) & US\$0.30 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	62,144
January interim distribution of S\$0.43 (SGD Class) & US\$0.32 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	67,336
December interim distribution of S\$0.43 (SGD Class) & US\$0.32 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	66,326
November interim distribution of S\$0.36 (SGD Class) & US\$0.27 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	54,341
October interim distribution of S\$0.36 (SGD Class) & US\$0.26 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	55,165
September interim distribution of S\$0.36 (SGD Class) & US\$0.27 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	55,430
August interim distribution of S\$0.36 (SGD Class) & US\$0.27 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	55,967
July interim distribution of S\$0.36 (SGD Class) & US\$0.27 (USD Class) per 100 units in respect of the financial year ended 30 June 2022	-	54,407
	576,351	707,175

8. Financial risk management

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

The Fund's primary objective is to provide investors with medium to long term capital appreciation and to make regular income distributions during the investment period by investing in global listed real estate investment trusts ("REITS") (including business trusts) and the quoted securities of companies listed or traded on a regulated market which derive a substantial part of their revenue from the ownership, management and/or development of real estate primarily in the United States, Australia, the European Union and Asia.

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

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. Financial risk management (continued)

(a) Market risk - Price risk

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

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

The Fund's market price risk is managed through diversification of the investment portfolio across various geographies globally.

The Manager is of the view that the FTSE EPRA/NAREIT Developed Index (the "Index"), which is a free-float adjusted, market capitalisation-weighted index designed to track the performance of listed real estate companies in developed countries worldwide, will provide a suitable analysis of reasonable possible shifts of the fair value of the Fund's investment.

As at 30 June 2023, an increase/decrease of the index component within the Index by 17% (2022: 15%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 15% (2022: 13%). 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 equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Fund's portfolio investments accordingly.

However, the effects of changes in interest rates on the Fund's portfolio may not be quantified as the relationship between the interest rates and the value of equity securities is indirect. Hence, no sensitivity analysis has been presented separately.

(c) Market risk - Currency risk

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

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

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

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

As at 30 June 2023

	USD US\$	AUD US\$	SGD US\$	EUR US\$	JPY US\$	GBP US\$	HKD US\$	Others US\$	Total US\$
Assets									
Portfolio of investments	9,764,418	2,125,067	4,414,271	459,388	2,425,719	865,391	-	136,650	20,190,904
Sales awaiting settlement	-	-	-	-	564	-	-	-	564
Receivables	42,381	35,000	7,170	-	8,804	5,817	-	-	99,172
Cash and bank balances	628,314	-	57,238	1,322	13,374	29	6,403	18	706,698
Total assets	10,435,113	2,160,067	4,478,679	460,710	2,448,461	871,237	6,403	136,668	20,997,338
Liabilities									
Payables	43,478	-	28,746	-	-	-	-	-	72,224
Purchases awaiting settlement	-	35,037	-	-	-	-	-	-	35,037
Distributions payable	2,485	-	40,162	-	-	-	-	-	42,647
Total liabilities	45,963	35,037	68,908	-	-	-	-	-	149,908
Net currency exposure	10,389,150	2,125,030	4,409,771	460,710	2,448,461	871,237	6,403	136,668	

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2023***8. Financial risk management (continued)****(c) Market risk - Currency risk (continued)****As at 30 June 2022**

	USD US\$	AUD US\$	SGD US\$	EUR US\$	JPY US\$	GBP US\$	HKD US\$	Others US\$	Total US\$
Assets									
Portfolio of investments	6,455,650	1,092,630	5,260,822	506,354	5,365,170	879,058	-	109,625	19,669,309
Sales awaiting settlement	-	-	-	-	890	-	-	-	890
Receivables	31,275	14,353	14,300	-	20,633	6,009	-	1,109	87,679
Cash and cash equivalents	2,296,667	-	60,131	1,250	-	17	6,347	4,753	2,369,165
Total assets	8,783,592	1,106,983	5,335,253	507,604	5,386,693	885,084	6,347	115,487	22,127,043
Liabilities									
Payables	47,574	-	33,445	-	-	-	-	-	81,019
Distributions payable	2,950	-	51,253	-	-	-	-	-	54,203
Total liabilities	50,524	-	84,698	-	-	-	-	-	135,222
Net currency exposure	8,733,068	1,106,983	5,250,555	507,604	5,386,693	885,084	6,347	115,487	

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

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

As of 30 June 2023 and 2022, the Fund does not hold substantial monetary assets/liabilities denominated in foreign currencies. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

(d) Liquidity risk

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

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

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

The Fund's securities are considered readily realisable, as the majority of the securities are listed on recognised stock exchanges.

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

	<u>Less than 3 months</u>	
	As at	As at
	30 June 2023	30 June 2022
	US\$	US\$
Payables	72,224	81,019
Purchases awaiting settlement	35,037	-
Distributions payable	42,647	54,203
Contractual cash outflows	149,908	135,222

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. 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 30 June 2023 and 2022, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognised based on the 12 month expected credit losses as any such impairment would be insignificant to the Fund.

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

Credit risk arises from cash and cash equivalents and outstanding and committed transactions from brokers. The table below summarises the credit rating of bank and custodians in which the Fund's assets are held as at 30 June 2023 and 2022.

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

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

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

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. Financial risk management (continued)

(f) Specific risk of real estate companies

Real estate companies are particularly vulnerable to, inter alia, the local and international economic climate, real estate market conditions such as oversupply or reduced demand for commercial and residential space, changes in market rental rates, depreciation of buildings over time, and increases in property taxes and interest rates.

As real estate investments are relatively illiquid, this affects the ability of a REIT to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market, interest rates or other conditions.

An increase in market interest rates may have an adverse impact on the market price of units in REITs if their annual yields give investors a lower return as compared to other investments.

To manage such risks, the Manager seeks to diversify its investments between asset class i.e. listed real estate companies and REITs, and between securities within each class i.e., residential versus commercial properties, properties situated in different geographical area etc.

(g) 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.

(h) 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).

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

8. Financial risk management (continued)

(h) Fair value estimation (continued)

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

As at 30 June 2023	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Financial assets designated at fair value through profit or loss:				
- Quoted equities	3,236,928	-	-	3,236,928
- Quoted investment funds	1,453,020	-	-	1,453,020
- Quoted real estate investment trusts	15,500,956	-	-	15,500,956
	<u>20,190,904</u>	-	-	<u>20,190,904</u>
As at 30 June 2022				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Financial assets designated at fair value through profit or loss:				
- Quoted equities	4,050,433	-	-	4,050,433
- Quoted real estate investment trusts	15,618,876	-	-	15,618,876
	<u>19,669,309</u>	-	-	<u>19,669,309</u>

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

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

9. Related party transactions

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

	2023 US\$	2022 US\$
Bank balances held with related party of the Trustee	<u>706,698</u>	<u>2,369,165</u>

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2023

10. Financial ratios

Expense ratio

		2023	2022
<u>SGD Class</u>			
Total operating expenses	US\$	191,753	223,059
Average daily net asset value	US\$	9,907,428	12,139,062
Total expense ratio¹	%	1.94	1.84

		2023	2022
<u>USD Class</u>			
Total operating expenses	US\$	11,330	12,031
Average daily net asset value	US\$	585,148	654,500
Total expense ratio¹	%	1.94	1.84

		2023	2022
<u>SGD Class S</u>			
Total operating expenses	US\$	33,805	29,434
Average daily net asset value	US\$	10,494,753	12,771,939
Total expense ratio¹	%	0.32	0.23

Turnover ratio

		2023	2022
Lower of total value of purchases or sales	US\$	7,621,732	14,311,115
Average daily net asset value	US\$	20,987,329	25,565,501
Total turnover ratio²	%	36.32	55.98

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial year end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2023

The following contains additional information relating to the Fund.

1. Distribution of investments

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

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 30 June 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Digital Realty Trust Incorporated	1,140,180	5.47
Weyerhaeuser Company	1,097,534	5.26
AvalonBay Communities Incorporated	1,093,156	5.24
CBRE Group Incorporated	1,084,742	5.20
Simon Property Group Incorporated	1,000,115	4.80
Prologis Incorporated	998,537	4.79
Public Storage	962,681	4.62
American Tower Corporation	934,453	4.48
Keppel DC REIT	824,038	3.95
Frasers Logistics & Commercial Trust	746,206	3.58

10 largest holdings at 30 June 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Capitaland Investment Limited	947,797	4.31
American Tower Corporation	921,204	4.19
Ascendas Real Estate Investment Trust	905,154	4.12
Mapletree Industrial Trust	896,915	4.08
Mitsubishi Estate Company Limited	873,951	3.97
Frasers Logistics & Commercial Trust	865,262	3.93
Mapletree Logistics Trust	858,655	3.90
Digital Realty Trust Incorporated	812,087	3.69
Keppel DC REIT	787,039	3.58
Public Storage	746,728	3.40

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2023

4. Exposure to financial derivatives

	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Rights	-	-	-	(13,037)

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 pages 15 to 18.

9. Borrowings

Nil.

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

	US\$
Units created	1,269,419
Units cancelled	(909,368)

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2023

11. Turnover ratio

Please refer to Note 10 of the Notes to the Financial Statements on page 34.

12. Expense ratio

Please refer to Note 10 of the Notes to the Financial Statements on page 34.

13. Related party transactions

Please refer to Note 9 of the Notes to the Financial Statements on page 33.

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

Nil.

15. Soft dollar commissions/arrangements

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

Intentionally left blank.

Intentionally left blank.

Intentionally left blank.

SEMI-ANNUAL REPORT

For the financial period ending 31 December 2022

Nikko AM Shenton Global Property Securities Fund

MANAGERS

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

DIRECTORS OF THE MANAGERS

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

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

AUDITORS

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

CUSTODIAN

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

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - SGD Class	-0.42	-9.93	-28.21	-7.37	-2.18	2.59	1.61

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - SGD Class	-5.40	-14.44	-31.80	-8.94	-3.18	2.07	1.31

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - USD Class	6.21	-6.58	-27.81	-7.34	-2.27	1.63	2.79

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund - USD Class	0.90	-11.25	-31.42	-8.91	-3.27	1.11	2.49

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

Inception date: 11 April 2005

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund – SGD S Class	-0.11	-9.15	-26.92	N/A	N/A	N/A	-3.97

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Property Securities Fund – SGD S Class	-5.10	-13.70	-30.57	N/A	N/A	N/A	-6.42

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

Inception date: 8 January 2021

Note:

With effect from 17 October 2011, the Fund (formerly known as “DBS Global Property Securities Fund”) has been renamed as Nikko AM Shenton Global Property Securities Fund.

The following changes were made to the Fund with effect from 24 August 2015:

- a. the sub-manager of the Fund was changed from CenterSquare Investment Management, Inc. to Adelante Capital Management LLC;
- b. the base currency of the Fund was changed from the Singapore dollar (“SGD”) to United States dollar (“USD”)

With effect from 30 September 2016, the Fund had ceased to accept new or further subscriptions for units of the Fund using CPF monies.

With effect from 1 December 2017, the benchmark has been removed and there is no longer any benchmark for the Fund. This is because in the Managers’ view, the benchmark imposes unnecessary costs on the Fund, and the benchmark is not necessary in order for the Managers to achieve the Fund’s stated investment objective. Prior to 1 April 2015, benchmark was UBS Global Real Estate Investors Total Return Index without reference to the yield component. Prior to 1 Mar 2010, the benchmark was Yield Component of UBS Global Real Estate Investors Total Return Index. Prior to 1 April 2006, the benchmark was UBS Global Real Estate Investors Total Return Index.

With effect from 7 January 2021, the sub-manager Adelante Capital Management LLC has been terminated and Straits Investment Management Pte. Ltd. has been appointed as the investment adviser for the Fund.

With effect from 22 March 2021, the Fund is no longer included under the Central Provident Fund Investment Scheme (“CPFIS”). The Fund will continue to be available for subscription via cash or supplementary retirement scheme (“SRS”) monies.

Portfolio Review

Fund fell 9.93% during the review period

The Nikko AM Shenton Global Property Securities Fund (the “Fund”) fell 9.93% (in SGD terms, on a NAV-NAV basis) over the six months ended 31 December 2022.

While sentiment remained bearish throughout the second half of 2022 (2H22), it was somewhat cushioned by brief rallies due to oversold conditions and hopes of a US Federal Reserve (Fed) pivot. The Fund’s US positions returned -8.4% in SGD terms on a weighted basis. The top contributor was Simon

Property Group (SPG), returning an impressive +22.0 % for 2H22. SPG's latest earnings (3Q22) were solid, as it achieved an occupancy rate of 94.5% (+60 basis points (bps) quarter-on-quarter (QoQ) and +170 bps year-on-year (YoY)), its highest in 11 quarters, and the highest rental rate (USD 54.8 per square foot) in five quarters. SPG also repurchased nearly two million shares by the end of 3Q22 (as part of its USD 2 billion share buyback program announced in 1Q22). The company expects to reach its pre-COVID occupancy rate (around 95.0%) in 2023, which should sustain earnings recovery. SPG also declared a distribution per unit (DPU) of USD 1.80 in 4Q22, translating to a 6.1% (vs 4.3% of US REIT universe) dividend yield based on its closing share price on 30 December 2022. Meanwhile, the Fund's largest US position, Prologis (PLD), returned -6.1% for 2H22, a considerable improvement from its 1H22 showing, where the share price fell -26.6% over May and June. Like SPG, PLD has reported consecutive earnings beats. Its 3Q22 results saw solid leasing activity (45.2 million square feet, +98 bps over trailing four-quarter average) and stable occupancy rate (97.7%, +10bps QoQ and +110bps YoY). The demand-supply dynamics in the US industrials space remain at attractive levels (vacancy rates are at a historic low of 3.1%). PLD also noted that demand continues to remain in line with prior peak cycles despite normalising post-pandemic conditions. Overall, the Fund's US companies showed resilient earnings throughout the year.

The Fund's Singapore holdings were subjected to a higher degree of interest rate headwinds in 2H22 as compared to 1H22. The Singapore allocation returned -6.2% over the period. Continued hiking by global central banks drove volatile movements of the Singapore 10-Year Bond Yield (SG10Y), known to be highly correlated to S-REIT share prices. The SG10Y sharply increased from 2.5% to 3.6% between August to October. Correspondingly, S-REITs (FSTREI Index) shed 20.0% during the same period. On top of surging yields, growing concerns of future DPU cuts over higher interest rates and utilities costs contributed to capital outflows from the real estate sector. CapitaLand Investment (CLI) and Ascendas REIT (AREIT) outperformed, despite returning -2.4% and -2.8% respectively for 2H22. In its 3Q22 business update, CLI had repurchased SGD 133 million worth of shares throughout the year, representing 0.7% of issued shares. CLI started a new self-storage fund, established in partnership with APG (Netherlands' largest pension provider) in a 10:90 joint venture. CLI also announced the establishment of two onshore RMB funds that could add approximately SGD 1.6 billion to its fund AUM. Easing of travel restrictions saw CLI's lodging management fees increase 48% YoY to SGD 190 million as of the first nine months of 2022. AREIT reported 3Q22 occupancy rate of 94.5% (+50bps QoQ, +280 bps YoY), driven by its UK and Australia properties. AREIT also reported positive rental reversions of +8.0% year-to-date (as at end-3Q22) and maintained its guidance of positive mid-single digit rental reversions for the full year. Keppel DC REIT (KDC) reported solid operating results, notching one of its highest occupancy rates (98.6%) in 3Q22, easing fears of demand destruction in a higher cost environment. KDC's latest dividend of SGD 0.0297 per share imputes a yield of 5.0%, which is around 2.0% higher than the SG10Y yield.

The Fund's Japan holdings returned -8.3% in SGD terms. In general, our Japanese holdings reported positive earnings as the fading impact of the pandemic and return of international tourism boosted local demand. Our largest Japanese holding, Mitsubishi Estate, announced a surprise JPY 100 billion share buyback plan (3.8% of market cap) over the next 12 months in its latest business update. Mitsui Fudosan posted a +30.0% YoY increase in operating profit due to higher leasing of its commercial facilities, and higher property and condo sales. The management teams of our Japanese holdings have been ramping up share buybacks, issuing positive forward earnings guidance, increasing yearly dividends (Sumitomo Realty also stepped up the pace of its annual dividend increase from JPY 5 per share to JPY 7 per share) and have set tangible financial goals (return on assets, return on equity, earnings per share targets) for their companies to achieve by 2025 or 2030. A potential headwind for J-REITs could be a looming withdrawal of policy support as the Bank of Japan (BoJ) announced a widening of its allowable range around its 10-Year Bond Yield (JP10Y) target in December 2022.

Market Review

Monetary tightening remained as the dominant theme driving global markets over the period

The end of 1H22 marked the Fed's first 75-bps rate hike since 1994. This continued to be the dominant theme influencing global markets throughout 2H22 as central banks intensified their battle against stubborn inflation. Between July to December, the Fed had hiked rates by a total of 275 bps (425bps for the year), marking one of the most aggressive hiking paths ever witnessed. The hawkish activity of global central banks led to tepid investor demand for global equities. While earnings prints for real estate companies were generally solid, 2022 proved to be a year when fundamentals were convincingly overshadowed by investor sentiment over macroeconomic events. The result was a material derating of the sector and corresponding multiple compression. While some level of capital outflows from the sector was anticipated at the start of the year, we could not have anticipated the speed of the Fed rate move (the equivalent of seventeen 25-bps hikes vs three 25-bps hikes initially forecast), and the consequential risk-off environment.

Tightening equity valuations resulted in global REITs trading at a discount to net asset value of 25.8% by year-end. This is significantly larger than historic discounts, indicating attractive valuations. US REITs were reported to have repurchased USD 3.1 billion worth of shares by 1H22. This annualises to the highest buyback amount in five years. By year-end, REITs provided a dividend yield of 4.2% which compared favourably against the S&P 500 dividend yield of 1.7% and US10Y yield of 3.9% (end-2022).

We note that US Consumer Price Index prints have been on a steady descend since the June 2022 high. The US10Y has retreated from its 4.25% peak in October, closing out 2022 at 3.9%. While the Fed has resolutely stuck to its playbook of outsized rate hikes throughout 2022, there are strong indications that we are close to approaching the target terminal rate, which may result in a subsequent hiking pause. Should this happen, REITs could stage a strong rally, especially given the compelling valuations they have been trading at.

Market Outlook & Strategy

Heavy selling pressure during 2022 has led to compelling REIT valuations

Most economists are forecasting a recession at some point in 2023. We opine that such an event should be mild and not a Global Financial Crisis 2.0. There still remains a considerable amount of uncertainty over the lagging impact of rate hikes along with conflicting economic data. Employment, job opening and wages data continue to hold at near recent highs, which have added to the Fed's recent hawkish stance. China, which enters 2023 contending with a surge in COVID-19 infections, is a big wildcard while the future direction of the US dollar is hard to predict, given the wide range of factors affecting FX.

Coming out of 2022, a year with maximum uncertainty, 2023 appears to be little different. There is however reason to be optimistic, as there is a chance for material erosion of key macro headwinds which could accelerate dovish central bank pivots. The strong debt metrics of REITs also puts the asset class in a good position to tide through challenging economic cycles. The heavy selling pressure throughout 2022 has led to compelling REIT valuations. Historically, REITs tend to rebound strongly after valuations have been unfairly discounted.

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

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

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

	31 December 2022	31 December 2021
	US\$	US\$
Income		
Dividends	377,442	371,027
Interest on cash and cash equivalents	13,205	14
	390,647	371,041
Less: Expenses		
Management fee	80,083	100,188
Registrar fee	16,280	13,115
Trustee fee	4,205	5,267
Custody fee	1,065	1,445
Audit fee	4,951	5,341
Valuation fee	5,586	5,925
Transaction costs	10,008	11,662
Other expenses	5,437	5,022
	127,615	147,965
Net income	263,032	223,076
Net gains or losses on value of investments		
Net (losses)/gains on investments	(1,567,197)	2,322,140
Net foreign exchange gains	13,630	4,322
	(1,553,567)	2,326,462
Total (deficit)/return for the financial period before income tax	(1,290,535)	2,549,538
Less: Income tax	(79,251)	(82,647)
Total (deficit)/return for the financial period after income tax	(1,369,786)	2,466,891

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022 (unaudited)

	31 December 2022 US\$	30 June 2022 US\$
ASSETS		
Portfolio of investments	19,689,442	19,669,309
Sales awaiting settlement	1,029	890
Receivables	100,028	87,679
Cash and cash equivalents	817,712	2,369,165
Total assets	20,608,211	22,127,043
LIABILITIES		
Payables	63,571	81,019
Distribution payable	45,470	54,203
Total liabilities	109,041	135,222
EQUITY		
Net assets attributable to unitholders	20,499,170	21,991,821

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

	31 December 2022	30 June 2022
	US\$	US\$
Net assets attributable to unitholders at the beginning of the financial period/year	21,991,821	25,429,133
Operations		
Change in net assets attributable to unitholders resulting from operations	(1,369,786)	(3,816,115)
Unitholders' contributions/(withdrawals)		
Creation of units	694,537	2,430,730
Cancellation of units	(501,197)	(1,344,752)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	193,340	1,085,978
Distributions	(316,205)	(707,175)
Total decreases in net assets attributable to unitholders	(1,492,651)	(3,437,312)
Net assets attributable to unitholders at the end of the financial period/year	20,499,170	21,991,821

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

	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities			
GERMANY			
Vonovia SE	17,481	409,699	2.00
Total GERMANY		<u>409,699</u>	<u>2.00</u>
JAPAN			
Daiwa House Industry Company Limited	9,800	225,717	1.10
Mitsubishi Estate Company Limited	51,700	670,421	3.27
Mitsui Fudosan Company Limited	21,500	393,842	1.92
Sumitomo Realty & Development Company Limited	9,000	212,884	1.04
Total JAPAN		<u>1,502,864</u>	<u>7.33</u>
SINGAPORE			
CapitaLand Investment Limited	314,100	866,512	4.23
Total SINGAPORE		<u>866,512</u>	<u>4.23</u>
SWEDEN			
Castellum AB	10,933	132,891	0.65
Total SWEDEN		<u>132,891</u>	<u>0.65</u>
UNITED STATES OF AMERICA			
CBRE Group Incorporated	10,763	828,320	4.04
Total UNITED STATES OF AMERICA		<u>828,320</u>	<u>4.04</u>
Total Quoted Equities		<u>3,740,286</u>	<u>18.25</u>
Quoted Investment Fund			
UNITED STATES OF AMERICA			
Schwab U.S. REIT ETF	19,289	372,085	1.82
Vanguard Real Estate ETF	4,479	369,428	1.80
Total UNITED STATES OF AMERICA		<u>741,513</u>	<u>3.62</u>
Total Quoted Investment Fund		<u>741,513</u>	<u>3.62</u>

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

	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Real Estate Investment Trusts			
AUSTRALIA			
Goodman Group	22,494	264,818	1.29
GPT Group	109,012	310,495	1.51
Mirvac Group	198,225	286,331	1.40
Stockland Corporation Limited	127,324	313,435	1.53
Total AUSTRALIA		1,175,079	5.73
BRITAIN			
Land Securities Group Public Listed Company	42,609	318,488	1.55
SEGRO Public Listed Company	41,693	382,956	1.87
Total BRITAIN		701,444	3.42
JAPAN			
Daiwa House REIT Investment Corporation	190	422,494	2.06
GLP J-REIT	305	349,740	1.71
Industrial & Infrastructure Fund Investment Corporation	309	355,498	1.73
Japan Real Estate Investment Corporation	98	428,557	2.09
Nippon Building Fund Incorporated	95	423,358	2.07
Nippon Prologis REIT Incorporated	171	399,814	1.95
Nomura Real Estate Master Fund Incorporated	371	458,320	2.24
United Urban Investment Corporation	435	496,502	2.42
Total JAPAN		3,334,283	16.27
SINGAPORE			
Ascendas Real Estate Investment Trust	406,500	830,455	4.05
Frasers Logistics & Commercial Trust	840,600	727,030	3.55
Keppel DC REIT	584,800	771,766	3.76
Mapletree Industrial Trust	446,690	739,374	3.61
Mapletree Logistics Trust	688,302	815,983	3.98
Total SINGAPORE		3,884,608	18.95
UNITED STATES OF AMERICA			
Alexandria Real Estate Equities Incorporated	5,438	792,262	3.86
American Tower Corporation	3,205	679,011	3.31
Avalonbay Communities Incorporated	4,223	682,099	3.33
Digital Realty Trust Incorporated	6,663	667,966	3.26
Prologis Incorporated	7,004	789,841	3.85
Public Storage	2,662	745,866	3.64
Simon Property Group Incorporated	8,502	998,815	4.87
Weyerhaeuser Company	24,399	756,369	3.69
Total UNITED STATES OF AMERICA		6,112,229	29.81
Total Quoted Real Estate Investment Trusts		15,207,643	74.18
Portfolio of investments		19,689,442	96.05
Other net assets		809,728	3.95
Net assets attributable to unitholders		20,499,170	100.00

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2022 (unaudited)

By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Quoted Equities		
Germany	2.00	2.30
Japan	7.33	8.58
Singapore	4.23	4.31
Sweden	0.65	0.50
United States of America	4.04	2.73
Total Quoted Equities	18.25	18.42
Quoted Investment Fund		
United States of America	3.62	-
Total Quoted Investment Fund	3.62	-
Quoted Real Estate Investment Trusts		
Australia	5.73	4.97
Britain	3.42	4.00
Japan	16.27	15.81
Singapore	18.95	19.61
United States of America	29.81	26.63
Total Quoted Real Estate Investment Trusts	74.18	71.02
Portfolio of investments	96.05	89.44
Other net assets	3.95	10.56
Net assets attributable to unitholders	100.00	100.00

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

STATEMENT OF PORTFOLIO

As at 31 December 2022 (unaudited)

By Industry (Secondary)	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 30 June 2022 %
Equity Fund	741,513	3.62	-
Home Builders	225,717	1.10	1.04
Private Equity	866,512	4.23	4.31
Real Estate	2,648,057	12.92	13.07
Real Estate Investment Trusts (REITS)	15,207,643	74.18	71.02
Portfolio of investments	19,689,442	96.05	89.44
Other net assets	809,728	3.95	10.56
Net assets attributable to unitholders	20,499,170	100.00	10.56

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

The following contains additional information relating to the Fund.

1. Distribution of investments

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

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 Largest holdings at 31 December 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Simon Property Group Incorporated	998,815	4.87
CapitaLand Investment Limited	866,512	4.23
Ascendas Real Estate Investment Trust	830,455	4.05
CBRE Group Incorporated	828,320	4.04
Mapletree Logistics Trust	815,983	3.98
Alexandria Real Estate Equities Incorporated	792,262	3.86
Prologis Incorporated	789,841	3.85
Keppel DC REIT	771,766	3.76
Weyerhaeuser Company	756,369	3.69
Public Storage	745,866	3.64

10 Largest holdings at 31 December 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Prologis Incorporated	1,767,485	6.35
American Tower Corporation	1,646,966	5.92
Public Storage	1,634,180	5.87
Alexandria Real Estate Equities Incorporated	1,628,573	5.85
Simon Property Group Incorporated	1,614,955	5.80
CBRE Group Incorporated	1,607,655	5.78
Avalonbay Communities Incorporated	1,559,238	5.60
Digital Realty Trust Incorporated	1,533,726	5.51
Lennar Corporation	1,291,467	4.64
Vonovia SE	1,143,323	4.11

4. Exposure to financial derivatives

Nil.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

5. Global exposure to financial derivatives

Nil.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

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

9. Borrowings

Nil.

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

	US\$
Units created	694,537
Units cancelled	(501,197)

11. Turnover ratio

		31 December 2022	31 December 2021
Lower of total value of purchases or sales	US\$	2,293,045	7,695,725
Average daily net asset value	US\$	21,068,057	26,493,595
Total turnover ratio¹	%	<u>10.88</u>	<u>29.05</u>

¹ The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

12. Expense ratio

		31 December 2022	31 December 2021
<u>SGD Class</u>			
Total operating expenses	US\$	203,502	231,832
Average daily net asset value	US\$	10,814,026	12,104,385
Total expense ratio²	%	1.88	1.92
		31 December 2022	31 December 2021
<u>USD Class</u>			
Total operating expenses	US\$	11,532	12,641
Average daily net asset value	US\$	612,636	660,110
Total expense ratio²	%	1.88	1.91
		31 December 2022	31 December 2021
<u>SGD Class S</u>			
Total operating expenses	US\$	30,797	38,453
Average daily net asset value	US\$	11,375,240	12,549,132
Total expense ratio² (annualised)	%	0.27	0.31

² The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial period end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

NIKKO AM SHENTON GLOBAL PROPERTY SECURITIES FUND

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

REPORT TO UNITHOLDERS

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

13. Related party transactions

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

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

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

	31 December 2022 US\$	30 June 2022 US\$
Bank balances held with related party of the Trustee	<u>817,712</u>	2,369,165

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

Nil.

15. Soft Dollar Commissions/Arrangements

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

Intentionally left blank.

Intentionally left blank.

Intentionally left blank.

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

Company registration number 198202562H