

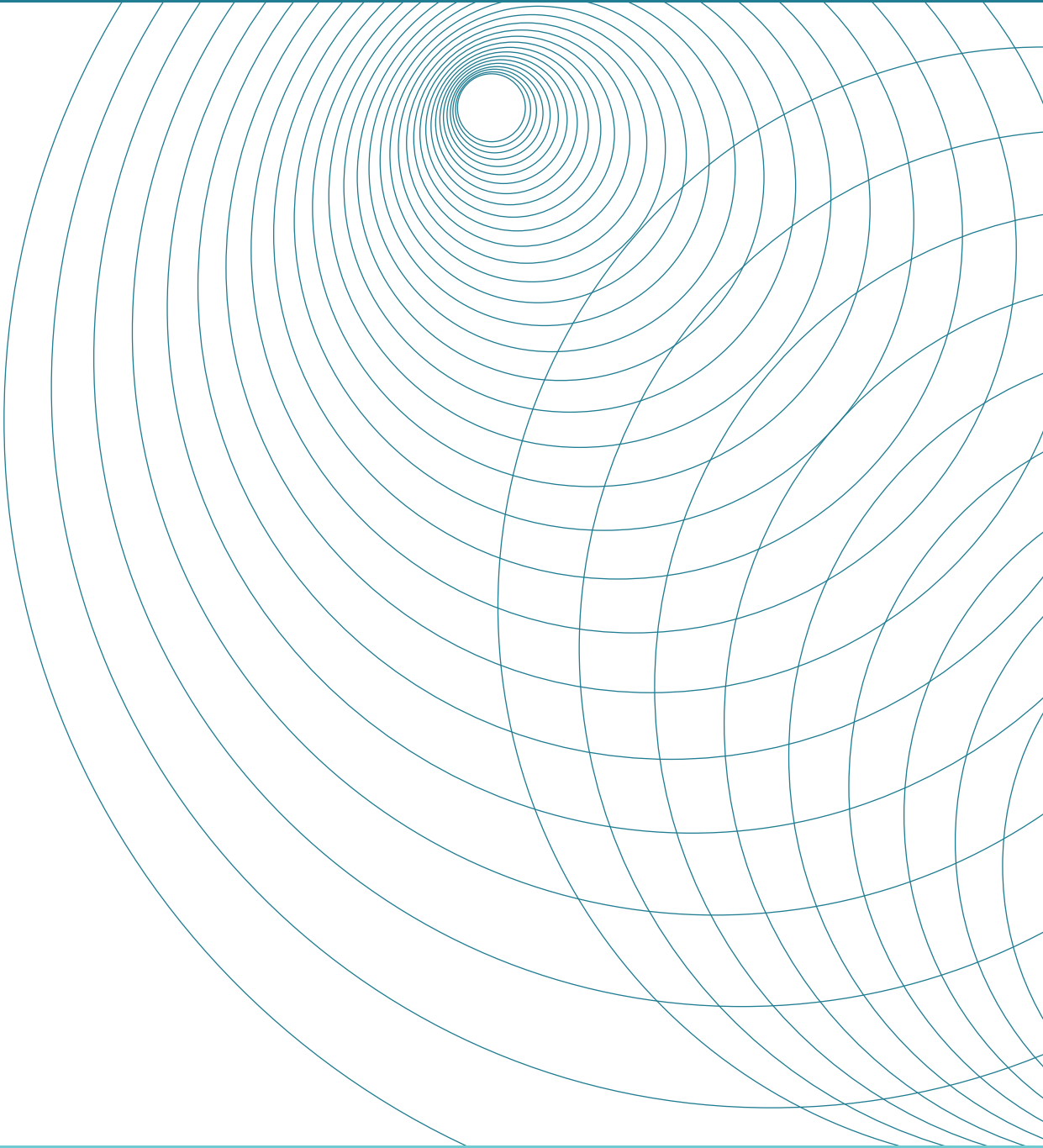
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# **SEMI-ANNUAL REPORT**

## **Nikko AM Shenton Horizon Investment Funds**

**Financial period ending 30 June 2023**

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## PERFORMANCE SUMMARY

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	3.75	4.87	2.92	-3.48	-0.08	1.13	1.85
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	0.00	0.59	3.52	7.18	3.38	5.01	1.79
Horizon Singapore Fixed Income Enhanced Fund	0.77	2.23	3.31	-1.47	1.28	1.52	1.88
Markit iBoxx ALBI Singapore Government Bond Index	0.57	1.35	4.32	-2.51	1.51	1.80	2.25
Singapore Dividend Equity Fund - SGD Class	1.75	3.61	4.66	9.12	3.40	3.91	4.01

Source: Nikko Asset Management Asia Limited & Markit Indices 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-1.44	-0.37	-2.22	-5.12	-1.10	0.61	1.63
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	-5.00	-4.44	-1.66	5.36	2.32	4.47	1.57
Horizon Singapore Fixed Income Enhanced Fund	-4.26	-2.89	-1.86	-3.14	0.24	1.00	1.66
Markit iBoxx ALBI Singapore Government Bond Index	0.57	1.35	4.32	-2.51	1.51	1.80	2.25
Singapore Dividend Equity Fund - SGD Class	-3.34	-1.57	-0.58	7.27	2.34	3.37	3.79

Source: Nikko Asset Management Asia Limited & Markit Indices 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	0.50	1.18	5.07	7.89	4.08	4.98	3.14
Singapore Dividend Equity Fund - USD Class	-0.10	2.61	7.51	10.22	3.54	3.23	5.16

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	-4.52	-3.88	-0.19	6.06	3.02	4.44	2.92
Singapore Dividend Equity Fund - USD Class	-5.09	-2.52	2.14	8.35	2.49	2.70	4.93

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: 2 August 1999**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	5.75	8.74	13.89	13.43	6.57	N/A	8.14

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, MYR, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	0.46	3.30	8.19	11.51	5.49	N/A	7.38

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, MYR, 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: 29 March 2016**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	0.03	0.76	3.78	7.25	3.41	N/A	3.81

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	-4.97	-4.28	-1.41	5.44	2.35	N/A	3.24

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: 17 March 2014**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	-0.14	-0.05	2.87	8.82	4.42	N/A	4.28

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, CNH, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	-5.13	-5.05	-2.27	6.98	3.35	N/A	3.70

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, CNH, 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: 1 April 2014**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - SGD (Acc) Class	1.66	3.80	N/A	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. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - SGD (Acc) Class	-3.42	-1.39	N/A	N/A	N/A	N/A	-1.30

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - USD (Acc) Class	0.00	2.69	N/A	N/A	N/A	N/A	6.70

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund – USD (Acc) Class	-5.00	-2.44	N/A	N/A	N/A	N/A	1.36

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund – MYR (Acc) Class	5.75	8.93	N/A	N/A	N/A	N/A	12.20

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, MYR, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund – MYR (Acc) Class	0.46	3.49	N/A	N/A	N/A	N/A	6.59

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2023. Returns are calculated on a NAV-NAV basis, MYR, 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: 21 July 2022**

#### **Note:**

- (1) With effect from 17 October 2011, the umbrella unit trust (formerly known as “Horizon Investment Funds”) has been renamed Nikko AM Shenton Horizon Investment Funds.
- (2) With effect from 20 February 2012, Horizon Singapore Equity Fund has been renamed Singapore Dividend Equity Fund.
- (3) With effect from 16 December 2013, Horizon Global Equity Fund was reshaped to Nikko AM Global Dividend Equity Fund.
- (4) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.
- (5) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
- (6) With effect from 28 October 2015, the appointment of Russell Investment Group Private Limited as the investment adviser for the Horizon Global Bond Fund (S\$ Hedged); Horizon European Equity Fund; Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund was terminated.
- (7) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
- (8) With effect from 1 December 2016, the appointment of Kleinwort Benson Investors Dublin Ltd (“Kleinwort Benson”) as the sub-managers for the Nikko AM Global Dividend Equity Fund was terminated and Nikko Asset Management Europe Ltd (“NAM Europe”) has been appointed as the sub-managers for the Nikko AM Global Dividend Equity Fund.
- (9) With effect from 31 March 2022, the fund name has been changed from “Horizon Global Bond Fund (S\$ Hedged)” to “Nikko AM Multi Sector Credit Fund”. The existing SGD Class and USD Class of the Fund has been re-designated to “SGD (Acc) Class” and “USD Hedged (Acc) Class” respectively.

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With effect from 31 March 2022, the benchmark for Nikko AM Multi Sector Credit Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. With effect from 24 August 2021, the benchmark for Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Global Aggregate Index Total Return Index SGD Hedged. With effect from August 2016, the benchmark for the Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Barclays Global Aggregate Total Return Index SGD Hedged. With effect from November 2008, it was renamed as Barclays Capital ("Barcap") Global Aggregate Index, S\$ Hedged. Prior to November 2008, it was known as Lehman Brothers' Global Aggregate (SGD Hedged) Index.

With effect from 1 December 2016, the benchmark for the Nikko AM Global Dividend Equity Fund (i.e. MSCI All Country World Index, USD base) has been removed and there will be no benchmark for this Fund. This is because pursuant to the investment objective of the Fund, the Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 16 December 2013, the reference benchmark was a composite of Russell 1000® Net 30% Index; FTSE All Share Index; TOPIX Dividend Included Index; Russell Developed Europe ex-UK Large Cap Index (net); and Russell Asia Pacific ex Japan (All cap) Index, according to their regional weights from time to time.

With effect from 1 June 2017, the benchmark for the Horizon Singapore Fixed Income Enhanced Fund was changed to Markit iBoxx ALBI Singapore Government Bond Index. Prior to 1 June 2017, the benchmark was UOB Singapore Government Bond All Index. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

With effect from 1 November 2017, the benchmark for the Singapore Dividend Equity Fund (i.e. Straits Times Index) was removed and there will no longer be any benchmark for the Fund. This is because pursuant to the investment objective of this Fund, this Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 1 July 2001, the benchmark was DBS 50 Index.

With effect from 31 March 2022, the Fund no longer invested in the shares of the Russell Investments Global Bond Fund (the "Underlying Fund") and the appointment of Carne Global Fund Managers (Ireland) Limited ("Carne") has been terminated. With effect from 1 October 2021, the current appointment of Russell Investments Ireland Limited, as the manager of the Russell Investment Company plc ("RIC") has been terminated and Carne has been appointed as the manager of the RIC. Carne was incorporated on 10 November 2003 under the laws of Ireland as a limited liability company and has been managing collective investment schemes or discretionary funds worldwide since 2004. The financial supervisory authority of Carne is the Central Bank of Ireland. The Horizon Global Bond Fund (S\$ Hedged) invests all or substantially all of its assets in the shares of the Underlying Fund, a sub-fund within the RIC.

The Markit iBoxx ALBI Singapore Government Bond Index referenced herein is the property of Markit Indices Limited and is used under license. The Horizon Singapore Fixed Income Enhanced Fund - SGD Class is not sponsored, endorsed, or promoted by Markit Indices Limited.

### **Nikko AM Global Dividend Equity Fund**

#### **Portfolio Review**

##### ***Fund returned +0.59% in SGD hedged terms in first half of 2023 (1H23)***

For the six-month period ended 30 June 2023, the Nikko AM Global Dividend Equity Fund (the "Fund") posted a return of +0.59% (in SGD hedged terms, on a NAV-NAV basis).

The main contributors to performance in 1H23 included Compass Group Plc, Schneider Electric SE Koninklijke Philips NV, Microsoft Corporation and Encompass Health Corporation. Compass Group continued to perform very strongly following better-than-expected financial results in May. Organic revenue growth came in at almost 25% as the contract catering business continued its recovery from the disruption caused by COVID-19.



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Importantly, margins were also better than expected, illustrating the company's ability to cope with high food price inflation. Schneider Electric outperformed after posting strong first quarter (1Q) financial results and lifting its profit guidance for the year. Management also noted that order run rates were actually improving through the quarter and that its order backlog at the end of March increased over the December 2022 levels. Ahead of the update, investors had been more concerned about a potential slowdown in growth, if problems in US regional banks fed into slower construction activity and as China's economy continued to struggle. Koninklijke Philips shares continued their recovery in 2Q, following an encouraging set of quarterly results. The company delivered double-digit earnings before interest and taxes or EBIT margin and double-digit growth in Diagnosis & Treatment, countering investor concerns that Philips was losing share in all business units. Additionally, some of the uncertainty regarding financial damages related to the CPAP product recall has now been removed, and the company confirmed that any cash payments will be mostly covered by insurance. Microsoft Corporation shares climbed following better-than-expected quarterly results, delivering strong performance in both Cloud and Professional businesses. Management sounded confident about the outlook on the earnings call and demand for artificial intelligence (AI) infrastructure is already proving to be a growth tailwind. Encompass Health Corporation shares climbed sharply in April after the US Government Agency responsible for healthcare reimbursement (CMS) confirmed that it was not going to pursue reforms that would have curtailed the allowable length of stay at Encompass's Inpatient Rehabilitation Facilities. The fear of this potential reform had seen the stock underperform earlier in the year, despite robust trading conditions.

Conversely, Pfizer Inc, Neste Corporation, TechnoPro Holdings, Inc Schlumberger and Emerson Electric Co were among the key detractors from performance in 1H23. Pfizer has underperformed this year, partly due to the fact that Big Cap Pharma as a subsector has failed to keep up with the market (with investor preferring IT and other, more cyclical sectors). On a more stock specific basis, the stock has also struggled as sales of its products used to treat COVID-19 (including Paxlovid) have fallen off more quickly than expected, and this shortfall in revenue has not been compensated for by the performance of the company's other drugs. Neste Corporation underperformed after Sweden reduced its commitment towards renewable fuel consumption. The country is a major global buyer of renewable diesel (which is a profitable product for Neste). With lower global demand for the product (in the short term, at least), this could lead to lower profits for Neste. TechnoPro Holdings fell after announcing a slight drop in the monthly utilisation of its engineering workforce. The fall was very moderate, however, and attributable to the company's decision to keep hiring graduates and less experienced engineers. Although these hires require training and drag on short-term utilisation, they will help drive faster growth once fully trained. Energy stocks have underperformed this year after their exceptionally strong performance in 2022 and with mean reversion taking place in equity markets. Fears over the demand impact of a marked slowdown in US economic activity in 2H23 (as a result of the combined impact of interest rate hikes and the stress in the regional banking sector) have not helped our holding in Schlumberger either. Emerson Electric failed to keep pace with markets after announcing a hostile approach for National Instruments. Although investors had been expecting mergers and acquisitions from the company (following disposals made last year), this was not necessarily the deal that markets were hoping for, with limited overlap with the existing Emerson business and the potential for an auction process to develop with other interested parties, driving the acquisition price higher.

## **Market Review**

### ***Global equity markets rebounded in 1H23***

Equity markets around the world have enjoyed a strong first half, posting gains of almost 14% (in USD terms). More than half of this move higher has been attributable to the fear of missing out on the artificial intelligence (AI) revolution, which has seen the information technology (IT) sector consistently leading the market. The other half has come mostly from other cyclical sectors, as US economic data has cooled in a relatively controlled manner, fuelling hopes that the Federal Reserve (Fed) may yet engineer a soft landing in the world's biggest economy.

Investors have reacted positively to resilient economic data in the US. For now, at least, economic good news is being treated as such, rather than as a harbinger of further monetary tightening, which could lead to a drop off in economic activity in time. This future tightening has sounded ever more likely as we move towards the end of

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the second quarter (2Q23), despite the Fed's pause in rate hikes in June, as policy committee members continued to sound relatively hawkish during the month.

Gauges of US consumer confidence came in comfortably ahead of economists' expectations towards the end of 2Q23. The resilience of the US labour market and the continued drop off in inflation are clearly making US consumers feel better about life at present. Better-than-expected retail sales (excluding autos and gas) and home sales both evidenced this positivity.

Having cooled somewhat earlier in the year, US bond yields have risen again recently, with the yield on the much-watched 10-year Treasury bond closing June back up at 3.8%. Credit spreads, however, have remained under control, and this has mattered more for sentiment in the market. The USD has also had a relatively quiet month, not appreciating much, against the currencies of its major trading partners.

This is despite the economic picture continuing to look less encouraging in other parts of the world. China has continued to deliver weaker-than-expected economic performance, and expectations (or hopes) for material economic stimulus from the Central Government have yet to be delivered. It is difficult to see how consumer confidence in the country will be quickly restored without this, after the real estate market policy tightening last year, especially with so much of the country's wealth closely tied to developments in this part of the economy.

Recent developments in Europe have not been particularly positive either. Germany's IFO Business Expectations survey have come in weaker than expected so far this year as have the country's factory orders and retail sales. Economic performance in France continues to look better than the Eurozone's other big economy but is not strong enough to offset the weakness in its larger neighbour.

As noted above, IT has been the standout performer this year. The sector was already performing well before Nvidia posted exceptionally strong numbers at the end of May, adding fresh impetus to building excitement about the potential returns from AI. The renaissance of many of the last decade's leaders was also evident in the improved performance of consumer discretionary index heavyweights, such as Tesla and Amazon, as well as the digital advertising industry (most notably Google and Meta). Defensive sectors have all underperformed, with utilities, consumer staples and healthcare all failing to keep pace with the market. Commodity sectors (energy and materials) also underperformed, on concerns over economic growth in China.

The economic performance noted above was broadly reflected in regional equity market performance, with the US leading the way and GEM Asia underperforming. Japan also marginally underperformed over 1H23, driven by profit taking in June after a strong start to the year.

## **Market Outlook and Strategy**

### ***Aiming to turn opportunities into better performance***

Whilst the second quarter of 2023 has seen our portfolios deliver returns close to the benchmark, it has not felt much more comfortable than the first quarter (1Q), where the portfolio substantially underperformed. Many of the themes that shaped 1Q have persisted, notably the perceived relative defensiveness of Big Tech and the fear of missing out on the boom in spending on artificial intelligence (AI).

Whilst you could be forgiven for thinking that AI only came into existence this year, research started in this area in the 1950s. The proverb "honesty is the best policy" was first used somewhat earlier, in the seventeenth century. We have always valued honesty and transparency in our relationships with our clients, and this is more important than ever during periods of challenging performance, such as the one that we are enduring at present. It is little comfort to us that we have faced relatively few difficult performance spells over the 12 years that the team has been investing together.

Rather than blaming bad luck or clinging blindly to the belief that the market is wrong, and we are right, we have continued to have a self-critical review of what we could (or should) have done differently year to date.

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It's not as if we haven't made mistakes before. We have; it's just that the consequences of our mistakes have been unusually severe this year. Part of this is due to the sheer size of the companies that we haven't owned. More than two thirds of the index gains delivered this year have come from just seven companies. If you have not owned enough of these seven, it has been much more difficult to outperform the benchmark.

We are in no way happy with the performance that we are delivering at present, but we would be more worried if we weren't asking the right questions to ourselves. As a team, we are just not getting all the answers right at the moment. To use a football (soccer) analogy, it feels like we are like a centre forward who is continually getting into the right place on the pitch to score a goal but misses when shooting.

For instance, we have considered in the past whether Apple could come to be viewed as more of a consumer staple, given the relative maturity of many of its products and ubiquity within our day-to-day lives. This analysis could now be extended across some other tech titans, where sales growth is slowing but cash generation is underpinned by their historical successes and market position. Similarly, we did consider what might happen if Nvidia were to grow more quickly than the market expected, and its cost base proved relatively fixed (as has been the case so successfully in the case of our investment in Microsoft Corporation). In each case, we concluded that these potential outcomes were already largely captured by the existing valuation.

Whilst we are regretful for the performance consequences of these decisions, we are not feeling sorry for ourselves. Instead, we are continually re-reviewing our research models to see where something may have changed and is not reflected in a company's valuation, in either a positive or a negative fashion. Recent portfolio activity has been shaped by this discipline. We are not being blindly drawn towards the light created by the buzz of AI, like a suicidal moth. We have, however, added to somewhat related areas, where we are confident that AI (and other, related structural shifts) will underpin stronger-than-expected long-term demand and where our companies' market positions are exceptionally strong.

We have funded these additions to the portfolio by exiting positions where we have become concerned that the expected increase in cash return on investment has been delayed significantly. This can be because of management errors (as is the case at AdaptHealth Corporation) or because of developments beyond management's control. Management of Carlisle Companies Incorporated were likely no better placed than anyone else to predict the developments at Silicon Valley Bank, but the repercussions of those events will have a significant impact upon non-residential construction activity in the US for some time, and we are not convinced that we have seen the last of the pain in US regional banks.

In conclusion, the first half of 2023 has been as difficult a period for our strategy as we have seen, having invested together for more than a decade. Success stories like Tenet Healthcare Corporation and our holdings in the travel sector have been nowhere near enough to offset the twin impact of being on the wrong side of some index heavyweights and a couple of stock specific issues.

To return to the football analogy above, we are not going to blame the condition of the pitch (or unusually high concentration of equity market returns) for our problems but will focus instead on playing our own game as well as we possibly can. We remain confident that our Future Quality philosophy and our investment process will keep creating opportunities for us to perform, and history suggests that we will soon start to turn these opportunities into better performance for our clients.

## **Singapore Dividend Equity Fund**

### **Portfolio Review**

#### ***Fund rose by 3.61% in SGD terms in 1H23***

For the six-month period ended 30 June 2023 (1H23), the Nikko AM Singapore Dividend Equity Fund (the "Fund") returned 3.61% (in SGD terms, on a NAV-NAV basis). The Fund's holdings in Sembcorp Industries, Keppel Corporation and Jardine Cycle & Carriage were key contributors to returns over the period, while holdings in United Overseas Bank, Thai Beverage and Venture Corporation were among the key detractors.

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## **Market Review**

### ***The Straits Times Index (STI) rose 1.16% in 1H23***

Singapore stocks, as measured by the STI, wrapped up 1H23 with a 1.16% gain on a total return basis in SGD terms. Global markets powered through a host of concerns including the banking meltdown in the US and Europe, the US debt ceiling drama and geopolitical uncertainty. Investors continued to keep tabs on the US Federal Reserve's (Fed) interest rate hiking cycle, which eventually saw the Fed forgo a rate increase in June. In Singapore, inflation edged down over the period but remained elevated, while the Monetary Authority of Singapore kept its monetary policy settings unchanged in April. High-frequency growth data printed weak over 1H23, with exports and manufacturing output showing no signs of picking up yet.

## **Market Outlook and Strategy**

### ***Remain convinced of our bottom-up driven strategy and continue to like "New Singapore" stocks***

The Singapore economy continues to undergo a period of slower growth, with industrial production continuing to shrink along with manufacturing activity. Tourist arrivals continue to recover, to around 70% of pre-COVID levels as at April–May 2023, supporting retail and F&B sales. However, this was moderated by a concurrent recovery in outbound tourism as well. We expect further recovery in inbound tourism, driven by rising seat capacity for flights from China.

We see Singapore's economic growth bottoming out in the second half of 2023, with a nascent recovery potentially taking shape in the technology sector. We continue to monitor new trends like AI, which drives demand for high-end processors and memory chips, as well as network bandwidth. We now think that GDP growth could come in at about 1% for 2023, slightly dampened from our previous view.

In an environment of dampened growth, we remain convinced of our bottom-up driven strategy, which emphasises quality franchises, strong sustainable returns and positive fundamental change. We continue to like "New Singapore" stocks in areas such as renewable energy, technology, data, healthcare, food and logistics, which represent the future economy of Singapore.

Including recent additions, the portfolio now features a number of beneficiaries of energy transition among its key overweights, including renewable power producers and providers of engineering solutions for renewable energy. Beneficiaries of corporate restructuring and the continued recovery in tourism also feature prominently.

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## **Horizon Singapore Fixed Income Enhanced Fund**

### **Portfolio Review**

#### ***Fund outperformed the benchmark in 1H23***

The Horizon Singapore Fixed Income Enhanced Fund (the “Fund”) posted a return of 2.23% (in SGD terms, on a NAV-NAV basis) in the first six months of 2023, outperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned 1.35% (SGD terms) during the period. Contribution from carry, spread, income, duration and selection effect were all positive, offset partly by a marginally negative contribution from allocation effect.

### **Market Review**

#### ***The Singapore Government Securities (SGS) yield curve flattened in 1H23***

US Treasuries (USTs) experienced a volatile period in the first six months of the year. The Fed continued tightening monetary policy, hiking the Federal Funds Rate by a total of 75 basis points (bps) during the period. UST yields initially trended higher after a strong January jobs report, and a slower-than-expected pace of disinflation in the US stoked worries that the Fed could maintain its restrictive monetary policy for longer than initially expected. The swift collapse of Silicon Valley Bank (SVB) in early March prompted an abrupt drop in UST yields. As investors scoured for signs of contagion in the global banking industry, shares and bonds of global banks, including Credit Suisse (CS), plunged. To avert a sudden and disorderly collapse of the Swiss lender, the Swiss government raced to broker a takeover of CS by UBS. The complete write-down of CS' Additional Tier 1 (AT1s) bonds initially triggered an outsized negative reaction in the financial community. A semblance of calm was subsequently restored in markets, following assurances by major banking regulators that AT1 securities are placed above common equity instruments in their jurisdictions. Separately, US policymakers moved to reassure markets worried over uninsured bank deposits. Towards end-March, news that First Citizens Bank agreed to acquire SVB's assets eased stress across markets.

UST yields stayed largely range-bound from April to mid-May. Developments on US debt ceiling negotiations were at the forefront of investor attention during this time, with yields rising as US debt ceiling negotiations moved closer to an agreement. The US central bank kept interest rates unchanged in June but communicated it was retaining a tightening bias. In particular, the central bank signalled that two more increases are likely this year as inflation remains elevated. Although the pause was widely anticipated, the upward revision to the terminal rate estimate was largely unexpected. Besides the Fed, other major global central banks including the Bank of England, Bank of Canada and European Central Bank—all of which delivered rate hikes—were likewise hawkish. Meanwhile, key US economic data released towards the end of the period remained largely above the Fed's comfort zone. First-quarter GDP growth was revised higher, May nonfarm payrolls increased by a bigger-than-expected 339,000, and May core CPI remained sticky. Overall, the benchmark 2-year UST yield ended the period at 4.90%, up 47 bps, while the benchmark 10-year UST yield was at 3.84%, down by about 4 bps compared to end-December 2022.

In Singapore, the Monetary Authority of Singapore (MAS) left its FX policy unchanged in April— its first time to do so in two years. In its annual review released in July 2023, the MAS said inflation has been on a “broad moderating path.” It lowered its headline inflation forecast for 2023 to between 4.5% to 5.5% (from 5.5% to 6.5%). Meanwhile, the MAS maintained its core inflation forecast unchanged, projecting core CPI to average between 3.5–4.5% in the year. On growth, MAS Managing Director Ravi Menon said that near-term growth will “remain weak”, and that “a material slowdown in global economic activity in the later part of this year looks increasingly likely.”

Price pressures in Singapore moderated but remained high over the period. Core inflation eased to 4.7% on a year-on-year (YoY) basis in May, down from 5.0% in April, prompted mainly by falling inflation for services and food. Overall inflation rose 5.1% YoY in May, lower than the 5.7% increase in the previous month, reflecting lower core inflation as well as a fall in private transport inflation. According to policymakers, core inflation is

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seen to moderate further in the latter half of 2023, on the back of lower imported costs and as tightness in the domestic labour market ease.

Singapore recorded first-quarter GDP growth of 0.40% YoY, with the Ministry of Trade and Industry noting that the “electronics downcycle is likely to be deeper and more prolonged than earlier projected.” Meanwhile, high-frequency data continued to print weak over the period. Non-oil domestic exports (NODX) contracted for the eighth straight month in May, shrinking by a bigger-than-expected 14.7% YoY, from a 9.8% drop in April. This prompted policymakers to downgrade their projection for NODX growth to fall 8–10% this year from an earlier forecast of between zero growth and a contraction of 2%. Manufacturing output similarly undershot expectations, decreasing by 10.8% YoY in May, from an upwardly revised 6.5% drop in the prior month. This also marked the eighth straight month of contraction and was driven mainly by weakness in electronics output. Meanwhile, the purchasing managers’ index eased 0.2 points in May to 49.5, remaining in contraction territory.

SGS underperformed most of their UST counterparts over the period. Softer SGS demand was prompted in part by increasing expectations that the MAS is set to leave its FX policy unchanged for the remainder of the year. That said, favourable supply technical together with pessimism about Singapore’s growth outlook provided some offset. At the end of the quarter, the benchmark 2-year and 10-year SGS yields were at 3.58% and 3.06% respectively, 48bps higher and about 2bps lower compared to end-December 2022. Government securities underperformed non-government bonds, with the Markit iBoxx ALBI Singapore Govt TRI Index gaining 1.35%, compared to gains of 3.92% for the Markit iBoxx ALBI Singapore Non-Govt TRI Index.

### **Market Outlook and Strategy**

SGS yields moved higher in June 2023 and more inverted alongside global bonds as a string of European rate hikes, a “hawkish pause” from the Federal Open Market Committee, and heavy supply post suspension of the US debt ceiling overshadowed some signs of moderating global inflation. 10-year SGS underperformed toward the end of the period as the auction towards end-June 2023 was not well-received. Nevertheless, we see the 10-year part of the curve as attractive and see 3% as a good level to add to duration. With no additional 10-year SGS supply going into year-end, near-term technicals are likely to be supportive. Overall, we remain positive on Singapore government bonds in the medium term and expect rates to stabilise as the Fed approaches the end of its hiking cycle amid an economic slowdown. We continue to view SGD corporate bonds favourably as Singapore corporate fundamentals will remain robust enough to prevent meaningful credit spread widening. The attractiveness of Singapore as a safe haven will continue to support demand for SGD-denominated assets.

The USD/SGD exchange rate ended June 2023 at 1.3524 versus 1.3516 at end-May. The SGD nominal effective exchange rate ended the period at 158 bps above the mid-point, increasing from 137 bps at the start of June, as SGD remained more resilient versus the basket of currencies. USD/SGD is more likely to be driven by US dollar strength in the near term, as the market gradually prices in an increased probability of an upcoming Fed rate hike in July 2023. Thus, we revise our SGD view to slightly underweight on a tactical basis against the US dollar.

### **Nikko AM Multi Sector Credit Fund**

#### **Portfolio Review**

#### ***Fund generates returns of 4.87% in 1H23***

The Nikko AM Multi Sector Credit Fund (the “Fund”) posted a return of 4.87% (in SGD terms, on a NAV-NAV basis) for the six months ended 30 June 2023.

We increased risk over the reporting period while continuing to keep the fund duration low. Healthcare as well as service were the top performing sectors while collateralised loan obligations (CLO) also had a significant positive contribution to the fund performance.

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### **Market Review**

The global credit market was driven in recent months by the movement in interest rates. As inflation rates did not decline as quickly as expected and central banks remained longer restrictive with their monetary policies as initially expected. Nevertheless, credit assets were able to perform positively as demand for spread products continued to be strong. Even as economic growth was mixed, fundamental data for most corporate bond issuers remains strong. The US banking crisis did not have too much of an impact on corporate bonds.

### **Market Outlook and Strategy**

We expect the positive performance trend from the first half of the year to continue in the coming months. The Fund will benefit from inverse yield curves as we are mostly invested in short-dated bonds and floating-rate notes. In addition, credit spreads should support the fund performance as rates volatility will continue to decline. We expect credit fundamentals to remain stable even as we might see a slowdown in economic growth. Furthermore, we also expect the fundamentals of our CLO holdings to be resilient over the coming month. Our top sector pick for the near future remains banks, given its stable profitability as well as capital base.



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

### **For Hong Kong Investors**

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

Nikko Asset Management Asia Limited. Registration Number 198202562H



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>US\$</b>	<b>US\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Income</b>				
Dividends	941,457	877,463	-	-
Interest on cash and cash equivalents	13,024	845	6,833	282
Other Income	-	-	3	203
	<b>954,481</b>	<b>878,308</b>	<b>6,836</b>	<b>485</b>
<b>Less: Expenses</b>				
Management fee	387,248	420,956	108,618	121,926
Management fee rebate	-	-	-	(30,842)
Transfer agent fee	18,255	14,812	9,183	9,205
Trustee fee	8,174	8,805	2,737	3,097
Custody fee	3,814	3,523	1,050	800
Audit fee	5,541	4,953	4,671	4,378
Valuation fee	12,982	13,861	4,347	4,874
Transaction costs	12,437	23,750	3,859	7,750
Other expenses	13,194	(2,044)	5,025	49,612
	<b>461,645</b>	<b>488,616</b>	<b>139,490</b>	<b>170,800</b>
<b>Net income/(losses)</b>	<b>492,836</b>	<b>389,692</b>	<b>(132,654)</b>	<b>(170,315)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>				
Net gains/(losses) on investments	283,889	(9,601,771)	955,432	(2,668,957)
Net foreign exchange (losses)/gain	(16,974)	(39,655)	7,473	(83,899)
Net (losses)/gain on financial derivatives	(699,239)	(1,824,297)	20	230,618
	<b>(432,324)</b>	<b>(11,465,723)</b>	<b>962,925</b>	<b>(2,522,238)</b>
<b>Total return/(deficit) for the financial period before income tax</b>	<b>60,512</b>	<b>(11,076,031)</b>	<b>830,271</b>	<b>(2,692,553)</b>
<b>Less: Income tax</b>	<b>(174,378)</b>	<b>(185,984)</b>	<b>-</b>	<b>432</b>
<b>Total (deficit)/return for the financial period after income tax</b>	<b>(113,866)</b>	<b>(11,262,015)</b>	<b>830,271</b>	<b>(2,692,121)</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Income</b>				
Dividends	15,069,470	9,795,326	-	-
Interest on cash and cash equivalents	449,151	9,876	7,998	557
Other Income	-	-	-	2,500
	<b>15,518,621</b>	<b>9,805,202</b>	<b>7,998</b>	<b>3,057</b>
<b>Less: Expenses</b>				
Management fee	3,497,495	2,845,133	99,475	113,822
Management fee rebate	(321)	(576)	-	-
Transfer agent fee	93,908	61,116	8,649	8,399
Trustee fee	88,196	72,393	3,136	3,612
Custody fee	57,511	42,035	1,793	1,851
Audit fee	10,914	10,621	4,879	4,584
Valuation fee	140,886	121,447	4,974	5,687
Transaction costs	496,015	355,705	3,302	3,994
Other expenses	159,845	66,136	4,954	2,421
	<b>4,544,449</b>	<b>3,574,010</b>	<b>131,162</b>	<b>144,370</b>
<b>Net income/(losses)</b>	<b>10,974,172</b>	<b>6,231,192</b>	<b>(123,164)</b>	<b>(141,313)</b>
<b>Net gains or losses on value of investments</b>				
Net gains/(losses) on investments	9,645,039	555,964	474,175	(1,386,892)
Net foreign exchange losses	(107,216)	(119,556)	-	-
	<b>9,537,823</b>	<b>436,408</b>	<b>474,175</b>	<b>(1,386,892)</b>
<b>Total return/(deficit) for the financial period before income tax</b>	<b>20,511,995</b>	<b>6,667,600</b>	<b>351,011</b>	<b>(1,528,205)</b>
<b>Less: Income tax</b>	<b>(175,287)</b>	<b>(155,540)</b>	<b>-</b>	<b>-</b>
<b>Total return/(deficit) for the financial period after income tax</b>	<b>20,336,708</b>	<b>6,512,060</b>	<b>351,011</b>	<b>(1,528,205)</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF FINANCIAL POSITION**

As at 30 June 2023 (unaudited)

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>	<b>S\$</b>	<b>S\$</b>
<b>ASSETS</b>				
Portfolio of investments	50,325,715	51,732,613	17,680,338	17,126,265
Receivables	96,541	109,502	375	9,347
Cash and cash equivalents	298,665	1,535,421	357,966	163,677
Financial derivatives at fair value	-	180,093	-	-
<b>Total assets</b>	<b>50,720,921</b>	<b>53,557,629</b>	<b>18,038,679</b>	<b>17,299,289</b>
<b>LIABILITIES</b>				
Payables	291,006	285,881	73,030	75,491
Distribution payable	47,186	49,773	-	-
Financial derivatives at fair value	472,766	-	-	-
<b>Total liabilities</b>	<b>810,958</b>	<b>335,654</b>	<b>73,030</b>	<b>75,491</b>
<b>EQUITY</b>				
Net assets attributable to unitholders	49,909,963	53,221,975	17,965,649	17,223,798

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>ASSETS</b>				
Portfolio of investments	572,863,360	507,693,319	19,104,454	21,477,630
Receivables	7,874,180	2,136,513	29,286	27,599
Cash and cash equivalents	34,630,813	26,265,615	100,753	499,255
<b>Total assets</b>	<b>615,368,353</b>	<b>536,095,447</b>	<b>19,234,493</b>	<b>22,004,484</b>
<b>LIABILITIES</b>				
Payables	3,796,624	4,199,945	70,306	77,645
Purchases awaiting settlement	-	-	6,237	-
Distribution payable	2,561,447	2,237,268	-	-
<b>Total liabilities</b>	<b>6,358,071</b>	<b>6,437,213</b>	<b>76,543</b>	<b>77,645</b>
<b>EQUITY</b>				
Net assets attributable to unitholders	609,010,282	529,658,234	19,157,950	21,926,839

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**  
*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	US\$	US\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>53,221,975</b>	<b>60,718,621</b>	<b>17,223,798</b>	<b>22,166,213</b>
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	(113,866)	(7,867,311)	830,271	(3,014,174)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	953,452	7,603,608	163,727	693,634
Cancellation of units	(3,861,782)	(6,480,776)	(252,147)	(2,621,875)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(2,908,330)	1,122,832	(88,420)	(1,928,241)
Distributions	(289,816)	(752,167)	-	-
Total increases/(decreases) in net assets attributable to unitholders	(3,312,012)	(7,496,646)	741,851	(4,942,415)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>49,909,963</b>	<b>53,221,975</b>	<b>17,965,649</b>	<b>17,223,798</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**  
*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	S\$	S\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>529,658,234</b>	425,250,092	<b>21,926,839</b>	24,521,044
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	<b>20,336,708</b>	10,911,733	<b>351,011</b>	(1,298,842)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	<b>135,563,428</b>	232,701,021	<b>2,246,996</b>	322,488
Cancellation of units	<b>(62,344,011)</b>	(114,924,076)	<b>(5,366,896)</b>	(1,617,851)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<b>73,219,417</b>	117,776,945	<b>(3,119,900)</b>	(1,295,363)
Distributions	<b>(14,204,077)</b>	(24,280,536)	-	-
Total increases/(decreases) in net assets attributable to unitholders	<b>79,352,048</b>	104,408,142	<b>(2,768,889)</b>	(2,594,205)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>609,010,282</b>	529,658,234	<b>19,157,950</b>	21,926,839

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

Nikko AM Global Dividend Equity Fund			
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 %
<b>Quoted Equities</b>			
<b>AUSTRALIA</b>			
Macquarie Group Limited	8,307	982,159	1.97
Worley Limited	194,741	2,046,847	4.10
<b>Total AUSTRALIA</b>		<b>3,029,006</b>	<b>6.07</b>
<b>BRITAIN</b>			
AstraZeneca Public Listed Company	7,937	1,137,818	2.28
Compass Group Public Listed Company	65,323	1,828,710	3.66
Diageo Public Listed Company	39,891	1,713,660	3.43
Linde Public Listed Company	3,889	1,480,387	2.97
<b>Total BRITAIN</b>		<b>6,160,575</b>	<b>12.34</b>
<b>CANADA</b>			
Intact Financial Corporation	9,225	1,425,911	2.86
<b>Total CANADA</b>		<b>1,425,911</b>	<b>2.86</b>
<b>FINLAND</b>			
Neste OYJ	22,978	885,187	1.77
<b>Total FINLAND</b>		<b>885,187</b>	<b>1.77</b>
<b>FRANCE</b>			
Air Liquide SA	6,889	1,234,111	2.47
Schneider Electric SE	9,089	1,650,634	3.31
<b>Total FRANCE</b>		<b>2,884,745</b>	<b>5.78</b>
<b>GERMANY</b>			
Deutsche Telekom AG	38,116	831,026	1.66
Siemens Healthineers AG	17,260	977,688	1.96
<b>Total GERMANY</b>		<b>1,808,714</b>	<b>3.62</b>
<b>HONG KONG SAR</b>			
AIA Group Limited	129,400	1,306,125	2.62
<b>Total HONG KONG SAR</b>		<b>1,306,125</b>	<b>2.62</b>
<b>INDONESIA</b>			
Bank Mandiri Persero Tbk PT	3,882,700	1,346,676	2.70
<b>Total INDONESIA</b>		<b>1,346,676</b>	<b>2.70</b>
<b>IRELAND</b>			
Accenture Public Listed Company	4,501	1,387,793	2.78
<b>Total IRELAND</b>		<b>1,387,793</b>	<b>2.78</b>
<b>JAPAN</b>			
Technopro Holdings Incorporated	31,300	671,975	1.35
<b>Total JAPAN</b>		<b>671,975</b>	<b>1.35</b>
<b>LUXEMBOURG</b>			
Tenaris SA	45,733	684,306	1.37
<b>Total LUXEMBOURG</b>		<b>684,306</b>	<b>1.37</b>

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Nikko AM Global Dividend Equity Fund			
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 %
<b>Quoted Equities (continued)</b>			
<b>NETHERLANDS</b>			
Euronext NV	14,150	961,766	1.93
Koninklijke Philips NV	33,319	720,041	1.44
<b>Total NETHERLANDS</b>		<b>1,681,807</b>	<b>3.37</b>
<b>SINGAPORE</b>			
DBS Group Holdings Limited	77,600	1,806,763	3.62
<b>Total SINGAPORE</b>		<b>1,806,763</b>	<b>3.62</b>
<b>SWEDEN</b>			
Assa Abloy AB	35,673	856,707	1.72
<b>Total SWEDEN</b>		<b>856,707</b>	<b>1.72</b>
<b>SWITZERLAND</b>			
Nestle SA	21,686	2,608,221	5.23
Roche Holding AG	5,937	1,815,002	3.63
<b>Total SWITZERLAND</b>		<b>4,423,223</b>	<b>8.86</b>
<b>TAIWAN</b>			
Taiwan Semiconductor Manufacturing Company Limited	79,000	1,461,061	2.93
<b>Total TAIWAN</b>		<b>1,461,061</b>	<b>2.93</b>
<b>UNITED STATES OF AMERICA</b>			
Abbott Laboratories	10,010	1,091,090	2.19
AbbVie Incorporated	14,135	1,903,560	3.81
Baker Hughes Company	34,151	1,079,513	2.16
Coca-Cola Company	45,587	2,745,249	5.50
Deere & Company	1,660	672,300	1.35
Encompass Health Corporation	11,909	806,358	1.62
Genuine Parts Company	6,068	1,026,584	2.06
Microsoft Corporation	2,126	723,457	1.45
Pfizer Incorporated	37,809	1,386,834	2.78
Philip Morris International Incorporated	16,285	1,589,742	3.18
The Progressive Corporation	8,649	1,144,868	2.29
Schlumberger Limited	24,416	1,199,314	2.40
Texas Instruments Incorporated	5,400	972,108	1.95
<b>Total UNITED STATES OF AMERICA</b>		<b>16,340,977</b>	<b>32.74</b>
<b>Total Quoted Equities</b>		<b>48,161,551</b>	<b>96.50</b>

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Nikko AM Global Dividend Equity Fund			
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 %
<b>Quoted Real Estate Investment Trusts</b>			
<b>SPAIN</b>			
Merlin Properties Socimi SA	114,613	980,336	1.96
<b>Total SPAIN</b>		<b>980,336</b>	<b>1.96</b>
<b>UNITED STATES OF AMERICA</b>			
NNN REIT Incorporated	27,666	1,183,828	2.37
<b>Total UNITED STATES OF AMERICA</b>		<b>1,183,828</b>	<b>2.37</b>
<b>Total Quoted Real Estate Investment Trusts</b>		<b>2,164,164</b>	<b>4.33</b>
<b>Portfolio of investments</b>		<b>50,325,715</b>	<b>100.83</b>
<b>Other net liabilities</b>		<b>(415,752)</b>	<b>(0.83)</b>
<b>Net assets attributable to unitholders</b>		<b>49,909,963</b>	<b>100.00</b>



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<b>Nikko AM Global Dividend Equity Fund</b>		
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
<b>Quoted Equities</b>		
Australia	6.07	5.49
Britain	12.34	11.16
Canada	2.86	2.49
Finland	1.77	1.99
France	5.78	4.21
Germany	3.62	3.04
Hong Kong SAR	2.62	2.21
Indonesia	2.70	-
Ireland	2.78	1.60
Japan	1.35	1.57
Luxembourg	1.37	-
Netherlands	3.37	2.63
Singapore	3.62	3.69
Sweden	1.72	1.44
Switzerland	8.86	8.22
Taiwan	2.93	2.17
United States of America	32.74	37.41
<b>Total Quoted Equities</b>	<b>96.50</b>	<b>89.32</b>
<b>Quoted Real Estate Investment Trusts</b>		
Spain	1.96	2.44
United States of America	2.37	5.44
<b>Total Quoted Real Estate Investment Trusts</b>	<b>4.33</b>	<b>7.88</b>
<b>Portfolio of investments</b>	<b>100.83</b>	<b>97.20</b>
<b>Other net (liabilities)/assets</b>	<b>(0.83)</b>	<b>2.80</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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<b>Nikko AM Global Dividend Equity Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 30 June 2023 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
Agriculture	1,589,742	3.18	3.10
Banks	4,135,598	8.29	5.45
Beverages	4,458,909	8.93	8.74
Chemicals	2,714,498	5.44	4.21
Commercial Services	671,975	1.35	5.29
Computers	1,387,793	2.78	1.60
Diversified Financial Services	961,766	1.93	1.96
Electrical Component & Equipment	1,650,634	3.31	5.75
Electronics	856,707	1.72	1.44
Engineering and Construction	2,046,847	4.10	-
Food	2,608,221	5.23	4.72
Food Service	1,828,710	3.66	3.47
Healthcare-Products	2,788,819	5.59	4.35
Healthcare-Services	806,358	1.62	1.34
Insurance	3,876,904	7.77	7.27
Machinery-Diversified	672,300	1.35	2.63
Metal Fabricate/Hardware	684,306	1.37	-
Oil and Gas	885,187	1.76	1.99
Oil and Gas Services	2,278,827	4.57	4.35
Pharmaceuticals	6,243,214	12.51	13.45
Real Estate Investment Trusts (REITS)	2,164,164	4.33	7.88
Retail	1,026,584	2.06	1.98
Semiconductors	2,433,169	4.87	3.84
Software	723,457	1.45	0.96
Telecommunications	831,026	1.66	1.43
<b>Portfolio of investments</b>	<b>50,325,715</b>	<b>100.83</b>	<b>97.20</b>
<b>Other net (liabilities)/assets</b>	<b>(415,752)</b>	<b>(0.83)</b>	<b>2.80</b>
<b>Net assets attributable to unitholders</b>	<b>49,909,963</b>	<b>100.00</b>	<b>100.00</b>

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Nikko AM Multi Sector Credit Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Fixed Income Securities</b>			
<b>BRITAIN</b>			
Allwyn Entertainment Financing UK Public Listed Company 7.875% due 30/04/2029	200,000	275,847	1.53
Barclays Public Listed Company 8% due 31/12/2049	200,000	256,432	1.43
Bat International Finance Public Listed Company 3.95% due 15/06/2025	100,000	130,271	0.72
British Telecommunications Public Listed Company 8.375% due 20/12/2083	200,000	338,808	1.89
<b>Total BRITAIN</b>		<b>1,001,358</b>	<b>5.57</b>
<b>BRITISH VIRGIN ISLANDS</b>			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	270,444	1.51
<b>Total BRITISH VIRGIN ISLANDS</b>		<b>270,444</b>	<b>1.51</b>
<b>CAYMAN ISLANDS</b>			
Barings CLO Limited 2020-I 8.46029% due 15/10/2036	500,000	641,019	3.57
Greywolf CLO VI Limited 8.27803% due 26/04/2031	250,000	314,571	1.75
Madison Park Funding XXVII Limited 7.85043% due 20/04/2030	500,000	641,496	3.57
Neuberger Berman Loan Advisers CLO 26 Limited 7.91171% due 18/10/2030	500,000	642,990	3.58
<b>Total CAYMAN ISLANDS</b>		<b>2,240,076</b>	<b>12.47</b>
<b>FINLAND</b>			
SBB Treasury OYJ 0.75% due 14/12/2028	100,000	90,099	0.50
<b>Total FINLAND</b>		<b>90,099</b>	<b>0.50</b>
<b>FRANCE</b>			
Altice France SA 2.125% due 15/02/2025	200,000	271,676	1.51
AXA SA 3.375% due 06/07/2047	100,000	138,090	0.77
BNP Paribas SA 2.219% due 09/06/2026	200,000	250,425	1.39
Forvia 2.75% due 15/02/2027	100,000	133,935	0.75
Loxam SAS 2.875% due 15/04/2026	200,000	274,859	1.53
<b>Total FRANCE</b>		<b>1,068,985</b>	<b>5.95</b>
<b>GERMANY</b>			
Cheplapharm Arzneimittel GMBH 8.062% due 15/05/2030	100,000	148,623	0.83
CT Investment GMBH 5.5% due 15/04/2026	100,000	138,053	0.77
Deutsche Bank AG 4.625% due 31/12/2061	200,000	204,003	1.14
Gruenthal GMBH 4.125% due 15/05/2028	100,000	137,469	0.76
ZF Finance GMBH 5.75% due 03/08/2026	100,000	148,395	0.82
<b>Total GERMANY</b>		<b>776,543</b>	<b>4.32</b>
<b>INDONESIA</b>			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	264,410	1.47
<b>Total INDONESIA</b>		<b>264,410</b>	<b>1.47</b>

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Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>IRELAND</b>			
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	266,333	1.48
Sculptor European CLO I DAC 6.675% due 18/04/2034	400,000	541,272	3.01
St Paul's CLO VIII DAC 5.627% due 17/07/2030	500,000	664,777	3.70
Tikehau CLO II BV 6.893% due 07/09/2035	500,000	665,311	3.70
<b>Total IRELAND</b>		<b>2,137,693</b>	<b>11.89</b>
<b>ITALY</b>			
Banca Monte dei Paschi di Siena S.p.A 6.75% due 02/03/2026	100,000	147,844	0.83
Kevlar S.p.A 6.5% due 01/09/2029	200,000	232,099	1.29
Telecom Italia S.P.A 6.875% due 15/02/2028	100,000	147,408	0.82
<b>Total ITALY</b>		<b>527,351</b>	<b>2.94</b>
<b>JAPAN</b>			
Rakuten Group Incorporation 10.25% due 30/11/2024	200,000	268,636	1.50
<b>Total JAPAN</b>		<b>268,636</b>	<b>1.50</b>
<b>LUXEMBOURG</b>			
Aroundtown SA 0% due 16/07/2026	100,000	113,250	0.63
Cirsa Finance International S.a.r.l 4.75% due 22/05/2025	100,000	145,622	0.81
Raizen Fuels Finance SA 5.3% due 20/01/2027	200,000	264,967	1.47
Telenet Finance Luxembourg Notes S.a.r.l 5.5% due 01/03/2028	200,000	250,541	1.40
<b>Total LUXEMBOURG</b>		<b>774,380</b>	<b>4.31</b>
<b>NETHERLANDS</b>			
Alcoa Nederland Holding BV 5.5% due 15/12/2027	200,000	262,053	1.46
Enel Finance International NV 6.8% due 14/10/2025	200,000	275,770	1.53
OCI NV 4.625% due 15/10/2025	200,000	258,188	1.44
Prosus NV 3.257% due 19/01/2027	200,000	245,356	1.37
Q-Park Holding I BV 2% due 01/03/2027	100,000	126,504	0.70
Telefonica Europe BV 4.375% due 31/12/2049	100,000	144,439	0.80
Teva Pharmaceutical Finance Netherlands III BV 7.875% due 15/09/2029	200,000	279,393	1.56
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	138,913	0.77
<b>Total NETHERLANDS</b>		<b>1,730,616</b>	<b>9.63</b>
<b>POLAND</b>			
mBank SA 0.966% due 21/09/2027	100,000	115,485	0.64
<b>Total POLAND</b>		<b>115,485</b>	<b>0.64</b>
<b>SINGAPORE</b>			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	253,232	1.41
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	256,527	1.43
<b>Total SINGAPORE</b>		<b>509,759</b>	<b>2.84</b>

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Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>SOUTH KOREA</b>			
Kookmin Bank 4.5% due 01/02/2029	200,000	254,427	1.41
SK Hynix Incorporation 6.25% due 17/01/2026	200,000	270,559	1.51
<b>Total SOUTH KOREA</b>		<b>524,986</b>	<b>2.92</b>
<b>SPAIN</b>			
Abanca Corporacion Bancaria SA 5.25% due 14/09/2028	200,000	290,117	1.61
CaixaBank SA 5.25% due 31/12/2049	200,000	250,315	1.39
Grifols Escrow Issuer SA 3.875% due 15/10/2028	100,000	126,807	0.71
<b>Total SPAIN</b>		<b>667,239</b>	<b>3.71</b>
<b>SWEDEN</b>			
Intrum AB 3.5% due 15/07/2026	100,000	110,466	0.61
Verisure Holding AB 3.875% due 15/07/2026	200,000	277,840	1.55
<b>Total SWEDEN</b>		<b>388,306</b>	<b>2.16</b>
<b>UNITED STATES OF AMERICA</b>			
Abercrombie & Fitch Management Company 8.75% due 15/07/2025	100,000	137,506	0.77
American Tower Corporation 2.4% due 15/03/2025	70,000	89,239	0.50
CCO Holdings LLC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	63,086	0.35
Charter Communications Operating LLC / Charter Communications Operating Capital 4.908% due 23/07/2025	100,000	132,703	0.74
Cheniere Corpus Christi Holdings LLC 5.125% due 30/06/2027	100,000	133,116	0.74
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	253,026	1.41
Cheniere Energy Partners LP 4.5% due 01/10/2029	150,000	186,452	1.04
CNH Industrial Capital LLC 3.95% due 23/05/2025	150,000	196,495	1.09
Crown Americas LLC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	65,728	0.37
DISH DBS Corporation 5.875% due 15/11/2024	50,000	59,271	0.33
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	66,545	0.37
EnLink Midstream Partners, LP 4.85% due 15/07/2026	50,000	65,360	0.36
EQT Corporation 6.125% due 01/02/2025	56,000	75,430	0.42
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	61,442	0.34
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	242,083	1.35
IQVIA Incorporation 5.7% due 15/05/2028	200,000	268,301	1.49
Lennar Corporation 4.75% due 29/11/2027	50,000	65,680	0.37
Mattel Incorporation 3.375% due 01/04/2026	150,000	186,996	1.04
MGM Resorts International 5.75% due 15/06/2025	50,000	67,045	0.37
The Mosaic Company 4.05% due 15/11/2027	100,000	128,945	0.72
Navient Corporation 4.875% due 15/03/2028	100,000	116,036	0.65
NextEra Energy Operating Partners LP 4.5% due 15/09/2027	50,000	62,924	0.35
NRG Energy Incorporation 3.375% due 15/02/2029	50,000	55,406	0.31
OneMain Finance Corporation 6.875% due 15/03/2025	50,000	67,070	0.37
Pitney Bowes Incorporation 4.625% due 15/03/2024	100,000	133,312	0.74
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	59,957	0.33

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<b>Nikko AM Multi Sector Credit Fund</b>			
<b>By Geography (Primary) (continued)</b>			
	<b>Holdings at 30 June 2023</b>	<b>Fair value at 30 June 2023 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>
<b>Quoted Fixed Income Securities (continued)</b>			
<b>UNITED STATES OF AMERICA (continued)</b>			
Santander Holdings USA Incorporation 4.26% due 09/06/2025	<b>150,000</b>	<b>194,895</b>	<b>1.08</b>
Sealed Air Corporation 4% due 01/12/2027	<b>50,000</b>	<b>61,577</b>	<b>0.34</b>
Southwestern Energy Company 5.7% due 23/01/2025	<b>50,000</b>	<b>67,371</b>	<b>0.37</b>
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	<b>50,000</b>	<b>64,639</b>	<b>0.36</b>
T-Mobile USA Incorporation 4.75% due 01/02/2028	<b>50,000</b>	<b>65,897</b>	<b>0.38</b>
Travel + Leisure Company 6.625% due 31/07/2026	<b>200,000</b>	<b>268,855</b>	<b>1.50</b>
Utah Acquisition Sub Incorporation 3.95% due 15/06/2026	<b>100,000</b>	<b>128,557</b>	<b>0.72</b>
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	<b>50,000</b>	<b>67,303</b>	<b>0.38</b>
WarnerMedia Holdings Incorporation 6.412% due 15/03/2026	<b>100,000</b>	<b>135,439</b>	<b>0.75</b>
<b>Total UNITED STATES OF AMERICA</b>		<b>4,093,687</b>	<b>22.80</b>
<b>Accrued interest receivable on quoted fixed income securities</b>		<b>230,285</b>	<b>1.28</b>
<b>Total Quoted Fixed Income Securities</b>		<b>17,680,338</b>	<b>98.41</b>
<b>Portfolio of investments</b>		<b>17,680,338</b>	<b>98.41</b>
<b>Other net assets</b>		<b>285,311</b>	<b>1.59</b>
<b>Net assets attributable to unitholders</b>		<b>17,965,649</b>	<b>100.00</b>

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By Geography (Summary)	Nikko AM Multi Sector Credit Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities</b>		
Britain	5.57	3.94
British Virgin Islands	1.51	1.54
Cayman Islands	12.47	14.18
Finland	0.50	0.53
France	5.95	5.87
Germany	4.32	4.31
Indonesia	1.47	1.53
Ireland	11.89	13.25
Italy	2.94	-
Japan	1.50	1.58
Luxembourg	4.31	4.54
Mauritius	-	1.26
Netherlands	9.63	6.89
Poland	0.64	0.64
Singapore	2.84	3.67
South Korea	2.92	1.45
Spain	3.71	3.09
Sweden	2.16	2.21
United States of America	22.80	27.71
Accrued Interest receivable on quoted fixed income securities	1.28	1.24
<b>Total Quoted Fixed Income Securities</b>	<b>98.41</b>	<b>99.43</b>
<b>Portfolio of investments</b>	<b>98.41</b>	<b>99.43</b>
<b>Other net assets</b>	<b>1.59</b>	<b>0.57</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

<b>Nikko AM Multi Sector Credit Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 30 June 2023 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
Agriculture	130,271	0.72	0.75
Apparel	138,053	0.77	0.74
Auto Manufacturers	380,996	2.12	2.13
Auto Parts & Equipment	282,330	1.57	1.47
Banks	2,220,470	12.36	10.86
Biotechnology	126,807	0.71	-
Chemicals	387,133	2.15	2.21
Commercial Services	949,647	5.29	5.63
Computers	-	-	0.80
Diversified Financial Services	673,306	3.75	6.02
Electric	455,542	2.54	2.64
Electronics	-	-	0.78
Energy-Alternate Sources	-	-	1.26
Engineering and Construction	-	-	0.77
Entertainment	556,908	3.10	0.79
Healthcare-Services	268,301	1.49	0.72
Home Builders	65,680	0.37	0.38
Insurance	404,423	2.25	2.30
Internet	513,992	2.86	3.49
Lodging	335,900	1.87	1.91
Machinery-Diversified	196,495	1.09	1.13
Media	505,601	2.81	5.35
Mining	526,463	2.93	1.53
Office/Business Equipment	133,312	0.74	0.76
Oil and Gas	407,768	2.27	2.68
Other ABS	4,111,436	22.88	22.79
Packaging & Containers	127,305	0.71	1.11
Pharmaceuticals	926,141	5.16	3.76
Pipelines	702,593	3.91	4.10
Real Estate	359,891	2.00	0.53
Real Estate Investment Trusts (REITS)	-	-	1.49
Retail	137,506	0.77	2.04
Semiconductors	270,559	1.51	-
Sovereign	-	-	1.54
Telecommunications	968,228	5.39	2.65
Toys/Games/Hobbies	186,996	1.04	1.08
Accrued interest receivable on quoted fixed income securities	230,285	1.28	1.24
<b>Portfolio of investments</b>	<b>17,680,338</b>	<b>98.41</b>	<b>99.43</b>
<b>Other net assets</b>	<b>285,311</b>	<b>1.59</b>	<b>0.57</b>
<b>Net assets attributable to unitholders</b>	<b>17,965,649</b>	<b>100.00</b>	<b>100.00</b>



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**STATEMENTS OF PORTFOLIO**

As at 30 June 2023 (unaudited)

Singapore Dividend Equity Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Equities</b>			
<b>CHINA</b>			
AustAsia Group Limited	1,027,092	542,767	0.09
Yangzijiang Shipbuilding Holdings Limited	10,060,600	15,090,900	2.48
<b>Total CHINA</b>		<b>15,633,667</b>	<b>2.57</b>
<b>HONG KONG SAR</b>			
Hongkong Land Holdings Limited	834,100	4,402,417	0.72
Jardine Matheson Holdings Limited	258,000	17,685,104	2.91
<b>Total HONG KONG SAR</b>		<b>22,087,521</b>	<b>3.63</b>
<b>SINGAPORE</b>			
BRC Asia Limited	1,742,200	2,874,630	0.47
CapitaLand Investment Limited	7,912,100	26,189,051	4.30
CSE Global Limited	10,561,320	4,118,915	0.68
DBS Group Holdings Limited	1,647,289	51,906,076	8.52
First Resources Limited	4,354,800	6,053,172	0.99
Genting Singapore Limited	19,210,300	18,057,682	2.97
Hyphens Pharma International Limited	4,000,400	1,120,112	0.18
Jardine Cycle & Carriage Limited	466,700	16,241,160	2.67
Keppel Corporation Limited	5,274,200	35,389,882	5.81
Oversea-Chinese Banking Corporation Limited	4,064,882	49,916,751	8.20
SATS Limited	3,263,179	8,419,002	1.38
Seatrium Limited	171,910,685	21,488,836	3.53
Sembcorp Industries Limited	6,796,500	39,079,875	6.42
Singapore Exchange Limited	1,059,700	10,183,717	1.67
Singapore Post Limited	8,911,900	4,010,355	0.66
Singapore Technologies Engineering Limited	4,108,300	15,118,544	2.48
Singapore Telecommunications Limited	2,642,234	6,605,585	1.08
UMS Holdings Limited	9,201,200	9,753,272	1.60
United Overseas Bank Limited	1,838,370	51,474,360	8.45
Venture Corporation Limited	676,400	9,949,844	1.63
Wilmar International Limited	3,710,500	14,099,900	2.32
<b>Total SINGAPORE</b>		<b>402,050,721</b>	<b>66.01</b>
<b>THAILAND</b>			
Thai Beverage Public Company Limited	18,345,000	10,640,100	1.75
<b>Total THAILAND</b>		<b>10,640,100</b>	<b>1.75</b>
<b>Total Quoted Equities</b>		<b>450,412,009</b>	<b>73.96</b>
<b>Quoted Investment Funds</b>			
<b>SINGAPORE</b>			
CapitaLand India Trust	5,491,000	6,259,740	1.03
Keppel Infrastructure Trust	38,624,261	19,698,373	3.23
NetLink NBN Trust	7,026,500	6,007,658	0.99
<b>Total SINGAPORE</b>		<b>31,965,771</b>	<b>5.25</b>
<b>Total Quoted Investment Funds</b>		<b>31,965,771</b>	<b>5.25</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Real Estate Investment Trusts</b>			
<b>PHILIPPINES</b>			
Citicore Energy REIT Corporation	74,861,000	4,698,604	0.77
<b>Total PHILIPPINES</b>		<b>4,698,604</b>	<b>0.77</b>
<b>SINGAPORE</b>			
CapitaLand Ascendas REIT	2,646,400	7,198,208	1.18
CapitaLand Ascott Trust	8,029,699	8,672,075	1.42
CapitaLand China Trust	9,060,400	9,241,608	1.52
CapitaLand Integrated Commercial Trust	5,206,205	9,943,852	1.63
Digital Core REIT Management Pte Limited	12,568,700	8,079,648	1.33
Fraser's Centrepont Trust	2,709,000	5,932,710	0.97
Fraser's Logistics & Commercial Trust	7,515,240	9,394,050	1.55
Keppel DC REIT	5,026,500	10,857,240	1.78
Lendlease Global Commercial REIT	9,544,518	6,299,382	1.03
Mapletree Pan Asia Commercial Trust	6,244,400	10,115,928	1.66
<b>Total SINGAPORE</b>		<b>85,734,701</b>	<b>14.07</b>
<b>Total Quoted Real Estate Investment Trusts</b>		<b>90,433,305</b>	<b>14.84</b>
<b>Quoted Derivative</b>			
<b>SINGAPORE</b>			
CapitaLand India Trust Rights 31/12/2049	653,429	52,275	0.01
<b>Total SINGAPORE</b>		<b>52,275</b>	<b>0.01</b>
<b>Total Quoted Derivative</b>		<b>52,275</b>	<b>0.01</b>
<b>Portfolio of investments</b>		<b>572,863,360</b>	<b>94.06</b>
<b>Other net assets</b>		<b>36,146,922</b>	<b>5.94</b>
<b>Net assets attributable to unitholders</b>		<b>609,010,282</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

	<b>Singapore Dividend Equity Fund</b>	
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022</b>
	<b>%</b>	<b>%</b>
<b>Quoted Equities</b>		
China	2.57	1.34
Hong Kong SAR	3.63	3.68
Malaysia	-	1.08
Singapore	66.01	68.04
Thailand	1.75	2.03
<b>Total Quoted Equities</b>	<b>73.96</b>	<b>76.17</b>
<b>Quoted Investment Funds</b>		
Singapore	5.25	3.43
<b>Total Quoted Investment Funds</b>	<b>5.25</b>	<b>3.43</b>
<b>Quoted Real Estate Investment Trusts</b>		
Hong Kong SAR	-	2.02
Philippines	0.77	0.78
Singapore	14.07	13.45
<b>Total Quoted Real Estate Investment Trusts</b>	<b>14.84</b>	<b>16.25</b>
<b>Quoted Derivative</b>		
Singapore	0.01	-
<b>Total Derivative</b>	<b>0.01</b>	<b>-</b>
<b>Portfolio of investments</b>	<b>94.06</b>	<b>95.85</b>
<b>Other net assets</b>	<b>5.94</b>	<b>4.15</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

Singapore Dividend Equity Fund			
By Industry (Secondary)	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Aerospace/Defense	15,118,544	2.48	2.60
Agriculture	20,153,072	3.31	6.77
Banks	153,297,187	25.18	27.15
Beverages	10,640,100	1.75	2.03
Computers	4,118,915	0.68	0.68
Diversified Financial Services	10,183,717	1.67	1.79
Electric	58,778,248	9.65	7.10
Electrical Component & Equipment	-	-	1.08
Electronics	9,949,844	1.63	1.53
Engineering and Construction	43,808,884	7.19	8.86
Entertainment	18,057,682	2.97	1.04
Food	542,767	0.09	0.21
Holding Companies-Diversified	17,685,104	2.90	2.71
Insurance	-	-	0.75
Iron/Steel	2,874,630	0.47	0.60
Oil and Gas Services	21,488,836	3.53	-
Pharmaceuticals	1,120,112	0.18	0.25
Private Equity	26,189,051	4.30	4.10
Real Estate	10,714,432	1.76	1.99
Real Estate Investment Trusts (REITS)	90,433,305	14.84	16.25
Retail	16,241,160	2.67	2.96
Semiconductors	9,753,272	1.60	1.80
Shipbuilding	15,090,900	2.48	1.12
Telecommunications	12,613,243	2.07	1.61
Transportation	4,010,355	0.66	0.87
<b>Portfolio of investments</b>	<b>572,863,360</b>	<b>94.06</b>	<b>95.85</b>
<b>Other net assets</b>	<b>36,146,922</b>	<b>5.94</b>	<b>4.15</b>
<b>Net assets attributable to unitholders</b>	<b>609,010,282</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 30 June 2023 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Fixed Income Securities</b>			
<b>AUSTRALIA</b>			
Westpac Banking Corporation 4.65% due 07/09/2032	500,000	500,166	2.61
<b>Total AUSTRALIA</b>		<b>500,166</b>	<b>2.61</b>
<b>BRITAIN</b>			
HSBC Holdings Public Listed Company 4.5% due 07/06/2029	500,000	500,151	2.61
HSBC Holdings Public Listed Company 5.3% due 14/03/2033	500,000	511,530	2.67
<b>Total BRITAIN</b>		<b>1,011,681</b>	<b>5.28</b>
<b>BRITISH VIRGIN ISLANDS</b>			
Huarong Finance 2017 Company Limited 3.8% due 07/11/2025	250,000	218,540	1.14
Panther Ventures Limited 3.38% due 30/03/2171	500,000	353,661	1.85
<b>Total BRITISH VIRGIN ISLANDS</b>		<b>572,201</b>	<b>2.99</b>
<b>CANADA</b>			
Manulife Financial Corporation 3% due 21/11/2029	250,000	241,453	1.26
<b>Total CANADA</b>		<b>241,453</b>	<b>1.26</b>
<b>GERMANY</b>			
Commerzbank AG 4.2% due 18/09/2028	250,000	242,685	1.27
Commerzbank AG 5.7% due 03/05/2033	250,000	247,884	1.29
<b>Total GERMANY</b>		<b>490,569</b>	<b>2.56</b>
<b>SINGAPORE</b>			
ESR-Logos REIT 5.5% due 09/12/2170	500,000	461,485	2.41
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	244,645	1.27
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	486,791	2.54
Keppel Corporation Limited 2.9% due 16/03/2170	500,000	462,138	2.41
Mapletree Industrial Trust 3.15% due 31/12/2061	500,000	477,743	2.49
Mapletree Logistics Trust 5.2074% due 31/12/2049	500,000	498,033	2.60
Mapletree North Asia Commercial Trust 3.5% due 31/12/2061	250,000	228,988	1.20
OUE CT Treasury Private Limited 4% due 24/06/2025	500,000	491,213	2.56
Singapore Government Bond 1.625% due 01/07/2031	1,120,000	1,006,320	5.25
Singapore Government Bond 1.875% due 01/03/2050	1,130,000	997,790	5.21
Singapore Government Bond 1.875% due 01/10/2051	800,000	718,024	3.75
Singapore Government Bond 2.25% due 01/08/2036	1,250,000	1,153,125	6.02
Singapore Government Bond 2.375% due 01/07/2039	800,000	760,888	3.97
Singapore Government Bond 2.625% due 01/05/2028	350,000	342,668	1.79
Singapore Government Bond 2.625% due 01/08/2032	1,400,000	1,353,107	7.06
Singapore Government Bond 2.75% due 01/03/2046	1,000,000	1,037,500	5.42
Singapore Government Bond 2.75% due 01/04/2042	1,040,000	1,071,216	5.59
Singapore Government Bond 2.875% due 01/07/2029	100,000	98,750	0.52
Singapore Government Bond 2.875% due 01/09/2027	250,000	247,325	1.29
Singapore Government Bond 2.875% due 01/09/2030	1,900,000	1,874,350	9.78
Singapore Government Bond 3% due 01/08/2072	430,000	505,035	2.64
Singapore Government Bond 3.375% due 01/09/2033	1,106,000	1,136,415	5.93

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>SINGAPORE (continued)</b>			
Starhub Limited 3.55% due 08/06/2026	500,000	491,876	2.57
<b>Total SINGAPORE</b>		<b>16,145,425</b>	<b>84.27</b>
<b>Accrued interest receivable on quoted fixed income securities</b>		<b>142,959</b>	<b>0.75</b>
<b>Total Quoted Fixed Income Securities</b>		<b>19,104,454</b>	<b>99.72</b>
<b>Portfolio of investments</b>		<b>19,104,454</b>	<b>99.72</b>
<b>Other net assets</b>		<b>53,496</b>	<b>0.28</b>
<b>Net assets attributable to unitholders</b>		<b>19,157,950</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

**Horizon Singapore Fixed Income Enhanced Fund**

**By Geography (Summary)**

	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
<b>Quoted Fixed Income Securities</b>		
Australia	<b>2.61</b>	3.39
Britain	<b>5.28</b>	1.16
British Virgin Islands	<b>2.99</b>	0.73
Canada	<b>1.26</b>	1.09
Germany	<b>2.56</b>	1.09
Malaysia	-	2.27
Singapore	<b>84.27</b>	85.20
South Korea	-	2.25
Accrued Interest receivable on quoted fixed income securities	<b>0.75</b>	0.77
<b>Total Quoted Fixed Income Securities</b>	<b>99.72</b>	97.95
 <b>Portfolio of investments</b>	 <b>99.72</b>	 97.95
<b>Other net assets</b>	<b>0.28</b>	2.05
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2023 (unaudited)*

<b>Horizon Singapore Fixed Income Enhanced Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 30 June 2023 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
Airlines	-	-	1.08
Banks	2,002,416	10.45	9.71
Diversified Financial Services	-	-	2.27
Engineering and Construction	462,138	2.41	3.12
Food	244,645	1.28	1.08
Insurance	241,453	1.26	1.09
Investment Companies	218,540	1.14	2.25
Iron/Steel	-	-	2.27
Real Estate	2,997,914	15.65	0.73
Real Estate Investment Trusts (REITS)	-	-	7.30
Sovereign	12,302,513	64.21	66.28
Telecommunications	491,876	2.57	-
Accrued interest receivable on quoted fixed income securities	142,959	0.75	0.77
<b>Portfolio of investments</b>	<b>19,104,454</b>	<b>99.72</b>	<b>97.95</b>
<b>Other net assets</b>	<b>53,496</b>	<b>0.28</b>	<b>2.05</b>
<b>Net assets attributable to unitholders</b>	<b>19,157,950</b>	<b>100.00</b>	<b>100.00</b>



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

The following contains additional information relating to the Sub-Funds.

**1. Distribution of investments**

Please refer to the Statements of Portfolio on pages 20 to 38.

**2. Credit rating of debt securities**

**Nikko AM Multi Sector Credit Fund**

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
A2	404,423	2.25
B1	967,196	5.38
B2	703,974	3.92
B3	424,682	2.36
Ba1	1,455,206	8.10
Ba1 *+	253,026	1.41
Ba2	1,458,511	8.12
Ba3	745,898	4.15
Ba3u	250,315	1.39
Baa1	1,307,593	7.28
Baa2	1,925,947	10.72
Baa3	4,302,894	23.95
Baa3 *+	133,116	0.74
Caa1	126,807	0.71
Not rated	2,990,465	16.65
Accrued interest receivable on quoted fixed income securities	230,285	1.28
<b>Total</b>	<b>17,680,338</b>	<b>98.41</b>

**Horizon Singapore Fixed Income Enhanced Fund**

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
A2	353,661	1.85
A3	500,151	2.61
Aaa*	12,302,513	64.21
Ba1	218,540	1.14
Baa1	1,011,696	5.28
Baa3	490,569	2.56
Not rated	4,084,365	21.32
Accrued interest receivable on quoted fixed income securities	142,959	0.75
<b>Total</b>	<b>19,104,454</b>	<b>99.72</b>

\* The balance includes securities that are issued by government agencies of governments that have a Aaa rating as rated by Moody's.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**3. Top 10 holdings**

**Nikko AM Global Dividend Equity Fund**

**10 largest holdings at 30 June 2023**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,745,249	5.50
Nestle SA	2,608,221	5.23
Worley Limited	2,046,847	4.10
AbbVie Incorporated	1,903,560	3.81
Compass Group Public Listed Company	1,828,710	3.66
Roche Holding AG	1,815,002	3.63
DBS Group Holdings Limited	1,806,763	3.62
Diageo Public Listed Company	1,713,660	3.43
Schneider Electric SE	1,650,634	3.31
Philip Morris International Incorporated	1,589,742	3.19

**10 largest holdings at 30 June 2022**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,947,040	5.74
Nestle SA	2,592,697	5.05
AbbVie Incorporated	2,228,077	4.34
Pfizer Incorporated	2,038,785	3.97
Roche Holding AG	2,028,979	3.96
Compass Group Public Listed Company	1,677,292	3.27
Philip Morris International Incorporated	1,652,194	3.22
Diageo Public Listed Company	1,580,923	3.08
Taiwan Semiconductor Manufacturing Company Limited	1,552,861	3.03
Worley Limited	1,530,572	2.98

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**3. Top 10 holdings (continued)**

**Nikko AM Multi Sector Credit Fund**

**10 largest holdings at 30 June 2023**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Tikehau CLO II BV 6.893% due 07/09/2035	665,311	3.70
St Paul's CLO VIII DAC 5.627% due 17/07/2030	664,777	3.70
Neuberger Berman Loan Advisers CLO 26 Limited 7.91171% due 18/10/2030	642,990	3.58
Madison Park Funding XXVII Limited 7.85043% due 20/04/2030	641,496	3.57
Barings CLO Limited 2020-I 8.46029% due 15/10/2036	641,019	3.57
Sculptor European CLO I DAC 6.675% due 18/04/2034	541,272	3.01
British Telecommunications Public Listed Company 8.375% due 20/12/2083	338,808	1.89
Greywolf CLO VI Limited 8.27803% due 26/04/2031	314,571	1.75
Abanca Corporacion Bancaria SA 5.25% due 14/09/2028	290,117	1.61
Teva Pharmaceutical Finance Netherlands III BV 7.875% due 15/09/2029	279,393	1.56

**10 largest holdings at 30 June 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Barings CLO Limited 2020-I 4.24429% due 15/10/2036	651,644	3.65
Neuberger Berman Loan Advisers CLO 26 Limited 3.69429% due 18/10/2030	650,741	3.65
St. Paul's CLO VIII DAC 2.45% due 17/01/2030	648,959	3.64
Madison Park Funding XXVII Limited 3.66271% due 20/04/2030	647,686	3.63
Tikehau CLO II DAC 3.4% due 07/09/2035	643,421	3.60
Sculptor European CLO I DAC 3.5% due 18/04/2034	507,917	2.85
United States Treasury Bill 0% due 23/03/2023	362,378	2.03
Greywolf CLO VI Limited 4.16371% due 26/04/2031	323,570	1.81
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	308,012	1.73
CMHI Finance BVI Company Limited 5% due 06/08/2028	290,952	1.63

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**3. Top 10 holdings (continued)**

**Singapore Dividend Equity Fund**

**10 largest holdings at 30 June 2023**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	51,906,076	8.52
United Overseas Bank Limited	51,474,360	8.45
Oversea-Chinese Banking Corporation Limited	49,916,751	8.20
Sembcorp Industries Limited	39,079,875	6.42
Keppel Corporation Limited	35,389,882	5.81
CapitaLand Investment Limited	26,189,051	4.30
Seatrium Limited	21,488,836	3.53
Keppel Infrastructure Trust	19,698,373	3.23
Genting Singapore Limited	18,057,682	2.97
Jardine Matheson Holdings Limited	17,685,104	2.91

**10 largest holdings at 30 June 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	41,091,634	8.80
Oversea-Chinese Banking Corporation Limited	39,221,260	8.40
United Overseas Bank Limited	34,914,338	7.48
Keppel Corporation Limited	32,452,596	6.95
CapitaLand Investment Limited	23,399,028	5.01
Sembcorp Industries Limited	22,408,980	4.80
Singapore Technologies Engineering Limited	16,761,864	3.59
Wilmar International Limited	16,760,344	3.59
Singapore Exchange Limited	13,697,134	2.93
Jardine Cycle & Carriage Limited	13,652,754	2.92

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**3. Top 10 holdings (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

**10 largest holdings at 30 June 2023**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.875% due 01/09/2030	1,874,350	9.78
Singapore Government Bond 2.625% due 01/08/2032	1,353,107	7.06
Singapore Government Bond 2.25% due 01/08/2036	1,153,125	6.02
Singapore Government Bond 3.375% due 01/09/2033	1,136,415	5.93
Singapore Government Bond 2.75% due 01/04/2042	1,071,216	5.59
Singapore Government Bond 2.75% due 01/03/2046	1,037,500	5.42
Singapore Government Bond 1.625% due 01/07/2031	1,006,320	5.25
Singapore Government Bond 1.875% due 01/03/2050	997,790	5.21
Singapore Government Bond 2.375% due 01/07/2039	760,888	3.97
Singapore Government Bond 1.875% due 01/10/2051	718,024	3.75

**10 largest holdings at 30 June 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.25% due 01/08/2036	1,994,300	9.15
Singapore Government Bond 2.75% due 01/04/2042	1,293,280	5.94
Singapore Government Bond 2.75% due 01/03/2046	1,219,400	5.60
Singapore Government Bond 1.625% due 01/07/2031	1,046,565	4.80
Singapore Government Bond 2.875% due 01/09/2030	845,750	3.88
Sembcorp Financial Services Private Limited 3.735% due 20/04/2029	744,053	3.42
Mapletree Industrial Trust 3.15% due 31/12/2061	720,064	3.31
Keppel Corporation Limited 2.9% due 16/03/2170	706,889	3.24
Frasers Property AHL Limited 3% due 09/10/2028	700,379	3.21
Singapore Government Bond 2.375% due 01/07/2039	543,000	2.49

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**4. Exposure to financial derivatives**

**Nikko AM Global Dividend Equity Fund**

	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\$
Forward foreign exchange contracts	(472,766)	(0.95)	(472,766)	(226,473)

**Nikko AM Multi Sector Credit Fund**

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	-	-	-	20

**Singapore Dividend Equity Fund**

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Rights	52,275	0.01	(7,939)	-

**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:

- the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- the sum of the values of cash collateral received pursuant to:
  - the reduction of exposure to counterparties of OTC financial derivatives; and
  - EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS***(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2023 to 30 June 2023 (unaudited)***6. Collateral**

Nil.

**7. Securities lending or repurchase transactions**

Nil.

**8. Investment in unit trusts, mutual funds and collective investment schemes****Nikko AM Global Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 20 to 24.

**Singapore Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 31 to 34.

**9. Borrowings**

Nil.

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

	<b>Nikko AM Global Dividend Equity Fund US\$</b>	<b>Nikko AM Multi Sector Credit Fund S\$</b>
Units created	953,452	163,727
Units cancelled	(3,861,782)	(252,147)
	<b>Singapore Dividend Equity Fund S\$</b>	<b>Horizon Singapore Fixed Income Enhanced Fund S\$</b>
Units created	135,563,428	2,246,996
Units cancelled	(62,344,011)	(5,366,896)

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**11. Turnover ratio**

**Nikko AM Global Dividend Equity Fund**

		<b>30 June 2023</b>	<b>30 June 2022</b>
Lower of total value of purchases or sales	US\$	<b>2,936,023</b>	6,744,062
Average daily net asset value	US\$	<b>52,034,443</b>	56,460,596
<b>Total turnover ratio<sup>1</sup></b>	%	<b>5.64</b>	11.94

**Nikko AM Multi Sector Credit Fund**

		<b>30 June 2023</b>	<b>30 June 2022</b>
Lower of total value of purchases or sales	S\$	<b>3,818,874</b>	20,120,273
Average daily net asset value	S\$	<b>17,526,813</b>	19,681,662
<b>Total turnover ratio<sup>1</sup></b>	%	<b>21.79</b>	102.23

**Singapore Dividend Equity Fund**

		<b>30 June 2023</b>	<b>30 June 2022</b>
Lower of total value of purchases or sales	S\$	<b>60,541,008</b>	47,050,939
Average daily net asset value	S\$	<b>565,675,258</b>	460,330,627
<b>Total turnover ratio<sup>1</sup></b>	%	<b>10.70</b>	10.22

**Horizon Singapore Fixed Income Enhanced Fund**

		<b>30 June 2023</b>	<b>30 June 2022</b>
Lower of total value of purchases or sales	S\$	<b>11,077,393</b>	14,692,513
Average daily net asset value	S\$	<b>20,024,287</b>	22,935,789
<b>Total turnover ratio<sup>1</sup></b>	%	<b>55.32</b>	64.06

<sup>1</sup> 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 HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**12. Expense ratio**

**Nikko AM Global Dividend Equity Fund**

**SGD Hedged (Acc) Class** **30 June 2023** **30 June 2022**

Total operating expenses	US\$	<b>684,001</b>	894,359
Average daily net asset value	US\$	<b>39,504,393</b>	53,074,837
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.73</b>	1.69

**SGD Hedged (Dist) Class** **30 June 2023** **30 June 2022**

Total operating expenses	US\$	<b>192,483</b>	163,417
Average daily net asset value	US\$	<b>11,122,820</b>	9,707,129
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.73</b>	1.68

**USD (Acc) Class** **30 June 2023** **30 June 2022**

Total operating expenses	US\$	<b>7,057</b>	8,357
Average daily net asset value	US\$	<b>407,646</b>	498,294
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.73</b>	1.68

**CNH Hedged (Dist) Class** **30 June 2023** **30 June 2022**

Total operating expenses	US\$	<b>3,917</b>	2,672
Average daily net asset value	US\$	<b>225,045</b>	161,458
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.74</b>	1.65

**Nikko AM Multi Sector Credit Fund**

**SGD (Acc) Class** **30 June 2023** **30 June 2022**

Total operating expenses	S\$	<b>270,437</b>	281,678
Average daily net asset value	S\$	<b>17,558,753</b>	22,861,129
<b>Total expense ratio<sup>2</sup> (including Underlying Fund's expense ratio)</b>	%	<b>1.54</b>	1.73
Weighted average of the underlying fund's unaudited expense ratio	%	-	0.50

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**12. Expense ratio (continued)**

**Singapore Dividend Equity Fund**

<b>SGD class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>7,290,108</b>	5,868,702
Average daily net asset value	S\$	<b>506,381,609</b>	412,476,403
<b>Total expense ratio<sup>2</sup></b>	<b>%</b>	<b>1.44</b>	1.42

<b>SGD (Acc) Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>3,014</b>	-
Average daily net asset value	S\$	<b>223,465</b>	-
<b>Total expense ratio<sup>2</sup> (annualised)</b>	<b>%</b>	<b>1.43</b>	-

<b>USD Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>160,637</b>	148,083
Average daily net asset value	S\$	<b>11,160,638</b>	10,410,326
<b>Total expense ratio<sup>2</sup></b>	<b>%</b>	<b>1.44</b>	1.42

<b>USD (Acc) Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>17</b>	-
Average daily net asset value	S\$	<b>1,409</b>	-
<b>Total expense ratio<sup>2</sup> (annualised)</b>	<b>%</b>	<b>1.28</b>	-

<b>JPY Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>14,143</b>	10,734
Average daily net asset value	S\$	<b>2,756,590</b>	1,934,117
<b>Total expense ratio<sup>2,3</sup> (annualised)</b>	<b>%</b>	<b>0.55</b>	0.55

<b>MYR Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>213,626</b>	129,464
Average daily net asset value	S\$	<b>14,839,503</b>	9,088,545
<b>Total expense ratio<sup>2</sup></b>	<b>%</b>	<b>1.44</b>	1.42

<b>MYR (Acc) Class</b>		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>406</b>	-
Average daily net asset value	S\$	<b>30,072</b>	-
<b>Total expense ratio<sup>2</sup> (annualised)</b>	<b>%</b>	<b>1.43</b>	-

<sup>3</sup> The JPY Class was fully redeemed on 6 June 2023.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

**12. Expense ratio (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

		<b>30 June 2023</b>	<b>30 June 2022</b>
Total operating expenses	S\$	<b>265,606</b>	305,416
Average daily net asset value	S\$	<b>20,810,791</b>	24,001,447
<b>Total expense ratio<sup>2</sup></b>	<b>%</b>	<b>1.28</b>	1.27

<sup>2</sup> 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 Sub-Funds do not pay any performance fee. The average net asset value is based on the daily balances.

**13. Related party transactions**

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

Management fee is payable to the Manager. Trustee fee is payable to the Trustee. Custody and valuation fee are payable to a related company of the Trustee, 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.

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 Sub-Funds and a related party at terms agreed between the parties and within the provisions of the Deed.

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances held with related party of the Trustee	<b>298,665</b>	1,535,421	<b>357,966</b>	163,677

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances held with related party of the Trustee	<b>34,630,813</b>	26,265,615	<b>100,753</b>	499,255

## **NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**

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

### **REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2023 to 30 June 2023 (unaudited)*

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**14. Any other material information that will adversely impact the valuation of the Sub-Funds**

Nil.

**15. Soft dollar commissions/arrangements**

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

The Sub-Managers, Nikko Asset Management Europe Ltd, do not receive or intend to receive any soft dollars in their management of the Nikko AM Global Dividend Equity Fund and the Nikko AM Multi Sector Credit Fund. Nikko Asset Management Americas, Inc also does not receive or intend to receive soft dollars in respect of the global equities trading that it carries out for the Nikko AM Global Dividend Equity Fund.











# ANNUAL REPORT

For the financial year ended 31 December 2022

## Nikko AM Shenton Horizon Investment Funds

Nikko AM Multi Sector Credit Fund  
Horizon Singapore Fixed Income Enhanced Fund  
Nikko AM Global Dividend Equity Fund  
Singapore Dividend Equity Fund

**MANAGERS**

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

**DIRECTORS OF THE MANAGERS**

Kiyotaka Ryu  
Seet Oon Hui Eleanor  
Hiroki Tsujimura

**TRUSTEE & REGISTRAR**

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

**AUDITORS**

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

**CUSTODIAN**

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

This report is also available on our website ([www.nikkoam.com.sg](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-0.34	-1.86	-14.37	-3.58	-1.14	0.46	1.68
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	13.94	2.91	-12.99	3.32	2.63	6.41	1.80
Horizon Singapore Fixed Income Enhanced Fund	4.02	1.06	-5.45	-1.17	0.44	0.94	1.83
Markit iBoxx ALBI Singapore Government Bond Index	5.58	2.93	-4.93	-0.81	0.89	1.26	2.24
Singapore Dividend Equity Fund - SGD Class	1.27	1.01	2.73	2.28	1.79	4.19	3.94

Source: Nikko Asset Management Asia Limited & Markit Indices 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-5.32	-6.77	-18.65	-5.22	-2.15	-0.05	1.46
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	8.25	-2.23	-17.34	1.57	1.58	5.86	1.58
Horizon Singapore Fixed Income Enhanced Fund	-1.18	-3.99	-10.17	-2.85	-0.59	0.43	1.60
Markit iBoxx ALBI Singapore Government Bond Index	5.58	2.93	-4.93	-0.81	0.89	1.26	2.24
Singapore Dividend Equity Fund - SGD Class	-3.79	-4.04	-2.40	0.55	0.75	3.66	3.71

Source: Nikko Asset Management Asia Limited & Markit Indices 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	14.55	3.84	-12.06	4.07	3.22	5.92	3.16
Singapore Dividend Equity Fund - USD Class	8.37	4.78	3.33	2.35	1.71	3.22	5.15

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	8.82	-1.35	-16.45	2.30	2.16	5.38	2.93
Singapore Dividend Equity Fund - USD Class	2.95	-0.46	-1.83	0.62	0.67	2.69	4.92

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: 2 August 1999**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - JPY Class	-1.01	2.20	19.32	10.16	5.94	N/A	7.24

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, JPY, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - JPY Class	-5.96	-2.91	13.36	8.30	4.86	N/A	6.66

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, JPY, 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: 1 July 2013**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	2.89	4.73	9.30	4.91	3.46	N/A	7.42

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, MYR, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	-2.26	-0.51	3.83	3.13	2.41	N/A	6.61

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, MYR, 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: 29 March 2016**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	13.81	3.00	-12.92	3.28	2.64	N/A	3.94

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	8.12	-2.15	-17.27	1.53	1.60	N/A	3.34

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: 17 March 2014**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	13.45	2.93	-11.88	5.55	3.58	N/A	4.53

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, CNH, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	7.78	-2.22	-16.29	3.76	2.52	N/A	3.92

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, CNH, 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: 1 April 2014**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - SGD (Acc) Class	1.32	N/A	N/A	N/A	N/A	N/A	0.10

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - SGD (Acc) Class	-3.75	N/A	N/A	N/A	N/A	N/A	-4.91

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - USD (Acc) Class	8.46	N/A	N/A	N/A	N/A	N/A	3.90

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - USD (Acc) Class	3.03	N/A	N/A	N/A	N/A	N/A	-1.30

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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR (Acc) Class	3.21	N/A	N/A	N/A	N/A	N/A	3.00

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, MYR, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR (Acc) Class	-1.95	N/A	N/A	N/A	N/A	N/A	-2.15

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, MYR, 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: 21 July 2022**

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**Note:**

- (1) With effect from 17 October 2011, the umbrella unit trust (formerly known as “Horizon Investment Funds”) has been renamed Nikko AM Shenton Horizon Investment Funds.
- (2) With effect from 20 February 2012, Horizon Singapore Equity Fund has been renamed Singapore Dividend Equity Fund.
- (3) With effect from 16 December 2013, Horizon Global Equity Fund was reshaped to Nikko AM Global Dividend Equity Fund.
- (4) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.
- (5) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
- (6) With effect from 28 October 2015, the appointment of Russell Investment Group Private Limited as the investment adviser for the Horizon Global Bond Fund (S\$ Hedged); Horizon European Equity Fund; Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund was terminated.
- (7) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
- (8) With effect from 1 December 2016, the appointment of Kleinwort Benson Investors Dublin Ltd (“Kleinwort Benson”) as the sub-managers for the Nikko AM Global Dividend Equity Fund was terminated and Nikko Asset Management Europe Ltd (“NAM Europe”) has been appointed as the sub-managers for the Nikko AM Global Dividend Equity Fund.
- (9) With effect from 31 March 2022, the fund name has been changed from “Horizon Global Bond Fund (S\$ Hedged)” to “Nikko AM Multi Sector Credit Fund”. The existing SGD Class and USD Class of the Fund has been re-designated to “SGD (Acc) Class” and “USD Hedged (Acc) Class” respectively.

With effect from 31 March 2022, the benchmark for Nikko AM Multi Sector Credit Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. With effect from 24 August 2021, the benchmark for Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Global Aggregate Index Total Return Index SGD Hedged. With effect from August 2016, the benchmark for the Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Barclays Global Aggregate Total Return Index SGD Hedged. With effect from November 2008, it was renamed as Barclays Capital (“Barcap”) Global Aggregate Index, S\$ Hedged. Prior to November 2008, it was known as Lehman Brothers’ Global Aggregate (SGD Hedged) Index.

With effect from 1 December 2016, the benchmark for the Nikko AM Global Dividend Equity Fund (i.e. MSCI All Country World Index, USD base) has been removed and there will be no benchmark for this Fund. This is because pursuant to the investment objective of the Fund, the Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 16 December 2013, the reference benchmark was a composite of Russell 1000® Net 30% Index; FTSE All Share Index; TOPIX Dividend Included Index; Russell Developed Europe ex-UK Large Cap Index (net); and Russell Asia Pacific ex Japan (All cap) Index, according to their regional weights from time to time.

With effect from 1 June 2017, the benchmark for the Horizon Singapore Fixed Income Enhanced Fund was changed to Markit iBoxx ALBI Singapore Government Bond Index. Prior to 1 June 2017, the benchmark was UOB Singapore Government Bond All Index. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

With effect from 1 November 2017, the benchmark for the Singapore Dividend Equity Fund (i.e. Straits Times Index) was removed and there will no longer be any benchmark for the Fund. This is because pursuant to the investment objective of this Fund, this Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 1 July 2001, the benchmark was DBS 50 Index.

With effect from 31 March 2022, the Fund no longer invested in the shares of the Russell Investments Global Bond Fund (the “Underlying Fund”) and the appointment of Carne Global Fund Managers (Ireland) Limited (“Carne”) has been terminated. With effect from 1 October 2021, the current appointment of Russell Investments Ireland Limited, as the manager of the Russell Investment Company plc (“RIC”) has been terminated and Carne has been appointed as the manager of the RIC. Carne was incorporated on 10 November 2003 under the laws

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of Ireland as a limited liability company and has been managing collective investment schemes or discretionary funds worldwide since 2004. The financial supervisory authority of Carne is the Central Bank of Ireland. The Horizon Global Bond Fund (S\$ Hedged) invests all or substantially all of its assets in the shares of the Underlying Fund, a sub-fund within the RIC.

The Markit iBoxx ALBI Singapore Government Bond Index referenced herein is the property of Markit Indices Limited and is used under license. The Horizon Singapore Fixed Income Enhanced Fund - SGD Class is not sponsored, endorsed, or promoted by Markit Indices Limited.

### **Nikko AM Global Dividend Equity Fund**

#### **Portfolio Review**

##### ***Fund returned -12.99% in SGD hedged terms in 2022***

For the year ended 31 December 2022, the Nikko AM Global Dividend Equity Fund (the "Fund") posted a return of -12.99% (SGD hedged terms, on a NAV-NAV basis).

The main contributors to performance in 2022 included Deere & Co, Progressive, Coca Cola, AbbVie and Intact Financial. Commodity price inflation has been fairly widespread at periods during 2022, with the flow of global commodities jeopardised by Russia's invasion of Ukraine. Crop prices were caught up in this during the first half (1H) and rose again towards year end, on adverse growing conditions in several regions. Higher crop prices tend to lead farmers to spend more on productivity boosting equipment and this has been good for demand for Deere & Co. Progressive has continued to deliver stronger-than-expected earnings for much of the year and has outperformed as a result. The combination of strong investment income and good margin performance/combined ratio control in its auto insurance business have been notable highlights over the year. Fears over the impact of cost inflation dominated the first part of this year and companies that could withstand this profit margin pressure tended to outperform. Coca Cola was a good example, as the company delivered strong price increases (to offset cost inflation), without leading to a fall in demand. "Big Pharma" has been another sector to benefit from the demand for relative safe havens during 2022. AbbVie has outperformed as a result, even as the company brace for a gradual loss of patent protection at its most profitable drug (Humira). Intact Financial was very strong in 1H as the Canadian insurer's investment income was boosted by rising bond yields. The tightness of the Canadian auto insurance market also allowed them to grow profits even as auto claim frequency increased (post COVID-related travel restrictions) and the cost of settling claims increased (thanks to cost inflation).

Conversely, Accenture, TSMC, Philips, Microsoft and Schneider Electric were among the key detractors from performance. Accenture and Microsoft have both underperformed this year, as investors have taken profits in the Information Technology sector, with rising bond yields (and discount rates) weighing on the sector's valuation. This multiple compression also contributed to the weakness in TSMC last year (not helped by rising geopolitical tensions between the US and China over the continued independence of Taiwan). There were also some concerns that economic softness (particularly in the PC market) would expose excess inventories in the semiconductor market. This inventory issue now needs to work its way through. Importantly, TSMC is at the better end of this downgrade cycle than peers, given its lower commodity exposure relative to the likes of Micron. Philips has underperformed thanks to a combination of negative news headlines regarding their CPAP product recall (which the company initiated in 2021) and patchy earnings delivery (as the company's supply chain has struggled more than most to cope with the dislocation caused by COVID). Although Schneider Electric outperformed in the fourth quarter (following better-than-expected financial results) and continues to enjoy several structural growth drivers, the stock underperformed over the course of the year on concerns regarding the strength of the global economy and what that would mean for demand for Schneider. The news that the company was considering buying the 41% minority holding in AVEVA that it does not already own, also weighed on the shares for a time. This idea may offer an attractive financial return and would be easily affordable from a balance sheet perspective. However, it has created confusion for investors as it is in stark contrast with prior messaging from management.



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## **Market Review**

### ***Global equities took a hit in 2022***

After rising in 2021, equity markets fell in 2022, with the MSCI High Dividend Yield declining 7.5%. The Fund's negative performance was driven by negative stock selection within the healthcare and utilities sectors. Our exposure to Philips and our underweight position in pharmaceuticals were particularly punishing this year, within healthcare. These more than offset positive stock selection in communication services, consumer discretionary and financials.

Inflation (and the potential monetary policy response to it) has continued to be the dominant issue for equity markets throughout the review period. Geopolitics, supply chain dislocation and the lagged impact of central bank largesse during COVID exacerbated existing supply side challenges to stoke price inflation across a number of commodities during the year. With labour markets in the US remaining tight, these cost pressures have begun to feed through into higher wage increases, increasing the US Federal Reserve's (Fed) fears of a potentially inflationary spiral.

As a result, the Fed has continued to hike interest rates significantly over the course of the review period, with the Fed Funds Target Rate reaching 4.5% by December 2022 (having been as low as 0.25% at the start of the year). Bond yields spiked in sympathy, with the yield on the much-watched US 10-year bond peaking at 4.2% in October. With discount rates rising sharply, valuation multiples have contracted significantly and are now generally more in line with historical averages. Earnings delivery remains critical, however, if these valuations are to be proven real.

Geopolitical risk rose significantly and contributed meaningfully to rising bond yields and a generally "risk-off" tone in equity markets. Russia's invasion of Ukraine in February saw Russian energy supplies quickly become a weapon of war for Russia, with supplies of gas and oil to Europe radically scaled back (even before European Governments felt confident enough in alternative suppliers to start voluntarily reducing their reliance upon Russian imports).

With the unthinkable now very much thinkable, other longstanding potential sources of tension were also reassessed, in particular, China's attitude towards Taiwan (on whose semiconductors much of the global economy continues to rely on). The breakdown in relations between Saudi Arabia and the US was also highlighted by OPEC's decision not to meaningfully increase production rates as Russian oil supplies to the West fell. The US responded by significantly drawing down its Strategic Petroleum Reserve to shield consumers from the rapid energy cost inflation already confronting consumers in Europe and the UK (even with heavy government subsidies).

Against this volatile backdrop, it is probably not surprising that relatively defensive sectors, such as healthcare, consumer staples and real estate have outperformed this year. By way of contrast, the sharpest falls were being observed in the sectors that had provided market leadership in the days of abundant liquidity and an artificially low cost of capital. Communication services (particularly digital media), consumer discretionary and information technology all underperformed significantly hinting at a potential change in equity market leadership that will likely persist as long as policy rates remain elevated.

Overall, 2022 was very much the mirror image of the previous year in many ways. Sectors with the highest investor positioning at the start of the year and the most extended valuations did particularly poorly. As we emerge from 2022's bear market, it is worth looking to the past, to see if it can yield any useful lessons. History tells us that it is extremely unusual for the leading sectors heading into a bear market to resume that leadership once it is over. We continue to believe that the cost of capital will remain elevated for some time yet and that investors will continue to gravitate towards what they need in such an uncertain world (including energy security and affordable healthcare), rather than what they felt that they needed during the days of limitless liquidity.

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## **Market Outlook and Strategy**

### ***Cautious positioning warranted as market confidence remains fragile***

Scotland has a lot of mountains and hills for a reasonably small country (almost 1,000 of them). They are not always very welcoming at this time of year but offer fantastic views when the weather improves.

It feels like equity investors have just come off the summit of one mountain (formed during the days of quantitative easing) and are eyeing up the next (if/when any Fed-induced US recession has passed). The problem is that the weather is currently poor, and visibility is not great. This matters when assessing the depth of the drop between the two summits. In equity parlance, how great might the earnings downgrades be? And what does this mean for where share prices trough?

At the risk of straining this analogy too far, there is probably still a narrow pass threading its way between the two summits (also known as a soft landing), but the chances of Fed policy delivering us to this seem to be dimming and investors are questioning the abilities of their mountain guide.

There is an ongoing tussle between credit markets and the narrative consistently espoused by the Fed. The US central bank is adamant that it will need to see services inflation cool (as goods inflation already has) and some slack in labour markets before changing tack, but credit markets seem unconvinced, seemingly of the view that enough has been done already and that we are closer to peak rates than the Fed would have us believe. The spread payable on BBB-rated debt (relative to government bonds) has come in in recent months and financial conditions have eased.

Recent equity market action (when an attempted rally was curtailed by more hawkish narratives by the Fed) suggests to us that it is too early to call which way the debate will evolve. The fact that concept capital is continuing to plumb new lows (as measured by the Renaissance IPO ETF) certainly suggests that confidence remains very fragile, and we are not positioning the portfolio for a rapid return to the looser monetary conditions that these companies require to prosper (or even survive, in some cases).

If you had invested USD 1 in the S&P 500 on the last day of 2017, you would have USD 1.44 as at the last trading day of 2022. If you had invested the same dollar in the hottest IPOs of the day (as measured by the same ETF noted above), you would now have USD 0.85 (and more grey hairs, given the extreme volatility observed in these shares over that period). With private equity markets much less along the price discovery journey than public markets, 2023 does not look like a bumper IPO year either.

According to Mountaineering Scotland's website, the most important thing if you have no clear path ahead is not to panic. As they say, "Don't simply start walking in different directions changing bearings every minute or two in the hope that things will be sorted". This sounds like good advice to us too. We won't chase north into the uncharted landscape of cashless concept stocks. No more than we will head south into deep value.

The four guiding principles of our Future Quality philosophy will remain our investment compass in these challenging conditions. The stocks that satisfy the four requirements represent the middle ground, between the two stylistic extremes noted above and allow us to construct balanced portfolios. Our focus on franchise quality and management quality allows us to look forward with optimism, whilst balance sheet quality and valuation discipline provide something of a safety rope, in case of unplanned slips.

We remain convinced that the future will look very different to the recent past. Delivery of sales and profit growth will be ever more critical to share price performance. It seems unlikely to us that the areas that have sucked in the most capital over the last 10 years will turn out to be those with the most unmet demand (think digital advertising, niche software applications or streaming services). The recent glut of headcount reductions across Big Tech suggests that management teams here may also be beginning to share that view.

Instead, more pressing needs are presenting themselves, many of which have been underinvested over the last decade (or longer). Defence and energy security have been very much front of mind over the last 12 months

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(and are likely to remain so in our view). There are likely other areas too, where the stars are starting to align. We continue to spend all of our time attempting to identify these, as part of our bottom-up stock research.

In conclusion and to quote the great Billy Connolly, “there’s no such thing as bad weather, only the wrong clothes”. Current equity market conditions dictate that you choose your investment attire particularly carefully. In our view, buying profitless technology companies is like going up a Scottish mountain wearing flip-flops. You might get away with it, but the odds are not in your favour. Instead, we prefer the protection afforded by profits (and cash) generated today and not at some unspecified point in the future.

## **Singapore Dividend Equity Fund**

### **Portfolio Review**

#### ***Fund rose by 2.73% in SGD terms in 2022***

For the 12 months ended 31 December 2022, the Nikko AM Singapore Dividend Equity Fund (the “Fund”) returned 2.73% (SGD terms, on a NAV-NAV basis). The Fund’s holdings in Sembcorp Industries, Keppel Corporation and United Overseas Bank were the key contributors to absolute returns over the year. Conversely, holdings in Digital Core REIT, Nanofilm Technologies and Frencken Group detracted the most from absolute performance.

### **Market Review**

#### ***The Straits Times Index (STI) saw gains in 2022***

Singapore stocks, as measured by the STI, rose 8.39% on a total return basis in SGD terms in 2022. The year was one of volatility for markets around the world, driven by rising interest rates, stubbornly high inflation and geopolitical tensions. Singapore stocks had a solid first quarter, brushing aside uncertainties from the Russia-Ukraine war, as the country eased longstanding COVID restrictions, with cases subsiding steadily. Local equities retreated in the second quarter though, tracking global equities’ decline, amid recession fears and a broad-based equity sell-off. The Singapore stock market held its own during the second half of the year, even as central banks maintained their hawkish stance and reaffirmed their commitment in tackling high inflation. Towards the end of the turbulent year, China relaxed its zero-COVID policy and the Fed started to scale back the pace of its interest rate hikes.

### **Market Outlook and Strategy**

#### ***Continue to like “New Singapore” stocks in areas that represent Singapore’s future economy***

We enter 2023 with a more sanguine outlook for Singapore stocks, primarily on a less negative outlook for external demand. While the US is still likely to enter into a recession sometime this year, we are hopeful that the correction will be shallow. Emerging signs of a plateau in inflationary pressures could mean that the Fed will be able to raise rates more slowly and eventually cease hiking during the new year. China is reopening its economy faster than expected following an end to its zero-COVID policy. While there might still be intermittent mobility restrictions due to the ongoing surge in cases, the reopening trajectory is unlikely to be derailed, in our opinion.

We maintain our view that the Singapore economy will grow by about 2% in 2023. While a slowdown in external demand will still be felt, primarily in the manufacturing sector, the services sector should continue to recover. This is especially so in the tourism-related industries like hotels, retail and food and beverage, which should gain from the eventual return of Chinese visitors.

We remain convinced of our bottom-up driven strategy, which emphasises on quality franchises, strong sustainable returns and positive fundamental change. We continue to like “New Singapore” stocks in areas such as energy transition, technology, data, healthcare, food and logistics, which represent the future economy of Singapore. We also favour corporate restructuring candidates, where companies are looking to reorganise their businesses in order to be more relevant to the future economy. Dividend stocks look attractive as long-bond yields are beginning to ease, on an outlook of slower economic growth globally. We prefer those which also benefit from economic reopening or play into our “New Singapore” narrative.

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## **Horizon Singapore Fixed Income Enhanced Fund**

### **Portfolio Review**

#### ***Fund underperforms the benchmark in 2022***

The Horizon Singapore Fixed Income Enhanced Fund (the "Fund") posted a return of -5.45% (in SGD terms, on a NAV-NAV basis) in the 12 months ending December 2022, underperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned -4.93% (SGD terms) during the period. Contribution from duration and selection effect, mainly from long-dated Singapore government securities (SGS), was positive. The allocation to Industrial credits contributed positively to relative performance. This was offset partly by negative contribution from the allocation to Agency credits.

### **Market Review**

#### ***Yields of Singapore Government Securities (SGS) surged along with US Treasuries (USTs)***

2022 delivered adverse shocks that sparked a surge in inflation, prompting a hawkish shift from global central banks, which in turn resulted in a significant tightening of financial conditions, a momentous rise in global bond yields and a surge in the US dollar (USD). Data reflecting persistent inflation pressure and December 2021 Federal Open Market Committee (FOMC) minutes which suggested that the US Federal Reserve's (Fed) balance sheet runoff could begin in 2022, close on the heels of its first interest rate hike, triggered the initial rise in US Treasury (UST) yields. Developments on the Russian-Ukraine border took centre stage in February 2022. Although Russia's invasion of Ukraine prompted a flight to safety, the drop in yields turned out to be short-lived, as yields reversed higher soon after as the market refocused on US inflation. The Fed hiked the Fed Funds Rate by a total of 150 basis points (bps) in the first half of the year, determined to slow growth to ease inflationary pressures. Meanwhile, the European Central Bank (ECB) in May announced it would conclude asset purchases and commence raising rates in July.

The second half of the year opened with the ECB delivering a larger-than-expected 50-bps rate hike and the Fed raising the Fed Funds Rate by 75 bps. At the Jackson Hole Symposium in August, Fed Chairman Jerome Powell declared that the central bank might raise rates further into restrictive territory and keep them there for a longer period, prompting markets to unwind expectations for an early pivot by the Fed. Weakness in Treasuries was exacerbated thereafter by better-than-expected US labour and consumer price index (CPI) reports for August that cemented another sizable move in the Fed Funds Rate and raised expectations for a higher terminal rate. There was a significant rise in front-end yields following the FOMC meeting in September. Although the 75-bps increase was largely expected by markets, upward revisions to the policy rate and unemployment rate projections, together with downward revisions to growth estimates, signalled that the Fed would likely embark on a more protracted and/or aggressive monetary tightening cycle to combat rising inflation. Further, the Fed Chairman's acknowledgment that some economic pain might be necessary to curb inflation, rattled markets. Risk sentiment turned decisively bearish after UK gilt yields surged and the British pound hit an all-time low against the USD on concerns over the UK government's medium-term fiscal sustainability after the new administration unveiled its growth plan which included extensive tax cuts.

The Fed delivered another well-telegraphed 75 bps rate hike in November. That said, monetary policy expectations quickly shifted lower after US October headline and core CPI prints both moderated by more than forecast. Hopes that inflationary pressures are finally ebbing prompted a significant rally in Treasury bonds as well as risk assets. The Fed raised rates by another 50 bps in December, with markets interpreting the accompanying statement, together with the upward revision in the interest rate forecast dots as more hawkish than anticipated. Meanwhile, the Bank of Japan (BOJ) made a surprise tweak to its yield curve control (YCC), widening the tolerance band around its 10-year Japanese government bond (JGB) yield target to  $\pm 0.5\%$  (from  $\pm 0.25\%$ ), fuelling a sell-off in JGBs as well as in most major global rates including USTs. Thereafter, further weakness in treasuries was supported as markets digested the prospects for growth and inflation amid China's rollback of COVID isolation measures. At the end of 2022, the benchmark 2-year and 10-year UST yields were at 4.429% and 3.877% respectively, 370 bps and 236 bps higher compared to end-December 2021.

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### ***Monetary Authority of Singapore (MAS) tightened its FX policy twice***

In Singapore, the threat of higher and more persistent inflation prompted the Monetary Authority of Singapore (MAS) to strengthen the Singapore dollar at an unprecedented pace of five times since October 2021. Looking ahead, the MAS expects full-year 2023 gross domestic product (GDP) growth to come in “below trend”, and for core inflation to stay elevated in the next few quarters before slowing in the second half of 2023 as the current tightness in the domestic labour market eases and global inflation moderates. Separately, inflation rose for the most part of 2022 before easing in the final months of the year. In the latest reading, headline CPI inflation was unchanged at 6.7% year-on-year (YoY) in November. The MAS’ preferred core inflation measure, which excludes private transport and accommodation inflation, remained elevated throughout the period. Core inflation came in at 5.1% on a YoY basis in November, unchanged from October as smaller increases in the costs of services and electricity and gas were broadly offset by a steeper pickup in the costs of retail and other goods and food. Overall, the monetary authority projects 2023 headline and core inflation to average 5.5–6.5% and 3.5–4.5%, respectively, taking into account the goods and services tax (GST) increase.

### ***Inflationary pressures accelerated over the period***

High-frequency growth data saw a marked moderation in the last quarter of 2022. Non-oil domestic exports (NODX) contracted by 14.6% YoY in November from a high base a year earlier, following downwardly revised 6.1% drop in October. Notably, this was the second straight monthly contraction after nearly two years of growth. Similarly, factory output contracted, by 3.2% YoY in November, extending a downwardly revised 0.9% drop in October. Retail sales rose 10.4% YoY in October, moderating from the 11.2% growth in September. Meanwhile, the purchasing managers’ index (PMI) nudged up 0.1 point in November, albeit remaining in contraction territory at 49.8.

### ***The Finance Ministry expects overall deficit to amount to 0.5% of GDP for Fiscal Year (FY) 2022***

Yields of Singapore government securities (SGS) similarly rose, albeit outperforming their UST counterparts in the twelve-month period. Positive SGS bond supply dynamics in the latter half of the year together, together with a stronger Singapore dollar supported demand for SGS. The MAS released its 2023 SGS issuance calendar in November, revealing a total of 10 issuances, unchanged from 2022, with duration being more backloaded in the year. Both the 30-year SGS (Infrastructure) bond and the reopening of the 50-year Green SGS (Infrastructure) bond are planned for the second half of 2023. At the end of 2022, 2-year and 10-year SGS were at 3.094% and 3.078% respectively, about 222 bps and 144 bps higher compared to end-December 2021.

### **Market Outlook and Strategy**

The MAS has moved aggressively to dampen inflation. However, with labour market conditions remaining tight, passthrough effects from wages to core inflation may likely persist into 2023. Consequently, we expect further policy tightening from the MAS, and may not rule out the possibility of yet another off-cycle move in the first quarter of 2023, particularly if core inflation lingers at current levels.

With monetary policy moving further into a restrictive setting, the Singapore dollar is expected to stay resilient against the US dollar and outperform other currencies in the region going into 2023. A stronger Singapore dollar relative to the basket of currencies will in turn support demand for Singapore dollar-denominated assets.

We head into 2023 with a positive view on SGS. We expect SGS to track the movement of global bond yields directionally but outperform on a relative basis, supported by MAS’ tighter monetary policy stance. Front-end SGS yields are likely to drift lower as we enter the mature phase of the Fed hike cycle. On the whole, we remain positive on the outlook for SGS and will look for opportunities to further scale into duration selectively.

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## **Nikko AM Multi Sector Credit Fund**

### **Portfolio Review**

#### ***Fund generates returns of -14.37% in 2022***

The Nikko AM Multi Sector Credit Fund (the "Fund") posted a return of -14.37% (in SGD terms, on a NAV-NAV basis) for the year ended 31 December 2022.

Our conservative approach over the course of 2022 paid off as we have been able to partly shield the fund from the challenging environment. In 2022, we had higher cash holdings, a higher investment grade quota as well as a lower duration to express a more conservative bias. However, we still performed negatively as we experienced a historic move up in interest rates.

### **Market Review**

The Global credit market had to face a challenging year in 2022. Higher energy costs as the result of the conflict in Ukraine, supply chain disruption driven by Chinese COVID restrictions as well as aggressive central bank monetary tightening had led to wider spreads across the credit markets. While credit fundamentals remained stable and default rates were very low, the uncertain outlook for macroeconomics, coupled with geopolitical risk presented a challenge for investors and a gradual rather than steep recovery for spreads is likely.

### **Market Outlook and Strategy**

For 2023, we expect the fund performance to be significantly better compared to 2022. We expect interest rates to initially stabilise at current levels and to come down over the course of the year as inflation rates are likely to be coming down as well. As the situation for interest rates is normalising, we also expect credit spreads to benefit from this change and gradually recover. In particular, we expect investment grade corporate bonds as well as collateralised loan obligations (CLO) to recover over proportionally. For high yield bonds, we still remain cautious and prefer secured over unsecured bonds. With regards to our sector allocation, we prefer the financial over the non-financial sector as we predict banks to see its profitability improving in the higher rates environment.



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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](http://www.nikkoam.com.sg)) before deciding whether to invest in the Fund.

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

### **For Hong Kong Investors**

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**REPORT OF THE TRUSTEE**

*For the financial year ended 31 December 2022*

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The Trustee is under a duty to take into custody and hold the assets of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund, and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") 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 Sub-Funds during the financial year covered by these financial statements, set out on pages 20 to 84, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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

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Authorised signatory  
29 March 2023



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENT BY THE MANAGER**

*For the financial year ended 31 December 2022*

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In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 20 to 84, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund, and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") as at 31 December 2022, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Sub-Funds will be able to meet its financial obligations as and when they materialise.

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

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Authorised signatory  
29 March 2023

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**Our Opinion**

In our opinion, the accompanying financial statements of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") 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 positions and portfolio holdings of the Sub-Funds as at 31 December 2022, 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 Sub-Funds comprise:

- the Statements of Total Return for the financial year then ended 31 December 2022;
- the Statements of Financial Position as at 31 December 2022;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2022;
- the Statements of Portfolio as at 31 December 2022; 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 Sub-Funds 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 Sub-Funds' 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 HORIZON INVESTMENT FUNDS**  
*(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 Sub-Funds' 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 Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Funds' 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 Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE UNITHOLDERS OF NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

- 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 Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 29 March 2023

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial year ended 31 December 2022*

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
Note	2022 US\$	2021 US\$	2022 S\$	2021 S\$
<b>Income</b>				
Dividends	1,500,137	1,817,013	-	-
Interest on cash and cash equivalents	8,449	113	3,230	-
Other income	-	-	203	-
	<b>1,508,586</b>	<b>1,817,126</b>	<b>3,433</b>	<b>-</b>
<b>Less: Expenses</b>				
Management fee	802,797	1,076,467	232,793	317,886
Management fee rebate	-	-	(30,842)	(159,081)
Registrar fee	31,942	26,641	18,779	18,030
Trustee fee	16,777	22,814	5,903	8,101
Custody fee	6,660	9,943	1,702	-
Audit fee	9,408	11,853	8,261	13,203
Valuation fee	26,468	35,814	9,309	12,714
Transaction costs	43,283	62,089	13,409	17,786
Other expenses	9,109	30,957	52,562	14,825
	<b>946,444</b>	<b>1,276,578</b>	<b>311,876</b>	<b>243,464</b>
<b>Net income/(losses)</b>	<b>562,142</b>	<b>540,548</b>	<b>(308,443)</b>	<b>(243,464)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>				
Net gains/(losses) on investments	(7,824,596)	9,276,673	(2,830,376)	(576,839)
Net foreign exchange losses	(58,317)	(18,488)	(104,629)	(88,411)
Net (losses)/gains on financial derivatives	(247,154)	(1,567,428)	230,617	384,937
	<b>(8,130,067)</b>	<b>7,690,757</b>	<b>(2,704,388)</b>	<b>(280,313)</b>
<b>Total (deficit)/return for the financial year before income tax</b>	<b>(7,567,925)</b>	<b>8,231,305</b>	<b>(3,012,831)</b>	<b>(523,777)</b>
<b>Less: Income tax</b>	<b>(299,386)</b>	<b>(376,434)</b>	<b>(1,343)</b>	<b>(136)</b>
<b>Total (deficit)/return for the financial year after income tax</b>	<b>(7,867,311)</b>	<b>7,854,871</b>	<b>(3,014,174)</b>	<b>(523,913)</b>

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial year ended 31 December 2022*

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2022	2021	2022	2021
		S\$	S\$	S\$	S\$
<b>Income</b>					
Dividends		18,331,405	13,618,020	-	-
Interest on cash and cash equivalents		326,701	-	6,261	-
Other income		-	-	2,500	-
		<u>18,658,106</u>	<u>13,618,020</u>	<u>8,761</u>	<u>-</u>
<b>Less: Expenses</b>					
Management fee		6,020,962	4,956,389	222,548	252,650
Expense reimbursement		(1,262)	(498)	-	-
Registrar fee		140,097	116,130	17,103	17,441
Trustee fee		152,941	126,368	7,051	8,045
Custody fee		86,873	71,771	3,601	4,050
Audit fee		20,602	7,116	8,667	14,117
Valuation fee		240,784	198,007	11,124	12,631
Transaction costs		766,851	628,770	8,815	8,578
Other expenses		196,705	210,356	8,090	16,376
		<u>7,624,553</u>	<u>6,314,409</u>	<u>286,999</u>	<u>333,888</u>
<b>Net income/(losses)</b>		<u>11,033,553</u>	<u>7,303,611</u>	<u>(278,238)</u>	<u>(333,888)</u>
<b>Net gains or losses on value of investments</b>					
Net gains/(losses) on investments		386,663	20,645,011	(1,020,604)	(667,839)
Net foreign exchange losses		(191,189)	(123,658)	-	-
		<u>195,474</u>	<u>20,521,353</u>	<u>(1,020,604)</u>	<u>(667,839)</u>
<b>Total return/(deficit) for the financial year before income tax</b>		<u>11,229,027</u>	<u>27,824,964</u>	<u>(1,298,842)</u>	<u>(1,001,727)</u>
<b>Less: Income tax</b>	3	<u>(317,294)</u>	<u>(285,875)</u>	<u>-</u>	<u>(531)</u>
<b>Total return/(deficit) for the financial year after income tax</b>		<u>10,911,733</u>	<u>27,539,089</u>	<u>(1,298,842)</u>	<u>(1,002,258)</u>

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF FINANCIAL POSITION**

*As at 31 December 2022*

		Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
Note		2022 US\$	2021 US\$	2022 S\$	2021 S\$
<b>ASSETS</b>					
		51,732,613	59,212,540	17,126,265	21,442,884
Portfolio of investments					
Receivables	4	109,502	123,082	9,347	-
Cash and cash equivalents		1,535,421	1,082,475	163,677	600,510
Financial derivatives at fair value	6	180,093	806,718	-	188,427
<b>Total assets</b>		<b>53,557,629</b>	<b>61,224,815</b>	<b>17,299,289</b>	<b>22,231,821</b>
<b>LIABILITIES</b>					
Payables	5	285,881	453,203	75,491	60,277
Distribution payable	8	49,773	52,991	-	-
Financial derivatives at fair value	6	-	-	-	5,331
<b>Total liabilities</b>		<b>335,654</b>	<b>506,194</b>	<b>75,491</b>	<b>65,608</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	7	53,221,975	60,718,621	17,223,798	22,166,213

		Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
Note		2022 S\$	2021 S\$	2022 S\$	2021 S\$
<b>ASSETS</b>					
		507,693,319	410,124,431	21,477,630	24,075,794
Portfolio of investments					
Sales awaiting settlement		-	6,542	-	290,488
Receivables	4	2,136,513	1,473,601	27,599	9,388
Cash and cash equivalents		26,265,615	17,395,642	499,255	232,562
<b>Total assets</b>		<b>536,095,447</b>	<b>429,000,216</b>	<b>22,004,484</b>	<b>24,608,232</b>
<b>LIABILITIES</b>					
Payables	5	4,199,945	2,015,661	77,645	87,188
Distribution payable	8	2,237,268	1,734,463	-	-
<b>Total liabilities</b>		<b>6,437,213</b>	<b>3,750,124</b>	<b>77,645</b>	<b>87,188</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	7	529,658,234	425,250,092	21,926,839	24,521,044

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**

*For the financial year ended 31 December 2022*

	Note	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
		2022 US\$	2021 US\$	2022 S\$	2021 S\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		<b>60,718,621</b>	73,276,632	<b>22,166,213</b>	24,879,872
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		<b>(7,867,311)</b>	7,854,871	<b>(3,014,174)</b>	(523,913)
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		<b>7,603,608</b>	6,437,269	<b>693,634</b>	17,470,840
Cancellation of units		<b>(6,480,776)</b>	(26,404,972)	<b>(2,621,875)</b>	(19,660,586)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>1,122,832</b>	(19,967,703)	<b>(1,928,241)</b>	(2,189,746)
Distributions	8	<b>(752,167)</b>	(445,179)	-	-
Total decreases in net assets attributable to unitholders		<b>(7,496,646)</b>	(12,558,011)	<b>(4,942,415)</b>	(2,713,659)
<b>Net assets attributable to unitholders at the end of the financial year</b>	7	<b>53,221,975</b>	60,718,621	<b>17,223,798</b>	22,166,213

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



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**

*For the financial year ended 31 December 2022*

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2022 S\$	2021 S\$	2022 S\$	2021 S\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		<b>425,250,092</b>	345,365,432	<b>24,521,044</b>	25,728,274
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		<b>10,911,733</b>	27,539,089	<b>(1,298,842)</b>	(1,002,258)
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		<b>232,701,021</b>	166,923,890	<b>322,488</b>	2,953,790
Cancellation of units		<b>(114,924,076)</b>	(94,579,273)	<b>(1,617,851)</b>	(3,158,762)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>117,776,945</b>	72,344,617	<b>(1,295,363)</b>	(204,972)
Distributions	8	<b>(24,280,536)</b>	(19,999,046)	-	-
Total increases/(decreases) in net assets attributable to unitholders		<b>104,408,142</b>	79,884,660	<b>(2,594,205)</b>	(1,207,230)
<b>Net assets attributable to unitholders at the end of the financial year</b>	7	<b>529,658,234</b>	425,250,092	<b>21,926,839</b>	24,521,044

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

Nikko AM Global Dividend Equity Fund			
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 %
<b>Quoted Equities</b>			
<b>AUSTRALIA</b>			
Macquarie Group Limited	8,307	940,561	1.77
Worley Limited	194,741	1,980,976	3.72
<b>Total AUSTRALIA</b>		<b>2,921,537</b>	<b>5.49</b>
<b>BRITAIN</b>			
Astrazeneca Public Listed Company	7,937	1,071,006	2.02
Compass Group Public Listed Company	80,034	1,845,994	3.47
Diageo Public Listed Company	39,891	1,751,411	3.29
Linde Public Listed Company	3,889	1,268,514	2.38
<b>Total BRITAIN</b>		<b>5,936,925</b>	<b>11.16</b>
<b>CANADA</b>			
Intact Financial Corporation	9,225	1,327,038	2.49
<b>Total CANADA</b>		<b>1,327,038</b>	<b>2.49</b>
<b>FINLAND</b>			
Neste OYJ	22,978	1,057,688	1.99
<b>Total FINLAND</b>		<b>1,057,688</b>	<b>1.99</b>
<b>FRANCE</b>			
Air Liquide SA	6,889	973,442	1.83
Schneider Electric SE	9,089	1,268,014	2.38
<b>Total FRANCE</b>		<b>2,241,456</b>	<b>4.21</b>
<b>GERMANY</b>			
Deutsche Telekom AG	38,116	760,052	1.42
Siemens Healthineers AG	17,260	860,064	1.62
<b>Total GERMANY</b>		<b>1,620,116</b>	<b>3.04</b>
<b>HONG KONG SAR</b>			
AIA Group Limited	105,800	1,176,615	2.21
<b>Total HONG KONG SAR</b>		<b>1,176,615</b>	<b>2.21</b>
<b>IRELAND</b>			
Accenture Public Listed Company	3,185	849,885	1.60
<b>Total IRELAND</b>		<b>849,885</b>	<b>1.60</b>
<b>JAPAN</b>			
Technopro Holdings Incorporated	31,300	836,201	1.57
<b>Total JAPAN</b>		<b>836,201</b>	<b>1.57</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

Nikko AM Global Dividend Equity Fund			
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 %
<b>Quoted Equities (continued)</b>			
<b>NETHERLANDS</b>			
Euronext NV	14,150	1,044,425	1.96
Koninklijke Philips NV	23,911	357,368	0.67
<b>Total NETHERLANDS</b>		<b>1,401,793</b>	<b>2.63</b>
<b>SINGAPORE</b>			
DBS Group Holdings Limited	77,600	1,962,559	3.69
<b>Total SINGAPORE</b>		<b>1,962,559</b>	<b>3.69</b>
<b>SWEDEN</b>			
Assa Abloy AB	35,673	766,901	1.44
<b>Total SWEDEN</b>		<b>766,901</b>	<b>1.44</b>
<b>SWITZERLAND</b>			
Nestle SA	21,686	2,511,206	4.72
Roche Holding AG	5,937	1,864,079	3.50
<b>Total SWITZERLAND</b>		<b>4,375,285</b>	<b>8.22</b>
<b>TAIWAN</b>			
Taiwan Semiconductor Manufacturing Company Limited	79,000	1,152,788	2.17
<b>Total TAIWAN</b>		<b>1,152,788</b>	<b>2.17</b>
<b>UNITED STATES OF AMERICA</b>			
Abbott Laboratories	10,010	1,099,398	2.07
AbbVie Incorporated	14,135	2,284,640	4.29
Baker Hughes Company	34,151	1,008,479	1.88
Coca-Cola Company	45,587	2,899,789	5.45
Deere & Company	3,264	1,399,995	2.63
Emerson Electric Company	18,653	1,791,807	3.37
Encompass Health Corporation	11,909	712,277	1.34
Genuine Parts Company	6,068	1,052,737	1.98
Microsoft Corporation	2,126	509,857	0.96
Pfizer Incorporated	37,809	1,937,711	3.64
Philip Morris International Incorporated	16,285	1,648,693	3.10
The Progressive Corporation	10,543	1,367,638	2.57
Schlumberger Limited	24,416	1,305,524	2.45
Texas Instruments Incorporated	5,400	892,188	1.68
<b>Total UNITED STATES OF AMERICA</b>		<b>19,910,733</b>	<b>37.41</b>
<b>Total Quoted Equities</b>		<b>47,537,520</b>	<b>89.32</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Nikko AM Global Dividend Equity Fund</b>			
<b>By Geography (Primary) (continued)</b>			
	<b>Holdings at 31 December 2022</b>	<b>Fair value at 31 December 2022 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>
<b>Quoted Real Estate Investment Trusts</b>			
<b>SPAIN</b>			
Merlin Properties Socimi SA	138,439	1,296,497	2.44
<b>Total SPAIN</b>		<u>1,296,497</u>	<u>2.44</u>
<b>UNITED STATES OF AMERICA</b>			
American Tower Corporation	5,758	1,219,890	2.29
National Retail Properties Incorporated	36,685	1,678,706	3.15
<b>Total UNITED STATES OF AMERICA</b>		<u>2,898,596</u>	<u>5.44</u>
<b>Total Quoted Real Estate Investment Trusts</b>		<u>4,195,093</u>	<u>7.88</u>
<b>Portfolio of investments</b>		51,732,613	97.20
<b>Other net assets</b>		<u>1,489,362</u>	<u>2.80</u>
<b>Net assets attributable to unitholders</b>		<u>53,221,975</u>	<u>100.00</u>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Nikko AM Global Dividend Equity Fund</b>		
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Equities</b>		
Australia	5.49	2.10
Britain	11.16	9.15
Canada	2.49	2.03
Finland	1.99	1.91
France	4.21	3.02
Germany	3.04	6.10
Hong Kong SAR	2.21	1.80
Ireland	1.60	3.74
Japan	1.57	2.16
Netherlands	2.63	3.99
Singapore	3.69	1.89
Sweden	1.44	1.84
Switzerland	8.22	8.26
Taiwan	2.17	5.27
United States of America	37.41	38.35
<b>Total Quoted Equities</b>	<b>89.32</b>	<b>91.61</b>
<b>Quoted Real Estate Investment Trusts</b>		
Spain	2.44	1.89
United States of America	5.44	4.02
<b>Total Quoted Real Estate Investment Trusts</b>	<b>7.88</b>	<b>5.91</b>
<b>Portfolio of investments</b>	<b>97.20</b>	<b>97.52</b>
<b>Other net assets</b>	<b>2.80</b>	<b>2.48</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Nikko AM Global Dividend Equity Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 31 December 2022 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Agriculture	1,648,693	3.10	2.62
Banks	2,903,120	5.45	3.99
Beverages	4,651,200	8.74	11.48
Chemicals	2,241,956	4.21	1.75
Commercial Services	2,817,177	5.29	2.16
Computers	849,885	1.60	3.74
Distribution/Wholesale	-	-	2.01
Diversified Financial Services	1,044,425	1.96	2.49
Electrical Component & Equipment	3,059,821	5.75	5.00
Electronics	766,901	1.44	1.84
Food	2,511,206	4.72	4.08
Food Service	1,845,994	3.47	3.03
Gas	-	-	1.39
Healthcare-Products	2,316,830	4.35	6.08
Healthcare-Services	712,277	1.34	-
Home Furnishings	-	-	2.14
Insurance	3,871,291	7.27	8.38
Machinery-Diversified	1,399,995	2.63	2.24
Oil and Gas	1,057,688	1.99	1.91
Oil and Gas Services	2,314,003	4.35	-
Pharmaceuticals	7,157,436	13.45	12.38
Real Estate Investment Trusts (REITS)	4,195,093	7.88	5.91
Retail	1,052,737	1.98	-
Semiconductors	2,044,976	3.84	8.10
Software	509,857	0.96	3.61
Telecommunications	760,052	1.43	1.19
<b>Portfolio of investments</b>	<b>51,732,613</b>	<b>97.20</b>	<b>97.52</b>
<b>Other net assets</b>	<b>1,489,362</b>	<b>2.80</b>	<b>2.48</b>
<b>Net assets attributable to unitholders</b>	<b>53,221,975</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 31 December 2022

**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities</b>			
<b>BRITAIN</b>			
Barclays Public Listed Company 8% due 31/12/2049	200,000	261,295	1.52
B.A.T International Finance Public Listed Company 3.95% due 15/06/2025	100,000	129,028	0.75
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	200,000	287,947	1.67
<b>Total BRITAIN</b>		<b>678,270</b>	<b>3.94</b>
<b>BRITISH VIRGIN ISLANDS</b>			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	266,313	1.54
<b>Total BRITISH VIRGIN ISLANDS</b>		<b>266,313</b>	<b>1.54</b>
<b>CAYMAN ISLANDS</b>			
Barings CLO Limited 2020-I 7.27914% due 15/10/2036	500,000	623,452	3.62
Greywolf CLO VI Limited 7.2555% due 26/04/2031	250,000	301,883	1.75
Madison Park Funding XXVII Limited 6.84257% due 20/04/2030	500,000	625,164	3.63
Neuberger Berman Loan Advisers CLO 26 Limited 6.84371% due 18/10/2030	500,000	630,076	3.66
Tencent Holdings Limited 3.28% due 11/04/2024	200,000	261,649	1.52
<b>Total CAYMAN ISLANDS</b>		<b>2,442,224</b>	<b>14.18</b>
<b>FINLAND</b>			
SBB Treasury OYJ 0.75% due 14/12/2028	100,000	91,967	0.53
<b>Total FINLAND</b>		<b>91,967</b>	<b>0.53</b>
<b>FRANCE</b>			
Altice France SA 2.125% due 15/02/2025	200,000	254,021	1.48
AXA SA 3.375% due 06/07/2047	100,000	132,681	0.77
BNP Paribas SA 2.219% due 09/06/2026	200,000	246,716	1.43
Faurecia SE 2.75% due 15/02/2027	100,000	121,146	0.70
Loxam SAS 2.875% due 15/04/2026	200,000	255,791	1.49
<b>Total FRANCE</b>		<b>1,010,355</b>	<b>5.87</b>
<b>GERMANY</b>			
CT Investment GmbH 5.5% due 15/04/2026	100,000	127,469	0.74
Deutsche Bank AG 4.625% due 31/12/2061	200,000	218,362	1.27
Gruenthal GmbH 3.625% due 15/11/2026	100,000	131,514	0.76
Vantage Towers AG 0.375% due 31/03/2027	100,000	132,604	0.77
ZF Finance GmbH 3% due 21/09/2025	100,000	132,316	0.77
<b>Total GERMANY</b>		<b>742,265</b>	<b>4.31</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 31 December 2022

**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary) (continued)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>INDONESIA</b>			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	263,882	1.53
<b>Total INDONESIA</b>		<b>263,882</b>	<b>1.53</b>
<b>IRELAND</b>			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust 6.5% due 15/07/2025	150,000	204,207	1.19
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	263,421	1.53
Grenke Finance Public Listed Company 4.125% due 14/10/2024	50,000	69,779	0.40
Sculptor European CLO I DAC 4.903% due 18/04/2034	400,000	499,888	2.90
St Paul's CLO VIII DAC 3.828% due 17/07/2030	500,000	635,831	3.69
Tikehau CLO II BV 5.375% due 07/09/2035	500,000	608,479	3.54
<b>Total IRELAND</b>		<b>2,281,605</b>	<b>13.25</b>
<b>JAPAN</b>			
Rakuten Group Incorporation 10.25% due 30/11/2024	200,000	271,593	1.58
<b>Total JAPAN</b>		<b>271,593</b>	<b>1.58</b>
<b>LUXEMBOURG</b>			
Cirsa Finance International Sarl 4.75% due 22/05/2025	100,000	135,943	0.79
Lincoln Financing Sarl 3.625% due 01/04/2024	100,000	141,548	0.81
Raizen Fuels Finance SA 5.3% due 20/01/2027	200,000	261,441	1.52
Telenet Finance Luxembourg Notes Sarl 5.5% due 01/03/2028	200,000	244,099	1.42
<b>Total LUXEMBOURG</b>		<b>783,031</b>	<b>4.54</b>
<b>MAURITIUS</b>			
Greenko Power II Limited 4.3% due 13/12/2028	191,000	216,464	1.26
<b>Total MAURITIUS</b>		<b>216,464</b>	<b>1.26</b>
<b>NETHERLANDS</b>			
Enel Finance International NV 6.8% due 14/10/2025	200,000	275,994	1.60
OCI NV 4.625% due 15/10/2025	200,000	254,692	1.48
Q-Park Holding I BV 2% due 01/03/2027	100,000	120,099	0.70
Telefonica Europe BV 4.375% due 31/12/2049	100,000	136,868	0.80
Teva Pharmaceutical Finance Netherlands III BV 6% due 15/04/2024	200,000	265,684	1.54
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	132,713	0.77
<b>Total NETHERLANDS</b>		<b>1,186,050</b>	<b>6.89</b>
<b>POLAND</b>			
mBank SA 0.966% due 21/09/2027	100,000	110,493	0.64
<b>Total POLAND</b>		<b>110,493</b>	<b>0.64</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 31 December 2022

**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary) (continued)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>SINGAPORE</b>			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	246,684	1.43
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	251,353	1.46
Flex Limited 6% due 15/01/2028	100,000	134,618	0.78
<b>Total SINGAPORE</b>		<b>632,655</b>	<b>3.67</b>
<b>SOUTH KOREA</b>			
Kookmin Bank 4.5% due 01/02/2029	200,000	249,735	1.45
<b>Total SOUTH KOREA</b>		<b>249,735</b>	<b>1.45</b>
<b>SPAIN</b>			
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	200,000	284,014	1.65
CaixaBank SA 5.25% due 31/12/2049	200,000	248,601	1.44
<b>Total SPAIN</b>		<b>532,615</b>	<b>3.09</b>
<b>SWEDEN</b>			
Intrum AB 3.5% due 15/07/2026	100,000	120,240	0.70
Verisure Holding AB 3.875% due 15/07/2026	200,000	259,999	1.51
<b>Total SWEDEN</b>		<b>380,239</b>	<b>2.21</b>
<b>UNITED STATES OF AMERICA</b>			
Abercrombie & Fitch Management Company 8.75% due 15/07/2025	100,000	131,654	0.76
American Tower Corporation 2.4% due 15/03/2025	150,000	189,473	1.10
CCO Holdings LIC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	62,368	0.36
Charter Communications Operating LIC / Charter Communications Operating Capital 4.908% due 23/07/2025	150,000	197,533	1.15
Cheniere Corpus Christi Holdings LIC 5.125% due 30/06/2027	100,000	132,901	0.77
Cheniere Corpus Christi Holdings LIC 5.875% due 31/03/2025	150,000	202,459	1.18
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	242,986	1.41
CNH Industrial Capital LIC 3.95% due 23/05/2025	150,000	195,483	1.13
CoreCivic Incorporation 4.625% due 01/05/2023	50,000	67,006	0.39
Crown Americas LIC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	65,105	0.38
CSC Holdings LIC 5.25% due 01/06/2024	50,000	62,534	0.36
Dell International LIC / EMC Corporation 6.1% due 15/07/2027	100,000	138,203	0.80
DISH DBS Corporation 5% due 15/03/2023	50,000	66,888	0.39
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	66,170	0.38
Enlink Midstream Partners LP 4.85% due 15/07/2026	50,000	63,154	0.37
EQT Corporation 6.125% due 01/02/2025	100,000	134,654	0.78
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	59,401	0.34

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**STATEMENTS OF PORTFOLIO**

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**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary) (continued)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>UNITED STATES OF AMERICA (continued)</b>			
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	233,297	1.35
HCA Incorporation 5.375% due 01/09/2026	50,000	66,465	0.39
Lennar Corporation 4.75% due 29/11/2027	50,000	64,733	0.38
Mattel Incorporation 3.375% due 01/04/2026	150,000	185,228	1.08
MGM Resorts International 5.75% due 15/06/2025	50,000	65,267	0.38
Mosaic Company 4.05% due 15/11/2027	100,000	126,718	0.74
Navient Corporation 5.875% due 25/10/2024	50,000	65,001	0.38
Netflix Incorporation 5.875% due 15/11/2028	50,000	68,135	0.40
Nextera Energy Operating Partners LP 4.5% due 15/09/2027	50,000	61,493	0.36
OneMain Finance Corporation 6.875% due 15/03/2025	50,000	64,573	0.37
Organon & Company / Organon Foreign Debt Co-Issuer BV 2.875% due 30/04/2028	100,000	125,511	0.73
Owens-Brockway Glass Container Incorporation 5.375% due 15/01/2025	50,000	64,525	0.37
Pitney Bowes Incorporation 4.625% due 15/03/2024	100,000	130,559	0.76
QVC Incorporation 4.45% due 15/02/2025	200,000	219,421	1.27
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	57,872	0.34
Sealed Air Corporation 4% due 01/12/2027	50,000	60,957	0.35
Southwestern Energy Company 5.7% due 23/01/2025	50,000	65,996	0.38
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	50,000	64,082	0.37
Tenet Healthcare Corporation 4.625% due 15/06/2028	50,000	60,109	0.35
T-Mobile Usa Incorporation 4.75% due 01/02/2028	50,000	65,341	0.38
Travel + Leisure Company 6.625% due 31/07/2026	200,000	262,871	1.53
United States Treasury Bill 0% due 23/03/2023	200,000	265,765	1.54
Utah Acquisition Sub Incorporation 3.95% due 15/06/2026	100,000	125,698	0.73
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	50,000	66,700	0.39
Visstra Operations Company LLC 4.375% due 01/05/2029	50,000	57,993	0.34
<b>Total UNITED STATES OF AMERICA</b>		<b>4,772,282</b>	<b>27.71</b>
<b>Accrued interest receivable on Quoted Fixed income securities</b>		<b>214,227</b>	<b>1.24</b>
<b>Total Quoted Fixed Income Securities</b>		<b>17,126,265</b>	<b>99.43</b>
<b>Portfolio of investments</b>		<b>17,126,265</b>	<b>99.43</b>
<b>Other net assets</b>		<b>97,533</b>	<b>0.57</b>
<b>Net assets attributable to unitholders</b>		<b>17,223,798</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Nikko AM Multi Sector Credit Fund</b> <b>(formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>		
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Fixed Income Securities</b>		
Britain	3.94	-
British Virgin Islands	1.54	-
Cayman Islands	14.18	-
Finland	0.53	-
France	5.87	-
Germany	4.31	-
Indonesia	1.53	-
Ireland	13.25	-
Japan	1.58	-
Luxembourg	4.54	-
Mauritius	1.26	-
Netherlands	6.89	-
Poland	0.64	-
Singapore	3.67	-
South Korea	1.45	-
Spain	3.09	-
Sweden	2.21	-
United States of America	27.71	-
Accrued interest receivable on quoted fixed income securities	1.24	-
<b>Total Quoted Fixed Income Securities</b>	<b>99.43</b>	<b>-</b>
<b>Quoted Investment Fund</b>		
Ireland	-	96.74
<b>Total Quoted Investment Fund</b>	<b>-</b>	<b>96.74</b>
<b>Portfolio of investments</b>	<b>99.43</b>	<b>96.74</b>
<b>Other net assets</b>	<b>0.57</b>	<b>3.26</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

**Nikko AM Multi Sector Credit Fund**  
**(formerly known as Horizon Global Bond Fund (\$\$ Hedged))**

**By Industry (Secondary)**

	<b>Fair value at 31 December 2022 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Agriculture	129,028	0.75	-
Apparel	127,469	0.74	-
Auto Manufacturers	366,010	2.13	-
Auto Parts & Equipment	253,462	1.47	-
Banks	1,870,569	10.86	-
Chemicals	381,410	2.21	-
Commercial Services	969,208	5.63	-
Computers	138,203	0.80	-
Debt Fund	-	-	96.74
Diversified Financial Services	1,036,074	6.02	-
Electric	454,881	2.64	-
Electronics	134,618	0.78	-
Energy-Alternate Sources	216,464	1.26	-
Engineering and Construction	132,604	0.77	-
Entertainment	135,943	0.79	-
Healthcare-Services	126,574	0.72	-
Home Builders	64,733	0.38	-
Insurance	396,102	2.30	-
Internet	601,377	3.49	-
Lodging	328,138	1.91	-
Machinery-Diversified	195,483	1.13	-
Media	921,369	5.35	-
Mining	263,882	1.53	-
Office/Business Equipment	130,559	0.76	-
Oil and Gas	462,091	2.68	-
Other ABS	3,924,773	22.79	-
Packaging & Containers	190,587	1.11	-
Pharmaceuticals	648,407	3.76	-
Pipelines	705,582	4.10	-
Real Estate	91,967	0.53	-
Real Estate Investment Trusts (REITS)	256,173	1.49	-
Retail	351,075	2.04	-
Sovereign	265,765	1.54	-
Telecommunications	456,230	2.65	-
Toys/Games/Hobbies	185,228	1.08	-
Accrued interest receivable on quoted fixed income securities	214,227	1.24	-
<b>Portfolio of investments</b>	<b>17,126,265</b>	<b>99.43</b>	<b>96.74</b>
<b>Other net assets</b>	<b>97,533</b>	<b>0.57</b>	<b>3.26</b>
<b>Net assets attributable to unitholders</b>	<b>17,223,798</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

Singapore Dividend Equity Fund			
By Geography (Primary)			Percentage of
	Holdings at	Fair value at	total net assets
	31 December	31 December	attributable to
	2022	2022	unitholders at
		S\$	31 December
			2022
			%
<b>Quoted Equities</b>			
<b>CHINA</b>			
AustAsia Group Limited	1,027,092	1,124,275	0.22
Yangzijiang Shipbuilding Holdings Limited	4,367,300	5,939,528	1.12
<b>Total CHINA</b>		<b>7,063,803</b>	<b>1.34</b>
<b>HONG KONG SAR</b>			
Hongkong Land Holdings Limited	834,100	5,146,010	0.97
Jardine Matheson Holdings Limited	210,100	14,342,951	2.71
<b>Total HONG KONG SAR</b>		<b>19,488,961</b>	<b>3.68</b>
<b>MALAYSIA</b>			
Frencken Group Limited	6,069,200	5,735,394	1.08
<b>Total MALAYSIA</b>		<b>5,735,394</b>	<b>1.08</b>
<b>SINGAPORE</b>			
BRC Asia Limited	1,742,200	3,153,382	0.60
CapitaLand Investment Limited	5,867,300	21,709,010	4.10
CSE Global Limited	10,561,320	3,590,849	0.68
DBS Group Holdings Limited	1,386,589	47,033,099	8.88
First Resources Limited	4,200,800	6,217,184	1.17
Genting Singapore Limited	5,759,100	5,499,940	1.04
Great Eastern Holdings Limited	215,800	3,992,300	0.75
Hyphens Pharma International Limited	4,000,400	1,340,134	0.25
Japfa Limited	5,135,460	1,771,734	0.34
Jardine Cycle & Carriage Limited	547,200	15,649,920	2.95
Keppel Corporation Limited	5,496,200	39,902,412	7.53
Oversea-Chinese Banking Corporation Limited	3,807,482	46,375,131	8.76
SATS Limited	2,466,500	7,004,860	1.32
Sembcorp Industries Limited	7,862,800	26,576,264	5.02
Singapore Exchange Limited	1,059,700	9,484,315	1.79
Singapore Post Limited	8,911,900	4,634,188	0.87
Singapore Technologies Engineering Limited	4,108,300	13,762,805	2.60
Singapore Telecommunications Limited	2,642,234	6,790,541	1.28
UMS Holdings Limited	8,059,300	9,509,974	1.80
United Overseas Bank Limited	1,642,170	50,414,619	9.52
Venture Corporation Limited	474,600	8,096,676	1.53
Wilmar International Limited	6,684,900	27,876,033	5.26
<b>Total SINGAPORE</b>		<b>360,385,370</b>	<b>68.04</b>
<b>THAILAND</b>			
Thai Beverage Public Company Limited	15,699,700	10,754,294	2.03
<b>Total THAILAND</b>		<b>10,754,294</b>	<b>2.03</b>
<b>Total Quoted Equities</b>		<b>403,427,822</b>	<b>76.17</b>

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Investment Funds</b>			
<b>SINGAPORE</b>			
CapitaLand India Trust	4,778,200	5,399,366	1.02
Keppel Infrastructure Trust	20,415,106	11,024,157	2.08
NetLink NBN Trust	2,103,800	1,746,154	0.33
<b>Total SINGAPORE</b>		<b>18,169,677</b>	<b>3.43</b>
<b>Total Quoted Investment Funds</b>		<b>18,169,677</b>	<b>3.43</b>
<b>Quoted Real Estate Investment Trusts</b>			
<b>HONG KONG SAR</b>			
Link REIT	1,087,575	10,708,722	2.02
<b>Total HONG KONG SAR</b>		<b>10,708,722</b>	<b>2.02</b>
<b>PHILIPPINES</b>			
Citicore Energy REIT Corporation	74,861,000	4,125,876	0.78
<b>Total PHILIPPINES</b>		<b>4,125,876</b>	<b>0.78</b>
<b>SINGAPORE</b>			
CapitaLand Ascott Trust	9,310,300	9,775,815	1.84
CapitaLand China Trust	4,677,200	5,238,464	0.99
CapitaLand Integrated Commercial Trust	6,351,505	12,957,070	2.45
Digital Core REIT Management PTE Limited	9,833,600	7,253,872	1.37
Frasers Centrepoint Trust	2,709,000	5,688,900	1.07
Frasers Logistics & Commercial Trust	4,851,540	5,627,786	1.06
Keppel REIT	8,310,200	7,562,282	1.43
Lendlease Global Commercial REIT	9,544,518	6,728,885	1.27
Mapletree Pan Asia Commercial Trust	6,244,400	10,428,148	1.97
<b>Total SINGAPORE</b>		<b>71,261,222</b>	<b>13.45</b>
<b>Total Quoted Real Estate Investment Trusts</b>		<b>86,095,820</b>	<b>16.25</b>
<b>Portfolio of investments</b>		<b>507,693,319</b>	<b>95.85</b>
<b>Other net assets</b>		<b>21,964,915</b>	<b>4.15</b>
<b>Net asset attributable to unitholders</b>		<b>529,658,234</b>	<b>100.00</b>

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

	<b>Singapore Dividend Equity Fund</b>	
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Equities</b>		
China	1.34	-
Hong Kong SAR	3.68	4.12
Malaysia	1.08	1.02
Singapore	68.04	70.50
Thailand	2.03	2.44
<b>Total Quoted Equities</b>	<b>76.17</b>	<b>78.08</b>
<b>Quoted Investment Funds</b>		
Singapore	3.43	2.56
<b>Total Quoted Investment Funds</b>	<b>3.43</b>	<b>2.56</b>
<b>Quoted Real Estate Investment Trusts</b>		
Hong Kong SAR	2.02	1.05
Philippines	0.78	1.39
Singapore	13.45	13.36
<b>Total Quoted Real Estate Investment Trusts</b>	<b>16.25</b>	<b>15.80</b>
<b>Portfolio of investments</b>	<b>95.85</b>	<b>96.44</b>
<b>Other net assets</b>	<b>4.15</b>	<b>3.56</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Singapore Dividend Equity Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 31 December 2022 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Aerospace/Defense	13,762,805	2.60	-
Agriculture	35,864,951	6.77	2.19
Banks	143,822,849	27.15	27.77
Beverages	10,754,294	2.03	2.44
Commercial Services	-	-	3.60
Computers	3,590,849	0.68	1.02
Distribution/Wholesale	-	-	1.52
Diversified Financial Services	9,484,315	1.79	3.17
Electric	37,600,421	7.10	0.47
Electrical Component & Equipment	5,735,394	1.08	1.02
Electronics	8,096,676	1.53	2.04
Engineering and Construction	46,907,272	8.86	10.02
Entertainment	5,499,940	1.04	-
Food	1,124,275	0.21	3.73
Healthcare-Services	-	-	1.53
Holding Companies-Diversified	14,342,951	2.71	2.74
Insurance	3,992,300	0.75	-
Iron/Steel	3,153,382	0.60	0.54
Miscellaneous Manufacture	-	-	1.15
Pharmaceuticals	1,340,134	0.25	0.28
Private Equity	21,709,010	4.10	4.50
Real Estate	10,545,376	1.99	2.97
Real Estate Investment Trusts (REITS)	86,095,820	16.25	15.80
Retail	15,649,920	2.96	0.64
Semiconductors	9,509,974	1.80	1.86
Shipbuilding	5,939,528	1.12	-
Telecommunications	8,536,695	1.61	1.94
Transportation	4,634,188	0.87	3.50
<b>Portfolio of investments</b>	<b>507,693,319</b>	<b>95.85</b>	<b>96.44</b>
<b>Other net assets</b>	<b>21,964,915</b>	<b>4.15</b>	<b>3.56</b>
<b>Net assets attributable to unitholders</b>	<b>529,658,234</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 31 December 2022

**Horizon Singapore Fixed Income Enhanced Fund**

**By Geography (Primary)**

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities</b>			
<b>AUSTRALIA</b>			
Westpac Banking Corporation 4.65% due 07/09/2032	750,000	743,974	3.39
<b>Total AUSTRALIA</b>		<b>743,974</b>	<b>3.39</b>
<b>BRITAIN</b>			
Barclays Public Listed Company 8.3% due 15/12/2170	250,000	254,601	1.16
<b>Total BRITAIN</b>		<b>254,601</b>	<b>1.16</b>
<b>BRITISH VIRGIN ISLANDS</b>			
Panther Ventures Limited 3.38% due 30/03/2171	250,000	159,237	0.73
<b>Total BRITISH VIRGIN ISLANDS</b>		<b>159,237</b>	<b>0.73</b>
<b>CANADA</b>			
Manulife Financial Corporation 3% due 21/11/2029	250,000	239,744	1.09
<b>Total CANADA</b>		<b>239,744</b>	<b>1.09</b>
<b>GERMANY</b>			
Commerzbank AG 4.2% due 18/09/2028	250,000	238,375	1.09
<b>Total GERMANY</b>		<b>238,375</b>	<b>1.09</b>
<b>MALAYSIA</b>			
Cagamas Global Public Listed Company 3.85% due 11/09/2023	250,000	248,584	1.13
Cagamas Global Public Listed Company 4.25% due 27/09/2023	250,000	249,155	1.14
<b>Total MALAYSIA</b>		<b>497,739</b>	<b>2.27</b>
<b>SINGAPORE</b>			
ABJA Investment Company Private Limited 4.95% due 03/05/2023	500,000	497,701	2.27
ESR-Logos REIT 5.5% due 09/12/2170	500,000	444,546	2.03
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	237,779	1.09
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	474,377	2.16
Keppel Corporation Limited 2.9% due 16/03/2170	750,000	684,607	3.12
Mapletree Industrial Trust 3.15% due 31/12/2061	750,000	681,038	3.11
Monetary Authority of Singapore Bill 0% due 20/01/2023	400,000	399,222	1.82
Singapore Airlines Limited 3.13% due 17/11/2026	250,000	237,186	1.08
Singapore Government Bond 1.625% due 01/07/2031	920,000	820,401	3.74
Singapore Government Bond 1.875% due 01/03/2050	480,000	419,040	1.91
Singapore Government Bond 1.875% due 01/10/2051	500,000	442,358	2.02
Singapore Government Bond 2.25% due 01/08/2036	1,800,000	1,639,926	7.48
Singapore Government Bond 2.375% due 01/07/2039	600,000	556,200	2.54
Singapore Government Bond 2.625% due 01/05/2028	350,000	343,945	1.57

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)			
	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
<b>Quoted Fixed Income Securities</b> (continued)			
<b>SINGAPORE</b> (continued)			
Singapore Government Bond 2.625% due 01/08/2032	2,010,000	1,937,053	8.83
Singapore Government Bond 2.75% due 01/03/2046	1,820,000	1,898,260	8.66
Singapore Government Bond 2.75% due 01/04/2042	1,420,000	1,453,143	6.63
Singapore Government Bond 2.875% due 01/07/2029	900,000	891,450	4.07
Singapore Government Bond 2.875% due 01/09/2027	450,000	451,515	2.06
Singapore Government Bond 2.875% due 01/09/2030	2,150,000	2,117,750	9.66
Singapore Government Bond 3% due 01/08/2072	650,000	708,688	3.23
Singapore Government Bond 3.375% due 01/09/2033	50,000	51,225	0.23
Singapore Government Bond 3.5% due 01/03/2027	300,000	307,800	1.40
Singapore Technologies Telemedia Private Limited 4.05% due 02/12/2025	500,000	494,428	2.25
United Overseas Bank Limited 3.5% due 27/02/2029	500,000	491,973	2.24
<b>Total SINGAPORE</b>		<b>18,681,611</b>	<b>85.20</b>
<b>SOUTH KOREA</b>			
Export-Import Bank of Korea 2.953% due 19/07/2023	500,000	494,418	2.25
<b>Total SOUTH KOREA</b>		<b>494,418</b>	<b>2.25</b>
<b>Accrued interest receivable on Quoted Fixed Income Securities</b>			
		<b>167,931</b>	<b>0.77</b>
<b>Total Quoted Fixed Income Securities</b>		<b>21,477,630</b>	<b>97.95</b>
<b>Portfolio of investments</b>			
		<b>21,477,630</b>	<b>97.95</b>
<b>Other net assets</b>		<b>449,209</b>	<b>2.05</b>
<b>Net assets attributable to unitholders</b>		<b>21,926,839</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

**Horizon Singapore Fixed Income Enhanced Fund**

**By Geography (Summary)**

	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Fixed Income Securities</b>		
Australia	3.39	5.21
Britain	1.16	2.12
British Virgin Islands	0.73	-
Canada	1.09	1.05
France	-	1.08
Germany	1.09	3.07
Hong Kong SAR	-	1.98
Malaysia	2.27	-
Singapore	85.20	82.95
South Korea	2.25	-
Accrued interest receivable on quoted fixed income securities	0.77	0.72
<b>Total Quoted Fixed Income Securities</b>	<b>97.95</b>	<b>98.18</b>
<b>Portfolio of investments</b>	<b>97.95</b>	<b>98.18</b>
<b>Other net assets</b>	<b>2.05</b>	<b>1.82</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 31 December 2022*

<b>Horizon Singapore Fixed Income Enhanced Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 31 December 2022 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Airlines	237,186	1.08	1.03
Banks	2,128,145	9.71	18.71
Diversified Financial Services	497,739	2.27	-
Electric	-	-	3.16
Engineering and Construction	684,607	3.12	3.10
Food	237,779	1.08	1.08
Insurance	239,744	1.09	7.20
Investment Companies	494,428	2.25	7.47
Iron/Steel	497,701	2.27	-
Media	-	-	1.01
Private Equity	-	-	1.06
Real Estate	159,237	0.73	5.21
Real Estate Investment Trusts (REITS)	1,599,961	7.30	15.25
Sovereign	14,533,172	66.28	28.06
Telecommunications	-	-	2.03
Transportation	-	-	3.09
Accrued interest receivable on quoted fixed income securities	167,931	0.77	0.72
<b>Portfolio of investments</b>	<b>21,477,630</b>	<b>97.95</b>	<b>98.18</b>
<b>Other net assets</b>	<b>449,209</b>	<b>2.05</b>	<b>1.82</b>
<b>Net assets attributable to unitholders</b>	<b>21,926,839</b>	<b>100.00</b>	<b>100.00</b>

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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

**1. General**

Nikko AM Shenton Horizon Investment Funds comprising Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund (individually referred to as the "Sub-Fund" and collectively referred to as the "Sub-Funds") is constituted as unit trusts in Singapore under a Trust Deed dated 25 June 1999 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 Sub-Funds is BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Sub-Funds is Nikko Asset Management Asia Limited (the "Manager").

**Nikko AM Global Dividend Equity Fund**

The Sub-Manager of the Sub-Fund is Nikko Asset Management Europe Ltd (the "Sub-Manager"). The Sub-Manager has further appointed Nikko Asset Management Americas, Inc ("NAM Americas") to carry out global equities trading for the Sub-Fund during business contingencies.

There are seven classes of units established within the Sub-Fund, namely the SGD Class, the SGD Hedged (Acc) Class, the SGD Hedged (Dist) Class, the USD (Acc) Class, the USD (Dist) Class, the CNH Class and the CNH Hedged (Dist) Class.

There are no material differences between the SGD Class Units, SGD Hedged (Acc) Class Units, the USD (Acc) Class Units, the SGD Hedged (Dist) Class Units, the USD (Dist) Class Units, CNH Class Units and the CNH Hedged (Dist) Class Units of the Sub-Fund save for (i) the currency of denomination, minimum initial investment amount and minimum subsequent investment amount; (ii) the hedging features of the SGD Hedged (Acc) Class, the SGD Hedged (Dist) Class and the CNH Hedged (Dist) Class; and (iii) the distribution policies applicable to the classes.

As of 31 December 2022 and 2021, only units in SGD Hedged (Acc) Class, the SGD Hedged Class (Dist), the USD (Acc) Class, and the CNH Hedged (Dist) Class have been issued.

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

The Sub-Manager of the Sub-Fund is Nikko Asset Management Europe Ltd (the "Sub-Manager").

There are five classes of units established within the Sub-Fund, namely the SGD (Acc) Class (previously known as SGD Class), the SGD (Dist) Class, the USD Hedged (Acc) Class (previously known as USD Class), the USD Hedged (Dist) Class and the RMB Class.

There are no material differences between the SGD (Acc) Class Units (previously known as SGD Class Units), SGD (Dist) Class Units, USD Hedged (Acc) Class Units (previously known as USD Class Units), USD Hedged (Dist) Class Units and RMB Class Units save for (i) the currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum realization amount and initial sales charge; and (ii) the distribution policies applicable to the classes.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**1. General (continued)**

As of 31 December 2022 and 2021, only units in SGD (Acc) Class (previously known as SGD Class) has been issued.

**Singapore Dividend Equity Fund**

There are eight classes of units established within the Sub-Fund, namely the SGD Class, the SGD (Acc) Class, the USD Class, the USD (Acc) Class, the JPY Class, the RMB Class, the MYR Class and the MYR (Acc) Class.

There are no material differences between the SGD Class Units, SGD (Acc) Class Units, USD Class Units and USD (Acc) Class Units of the Sub-Fund save for (i) the currency of denomination and (ii) distribution policies applicable to the classes. However, the JPY Class Units, RMB Class Units, MYR Class Units and MYR (Acc) Class Units of the Sub-Fund differ from the SGD Class Units, SGD (Acc) Class Units, USD Class Units and USD (Acc) Class Units in terms of the currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum holding, minimum realisation amount, initial sales charge, current annual management participation and distribution policy. The JPY Class Units are only available for subscription by institutional investors (as defined in section 4A(1)(c) of the Securities and Futures Act 2001). The MYR Class Units and MYR (Acc) Class Units are only available for subscription in Malaysia.

The Sub-Fund has been assessed by the Monetary Authority of Singapore as suitable to apply to the Securities Commission Malaysia to be offered to the public in Malaysia pursuant to the ASEAN CIS Framework. The SGD Class Units, USD Class Units and MYR Class Units are launched in Malaysia on 8 March 2016. The SGD (Acc) Class Units, USD (Acc) Class Units and MYR (Acc) Class Units are launched in Malaysia on 14 June 2022.

As of 31 December 2022 and 2021, only units in SGD Class, SGD (Acc) Class, USD Class, USD (Acc) Class, JPY Class, MYR Class and MYR (Acc) Class have been issued.

**Horizon Singapore Fixed Income Enhanced Fund**

There are three classes of units established within the Sub-Fund, namely the SGD Class, the USD Class and the RMB Class.

There are no material differences between the SGD Class Units and the USD Class Units save for the currency of denomination. The RMB Class Units differ from the SGD Class Units and the USD Class Units in terms of their currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum realisation amount and initial sales charge.

As of 31 December 2022 and 2021, only units in SGD Class has been issued.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**2. Significant accounting policies**

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

(a) Basis of preparation

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

(b) Recognition of income

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

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

(c) Expenses charged to the Sub-Funds

All direct expenses are charged directly to the Statements of Total Return of each Sub-Fund. Common expenses shared by the Sub-Funds are allocated to each Sub-Fund in the ratio of the respective net asset values of each Sub-Fund at the end of each month, quarter or year, as agreed between the Manager and Trustee.

(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 changes in fair value on investments are included in the Statements 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 Statements of Total Return.

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**2. Significant accounting policies (continued)**

(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 equities securities held by the Sub-Funds 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. The quoted market price used for fixed income securities held by the Sub-Funds is the mid-market price for both financial assets and financial liabilities. Accrued interest or discount or premium on fixed income securities at financial year end date is included in the fair value of fixed income securities. Interest income on fixed income securities is presented within "Net gains/losses on investments" in the Statements of Total Return. The fair value of investments held in the Underlying fund is the quoted net asset value of the Underlying Fund as determined by the Underlying Fund's administrator.

(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.

(h) Cash and cash equivalents

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

(i) Payables

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

(j) Foreign currency translation

(i) *Functional and presentation currency*

The Sub-Funds qualify as an authorised scheme under the Securities and Futures Act 2001 ("SFA") of Singapore and is offered to retail investors in Singapore. The Sub-Funds activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Sub-Funds denominated in Singapore Dollar ("SGD"), United States Dollar ("USD"), Japanese Yen ("JPY"), Malaysian Ringgit ("MYR") and Chinese Yuan ("CNY") for the respective SGD, USD, JPY, MYR and CNH class.



**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**2. Significant accounting policies (continued)**

(j) Foreign currency translation (continued)

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

The performance of the Sub-Funds are measured and reported to the investors in the respective class currency of each of the class. The financial statements of the Sub-Funds are expressed in the respective Sub-Fund's functional and presentation currency, which most faithfully represents the economic effects of the underlying transactions, events and conditions.

**Nikko AM Global Dividend Equity Fund**

United States Dollar

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund**

Singapore Dollar

(ii) *Transactions and balances*

Foreign currency monetary assets and liabilities are translated into Singapore Dollar and United States Dollar, depending on the functional and presentation currency of the Sub-Fund, 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 Statements of Total Return. Transactions during the year are recorded in Singapore Dollar and United States Dollar at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statements of Total Return.

(k) Offsetting financial instruments

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

(l) Structured entities

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

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**2. Significant accounting policies (continued)**

(l) Structured Entities (continued)

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

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

The change in fair value of the Underlying Fund are included in the Statements of Total Return in "Net gain/(loss) on investments".

(m) Financial derivatives

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

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

(n) 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. This amount shall not be treated as part of the property of the Sub-Funds. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

**3. Income tax**

Nikko AM Global Dividend Equity Fund and Singapore Dividend Equity Fund have been approved by the Monetary Authority of Singapore ("MAS") under the Enhanced-Tier Fund (Section 13U of the Income Tax Act and the relevant Regulations). Subject to certain conditions being met on an annual basis, the Sub-Funds may enjoy Singapore corporate income tax exemption on "specified income" derived from "designated investments" for the life of the Sub-Funds. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from "designated investments" are correspondingly disregarded. The terms "specified income" and "designated investments" are defined in the relevant income tax Regulations. The Manager and Trustee of the Sub-Funds will ensure that the Sub-Funds fulfill its reporting obligations under the ETF Scheme.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**3. Income tax (continued)**

The Manager and Trustee of the Sub-Funds have assessed and are satisfied that Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) and Horizon Singapore Fixed Income Enhanced Fund, have met the requisite conditions under the Designated Unit Trust (DUT) scheme for the current financial year. The Manager and Trustee of the Sub-Funds will ensure that the Sub-Funds fulfill its reporting obligations under the DUT Scheme.

Under the DUT Scheme, certain income of the DUT fund is not taxable in accordance to Section 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 future contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

Income tax for the financial year ended 31 December 2022 and 2021 comprises:

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>S\$</b>	<b>S\$</b>
Overseas income tax	<b>299,386</b>	376,434	<b>1,343</b>	-
Singapore income tax	-	-	-	136
	<b>299,386</b>	376,434	<b>1,343</b>	136

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Overseas income tax	<b>86,113</b>	37,028	-	-
Singapore income tax	<b>231,181</b>	248,847	-	531
	<b>317,294</b>	285,875	-	531

The Singapore income tax represents tax charged on other income received, tax charged on distribution from Singapore REITS and tax deducted at source for Singapore sourced income.

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

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**4. Receivables**

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	2022 US\$	2021 US\$	2022 S\$	2021 S\$
Receivable from unitholders for creation of units	60,942	61,015	-	-
Dividends receivable	48,560	62,067	-	-
Accrued interest receivable	-	-	9,347	-
	<b>109,502</b>	<b>123,082</b>	<b>9,347</b>	<b>-</b>

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Receivable from unitholders for creation of units	2,065,166	1,112,634	-	3,000
Dividends receivable	71,347	360,967	-	-
Accrued interest receivable	-	-	27,599	6,388
	<b>2,136,513</b>	<b>1,473,601</b>	<b>27,599</b>	<b>9,388</b>

**5. Payables**

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	2022 US\$	2021 US\$	2022 S\$	2021 S\$
Payable to unitholders for cancellation of units	56,014	155,371	203	728
Amount due to the Manager	202,045	265,784	58,432	41,945
Amount due to the Trustee	4,260	5,651	1,478	2,016
Registrar fee payable	4,766	4,869	4,180	4,181
Provision for audit fee	9,550	9,696	8,240	8,239
Valuation fee payable	6,757	8,866	2,338	3,168
Custody fee payable	2,489	2,966	620	-
	<b>285,881</b>	<b>453,203</b>	<b>75,491</b>	<b>60,277</b>

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Payable to unitholders for cancellation of units	2,283,065	446,761	-	-
Amount due to the Manager	1,718,533	1,410,123	57,814	66,340
Amount due to the Trustee	20,923	35,902	1,828	2,110
Registrar fee payable	12,474	8,896	4,180	4,180
Provision for audit fee	21,187	21,186	8,666	8,667
Valuation fee payable	91,234	56,347	2,892	3,317
Custody fee payable	28,937	23,331	1,070	1,216
Other payables	23,592	13,115	1,195	1,358
	<b>4,199,945</b>	<b>2,015,661</b>	<b>77,645</b>	<b>87,188</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

**5. Payables (continued)**

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee and registrar fee are payable to BNP Paribas Trust Services Singapore Limited. Valuation fee and custody fee are payable to BNP Paribas, operating through its Singapore Branch.

**6. Financial derivatives at fair value**

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

<b>Nikko AM Global Dividend Equity Fund</b>						
	Contract or Underlying Principal Amount		Year-End Positive Fair Value		Year-End Negative Fair Value	
	2022	2021	2022	2021	2022	2021
	US\$	US\$	US\$	US\$	US\$	US\$
Forward foreign exchange contracts	<b>54,458,970</b>	59,429,048	<b>180,093</b>	806,718	-	-

<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>						
	Contract or Underlying Principal Amount		Year-End Positive Fair Value		Year-End Negative Fair Value	
	2022	2021	2022	2021	2022	2021
	S\$	S\$	S\$	S\$	S\$	S\$
Forward foreign exchange contracts	-	19,983,842	-	188,427	-	5,331

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**6. Financial derivatives at fair value (continued)**

Financial assets and financial liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2022 and 2021 are detailed in the following table:

**Nikko AM Global Dividend Equity Fund**

The Sub-Fund has no financial assets and liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2022 and 2021.

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

The Sub-Fund has no financial assets and liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2022.

**(i) Offsetting financial assets**

	Gross amounts of recognised financial assets S\$	Gross amounts of recognised financial liabilities set off in the Statement of Financial Position S\$	Net amounts of financial assets presented in the Statement of Financial Position S\$	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments S\$	Cash collateral S\$	Net exposure S\$
<b>2021</b>						
Forward foreign exchange contracts	50,168	-	50,168	5,331	-	44,837

**(ii) Offsetting financial liabilities**

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set off in the Statement of Financial Position S\$	Net amounts of financial liabilities presented in the Statement of Financial Position S\$	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments S\$	Cash collateral S\$	Net exposure S\$
<b>2021</b>						
Forward foreign exchange contracts	5,331	-	5,331	5,331	-	-

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**7. Units in issue**

During the year ended 31 December 2022 and 2021, the number of units issued, redeemed and outstanding were as follows:

**Nikko AM Global Dividend Equity Fund**

	2022	2021
<b>SGD Hedged (Acc) Class</b>		
Units at beginning of the financial year	38,873,327	56,499,244
Units created	713,075	858,979
Units cancelled	(3,291,990)	(18,484,896)
Units at end of the financial year	36,294,412	38,873,327
Net assets attributable to unitholders - US\$	41,130,381	50,380,127
Net asset value per unit - US\$	1.1332	1.2960

	2022	2021
<b>USD (Acc) Class</b>		
Units at beginning of the financial year	407,289	314,692
Units created	37,738	123,088
Units cancelled	(90,733)	(30,491)
Units at end of the financial year	354,294	407,289
Net assets attributable to unitholders - US\$	421,144	550,764
Net asset value per unit - US\$	1.1887	1.3523

	2022	2021
<b>CNH Hedged (Dist) Class</b>		
Units at beginning of the financial year	129,644	49,152
Units created	63,469	96,928
Units cancelled	(5,798)	(16,436)
Units at end of the financial year	187,315	129,644
Net assets attributable to unitholders - US\$	257,835	235,973
Net asset value per unit - US\$	1.3765	1.8202

	2022	2021
<b>SGD Hedged (Dist) Class</b>		
Units at beginning of the financial year	11,470,583	9,779,676
Units created	9,146,400	6,286,103
Units cancelled	(3,847,610)	(4,595,196)
Units at end of the financial year	16,769,373	11,470,583
Net assets attributable to unitholders - US\$	11,412,615	9,551,757
Net asset value per unit - US\$	0.6806	0.8327

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:

	2022 US\$	2021 US\$
<b>SGD Hedged (Acc) Class</b>		
Net assets attributable to unitholders as per financial statements per unit	1.1332	1.2960
Effect of adopting bid prices at fair value per unit	(0.0001)	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>a</sup>	-#	-
Net assets attributable to unitholders for issuing/redeeming per unit	1.1331	1.2959

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. Units in issue (continued)**

**Nikko AM Global Dividend Equity Fund (continued)**

	<b>2022 US\$</b>	<b>2021 US\$</b>
<b>USD (Acc) Class</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>1.1887</b>	1.3523
Effect of adopting bid prices at fair value per unit	<b>(0.0001)</b>	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>._#</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>1.1886</b>	1.3522

	<b>2022 US\$</b>	<b>2021 US\$</b>
<b>CNH Hedged (Dist) Class</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>1.3765</b>	1.8202
Effect of distribution	<b>0.0059</b>	0.0099
Effect of adopting bid prices at fair value per unit	<b>(0.0001)</b>	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>._#</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>1.3823</b>	1.8300

	<b>2022 US\$</b>	<b>2021 US\$</b>
<b>SGD Hedged (Dist) Class</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>0.6806</b>	0.8327
Effect of distribution	<b>0.0029</b>	0.0045
Effect of adopting bid prices at fair value per unit	<b>(0.0001)</b>	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>._#</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>0.6834</b>	0.8371

**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

	<b>2022</b>	<b>2021</b>
<b>SGD (Acc) Class (previously known as SGD Class)</b>		
Units at beginning of the financial year	<b>12,817,107</b>	14,068,376
Units created	<b>431,080</b>	9,955,114
Units cancelled	<b>(1,599,152)</b>	(11,206,383)
Units at end of the financial year	<b>11,649,035</b>	12,817,107
Net assets attributable to unitholders - S\$	<b>17,223,798</b>	22,166,213
Net asset value per unit - S\$	<b>1.4786</b>	1.7294

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:

	<b>2022 S\$</b>	<b>2021 S\$</b>
<b>SGD (Acc) Class (previously known as SGD Class)</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>1.4786</b>	1.7294
Effect of adjustment on valuation of investment in the Underlying Fund	<b>-</b>	(0.0032)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>(0.0001)</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>1.4785</b>	1.7262



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**7. Units in issue (continued)**

**Singapore Dividend Equity Fund**

	2022	2021
<b>SGD Class</b>		
Units at beginning of the financial year	285,267,979	237,989,591
Units created	145,332,160	106,583,534
Units cancelled	(69,966,249)	(59,305,146)
Units at end of the financial year	360,633,890	285,267,979
Net assets attributable to unitholders - S\$	500,082,481	404,822,648
Net asset value per unit - S\$	1.387	1.419

	2022	2021
<b>SGD Class (Acc)</b>		
Units at beginning of the financial year	-	-
Units created	1,000	-
Units at end of the financial year	1,000	-
Net assets attributable to unitholders - S\$	1,001	-
Net asset value per unit - S\$	1.001	-

	2022	2021
<b>USD Class</b>		
Units at beginning of the financial year	7,782,772	4,642,195
Units created	3,656,428	5,355,537
Units cancelled	(3,343,641)	(2,214,960)
Units at end of the financial year	8,095,559	7,782,772
Net assets attributable to unitholders - S\$	11,230,174	11,049,480
Net asset value per unit - S\$	1.387	1.420

	2022	2021
<b>USD Class (Acc)</b>		
Units at beginning of the financial year	-	-
Units created	1,000	-
Units at end of the financial year	1,000	-
Net assets attributable to unitholders - S\$	1,393	-
Net asset value per unit - S\$	1.393	-

	2022	2021
<b>JPY Class</b>		
Units at beginning of the financial year	86,043,392	98,632,962
Units created	624,970,917	26,795,816
Units cancelled	(444,371,511)	(39,385,386)
Units at end of the financial year	266,642,798	86,043,392
Net assets attributable to unitholders - S\$	3,399,304	1,100,546
Net asset value per unit - S\$	0.013	0.013

	2022	2021
<b>MYR Class</b>		
Units at beginning of the financial year	46,411,580	46,863,418
Units created	55,510,855	23,517,449
Units cancelled	(16,187,865)	(23,969,287)
Units at end of the financial year	85,734,570	46,411,580
Net assets attributable to unitholders - S\$	14,943,256	8,277,418
Net asset value per unit - S\$	0.174	0.178

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**7. Units in issue (continued)**

**Singapore Dividend Equity Fund (continued)**

	2022	2021
<b>MYR Class (Acc)</b>		
Units at beginning of the financial year	-	-
Units created	11,978	-
Units cancelled	(9,985)	-
Units at end of the financial year	<u>1,993</u>	-
Net assets attributable to unitholders – S\$	625	-
Net asset value per unit – S\$	<u>0.314</u>	-

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:

	2022 S\$	2021 S\$
<b>SGD Class</b>		
Net assets attributable to unitholders as per financial statements per unit	1.387	1.419
Effect of distribution	0.006	0.006
Effect for movement in the net asset value between the last dealing date and the end of the reporting period^	-*	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.393</u>	<u>1.425</u>

	2022 S\$	2021 S\$
<b>SGD Class (Acc)</b>		
Net assets attributable to unitholders as per financial statements per unit	1.001	-
Effect for movement in the net asset value between the last dealing date and the end of the reporting period^	-*	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.001</u>	-

	2022 S\$	2021 S\$
<b>USD Class</b>		
Net assets attributable to unitholders as per financial statements per unit	1.387	1.420
Effect of distribution	0.006	0.006
Effect for movement in the net asset value between the last dealing date and the end of the reporting period^	-*	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.393</u>	<u>1.426</u>

	2022 S\$	2021 S\$
<b>USD Class (Acc)</b>		
Net assets attributable to unitholders as per financial statements per unit	1.393	-
Effect for movement in the net asset value between the last dealing date and the end of the reporting period^	-*	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.393</u>	-

	2022 S\$	2021 S\$
<b>JPY Class</b>		
Net assets attributable to unitholders as per financial statements per unit	0.013	1.420
Effect for movement in the net asset value between the last dealing date and the end of the reporting period^	-*	-
Net assets attributable to unitholders for issuing/redeeming per unit	<u>0.013</u>	<u>1.420</u>

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**7. Units in issue (continued)**

**Singapore Dividend Equity Fund (continued)**

	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
<b>MYR Class</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>0.174</b>	0.178
Effect of distribution	<b>0.001</b>	0.001
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>-*</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>0.175</b>	0.179

	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
<b>MYR Class (Acc)</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>0.314</b>	-
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>-*</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>0.314</b>	-

**Horizon Singapore Fixed Income Enhanced Fund**

	<b>2022</b>	<b>2021</b>
<b>SGD Class</b>		
Units at beginning of the financial year	<b>15,170,417</b>	15,303,981
Units created	<b>210,392</b>	1,801,780
Units cancelled	<b>(1,032,986)</b>	(1,935,344)
Units at end of the financial year	<b>14,347,823</b>	15,170,417
Net assets attributable to unitholders - S\$	<b>21,926,839</b>	24,521,044
Net asset value per unit - S\$	<b>1.528</b>	1.616

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:

	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
<b>SGD Class</b>		
Net assets attributable to unitholders as per financial statements per unit	<b>1.528</b>	1.616
Effect for movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>-*</b>	-
Net assets attributable to unitholders for issuing/redeeming per unit	<b>1.528</b>	1.616

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

\* Effect is less than 0.001.

# Effect is less than 0.0001.

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**8. Distributions**

**Nikko AM Global Dividend Equity Fund**

	<b>2022 US\$</b>	2021 US\$
January interim distribution of (SGD Hedged (Dist) Class) S\$ 0.65 per 100 units and (CNH Hedged (Dist) Class) CNH 6.69 per 100 units in respect of the financial year ended 31 December 2022	<b>60,195</b>	-
February interim distribution of (SGD Hedged (Dist) Class) S\$ 0.62 per 100 units and (CNH Hedged (Dist) Class) CNH 6.43 per 100 units in respect of the financial year ended 31 December 2022	<b>58,180</b>	-
March interim distribution of (SGD Hedged (Dist) Class) S\$ 0.59 per 100 units and (CNH Hedged (Dist) Class) CNH 6.11 per 100 units in respect of the financial year ended 31 December 2022	<b>62,595</b>	-
April interim distribution of (SGD Hedged (Dist) Class) S\$ 0.61 per 100 units and (CNH Hedged (Dist) Class) CNH 6.38 per 100 units in respect of the financial year ended 31 December 2022	<b>69,528</b>	-
May interim distribution of (SGD Hedged (Dist) Class) S\$ 0.56 per 100 units and (CNH Hedged (Dist) Class) CNH 5.83 per 100 units in respect of the financial year ended 31 December 2022	<b>63,736</b>	-
June interim distribution of (SGD Hedged (Dist) Class) S\$ 0.53 per 100 units and (CNH Hedged (Dist) Class) CNH 5.53 per 100 units in respect of the financial year ended 31 December 2022	<b>62,594</b>	-
July interim distribution of (SGD Hedged (Dist) Class) S\$ 0.53 per 100 units and (CNH Hedged (Dist) Class) CNH 5.55 per 100 units in respect of the financial year ended 31 December 2022	<b>65,371</b>	-
August interim distribution of (SGD Hedged (Dist) Class) S\$ 0.56 per 100 units and (CNH Hedged (Dist) Class) CNH 5.87 per 100 units in respect of the financial year ended 31 December 2022	<b>68,848</b>	-
September interim distribution of (SGD Hedged (Dist) Class) S\$ 0.52 per 100 units and (CNH Hedged (Dist) Class) CNH 5.41 per 100 units in respect of the financial year ended 31 December 2022	<b>62,793</b>	-
October interim distribution of (SGD Hedged (Dist) Class) S\$ 0.47 per 100 units and (CNH Hedged (Dist) Class) CNH 4.97 per 100 units in respect of the financial year ended 31 December 2022	<b>58,788</b>	-
November interim distribution of (SGD Hedged (Dist) Class) S\$ 0.54 per 100 units and (CNH Hedged (Dist) Class) CNH 5.61 per 100 units in respect of the financial year ended 31 December 2022	<b>69,766</b>	-
December final distribution of (SGD Hedged (Dist) Class) S\$ 0.39 per 100 units and (CNH Hedged (Dist) Class) CNH 4.07 per 100 units in respect of the financial year ended 31 December 2022	<b>49,773</b>	-

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**8. Distribution (continued)**

**Nikko AM Global Dividend Equity Fund (continued)**

	<b>2022 US\$</b>	2021 US\$
January interim distribution of (SGD Hedged (Dist) Class) S\$ 0.43 per 100 units and (CNH Hedged (Dist) Class) CNH 4.35 per 100 units in respect of the financial year ended 31 December 2021	-	32,162
February interim distribution of (SGD Hedged (Dist) Class) S\$ 0.44 per 100 units and (CNH Hedged (Dist) Class) CNH 4.36 per 100 units in respect of the financial year ended 31 December 2021	-	31,873
March interim distribution of (SGD Hedged (Dist) Class) S\$ 0.44 per 100 units and (CNH Hedged (Dist) Class) CNH 4.40 per 100 units in respect of the financial year ended 31 December 2021	-	30,568
April interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.55 per 100 units in respect of the financial year ended 31 December 2021	-	32,229
May interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.58 per 100 units in respect of the financial year ended 31 December 2021	-	35,353
June interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.67 per 100 units in respect of the financial year ended 31 December 2021	-	38,455
July interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.62 per 100 units in respect of the financial year ended 31 December 2021	-	37,382
August interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.72 per 100 units in respect of the financial year ended 31 December 2021	-	38,946
September interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.69 per 100 units in respect of the financial year ended 31 December 2021	-	39,156
October interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.60 per 100 units in respect of the financial year ended 31 December 2021	-	36,887
November interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.71 per 100 units in respect of the financial year ended 31 December 2021	-	39,177
December final distribution of (SGD Hedged (Dist) Class) S\$ 0.61 per 100 units and (CNH Hedged (Dist) Class) CNH 6.32 per 100 units in respect of the financial year ended 31 December 2021	-	52,991
	<b>752,167</b>	<b>445,179</b>

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**8. Distribution (continued)**

**Singapore Dividend Equity Fund**

	<b>2022 S\$</b>	2021 S\$
December 2021 final distribution of (JPY Class) ¥ 4 per 1000 units in respect of the financial year ended 31 December 2022	<b>4,037</b>	-
January interim distribution of (SGD class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	<b>1,869,930</b>	-
February interim distribution of (SGD Class) S\$ 0.63 per 100 units, (USD Class) US\$ 0.47 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	<b>1,891,554</b>	-
March interim distribution of (SGD Class) S\$ 0.60 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	<b>1,844,638</b>	-
April interim distribution of (SGD Class) S\$ 0.63 per 100 units, (USD Class) US\$ 0.46 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	<b>1,976,636</b>	-
May interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	<b>1,979,117</b>	-
June interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	<b>1,956,585</b>	-
July interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.42 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	<b>1,976,116</b>	-
August interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	<b>2,139,042</b>	-
September interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	<b>2,188,196</b>	-
October interim distribution of (SGD Class) S\$ 0.55 per 100 units, (USD Class) US\$ 0.39 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	<b>2,029,597</b>	-
November interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	<b>2,187,820</b>	-
December final distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.43 per 100 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	<b>2,237,268</b>	-

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**8. Distribution (continued)**

**Singapore Dividend Equity Fund (continued)**

	<b>2022</b>	2021
	<b>S\$</b>	S\$
December 2020 final distribution of (JPY Class) ¥ 4 per 1000 units in respect of the financial year ended 31 December 2021	-	4,957
January interim distribution of (SGD class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.46 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,572,985
February interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,567,552
March interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,632,923
April interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.47 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,658,934
May interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,584,660
June interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.47 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,660,789
July interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,659,711
August interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.46 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,713,404
September interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,669,604
October interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,746,915
November interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2021	-	1,792,149
December final distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.43 per 100 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,734,463
	<b>24,280,536</b>	<b>19,999,046</b>



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**9. Financial risk management**

The Sub-Funds' activities expose them to a variety of risks, 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 implementation of overall risk management programme, which seeks to minimise potential adverse effects on the Sub-Funds' financial performance. Specific guidelines on exposures to individual securities and certain industries and/or countries are in place for the individual Sub-Funds as part of the overall financial risk management to reduce the Sub-Funds' exposure to these risks.

The investment objectives and focuses of the Sub-Funds are as follows:

- (i) Nikko AM Global Dividend Equity Fund's primary objective is to provide a total return of capital growth and income over the medium to long term by investing in shares or securities equivalent to shares listed on stock exchanges globally in developed markets and emerging markets. The Sub-Fund is managed on a total return basis and as such it does not seek to outperform any benchmark. As the Sub-Fund invests mainly in global equities, the Manager is of the view that the price risk of the Sub-Fund is best reflected by movements in the MSCI AC World Net Total Return Index (USD) (the "Index");
- (ii) Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) seek to maximise total returns over a full market cycle by investing in credit-related debt securities globally. The Sub-Fund will invest in credit-related debt securities such as emerging market debt, high-yield debt and investment-grade corporate debt. The Sub-Fund may also invest in other assets such as convertible bonds, asset-backed securities, mortgage-backed securities, debt securities of governments and their agencies and cash and cash equivalents.;
- (iii) Singapore Dividend Equity Fund's primary objective is to achieve medium to long-term capital appreciation by investing primarily in Singapore listed equities which offer attractive and sustainable dividend payments with the potential for long term capital appreciation. The Managers may also invest in non-Straits Times Index component stocks as well as stocks listed outside of Singapore with these characteristics. All the stocks are selected on the basis of a mixture of top-down and bottom-up analysis. The Sub-Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. As the Sub-Fund mainly invests in Singapore listed equities, the Manager is of the view that price risk of the Sub-Fund is best reflected by movements in the FTSE Straits Times Net Index (the "Index"); and
- (iv) Horizon Singapore Fixed Income Enhanced Fund's primary objective is to achieve medium to long term capital appreciation by investing primarily in money market and fixed income instruments in Singapore which provide income (which shall be reinvested at the present moment) and capital growth. In addition, the Sub-Fund may also invest in money market and fixed income instruments outside of Singapore. The benchmark against which the performance of the Sub-Fund is measured is Markit iBoxx ALBI Singapore Government Bond Index (the "Benchmark").

The Sub-Funds' investments are held in accordance with the published investment policies of the Sub-Funds and managed accordingly to achieve the investment objectives.



**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. 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 Sub-Funds' investments are substantially dependent on the changes in market prices. The Sub-Funds' overall market positions are monitored regularly so as to assess deviation from the Sub-Funds' 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 Sub-Funds.

The Sub-Funds' market price risk is managed through diversification of the investment portfolio across various geographies and industries in accordance with the investment objectives disclosed above.

**Horizon Singapore Fixed Income Enhanced Fund**

The market prices of financial assets held by the Sub-Fund are dependent on prevailing market interest rates as it invests in money market and fixed income instruments in Singapore. Hence, no separate price risk sensitivity analysis is prepared as it is covered as part of interest rate risk sensitivity analysis.

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

With effect from 31 March 2022, the investment objective and policy/focus and approach of the Sub-Fund was amended such that the Sub-Fund will seek to achieve its investment objective by investing in credit-related debt securities globally and the benchmark for Sub-Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed. Prior to that, the Sub-Fund as a feeder fund invested all or substantially all of its assets in the shares of Russell Investments Global Bond Fund (the "Underlying Fund"), a sub-fund within the Russell Investment Company PLC.

As at 31 December 2022, the market prices of financial assets held by the Sub-Fund are dependent on prevailing market interest rates as it invests in money market and fixed income instruments in Singapore. Hence, no separate price risk sensitivity analysis is prepared as it is covered as part of interest rate risk sensitivity analysis. The table below summarises the impact of an increase/decrease of the index components within the associated Benchmark, with all other variables held constant, on the net asset attributable to unitholders as at 31 December 2021.

**Singapore Dividend Equity Fund and Nikko AM Global Dividend Equity Fund**

The table below summarises the impact of an increase/decrease of the index components within the associated Benchmark/Index, with all other variables held constant, on the net assets attributable to unitholders as at 31 December 2022 and 31 December 2021. The analysis was based on the assumptions that the index components within the associated Benchmark/Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Sub-Funds' 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Financial risk management (continued)**

**(a) Market risk - Price risk (continued)**

Sub-Fund	enchmark/Index	Increase/Decrease in index components (%)		Increase/Decrease in net assets attributable to unitholders (%)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Nikko AM Global Dividend Equity Fund	MSCI AC World Net Total Return Index (USD)	14	12	13	12
Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	Bloomberg Global Aggregate Total Return Index (SGD Hedged)	N.A.	4	N.A.	4
Singapore Dividend Equity Fund	FTSE Straits Times Net Index	14	16	12	13

**(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).

**Singapore Dividend Equity Fund and Nikko AM Global Dividend Equity Fund**

Sub-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 changes in the interest rate may affect different industries and securities and scales to adjust the respective Sub-Fund's portfolio investment accordingly.

Changes in interest rates may also have an impact on the value of investment portfolios that consist of fixed income components within the underlying funds. The impact of a change in interest rates on the net assets attributable to unitholders is analysed in Note 9(a), where such a change has an impact on the benchmarked indices used in the price risk sensitivity analysis. Hence, no separate interest rate risk sensitivity analysis is presented.

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) and Horizon Singapore Fixed Income Enhanced Fund**

The Manager will regularly assess the economic condition, monitor changes in interest rates outlook and take appropriate measures accordingly to control the impact of interest rate risk. The Sub-Fund's overall market positions are monitored frequently and are reviewed formally on a quarterly basis by the Manager.

The tables below summarise the Sub-Funds' exposure to interest rate risks. They include the Sub-Funds' assets and liabilities at fair value, categorised by the earlier of contractual repricing or maturity dates.

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

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

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

As at 31 December 2022

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years S\$	S\$	S\$
<b>Assets</b>						
Portfolio of investments	6,211,290	399,659	8,413,736	1,887,353	214,227	17,126,265
Receivables	-	-	-	-	9,347	9,347
Cash and cash equivalents	163,677	-	-	-	-	163,677
<b>Total Assets</b>	<b>6,374,967</b>	<b>399,659</b>	<b>8,413,736</b>	<b>1,887,353</b>	<b>223,574</b>	<b>17,299,289</b>
<b>Liabilities</b>						
Payables	-	-	-	-	75,491	75,491
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,491</b>	<b>75,491</b>

As at 31 December 2022, an increase/decrease of interest rates 1% with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 2%. Changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

There are no comparative amounts for 2021, as prior to 31 March 2022, the Sub-Fund was a feeder fund which invested all or substantially all of its assets in the shares of the Underlying Fund.

**Horizon Singapore Fixed Income Enhanced Fund**

As at 31 December 2022

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years S\$	S\$	S\$
<b>Assets</b>						
Portfolio of investments	3,778,858	1,889,080	2,203,085	13,438,676	167,931	21,477,630
Receivables	-	-	-	-	27,599	27,599
Cash and cash equivalents	499,255	-	-	-	-	499,255
<b>Total assets</b>	<b>4,278,113</b>	<b>1,889,080</b>	<b>2,203,085</b>	<b>13,438,676</b>	<b>195,530</b>	<b>22,004,484</b>
<b>Liabilities</b>						
Payables	-	-	-	-	77,645	77,645
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,645</b>	<b>77,645</b>

As at 31 December 2021

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years S\$	S\$	S\$
<b>Assets</b>						
Portfolio of investments	8,849,730	-	2,947,936	12,102,579	175,549	24,075,794
Sales awaiting settlement	-	-	-	-	290,488	290,488
Receivables	-	-	-	-	9,388	9,388
Cash and cash equivalents	232,562	-	-	-	-	232,562
<b>Total assets</b>	<b>9,082,292</b>	<b>-</b>	<b>2,947,936</b>	<b>12,102,579</b>	<b>475,425</b>	<b>24,608,232</b>
<b>Liabilities</b>						
Payables	-	-	-	-	87,188	87,188
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,188</b>	<b>87,188</b>

As at 31 December 2022 and 2021 an increase/decrease of interest rates 1% (2021: 1%), with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 8% (2021: 7%). Changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS***(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2022***9. Financial risk management (continued)****(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 Sub-Funds mainly hold its excess cash in its functional currency. For hedging purposes, the Sub-Funds may also enter into forward foreign exchange contracts.

**Nikko AM Global Dividend Equity Fund**

<b>As at 31 December 2022</b>	<b>USD US\$</b>	<b>EUR US\$</b>	<b>SEK US\$</b>	<b>GBP US\$</b>	<b>JPY US\$</b>	<b>AUD US\$</b>	<b>TWD US\$</b>	<b>SGD US\$</b>	<b>Others US\$</b>	<b>Total US\$</b>
<b>Assets</b>										
Portfolio of investments	24,927,728	7,617,550	766,901	4,668,411	836,201	2,921,537	1,152,788	1,962,559	6,878,938	51,732,613
Receivables	37,954	-	-	-	5,022	-	5,584	60,942	-	109,502
Cash and cash equivalents	1,345,086	5,891	186	3,101	270	3,434	-	117,061	60,392	1,535,421
<b>Total assets</b>	<b>26,310,768</b>	<b>7,623,441</b>	<b>767,087</b>	<b>4,671,512</b>	<b>841,493</b>	<b>2,924,971</b>	<b>1,158,372</b>	<b>2,140,562</b>	<b>6,939,330</b>	<b>53,377,536</b>
<b>Liabilities</b>										
Payables	229,867	-	-	-	-	-	-	56,014	-	285,881
Distributions payable	-	-	-	-	-	-	-	48,672	1,101	49,773
<b>Total liabilities</b>	<b>229,867</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104,686</b>	<b>1,101</b>	<b>335,654</b>
<b>Net off-balance sheet derivative financial instruments</b>	<b>(54,257,921)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,170,769</b>	<b>267,245</b>	
<b>Net currency exposure</b>	<b>(28,177,020)</b>	<b>7,623,441</b>	<b>767,087</b>	<b>4,671,512</b>	<b>841,493</b>	<b>2,924,971</b>	<b>1,158,372</b>	<b>56,206,645</b>	<b>7,205,474</b>	

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

**(c) Market risk - Currency risk (continued)**

**Nikko AM Global Dividend Equity Fund (continued)**

As at 31 December 2021	USD US\$	EUR US\$	SEK US\$	GBP US\$	JPY US\$	AUD US\$	TWD US\$	SGD US\$	Others US\$	Total US\$
<b>Assets</b>										
Portfolio of investments	29,057,748	10,266,921	1,118,971	4,488,577	1,312,292	1,274,118	3,200,921	1,148,314	7,344,678	59,212,540
Receivables	38,545	-	-	5,846	6,369	-	11,307	61,015	-	123,082
Cash and cash equivalents	463,610	6,290	215	3,466	309	3,653	-	413,648	191,284	1,082,475
<b>Total assets</b>	<b>29,559,903</b>	<b>10,273,211</b>	<b>1,119,186</b>	<b>4,497,889</b>	<b>1,318,970</b>	<b>1,277,771</b>	<b>3,212,228</b>	<b>1,622,977</b>	<b>7,535,962</b>	<b>60,418,097</b>
<b>Liabilities</b>										
Payables	297,830	-	-	-	-	-	-	155,373	-	453,203
Distributions payable	-	-	-	-	-	-	-	51,705	1,286	52,991
<b>Total liabilities</b>	<b>297,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207,078</b>	<b>1,286</b>	<b>506,194</b>
<b>Net off-balance sheet derivative financial instruments</b>	<b>(58,620,283)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,193,222</b>	<b>233,779</b>	
<b>Net currency exposure</b>	<b>(29,358,210)</b>	<b>10,273,211</b>	<b>1,119,186</b>	<b>4,497,889</b>	<b>1,318,970</b>	<b>1,277,771</b>	<b>3,212,228</b>	<b>60,609,121</b>	<b>7,768,455</b>	

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 included listed equities and real estate investment trusts, as part of the price risk sensitivity analysis.

As of 31 December 2022 and 2021, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Financial risk management (continued)**

**(c) Market risk - Currency risk (continued)**

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

As at 31 December 2022	SGD S\$	USD S\$	GBP S\$	EUR S\$	Total S\$
<b>Assets</b>					
Portfolio of investments	-	11,551,081	291,308	5,283,876	17,126,265
Receivables	-	9,347	-	-	9,347
Cash and cash equivalents	52,518	91,811	8,535	10,813	163,677
<b>Total assets</b>	<b>52,518</b>	<b>11,652,239</b>	<b>299,843</b>	<b>5,294,689</b>	<b>17,299,289</b>
<b>Liabilities</b>					
Payables	75,491	-	-	-	75,491
<b>Total liabilities</b>	<b>75,491</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,491</b>
<b>Net currency exposure</b>	<b>(22,973)</b>	<b>11,652,239</b>	<b>299,843</b>	<b>5,294,689</b>	

As at 31 December 2021	SGD S\$	USD S\$	JPY S\$	GBP S\$	EUR S\$	Total S\$
<b>Assets</b>						
Portfolio of investments	-	21,442,884	-	-	-	21,442,884
Sales awaiting settlement	-	-	-	-	-	-
Cash and cash equivalents	26,247	574,019	234	9	1	600,510
<b>Total assets</b>	<b>26,247</b>	<b>22,016,903</b>	<b>234</b>	<b>9</b>	<b>1</b>	<b>22,043,394</b>
<b>Liabilities</b>						
Payables	60,277	-	-	-	-	60,277
<b>Total liabilities</b>	<b>60,277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,277</b>
<b>Net off-balance sheet derivative financial instruments</b>	<b>19,974,696</b>	<b>(10,183,769)</b>	<b>(3,022,427)</b>	<b>(1,182,260)</b>	<b>(5,403,144)</b>	
<b>Net currency exposure</b>	<b>19,940,666</b>	<b>11,833,134</b>	<b>(3,022,193)</b>	<b>(1,182,251)</b>	<b>(5,403,143)</b>	

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 as part of the price risk sensitivity analysis.

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

	Increase/(Decrease) in foreign exchange rate (%)		(Decrease)/Increase in net assets attributable to unitholders (%)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
EUR	6	4	2	(1)
JPY	N.A.	6	N.A.	(1)
USD	6	4	4	2

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS***(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2022***9. Financial risk management (continued)****(c) Market risk - Currency risk (continued)****Singapore Dividend Equity Fund**

<b>As at 31 December 2022</b>	<b>SGD S\$</b>	<b>USD S\$</b>	<b>JPY S\$</b>	<b>HKD S\$</b>	<b>MYR S\$</b>	<b>PHP S\$</b>	<b>Total S\$</b>
<b>Assets</b>							
Portfolio of investments	464,991,613	26,742,833	-	11,832,997	-	4,125,876	507,693,319
Receivables	1,435,043	-	535,452	-	94,671	71,347	2,136,513
Cash and cash equivalents	24,084,952	1,070,128	1,050,184	-	60,351	-	26,265,615
<b>Total assets</b>	<b>490,511,608</b>	<b>27,812,961</b>	<b>1,585,636</b>	<b>11,832,997</b>	<b>155,022</b>	<b>4,197,223</b>	<b>536,095,447</b>
<b>Liabilities</b>							
Payables	4,157,593	36,980	-	-	5,372	-	4,199,945
Distributions payable	2,127,740	46,776	-	-	62,752	-	2,237,268
<b>Total liabilities</b>	<b>6,285,333</b>	<b>83,756</b>	<b>-</b>	<b>-</b>	<b>68,124</b>	<b>-</b>	<b>6,437,213</b>
<b>Net currency exposure</b>	<b>484,226,275</b>	<b>27,729,205</b>	<b>1,585,636</b>	<b>11,832,997</b>	<b>86,898</b>	<b>4,197,223</b>	

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS***(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2022***9. Financial risk management (continued)****(c) Market risk - Currency risk (continued)****Singapore Dividend Equity Fund (continued)**

<b>As at 31 December 2021</b>	<b>SGD S\$</b>	<b>USD S\$</b>	<b>JPY S\$</b>	<b>HKD S\$</b>	<b>MYR S\$</b>	<b>PHP S\$</b>	<b>Total S\$</b>
<b>Assets</b>							
Portfolio of investments	373,737,392	25,991,070	-	4,484,551	-	5,911,418	410,124,431
Sales awaiting settlement	6,542	-	-	-	-	-	6,542
Receivables	1,363,080	4,666	-	-	105,855	-	1,473,601
Cash and cash equivalents	15,105,809	1,072,164	1,215,624	-	2,045	-	17,395,642
<b>Total assets</b>	<b>390,212,823</b>	<b>27,067,900</b>	<b>1,215,624</b>	<b>4,484,551</b>	<b>107,900</b>	<b>5,911,418</b>	<b>429,000,216</b>
<b>Liabilities</b>							
Payables	2,010,604	-	-	-	5,057	-	2,015,661
Distributions payable	1,654,554	45,288	-	-	34,621	-	1,734,463
<b>Total liabilities</b>	<b>3,665,158</b>	<b>45,288</b>	<b>-</b>	<b>-</b>	<b>39,678</b>	<b>-</b>	<b>3,750,124</b>
<b>Net currency exposure</b>	<b>386,547,665</b>	<b>27,022,612</b>	<b>1,215,624</b>	<b>4,484,551</b>	<b>68,222</b>	<b>5,911,418</b>	

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, investments funds and real estate investments trust, as part of the price risk sensitivity analysis.

As of 31 December 2022 and 2021, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.



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

(c) **Market risk - Currency risk** (continued)

**Horizon Singapore Fixed Income Enhanced Fund**

As of 31 December 2022 and 2021, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

(d) **Market risk - Liquidity risk**

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

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

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

The Sub-Funds' securities are considered readily realisable as majority of the securities are listed on recognised stock exchanges.

The Sub-Funds' financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at 31 December 2022 and 2021, all liabilities are either payable on demand or due in less than 3 months. The impact of discounting is not significant.

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	
	<b>Less than 3 months</b>		<b>Less than 3 months</b>	
	<b>As at 31 December 2022 US\$</b>	<b>As at 31 December 2021 US\$</b>	<b>As at 31 December 2022 S\$</b>	<b>As at 31 December 2021 S\$</b>
Payables	<b>285,881</b>	453,203	<b>75,491</b>	60,277
Distribution payable	<b>49,773</b>	52,991	-	-
<b>Contractual cash outflows (excluding gross settled derivatives)</b>	<b>335,654</b>	506,194	<b>75,491</b>	60,277

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

**(d) Market risk - Liquidity risk (continued)**

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>Less than 3 months</b>		<b>Less than 3 months</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Payables	<b>4,199,945</b>	2,015,661	<b>77,645</b>	87,188
Distribution payable	<b>2,237,268</b>	1,734,463	-	-
<b>Contractual cash outflows (excluding gross settled derivatives)</b>	<b>6,437,213</b>	3,750,124	<b>77,645</b>	87,188

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

	<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	
<b>Less than 3 months</b>	<b>As at</b>	<b>As at</b>
	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
Currency forward		
- Outflow	-	(1,182,260)
- Inflow	-	1,176,929
<b>Net outflow</b>	<b>-</b>	<b>(5,331)</b>

**(e) Credit risk**

Credit risk is the risk that a counterparty will be unable to fulfil its obligations to the Sub-Funds 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.

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

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

The Sub-Funds are also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2022 and 2021, the Sub-Funds' 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 recognized based on the 12-month expected credit losses as any such impairment would be insignificant to the Sub-Funds.

The table below analyses the Sub-Funds' investments by credit ratings. The credit ratings are reviewed regularly.

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (\$ Hedged))**

	Fair value as at 31 December 2022	
	Floating rate securities S\$	Fixed rate securities S\$
A1	-	261,649
A2	396,102	-
B1	-	840,904
B2	-	446,015
B3	-	333,390
Ba1	-	1,150,414
Ba2	355,230	1,475,386
Ba3	-	1,199,579
Ba2*+	261,295	-
Ba3u	248,601	-
Baa1	498,069	792,042
Baa2	768,544	918,047
Baa3	2,015,833	1,625,164
Baa3*-	-	132,604
Caa1	-	62,534
Not rated **	1,667,616	1,463,020
Accrued interest receivable on quoted fixed income securities	83,330	130,897
	<b>6,294,620</b>	<b>10,831,645</b>

There are no comparative amounts for 2021, as prior to 31 March 2022, the Sub-Fund was a feeder fund which invested all or substantially all of its assets in the shares of the Underlying Fund.

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

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

**Horizon Singapore Fixed Income Enhanced Fund**

	Fair value as at 31 December 2022		Fair value as at 31 December 2021	
	Floating rate securities	Fixed rate securities	Floating rate securities	Fixed rate securities
	S\$	S\$	S\$	S\$
AAA *	-	-	-	7,688,030
AA+	-	-	-	273,026
AA	-	-	-	257,737
A	-	-	509,875	-
A-	-	-	257,294	738,106
BBB+	-	-	1,018,950	245,775
BBB-	-	-	1,253,100	-
BB+	-	-	753,575	-
Aaa *	-	<b>14,437,976</b>	-	-
A2	<b>491,973</b>	<b>159,237</b>	1,005,767	-
A3	-	<b>497,739</b>	-	262,433
Aa2	-	<b>494,418</b>	-	-
Ba2*+	<b>254,601</b>	-	-	-
Baa1	<b>743,974</b>	-	523,711	-
Baa2	-	-	1,015,002	-
Baa3	<b>238,375</b>	-	511,525	521,697
Not rated **	<b>2,049,935</b>	<b>1,941,471</b>	2,000,931	5,063,711
Accrued interest receivable on quoted fixed income securities	<b>32,963</b>	<b>134,968</b>	70,182	105,367
	<b>3,811,821</b>	<b>17,665,809</b>	8,919,912	15,155,882

\* The balance includes securities that are issued by government agencies of governments that have a Aaa rating as rated by Moody's (2021: AAA rating as rated by a well-known rating agency).

\*\* Not rated securities are supported by internal and other rating agencies credit ratings but are not disclosed due to licencing restrictions. Following a change in the use of credit rating agencies during the financial year ended 31 December 2022 whereby historical credit ratings cannot be retrieved, the comparative amounts for the credit ratings table above are not entirely comparable.

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

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

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 with brokers. The table below summarises the credit rating of banks and custodian in which the Sub-Funds' assets are held as at 31 December 2022 and 2021.

**Nikko AM Global Dividend Equity Fund**

	<b>Credit rating as at 31 December 2022</b>	<b>Credit rating as at 31 December 2021</b>
<b>Bank and custodian</b>		
- BNP Paribas, operating through its Singapore Branch	<b>Aa3</b>	<b>A+</b>
<b>Counterparties of forward foreign exchange contracts</b>		
- ANZ Bank	<b>Aa3</b>	<b>AA-</b>
- JP Morgan Chase Bank	<b>N.A</b>	<b>A-</b>

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

	<b>Credit rating as at 31 December 2022</b>	<b>Credit rating as at 31 December 2021</b>
<b>Bank and custodian</b>		
- BNP Paribas, operating through its Singapore Branch	<b>Aa3</b>	<b>A+</b>
<b>Counterparties of forward foreign exchange contracts</b>		
- BNP Paribas	<b>N.A</b>	<b>A+</b>
- JP Morgan Chase Bank	<b>N.A</b>	<b>A-</b>

**Singapore Dividend Equity Fund**

	<b>Credit rating as at 31 December 2022</b>	<b>Credit rating as at 31 December 2021</b>
<b>Bank and custodian</b>		
- BNP Paribas, operating through its Singapore Branch	<b>Aa3</b>	<b>A+</b>

**Horizon Singapore Fixed Income Enhanced Fund**

	<b>Credit rating as at 31 December 2022</b>	<b>Credit rating as at 31 December 2021</b>
<b>Bank and custodian</b>		
- BNP Paribas, operating through its Singapore Branch	<b>Aa3</b>	<b>A+</b>

As at 31 December 2022, the credit ratings are based on Local Long-Term Bank Deposits from Moody's (2021: 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 HORIZON INVESTMENT FUNDS**  
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**9. Financial risk management (continued)**

**(f) Capital management**

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

**(g) Fair value estimation**

The Sub-Funds classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table analyses within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value at 31 December 2022 and 2021:

**Nikko AM Global Dividend Equity Fund**

**As at 31 December 2022**

<b>Assets</b>	<b>Level 1 US\$</b>	<b>Level 2 US\$</b>	<b>Level 3 US\$</b>	<b>Total US\$</b>
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	47,537,520	-	-	47,537,520
- Quoted real estate investment trusts	4,195,093	-	-	4,195,093
- Financial derivatives at fair value	-	180,093	-	180,093
	<b>51,732,613</b>	<b>180,093</b>	<b>-</b>	<b>51,912,706</b>

**As at 31 December 2021**

<b>Assets</b>	<b>Level 1 US\$</b>	<b>Level 2 US\$</b>	<b>Level 3 US\$</b>	<b>Total US\$</b>
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	55,623,238	-	-	55,623,238
- Quoted real estate investment trusts	3,589,302	-	-	3,589,302
- Financial derivatives at fair value	-	806,718	-	806,718
	<b>59,212,540</b>	<b>806,718</b>	<b>-</b>	<b>60,019,258</b>

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

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

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

**As at 31 December 2022**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	-	17,126,265	-	17,126,265

**As at 31 December 2021**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted investment fund	21,442,884	-	-	21,442,884
- Financial derivatives at fair value	-	188,427	-	188,427
	21,442,884	188,427	-	21,631,311
<b>Liabilities</b>				
Financial liabilities designated at fair value through profit or loss inception:				
- Financial derivatives at fair value	-	5,331	-	5,331

**Singapore Dividend Equity Fund**

**As at 31 December 2022**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	403,427,822	-	-	403,427,822
- Quoted investment funds	18,169,677	-	-	18,169,677
- Quoted real estate investment trusts	86,095,820	-	-	86,095,820
	507,693,319	-	-	507,693,319

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**9. Financial risk management (continued)**

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

**Singapore Dividend Equity Fund (continued)**

**As at 31 December 2021**

	<b>Level 1 S\$</b>	<b>Level 2 S\$</b>	<b>Level 3 S\$</b>	<b>Total S\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	332,052,346	-	-	332,052,346
- Quoted investment funds	10,879,678	-	-	10,879,678
- Quoted real estate investment trusts	67,192,407	-	-	67,192,407
	<u>410,124,431</u>	<u>-</u>	<u>-</u>	<u>410,124,431</u>

**Horizon Singapore Fixed Income Enhanced Fund**

**As at 31 December 2022**

	<b>Level 1 S\$</b>	<b>Level 2 S\$</b>	<b>Level 3 S\$</b>	<b>Total S\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	<u>14,546,276</u>	<u>6,931,354</u>	<u>-</u>	<u>21,477,630</u>

**As at 31 December 2021**

	<b>Level 1 S\$</b>	<b>Level 2 S\$</b>	<b>Level 3 S\$</b>	<b>Total S\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	<u>5,875,098</u>	<u>18,200,696</u>	<u>-</u>	<u>24,075,794</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, real estate investment trusts, investment funds and Singapore government bonds. Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. The Sub-Funds do not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include investment-grade corporate bonds and over-the-counter derivatives.

Except for cash and cash equivalents which are classified as level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2022 and 2021 have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.



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

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

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

The Sub-Funds' investments in the Underlying Fund are subject to the terms and conditions of the respective Underlying Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Underlying Fund. The Manager makes investment decisions after extensive due diligence of the Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager.

The Sub-Fund has the right to request redemption of its investments in the Underlying Fund on a daily basis. The exposure to investments in the Underlying Funds at fair value is disclosed under the Statement of Portfolio. These investments are included in "Portfolio of investments" in the Statements of Financial Position.

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

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

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

The Sub-Fund has disposed all of its units in the Underlying Fund on 28 March 2022.

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**10. Related party transactions**

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

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances held with related party of the trustee	<b>1,535,421</b>	1,082,475	<b>163,677</b>	600,510
	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances held with related party of the trustee	<b>26,265,615</b>	17,395,642	<b>499,255</b>	232,562

**11. Financial ratios**

**Expense ratio**

**Nikko AM Global Dividend Equity Fund**

<b>SGD Hedged (Acc) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	US\$	<b>712,389</b>	1,062,150
Average daily net asset value	US\$	<b>42,167,701</b>	62,689,818
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.69</b>	1.69
<b>SGD Hedged (Dist) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	US\$	<b>180,199</b>	142,809
Average daily net asset value	US\$	<b>10,638,939</b>	8,468,726
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.69</b>	1.69
<b>USD (Acc) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	US\$	<b>6,998</b>	7,985
Average daily net asset value	US\$	<b>414,567</b>	473,528
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.69</b>	1.69
<b>CNH Hedged (Dist) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	US\$	<b>3,523</b>	1,433
Average daily net asset value	US\$	<b>207,688</b>	87,475
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.70</b>	1.64

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**11. Financial ratios (continued)**

**Expense ratio (continued)**

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

<b>SGD (Acc) Class (previously known as SGD Class)</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>297,037</b>	225,678
Average daily net asset value	S\$	<b>18,626,988</b>	25,403,024
<b>Total expense ratio<sup>1</sup></b> (including Underlying Fund's expense ratio)	%	<b>1.75</b>	1.59
Weighted average of the Underlying Fund's unaudited expense ratio	%	<b>0.16</b>	0.70

**Singapore Dividend Equity Fund**

<b>SGD class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>6,515,087</b>	5,422,862
Average daily net asset value	S\$	<b>457,975,633</b>	378,643,953
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.42</b>	1.43

<b>SGD (Acc) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>6</b>	-
Average daily net asset value	S\$	<b>1,003</b>	-
<b>Total expense ratio<sup>1</sup> (annualised)</b>	%	<b>1.23</b>	-

<b>USD Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>156,410</b>	140,320
Average daily net asset value	S\$	<b>10,992,145</b>	9,800,554
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.42</b>	1.43

<b>USD (Acc) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>8</b>	-
Average daily net asset value	S\$	<b>1,395</b>	-
<b>Total expense ratio<sup>1</sup> (annualised)</b>	%	<b>1.29</b>	-

<b>JPY Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>16,396</b>	6,271
Average daily net asset value	S\$	<b>2,982,427</b>	1,129,998
<b>Total expense ratio<sup>1</sup></b>	%	<b>0.55</b>	0.55

<b>MYR Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>167,302</b>	114,228
Average daily net asset value	S\$	<b>11,771,409</b>	7,973,358
<b>Total expense ratio<sup>1</sup></b>	%	<b>1.42</b>	1.43

<b>MYR (Acc) Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>3</b>	-
Average daily net asset value	S\$	<b>606</b>	-
<b>Total expense ratio<sup>1</sup> (annualised)</b>	%	<b>1.18</b>	-

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**11. Financial ratios (continued)**

**Expense ratio (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

<b>SGD Class</b>		<b>2022</b>	<b>2021</b>
Total operating expenses	S\$	<b>278,183</b>	325,310
Average daily net asset value	S\$	<b>22,237,543</b>	25,254,941
<b>Total expense ratio<sup>1</sup></b>	<b>%</b>	<b>1.25</b>	1.29

<sup>1</sup> 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 Sub-Funds do not pay any performance fee. The average net asset value is based on the daily balances.

**Turnover ratio**

**Nikko AM Global Dividend Equity Fund**

		<b>2022</b>	<b>2021</b>
Lower of total value of purchases or sales	US\$	<b>12,503,315</b>	18,422,212
Average daily net asset value	US\$	<b>53,428,895</b>	71,719,547
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b>23.40</b>	25.69

**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

		<b>2022</b>	<b>2021</b>
Lower of total value of purchases or sales	S\$	<b>23,884,621</b>	18,977,887
Average daily net asset value	S\$	<b>18,626,988</b>	25,403,024
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b>128.23</b>	74.71

**Singapore Dividend Equity Fund**

		<b>2022</b>	<b>2021</b>
Lower of total value of purchases or sales	S\$	<b>81,080,920</b>	84,364,108
Average daily net asset value	S\$	<b>483,724,619</b>	397,547,863
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b>16.76</b>	21.22

**Horizon Singapore Fixed Income Enhanced Fund**

		<b>2022</b>	<b>2021</b>
Lower of total value of purchases or sales	S\$	<b>27,651,011</b>	18,160,331
Average daily net asset value	S\$	<b>22,237,543</b>	25,254,941
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b>124.34</b>	71.91

<sup>2</sup> 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 HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**NOTES TO THE FINANCIAL STATEMENTS**  
*For the financial year ended 31 December 2022*

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**12. Comparative**

When necessary, comparative figures have been adjusted to conform with the changes in presentation in the current period. The revised presentation does not result in a change in the Sub-Funds' net assets or return/deficit after income tax.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

The following contains additional information relating to the Sub-Funds.

**1. Distribution of investments**

Please refer to the Statements of Portfolio on pages 25 to 43.

**2. Credit rating of debt securities**

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
A1	261,649	1.52
A2	396,102	2.30
B1	840,904	4.88
B2	446,015	2.59
B3	333,390	1.94
Ba1	1,150,414	6.68
Ba2	1,830,616	10.63
Ba2 *+	261,295	1.52
Ba3	1,199,579	6.96
Ba3u	248,601	1.44
Baa1	1,290,111	7.49
Baa2	1,686,591	9.79
Baa3	3,640,997	21.14
Baa3 *-	132,604	0.77
Caa1	62,534	0.36
Not rated	3,130,636	18.18
Accrued interest receivable on quoted fixed income securities	214,227	1.24
<b>Total</b>	<b>17,126,265</b>	<b>99.43</b>

**Horizon Singapore Fixed Income Enhanced Fund**

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Aaa	14,437,976	65.85
A2	651,210	2.97
A3	497,739	2.27
Aa2	494,418	2.25
Ba2 *+	254,601	1.16
Baa1	743,974	3.39
Baa3	238,375	1.09
Not rated	3,991,406	18.20
Accrued interest receivable on quoted fixed income securities	167,931	0.77
<b>Total</b>	<b>21,477,630</b>	<b>97.95</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

**3. Top 10 holdings**

**Nikko AM Global Dividend Equity Fund**

**10 largest holdings at 31 December 2022**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,899,789	5.45
Nestle SA	2,511,206	4.72
AbbVie Incorporated	2,284,640	4.29
Worley Limited	1,980,976	3.72
DBS Group Holdings Limited	1,962,559	3.69
Pfizer Incorporated	1,937,711	3.64
Roche Holding AG	1,864,079	3.50
Compass Group Public Listed Company	1,845,994	3.47
Emerson Electric Company	1,791,807	3.37
Diageo Public Listed Company	1,751,411	3.29

**10 largest holdings at 31 December 2021**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Company Limited	3,200,921	5.27
Coca-Cola Company	2,772,390	4.57
Roche Holding AG	2,537,205	4.18
PepsiCo Incorporated	2,505,419	4.13
Nestle SA	2,479,310	4.08
Pfizer Incorporated	2,293,148	3.78
Accenture Public Listed Company	2,272,563	3.74
Microsoft Corporation	2,191,461	3.61
Compass Group Public Listed Company	1,838,271	3.03
Schneider Electric SE	1,830,794	3.02

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

**3. Top 10 holdings (continued)**

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

**10 largest holdings at 31 December 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
St Paul's CLO VIII DAC 3.828% due 17/07/2030	635,831	3.69
Neuberger Berman Loan Advisers CLO 26 Limited 6.84371% due 18/10/2030	630,076	3.66
Madison Park Funding XXVII Limited 6.84257% due 20/04/2030	625,164	3.63
Barings CLO Limited 2020-I 7.27914% due 15/10/2036	623,452	3.62
Tikehau CLO II BV 5.375% due 07/09/2035	608,479	3.54
Sculptor European CLO I DAC 4.903% due 18/04/2034	499,888	2.90
Greywolf CLO VI Limited 7.2555% due 26/04/2031	301,883	1.75
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	287,947	1.67
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	284,014	1.65
Enel Finance International NV 6.8% due 14/10/2025	275,994	1.60

**Largest holdings at 31 December 2021**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Russell Investment Company PLC - Russell Global Bond Fund (Class A)	21,442,884	96.74



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

**3. Top 10 holdings (continued)**

**Singapore Dividend Equity Fund**

**10 largest holdings at 31 December 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
United Overseas Bank Limited	50,414,619	9.52
DBS Group Holdings Limited	47,033,099	8.88
Oversea-Chinese Banking Corporation Limited	46,375,131	8.76
Keppel Corporation Limited	39,902,412	7.53
Wilmar International Limited	27,876,033	5.26
Sembcorp Industries Limited	26,576,264	5.02
CapitaLand Investment Limited	21,709,010	4.10
Jardine Cycle & Carriage Limited	15,649,920	2.95
Jardine Matheson Holdings Limited	14,342,951	2.71
Singapore Technologies Engineering Limited	13,762,805	2.60

**10 largest holdings at 31 December 2021**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	40,742,991	9.58
Oversea-Chinese Banking Corporation Limited	40,320,455	9.48
United Overseas Bank Limited	37,040,493	8.71
Keppel Corporation Limited	21,303,296	5.01
CapitaLand Investment Limited	19,117,142	4.50
Wilmar International Limited	15,866,550	3.73
Sembcorp Industries Limited	15,309,800	3.60
Singapore Exchange Limited	13,465,470	3.17
Jardine Matheson Holdings Limited	11,672,934	2.74
CapitaLand Integrated Commercial Trust	11,324,458	2.66

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

**3. Top 10 holdings (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

**10 largest holdings at 31 December 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.875% due 01/09/2030	2,117,750	9.66
Singapore Government Bond 2.625% due 01/08/2032	1,937,053	8.83
Singapore Government Bond 2.75% due 01/03/2046	1,898,260	8.66
Singapore Government Bond 2.25% due 01/08/2036	1,639,926	7.48
Singapore Government Bond 2.75% due 01/04/2042	1,453,143	6.63
Singapore Government Bond 2.875% due 01/07/2029	891,450	4.07
Singapore Government Bond 1.625% due 01/07/2031	820,401	3.74
Westpac Banking Corporation 4.65% due 07/09/2032	743,974	3.39
Singapore Government Bond 3% due 01/08/2072	708,688	3.23
Keppel Corporation Limited 2.9% due 16/03/2170	684,607	3.12

**10 largest holdings at 31 December 2021**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.75% due 01/03/2046	1,460,680	5.96
Singapore Government Bond 2.75% due 01/04/2042	1,002,330	4.09
Singapore Government Bond 2.875% due 01/09/2030	929,985	3.79
Australia & New Zealand Banking Group Limited 3.75% due 23/03/2027	754,288	3.08
Mapletree Industrial Trust 3.15% due 31/12/2061	741,375	3.02
United Overseas Bank Limited 2.55% due 31/12/2061	737,250	3.01
Singapore Government Bond 3% due 01/09/2024	631,740	2.58
DBS Group Holdings Limited 3.98% due 31/12/2049	523,711	2.14
Lendlease Finance Limited 3.9% due 27/04/2027	521,697	2.13
Singapore Government Bond 2.25% due 01/08/2036	520,700	2.12

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

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**4. Exposure to financial derivatives**

**Nikko AM Global Dividend Equity Fund**

	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders 31 December 2022 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Forward foreign exchange contracts	<b>180,093</b>	<b>0.34</b>	<b>180,093</b>	<b>(427,247)</b>

**Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))**

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders 31 December 2022 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	-	-	-	<b>230,617</b>

**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.

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**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

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

**Nikko AM Global Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 25 to 29.

**Singapore Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 36 to 39.

**9. Borrowings**

Nil.

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

	<b>Nikko AM Global Dividend Equity Fund US\$</b>	<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) S\$</b>
Units created	7,603,608	693,634
Units cancelled	(6,480,776)	(2,621,875)

	<b>Singapore Dividend Equity Fund S\$</b>	<b>Horizon Singapore Fixed Income Enhanced Fund S\$</b>
Units created	232,701,021	322,488
Units cancelled	(114,924,076)	(1,617,851)

**11. Turnover ratio**

Please refer to Note 11 of the Notes to the Financial Statements on page 83.

**12. Expense ratio**

Please refer to Note 11 of the Notes to the Financial Statements on pages 81 to 83.

**13. Related party transactions**

Please refer to Note 10 of the Notes to the Financial Statements on page 81.

**14. Any other material information that will adversely impact the valuation of the Sub-Funds**

Nil.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

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**15. Soft dollar commissions/arrangements**

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

The Sub-Managers do not receive or intend to receive any soft dollars in their management of the Nikko AM Global Dividend Equity Fund and Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)). NAM Americas also does not receive or intend to receive soft dollars in respect of the global equities trading that it carries out for the Nikko AM Global Dividend Equity Fund.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial year ended 31 December 2022*

With effect from 31 March 2022, the investment objective and policy/focus and approach of Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) was amended such that the Sub-Fund will seek to achieve its investment objective by investing in credit-related debt securities globally. Prior to that, the Sub-Fund as a feeder fund invested all or substantially all of its assets in the shares of Russell Investments Global Bond Fund, a sub-fund within the Russell Investment Company PLC

The details which follow make reference to the investments within the Russell Investment Company PLC - Russell Investments Global Bond Fund (Class A) unless stated otherwise.

**1. Top 10 Holdings**

10 largest holdings at 31 December 2021		Percentage of total net assets attributable to unitholders %
	Fair value US\$	
JAPAN (10 YEAR ISSUE) 0.1 20-Mar-2029	21,963,075	1.19
US TREASURY N/B 0.125 28-Feb-2023	20,120,699	1.09
JAPAN (10 YEAR ISSUE) 0.1 20-Jun-2029	18,551,814	1.00
BUNDESOBLIGATION 0 11-Apr-2025	15,123,586	0.82
US TREASURY N/B 1.5 15-Aug-2026	15,118,306	0.82
JAPAN (30 YEAR ISSUE) 1.5 20-Mar-2045	14,186,206	0.77
UK TSY 3.5 22-Jan-2045	13,723,826	0.74
BUNDESREPUB. DEUTSCHLAND 0 15-Aug-2030	13,515,018	0.73
US TREASURY N/B 2 15-Feb-2050	13,133,905	0.71
JAPAN (20 YEAR ISSUE) 2.1 20-Dec-2029	12,793,817	0.69

**2. Financial Ratios**

	2021 %
Expense ratio <sup>1</sup>	0.72
Turnover ratio	161.32

<sup>1</sup> The expense ratio has been computed based on the total operating expenses divided by the average net asset value for the period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The average net asset value is based on the daily balances.



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Company registration number 198202562H



# SEMI-ANNUAL REPORT

For the financial period ending 30 June 2022

## Nikko AM Shenton Horizon Investment Funds

Nikko AM Multi Sector Credit Fund  
Horizon Singapore Fixed Income Enhanced Fund  
Nikko AM Global Dividend Equity Fund  
Singapore Dividend Equity Fund



**MANAGERS**

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

**DIRECTORS OF THE MANAGERS**

Kiyotaka Ryu  
Seet Oon Hui Eleanor  
Hiroki Tsujimura

**TRUSTEE & REGISTRAR**

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

**AUDITORS**

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

**CUSTODIAN**

Until 30 September 2022 (or such other date as may be determined from time to time):

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

From 1 October 2022 (or such other date as may be determined from time to time):

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](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-6.86	-12.75	-13.84	-2.54	-0.71	1.17	1.80
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	-11.93	-15.46	-9.55	4.37	3.33	6.86	1.72
Horizon Singapore Fixed Income Enhanced Fund	-2.70	-6.44	-7.47	-0.39	0.44	1.14	1.82
Markit iBoxx ALBI Singapore Government Bond Index	-3.29	-7.64	-8.55	-0.65	0.43	1.14	2.16
Singapore Dividend Equity Fund - SGD Class	-5.71	1.71	1.13	2.53	3.61	5.71	3.98

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 30 June 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-11.52	-17.11	-18.15	-4.20	-1.73	0.65	1.58
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	-16.33	-19.68	-14.08	2.60	2.27	6.31	1.49
Horizon Singapore Fixed Income Enhanced Fund	-7.57	-11.11	-12.09	-2.08	-0.58	0.62	1.59
Markit iBoxx ALBI Singapore Government Bond Index	-3.29	-7.64	-8.55	-0.65	0.43	1.14	2.16
Singapore Dividend Equity Fund - SGD Class	-10.42	-3.38	-3.93	0.79	2.55	5.17	3.75

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 30 June 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	-11.86	-15.31	-9.41	4.93	3.72	6.66	3.06
Singapore Dividend Equity Fund - USD Class	-8.25	-1.38	-2.26	1.59	3.39	4.73	5.06

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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.

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<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	-16.26	-19.55	-13.94	3.15	2.66	6.11	2.83
Singapore Dividend Equity Fund - USD Class	-12.84	-6.31	-7.14	-0.14	2.34	4.19	4.82

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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: 2 August 1999**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - JPY Class	2.84	16.76	20.60	10.74	8.39	N/A	7.40

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, JPY, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - JPY Class	-2.30	10.92	14.57	8.86	7.28	N/A	6.79

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, JPY, 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: 1 July 2013**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	-3.91	4.36	3.68	3.76	3.93	N/A	7.25

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, MYR, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Singapore Dividend Equity Fund - MYR Class	-8.71	-0.86	-1.50	2.00	2.87	N/A	6.37

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, MYR, 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: 29 March 2016**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	-11.93	-15.46	-9.61	4.37	3.32	N/A	3.82

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	-16.33	-19.68	-14.13	2.60	2.27	N/A	3.18

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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: 17 March 2014**

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	-11.53	-14.39	-7.08	6.81	4.32	N/A	4.45

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, CNH, 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.

<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	-15.95	-18.67	-11.72	5.00	3.25	N/A	3.80

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2022. Returns are calculated on a NAV-NAV basis, CNH, 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: 1 April 2014**

**Note:**

- (1) (1) With effect from 17 October 2011, the umbrella unit trust (formerly known as "Horizon Investment Funds") has been renamed Nikko AM Shenton Horizon Investment Funds.
- (2) With effect from 20 February 2012, Horizon Singapore Equity Fund has been renamed Singapore Dividend Equity Fund.

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- (3) With effect from 16 December 2013, Horizon Global Equity Fund was reshaped to Nikko AM Global Dividend Equity Fund.
  - (4) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.
  - (5) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
  - (6) With effect from 28 October 2015, the appointment of Russell Investment Group Private Limited as the investment adviser for the Horizon Global Bond Fund (S\$ Hedged); Horizon European Equity Fund; Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund was terminated.
  - (7) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
  - (8) With effect from 1 December 2016, the appointment of Kleinwort Benson Investors Dublin Ltd ("Kleinwort Benson") as the sub-managers for the Nikko AM Global Dividend Equity Fund was terminated and Nikko Asset Management Europe Ltd ("NAM Europe") has been appointed as the sub-managers for the Nikko AM Global Dividend Equity Fund.
  - (9) With effect from 31 March 2022, the fund name has been changed from "Horizon Global Bond Fund (S\$ Hedged)" to "Nikko AM Multi Sector Credit Fund". The existing SGD Class and USD Class of the Fund has been re-designated to "SGD (Acc) Class" and "USD Hedged (Acc) Class" respectively.

With effect from 31 March 2022, the benchmark for Nikko AM Multi Sector Credit Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. With effect from 24 August 2021, the benchmark for Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Global Aggregate Index Total Return Index SGD Hedged. With effect from August 2016, the benchmark for the Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Barclays Global Aggregate Total Return Index SGD Hedged. With effect from November 2008, it was renamed as Barclays Capital ("Barcap") Global Aggregate Index, S\$ Hedged. Prior to November 2008, it was known as Lehman Brothers' Global Aggregate (SGD Hedged) Index.

With effect from 1 December 2016, the benchmark for the Nikko AM Global Dividend Equity Fund (i.e. MSCI All Country World Index, USD base) has been removed and there will be no benchmark for this Fund. This is because pursuant to the investment objective of the Fund, the Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 16 December 2013, the reference benchmark was a composite of Russell 1000® Net 30% Index; FTSE All Share Index; TOPIX Dividend Included Index; Russell Developed Europe ex-UK Large Cap Index (net); and Russell Asia Pacific ex Japan (All cap) Index, according to their regional weights from time to time.

With effect from 1 June 2017, the benchmark for the Horizon Singapore Fixed Income Enhanced Fund was changed to Markit iBoxx ALBI Singapore Government Bond Index. Prior to 1 June 2017, the benchmark was UOB Singapore Government Bond All Index. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

With effect from 1 November 2017, the benchmark for the Singapore Dividend Equity Fund (i.e. Straits Times Index) was removed and there will no longer be any benchmark for the Fund. This is because pursuant to the investment objective of this Fund, this Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. Prior to 1 July 2001, the benchmark was DBS 50 Index.

With effect from 31 March 2022, the Fund no longer invested in the shares of the Russell Investments Global Bond Fund (the "**Underlying Fund**") and the appointment of Carne Global Fund Managers (Ireland) Limited ("**Carne**") has been terminated. With effect from 1 October 2021, the current appointment of Russell Investments Ireland Limited, as the manager of the Russell Investment Company plc ("**RIC**") has been terminated and Carne has been appointed as the manager of the RIC. Carne was incorporated on 10 November 2003 under the laws of Ireland as a limited liability company and has been managing collective investment schemes or discretionary funds worldwide since 2004. The financial supervisory authority of Carne is the Central Bank of Ireland. The Horizon Global Bond Fund (S\$ Hedged) invests all or substantially all of its assets in the shares of the Underlying Fund, a sub-fund within the RIC.

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The Markit iBoxx ALBI Singapore Government Bond Index referenced herein is the property of Markit Indices Limited and is used under license. The Horizon Singapore Fixed Income Enhanced Fund - SGD Class is not sponsored, endorsed, or promoted by Markit Indices Limited.

## **Nikko AM Global Dividend Equity Fund**

### **Portfolio Review**

#### ***Fund returned -15.46% in SGD hedged terms in 1H22***

For the six-month period ended 30 June 2022, the Nikko AM Global Dividend Equity Fund (the "Fund") posted a return of -15.46% (SGD hedged terms, on a NAV-NAV basis).

We added American Tower Corporation, Baker Hughes, Encompass Health (Encompass) and Worley to the portfolio. The American Tower Corporation business model is very powerful. Sales are recurring and have built in 3% / inflation price hikes. New network generations require carrier upgrades and more equipment. New towers or competitors are limited given zoning restrictions. Capital expenditure (capex) requirements are minimal and the business model is very scalable - as new tenants add equipment to an existing site this falls to the bottom line. Further, merger and acquisition (M&A) activity continues to diversify revenue streams geographically. The secular story is the demand for wireless data. Data demand has grown at a compound annual growth rate (CAGR) of nearly 100% for the last 10 years (in the US) and is expected to grow at a CAGR of 28% for the next 5 years. Growth in its international portfolio, which is primarily emerging markets will be quicker (CAGR 30%). The implication of this is that more investment is required by carriers to provide 4G and ultimately 5G networks to customers. Baker Hughes is one of the world's largest oil services companies, along with Halliburton & Schlumberger. However, it focuses more on liquefied natural gas (LNG) and is the leading provider of industrial equipment in that market. LNG is likely to be the key transition fuel as the world decarbonises. The war in Ukraine has increased focus on the importance of gas and energy security in general. This has elevated Baker Hughes into our list of Energy Transition solution providers and ultimately into the portfolio. Encompass is the largest provider of Inpatient Rehabilitation Facilities (IRFs) in the US, and this is the largest business of Encompass. The IRF business looks like a share gainer in terms of future patient care, following strong positive recommendations from the American Heart & Stroke Associations (stroke patients are >30% of IRF patients). These gains will come from Skilled Nursing Facilities, which currently offer more post-stroke care but have much worse health outcomes for patients. Encompass's network of IRFs also offers an attractive source of likely referrals for their Home Health Agency. Encompass is currently also in a process to sell their home health and hospice business, recently rebranded as Enhabit and accounts for approximately 20% of group sales and profits. Worley is a leading player in engineering, procurement, fabrication and construction (EPC) work for the energy and chemicals industries with substantial expertise in process engineering. They have pivoted into sustainable projects, such as hydrogen and have plenty of projects to show as case studies. As much of the world invests increasingly in energy transition (through gas, nuclear and renewables), the market opportunity for Worley should expand enormously. With the current management team much more focused on execution than their predecessors, we are confident that this will translate into substantially higher returns and none of this is reflected in the current valuation.

Conversely, we sold UGI, PepsiCo, Dolby Laboratories and LKQ. UGI's large unregulated liquified petroleum gas (LPG) distribution business is likely to suffer serious margin erosion as it struggles to pass on large cost increases to its customer base. It is difficult to know the extent of these headwinds or how long they may continue. Hence, we came to the conclusion that we should invest where conviction is higher and headwinds less prominent. PepsiCo has performed well given its defensive characteristics and pricing power in the beverage and salty snacks market. This led to the shares reaching our valuation target which enabled us to realise our position to fund ideas elsewhere. We sold Dolby Laboratories. There remains significant unrealised potential for the company to drive greater adoption of new products like Dolby Atmos in the long-term though we believe that deteriorating consumer confidence will slow demand for the business to a greater extent than we had previously anticipated. Although LKQ will benefit from a degree of cyclical demand push, we are less convinced that the more fragmented European Union distribution market will be strong enough to manage the cost inflation currently impacting the auto parts industry (along with many others).



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## **Market Review**

### ***High dividend equities took a hit in 1H22***

Global equity markets have endured a miserable start to 2022, as rising inflation and increasingly aggressive monetary tightening have damaged investor confidence in the global economy. June's losses added to those seen earlier in the year and took the overall decline in the MSCI AC World Index to just over 20% during the first half of 2022 (1H22).

It is easy to comment with the benefit of hindsight, but the billions of additional liquidity introduced into the financial system during the early months of the COVID-19 pandemic now looks like a potential policy error, whose effects will be felt for some time to come. June's 75-basis points (bps) hike by the Fed (with the threat of more to come) was a clear indication of how central bank priorities have clearly shifted from the default of the last decade (encouraging higher prices of financial assets) to addressing the inflationary pressures that have emerged globally over the last 18 months.

As a result, investors are now recognising that demand suppression is the medicine of choice for central banks, desperate to restore their inflation fighting credibility. Fed chairman Powell and his colleagues know that they need to tighten now if they are to afford themselves any room for policy manoeuvre in the coming months and years as economic activity inevitably slows and uncomfortably high levels of leverage in the financial system are partially unwound. The Fed clearly hopes that a correction in financial asset prices is helpful in this regard if it cools some of the animal spirits (and rampant speculation) seen in recent times.

Given this rapid tightening of policy, particularly in the world's reserve currency and on a starting point of record levels of indebtedness, we are starting to discover the degree of resiliency in demand. With household budgets being constrained by higher expenditure on utilities and food (as a result of commodity inflation), there is increasing concern over a rapid slowdown in expenditure on other goods and services. The latest ISM manufacturing survey for June slowed from 56.1 to 53, and more importantly new orders fell below the widely watched 50 mark to 49.2. This would suggest inventory build and a consequent impact on profitability is the reality we are about to face.

The performance of sectors over the year to date overall have reflected these concerns, with more cyclical sectors such as information technology, consumer discretionary and communication services (particularly excluding more defensive telecom companies) leading the declines. During June, it has also been notable that prior winners such as materials and energy have also experienced notable corrections, though energy has remained by far the strongest sector year to date.

With this increasing pessimism over the growth outlook, more defensive business models are being valued more highly from a relative perspective. utilities, healthcare and consumer staples outperformed during both June and the review period as a whole. the strongest performing parts of healthcare have been those with the lowest starting valuations (most notably large pharmaceuticals).

From a regional perspective we are seeing increasing divergence in how central banks address the inflation challenges that are washing on all shores. The US dollar has reached new decade highs as a result of higher rates whilst in Japan the ongoing suppression of market bond yields has resulted in notable Japanese Yen weakness, falling by about 10% over the quarter against the US dollar. Hence there is a marked difference between local currency and US dollar returns emerging for some geographies and whilst the divergence in policies between countries remains, currency volatility will likely be increasingly relevant for investor returns.

The other notable feature of recent market moves has been the rapid obliteration of prior returns in more fashionable investments. Crypto currencies such as Bitcoin have plummeted close to 60% over the quarter and non-fungible tokens (NFTs) have similarly experienced a vacuum in bids as players in these markets attempt to assess where intrinsic value may be. Greater Fools have become an endangered species and further capitulation from less sophisticated investors seems likely to us.

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## **Market Outlook and Strategy**

### ***Focus in seeking companies that can deliver enduring growth and profitability***

We have long observed that central banks have been undertaking a multi-year experiment with their endeavours in money creation via quantitative easing. What has now become clear is that the further round of liquidity creation resulting from COVID-19 has tested the experiment to the point of failure. More specifically, the cumulative imbalance between notable growth in financial assets and the limited growth in the availability of commodities, goods and infrastructure in the real economy has been exposed. When demand has rapidly returned post COVID-19, we have had to experience supply chains that are too lean, limited labour availability and energy shortages. The Russia-Ukraine war has just magnified some of these underlying issues.

Our belief is that we have moved into a new regime where inflation will be structurally higher despite the anchors of high debt burdens, ageing societies and ongoing technological disruption. Energy markets remain constrained, labour in short supply and fiscal policies remain vulnerable to the demands from voters to alleviate the pressure on real wages, particularly for lower income groups.

Whilst this appears a reasonable thesis to us, it is also fair to observe that this has probably become the general consensus in markets. In addition, rising risk-free rates and widening credit spreads are rapidly tightening financial liquidity. Hence, we may be close to the point where a peak in the current inflationary surge is clearly evident, and with weak signals from the real economy, the worst of the impact from the rising cost of capital may be behind us.

However, the growth trajectory will remain challenging, particularly when central banks will be reluctant to return to further rounds of monetary extravagance, even when evidence emerges of business layoffs and an overdue correction in frothy residential property markets. The focus for equity investors will therefore likely shift from the price paid for profits to the confidence that the expected profits are being delivered. Indeed, the pending profit reporting season will likely be a volatile one.

As focused stock pickers, the future profitability of companies is always a priority for us. Overall economies are clearly slowing rapidly, something that most companies will be impacted by. Our belief however is that the prior excesses of real economic activity will be in those parts of the economy that have benefitted most from the prior period of extraordinarily low cost of money. COVID-19 related demand beneficiaries are an obvious example, as Peloton shares and the like will attest. What is less appreciated may be the degree that the financing of new start-ups in the public and private markets, particularly in technology and disruptive business models, has elevated as the revenue of the enablers of these firms. If we assume capital raising just reverts back to historical norms, revenue declines could be significant for some of the titans in this area.

The advantage of being active stock pickers is that we are not slave to the market weighting of prior winners with potentially bloated levels of profitability and instead can focus on companies more likely to experience positive surprises in revenue and profitability in the coming years. Required future investment in energy transition is one common theme behind several of our more recent stock picks. The current energy crisis has highlighted the clear need for economies to sustain existing fossil fuel production for supply risk reasons, improve energy efficiency and investing more in the fossil fuel alternatives such as renewables and hydrogen. There are a number of companies that are key enablers of this required investment and are able to deliver the superior level of future returns on invested capital that we seek.

Beyond energy transition, the focus is more about seeking companies that can indeed deliver enduring growth and profitability. As highlighted earlier, profit shares are under pressure from rising raw material costs, labour inflation, rising utility costs and finally rising interest costs. Passing on these costs to customers whilst also maintaining volumes will be a key question asked by investors in the coming reporting season. Many consumer facing businesses now have demand challenges, even before price hikes are being considered and hence are

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vulnerable to margin pressures, particularly if inventory overhang is evident. Healthcare companies on the other hand typically have less cyclical demand and in many cases have been indiscriminately derated in the reappraisal of higher growth companies over the last 12 months. We keep finding more Future Quality picks here where the confidence in growth is higher versus sectors such as communication services and information technology.

In summary, we are encouraged by the shift in investors back to investing capital with realistic expectations of future compounding rather than just deploying into the fashionable ‘pipe dreams’ of the day. Whilst we caution against any expectation of a return to the giddy valuation levels experienced during the COVID-19 period, it is encouraging that valuation levels are now more in line with historical norms. The next test however will be the shape of future profitability, as the increasing volatility of central bank policies dampens both company and household spending. Our consistent focus on enduring high returns franchises with strong management teams, robust balance sheets and credible starting valuations, will hopefully help us find a path through these current profitability challenges well above average levels of sales and profit growth.

## **Singapore Dividend Equity Fund**

### **Portfolio Review**

#### ***Fund rose by 1.71% in SGD terms in 1H22***

For the six months ended 30 June 2022, the Nikko AM Singapore Dividend Equity Fund (the “Fund”) returned 1.71% (SGD terms, on a NAV-NAV basis). The Fund’s holdings in Sembcorp Industries, Keppel Corporation and Jardine Cycle & Carriage were key contributors to absolute returns over the period, while holdings in Digital Core REIT, DBS and UMS Holdings were among the key detractors.

### **Market Review**

#### ***The Straits Times Index (STI) rose 1.36% in 1H22***

Singapore stocks, as measured by the STI, advanced 1.36% on a total return basis in SGD terms in 1H22. Singapore stocks had a solid 1Q22, brushing aside uncertainties posed by Russia’s full-scale invasion of Ukraine and growing inflationary pressures worldwide. On the pandemic front, Singapore went ahead with easing longstanding COVID-19 restrictions towards the end of the quarter as daily COVID-19 cases subsided steadily from February’s peak. Singapore stocks retreated in 2Q22 though, tracking global equities’ decline, as rising inflation and central banks tightening helped fuel recession fears and a broad-based equity sell-off. The Monetary Authority of Singapore (MAS) also tightened its monetary policy in April, for a third time since October 2021 to slow the inflation momentum.

### **Market Outlook and Strategy**

#### ***Remain in favour of beneficiaries of a resumption of domestic economic activity***

We continue to closely monitor the effects of interest rate hikes by global central banks, particularly the US Federal Reserve (Fed). Of primary concern is whether the Fed—via higher rates—will be able to engineer a soft landing for the US economy, or whether a recession, and of what magnitude and duration, will ensue. With the headwinds facing external demand, the government now expects Singapore’s GDP growth for 2022 to be at the lower end of its 3–5% forecast range. This remains within our expectations, which stay unchanged despite the recent rise in daily COVID-19 cases in Singapore.

Amidst the ongoing geopolitical and macro uncertainties, we remain convinced of our bottom-up driven strategy, which emphasises on quality franchises, strong sustainable returns and positive fundamental change. We continue to favour beneficiaries of a resumption in domestic economic activity, as well as a normalisation of international travel. We continue to like “New Singapore” stocks in areas such as energy transition, technology, data, healthcare, food and logistics, which represent the future economy of Singapore. We also favour corporate

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restructuring candidates, where companies are looking to reorganise their businesses in order to be more relevant to the future economy. Lastly, we continue to advocate investing in dividend stocks, especially those which also benefit from economic reopening, or play into our “New Singapore” narrative.

## **Horizon Singapore Fixed Income Enhanced Fund**

### **Portfolio Review**

#### ***Fund outperforms the benchmark in 1H22***

The Horizon Singapore Fixed Income Enhanced Fund (the “Fund”) posted a return of -6.44% (in SGD terms, on a NAV-NAV basis) in the six months to end June 2022, outperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned -7.64% (SGD terms) during the period.

### **Market Review**

#### ***Yields of Singapore Government Securities (SGS) surged along with US Treasuries (USTs)***

Global yields saw a momentous rise in the first half of 2022, primarily led by increasing expectations of a more aggressive Fed tightening cycle. Data reflecting persistent inflation pressure and December Federal Open Market Committee (FOMC) minutes which suggested that the Fed’s balance sheet runoff could begin in 2022—close on the heels of its first interest rate hike—triggered the initial rise in UST yields. Developments on the Russian-Ukraine border took centre stage in February 2022. Russia’s invasion of Ukraine prompted a flight to safety. However, the drop in yields turned out to be short-lived, as yields reversed higher soon after as the market refocused on US inflation. The Fed delivered a well-telegraphed 25 basis points (bps) rate hike in March, with FOMC minutes revealing that members were inclined towards more aggressive rate hikes in the coming policy meetings. Thereafter, UST yields stabilized as market focus turned to concerns around slowing global growth amid the continued surge in COVID-19 cases in China and a much weaker-than-expected first-quarter 2022 US gross domestic product (GDP) print. In May, the Fed raised rates by another 50 bps. Shortly after the rate hike, the US reported a considerably stronger than expected US headline consumer price index (CPI), triggering fears that the Fed could tighten monetary policy more swiftly, driving UST yields to resume their ascent. Simultaneously, the European Central Bank (ECB) announced it would conclude asset purchases and commence raising rates in July. In mid-June, the Fed delivered the largest rate hike since 1994, raising interest rates by 75 bps. Towards the end of the period, soft economic data from the US and other developed markets sparked fears of a potential recession in key economies, prompting some easing in longer-dated bond yields. Overall, 2-year and 10-year yields ended the period at 2.957% and 3.016% respectively, about 222 bps and 150 bps higher compared to end-December 2021.

SGS yields moved higher over the period, following the lead of USTs. The Monetary Authority of Singapore’s (MAS) unscheduled move to further tighten its FX policy, together with positive supply technical (particularly at the long-end), supported the outperformance of SGS against USTs in the first three months of 2022. Towards end-June 2022, the Singapore government published a framework of green bonds to be issued by public sector agencies under the Significant Infrastructure Government Loan Act (SINGA). The inaugural Green SGS (Infrastructure) bond will be issued in the coming months, with details to be provided closer to the issuance date. Proceeds from these bonds will be used to fund infrastructure projects supporting the country’s transition to a low-carbon economy. At the end of the period, 2-year and 10-year SGS were at 2.658% and 2.967% respectively, about 178.4 bps and 132.9 bps higher compared to end-December 2021.

#### ***Monetary Authority of Singapore (MAS) tightened its FX policy twice***

In January, the MAS surprised the markets, as it announced another “pre-emptive adjustment” to combat inflation. In an out-of-cycle move, the monetary authority slightly raised the rate of appreciation of the Singapore dollar nominal effective exchange rate (SGDNEER) policy band, keeping the width and the midpoint of the band unchanged. In April, the MAS delivered a more aggressive tightening of the FX policy, saying it would re-centre

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the mid-point of the policy band at the “prevailing level” of SGDNEER, and increase the slope of appreciation “slightly” while keeping the width of the policy band unchanged. The MAS reiterated that it expects GDP growth to remain within the official forecast range of 3-5% in 2022 but raised its headline and core inflation forecast ranges to 4.5-5.5% (from 2.5-3.5%) and 2.5-3.5% (from 2-3%) respectively.

***Inflationary pressures accelerated over the period***

The period saw a steady pick-up in both headline and core CPI, on the back of a broad-based increase in consumer prices. In the latest reading, headline CPI inflation printed 5.6% year-on-year (YoY) in May 2022, up from 4% YoY in December 2021. Meanwhile, the MAS’ preferred core inflation measure, which excludes private transport and accommodation inflation, accelerated to 3.6% YoY in May 2022 from 2.1% YoY in December 2021, rising above the MAS’ 2022 full-year forecast range of 2.5-3.5%. Policymakers believe that core inflation is expected to pick up further in the coming months, before moderating later in the year.

***The Finance Ministry expects overall deficit to amount to 0.5% of GDP for Fiscal Year (FY) 2022***

Finance Minister Lawrence Wong presented the FY 2022 budget in February, projecting an overall deficit of SGD 3.0 billion (0.5% of GDP) for the year, narrower than the SGD 5.0 billion (0.9% of GDP) deficit in FY 2021. New revenue-raising measures were the main focus of the budget. Among other things, property and carbon taxes will be raised and the top marginal personal income tax will be increased. Meanwhile, owing to inflation concerns, the hike in the Goods and Services Tax (GST) will be delayed, and be staggered in two steps.

***Government significantly relaxed COVID-19 restrictions; unveiled additional fiscal support to counter rising inflation***

In March 2022, the government took a decisive step toward treating COVID-19 as endemic, significantly easing the restrictions. Among other things, wearing masks outdoors became optional, permissible group sizes doubled to 10 people, and travel curbs were lifted for those who are fully vaccinated. Separately, the government announced a SGD 1.5 billion support package in June, to help businesses and households cope with rising costs, to be funded from the better-than-expected budget surplus from Fiscal Year 2021. Key measures for businesses include an increase in the government’s co-funding share under the Progressive Wage Credit Scheme, the extension of the Jobs Growth Incentive for another six months, and grants for local small and medium enterprises (SMEs) in select sectors to invest in more energy-efficient equipment. For individuals and households, the government extended utilities credit and goods and services vouchers.

***Market Outlook and Strategy***

Currently, we think that the market has roughly priced in most of the Fed tightening expectations and the rise in yields may see some consolidation as inflation expectations stabilize and investors shift their attention to growth concerns. Thus, we move to neutral duration from slight underweight going into the second half of 2022. Along the curve, we expect longer end issuance in 3Q 2022. This includes a new 10-year benchmark issuance in July, a 30-year reopening of SGS (Infrastructure) in September, and Singapore’s inaugural green long-tenor SGS (Infrastructure) in the coming months. Overall, the movement in SGS yields remains US Treasury dependent. We continue to view SGD corporate bonds favourably as their credit spreads provide a buffer against volatile rates.

USD/SGD ended the month of June at \$1.3905 versus \$1.349 at the end of December 2021 as the US dollar strengthened due to rising global growth concerns on major economies. SGD remains supported by the Monetary Authority of Singapore (MAS) keeping the Singdollar on an appreciating stance. We expect this trend to persist as inflation stays high and further tightening of FX policy may be expected. In the near term however, the Singapore dollar will likely continue to be led by the broader USD risk sentiment.

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## **Nikko AM Multi Sector Credit Fund**

### **Portfolio Review**

#### ***Fund generates returns of -12.75% in 1H2022***

The Nikko AM Multi Sector Credit Fund (the "Fund") posted a return of -12.75% (in SGD terms, on a NAV-NAV basis) in the six months to end June 2022.

Over the first quarter of 2022, credit risk premium, rates factor and currency factor strategies all detracted from returns. Performance in the credit market was hindered by overweights to US and European corporate high-yield debt, US investment-grade financials and Latin American hard currency emerging markets debt. Interest rate positioning was unfavourably impacted by overweights to German bunds, Australian government bonds and US Treasuries; this was slightly offset by underweights to UK gilts and Swedish government debt. A long Japanese yen position had a negative impact on returns whilst lack of exposure to the Russian rouble was positive.

During the second quarter of 2022, the fund ended lower. Nonetheless, the fund's focus on lower duration credits as well as secured bonds partly shielded it from the challenging environment. In addition, a build-up of cash after reducing exposure to higher risk bonds in May helped to weather the volatile market. Our most significant sector exposure was in financials as we had expected it to be the main beneficiary of rising rates, and also corporate bonds benefiting from higher inflation, such as fertiliser manufacturers, that had performed.

### **Market Review**

#### ***First quarter of 2022***

Longer-term government bond yields rose over the first quarter of 2022, driven largely by tighter monetary policy globally. In March, the US Federal Reserve (Fed) raised interest rates for the first time since 2018 amid persistently high inflation, with US consumer prices jumping a further 0.8% in February. The inflation was 7.9% year-on-year (YoY), which came in slightly more than the 7.8% the market had anticipated and the measure's largest annual gain since January 1982. Importantly, Fed chairman Jerome Powell said that the US economy remained very strong and could handle higher interest rates. He also noted that the probability of a recession in the world's largest economy was not particularly elevated. However, with the current disruption to global commodity markets likely to drive prices even higher in the near term, Powell conceded that the Fed might need to raise interest rates more aggressively than previously thought. As of end March 2022, the market was projecting six more rate hikes by the end of the year. We maintained our view that the Fed would move slower than what the market expected, with the number of rate hikes uncertain and largely dependent on inflation. Elsewhere, the Bank of England (BOE) raised interest rates for a third consecutive month in March after inflation hit its highest level in almost 30 years, while record high inflation in the Eurozone forced a hawkish pivot from the European Central Bank (ECB), with President Christine Lagarde opening the door to a rate hike this year. One country bucking the inflationary trend was China, where the consumer price index rose just 0.9% in the year to 28 February. Bonds were also impacted by a series of robust US and European earnings updates and some encouraging economic data globally.

On the earnings front, US names Exxon Mobil, Apple and Google parent Alphabet all posted better-than-expected results, as did Amazon.com, Mastercard and Walt Disney. In saying that, there were some notable misses, including Netflix, McDonald's and Facebook parent Meta Platforms. We also saw some positive updates from Germany's Deutsche Bank, Danish brewer Carlsberg and British bank Barclays. In terms of economic data, the US, Eurozone, Japanese and UK economies all expanded in the final quarter of 2021; though growth was expected to slow in response to the war in Ukraine and rising interest rates. We also saw better-than-expected growth in China, robust US employment figures and further improvements in US and European manufacturing activity. The yield on US 10-year Treasuries rose 83 basis points (bps) over the period. The yields on their French (78 bps), German (73 bps), UK (64 bps) and Japanese (15 bps) counterparts were also higher for the quarter.



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Limiting the market's decline were rising geopolitical risks in the wake of Russia's invasion of neighbouring Ukraine; a move which was widely condemned by the global community. Russia had been amassing troops on the Ukrainian border since early January, though tensions quickly escalated when President Vladimir Putin acknowledged the independence of two self-proclaimed separatist republics (Luhansk and Donetsk) in the country's east and ordered 'peacekeepers' to the breakaway regions. Despite repeatedly denying his intention to attack, Putin launched a large-scale invasion of Ukraine on 24 February. In response, the West, led by the US, the European Union and the UK, imposed a raft of economic sanctions designed to isolate Russia from the rest of the global economy. These sanctions initially targeted various Russian banks and other financial institutions, the country's access to European capital markets and wealthy individuals believed to have close personal ties to Putin. The US and the UK also moved to ban imports of Russian oil, gas and coal. The European Union, however, which was heavily reliant on Russian energy, remained divided over whether or not to impose similar sanctions. The Biden Administration also went as far as to call for an end to normal trade relations with Moscow; a move which would not only clear a path for greater tariffs on Russian imports but also see Russia designated the same trade status as fellow rogue states North Korea and Cuba. Whilst there had been some efforts to find a peaceful resolution to the conflict, talks between Moscow and Kyiv had so far failed to yield any meaningful results. Bonds also benefited from renewed concerns over China's regulatory crackdown after Beijing imposed additional restrictions on some of the country's big technology names and a fresh outbreak of COVID-19 in China that forced officials to impose partial lockdowns in major cities like Shanghai and Shenzhen.

Credit markets were weaker for the first quarter. Spreads on US and European investment-grade and high-yield debt widened as investors turned more cautious amid increasingly hawkish central bank comments and the war in Ukraine. The war in Ukraine, together with a surge in new COVID-19 infections across China, also weighed on local and hard currency emerging markets debt.

In the currency space, the US dollar (USD) made good gains amid rising interest rates, the prospect of more aggressive Fed tightening and its perceived 'safe haven' status following Russia's invasion of Ukraine. The Russian rouble and Turkish lira were the worst performers against the USD. Argentina's peso also struggled, while commodity-linked currencies like the Brazilian real, South African rand and Chilean peso all performed well.

### ***Second quarter of 2022***

Economic activity in the prior quarter in the US was revised downwards to -1.6% seasonally adjusted annual rate (SAAR) quarter-on-quarter (QoQ), with personal consumption slowing to 1.8% while business investment (5% YoY) remained relatively strong. Activity in the second quarter was showing clear signs of easing, as consumers were drawing down from their pandemic savings, which were boosted by a USD 1.9 trillion round of payments in March 2021, to meet higher expenditure bills, with May real personal spending declining 0.4% month-on-month (MoM), setting the scene for a likely contraction in 2Q gross domestic product (GDP). Headline consumer price index (CPI) defied expectations and accelerated in annual terms (8.6% YoY) in May, principally due to higher gasoline prices, yet core CPI (6.0% YoY) also decelerated less than expected, partially due to higher air fares. Given the more persistent inflation pressure, with longer term inflation expectations also rising sharply in recent months, the Fed abandoned its forward guidance of 50 bps just ahead of its June meeting, hiking by 75 bps instead. Gasoline prices aside, however, we were starting to see signs of weaker demand, and a mending of supply chains, giving rise to a more disinflationary environment in H2. While the Fed was hopeful of engineering a soft landing via a moderate rise in unemployment, this appeared somewhat optimistic to us with the likelihood of a recession increasing with each data release.

The Eurozone economy maintained a solid momentum during the first quarter of the year expanding at a marginally above consensus pace of 5.4% YoY. However, Russia's invasion of Ukraine earlier this year had seen a marked deterioration in several forward-looking indicators e.g., ZEW expectations of economic growth or consumer confidence survey. The decline of the latter was exacerbated by the surge in commodity prices, as the sharply deteriorating diplomatic and economic relations between Russia and the West, put to question the reliability of Russia's supply of commodities (and gas in particular) to Europe. Despite a noted correction in recent

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weeks, the prices of both oil and natural gas remained at elevated levels, which continued to cloud the outlook for inflation in the Eurozone. The final reading of the May CPI confirmed the strong pace of growth in general prices, with the headline measure expanding at 0.8% MoM, translating to 8.1% on a YoY basis. The underlying pace of inflation was somewhat more subdued, (3.8% YoY) however the trajectory continued to point to a sharp upward momentum. Given the environment, the ECB turned increasingly hawkish, pledging to do “whatever action was needed to fulfil the ECB’s mandate to pursue price stability and to safeguard financial stability”. At the same time, however, the ECB highlighted growing downside risks associated with the ongoing conflict in Ukraine, which had started to weigh on the confidence of businesses and consumers. The trade disruptions also led to new shortages of materials and inputs, meanwhile surging energy costs reduced demand and held back production. The latest set of purchasing managers index (PMI) reaffirmed an easing momentum in the economy, with the June’s measure for manufacturing activity declining to a below consensus level of 52.1, from 54.6 in the prior month. Similarly, momentum in the service sector also appeared to be losing steam, with June measure of PMIs marking even starker decline to 52.8, from 56.1, surprising consensus to the downside. Despite this apparent softening in activity, the ECB was set to continue withdrawing accommodation via interest rate hikes and reduction in the bank’s balance sheet. However, to smooth out any volatility in the peripheral spreads, the ECB reserved the right to retain flexibility in the ongoing reinvestment phase of the final stage of the asset purchase programme. In addition to this, the ECB was developing a new anti-fragmentation tool designed to further improve the transmission mechanism during the recently embarked upon tightening phase of the monetary policy making in the Eurozone.

The UK economy regained momentum following the relaxation of COVID-19 restrictions early this year, amid a global supply shortage backdrop and a tight labour market. The UK had also been forthcoming in imposing restrictions on Russia, with sanctions imposed to stop coal and oil imports from Russia by the end of 2022 and ban any new Russian-bound investment from the UK. The cumulative impact of these events had led to a surge in inflation and wage growth, prompting the BOE to increase the benchmark rate by another 0.25% to 1.25%. Tighter monetary policy had started to impact domestic demand. House prices had been running at a double-digit annual growth rate, but housing activity had fallen back as financial conditions tightened. Consumer confidence, retail spending and purchase managers’ surveys were slowing drastically from their post-pandemic highs. Now, the impact of the cost-of-living crisis was also visible in business confidence surveys, as April payroll tax hike, labour shortages and high input costs bit.

The Chancellor of the Exchequer announced British pound (GBP) 15 billion or 0.6% of GDP as fiscal support to ease the cost-of-living squeeze for UK households. This fiscal package sought to offset the impact of high energy tariffs following the lifting of the cap on fixed-rate energy tariffs by 54% from April, which was set to rise further in October. Most of the package targeted low-income households and avoided overstimulating the economy by fanning acute underlying pressures in wages and prices. The package would be funded from a windfall tax on profits of oil and gas companies, tax collections and borrowings, all of which would inevitably weigh on economic growth in future. For now, the package had let the BOE recalibrate its gloomy forecasts, as it expected the package to boost GDP by 0.3% and inflation by 0.1% in the next year. The BOE had shifted its focus to upside inflation risks. In BOE’s June meeting, three of its nine monetary policy committee members voted for a 50-bps hike. More members could follow suit in the August meeting if inflation expectations remained elevated and the second-round inflationary effects became entrenched. A likely scenario in a tight labour market where vacancies broadly equalled the stock of unemployed people.

The UK domestic politics came to the fore, once more, following Boris Johnson’s resignation as leader of the Conservative Party. He would also step down as Prime Minister as soon as a new leader of the party is found.

In emerging markets, a return towards economic normality via higher levels of mobility and consumption was resulting in more persistent price pressures, exacerbated by numerous supply shocks, was forcing a growing number of emerging market central banks to normalise monetary policy, particularly in Asia, while those already advanced in their tightening cycles were being forced to hike yet further. Most Latin American countries were



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approaching the end of their hiking cycle while many Asian countries were relatively early in theirs, though as inflation pressures were typically less acute, then the magnitude of their hiking cycles would likely to be smaller. The outlier remained of China where immunity to COVID-19 remained significantly lower than the global average due to lower vaccine efficacy and a lack of natural immunity. Recent lockdowns in major metropolitan areas such as Shanghai had caused a material, albeit short lived, impact to economic growth. As a result, Chinese authorities had announced further stimulus measures in recent weeks, as well as calibrating their approach to COVID-19 with an increased level of testing and more lenient isolation policy.

For the global credit market, it continued to face a very challenging environment over the course of the second quarter. Higher energy costs as the result of the conflict in the Ukraine, supply chain disruption driven by Chinese COVID-19 restrictions as well as aggressive central bank monetary tightening had led to massive spread widening across the investment-grade as well as speculative-grade universe. Also, the risk of a global recession impacted the credit market. While fundamentals for most issuers still looked solid, investors now feared that this might change in the near future and default rates would increase from still historically low levels.

### **Market Outlook and Strategy**

We have recently started to redeploy cash, which was built up over the course of the second quarter as we expect spreads to stabilise in the second half of 2022. Market technical factors are expected to improve. The bond valuation in the credit market also looks attractive, in particular, investment-grade bonds on the short-end of the maturity curve offer value. With respect to our sector exposure, we continue to be overweight in the financial sector as well as issuers benefitting from higher raw material prices in the future.

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

### **For Hong Kong Investors**

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	30 June 2022 US\$	30 June 2021 US\$	30 June 2022 S\$	30 June 2021 S\$
<b>Income</b>				
Dividends	877,463	1,209,693	-	-
Interest on cash and cash equivalents	845	70	282	-
Other Income	-	-	203	-
	<b>878,308</b>	<b>1,209,763</b>	<b>485</b>	<b>-</b>
<b>Less: Expenses</b>				
Management fee	420,956	545,649	121,926	155,109
Management fee rebate	-	-	(30,842)	(77,886)
Registrar fee	14,812	13,581	9,205	8,869
Trustee fee	8,805	11,714	3,097	3,955
Custody fee	3,523	5,387	800	-
Audit fee	4,953	5,399	4,378	6,392
Valuation fee	13,861	18,385	4,874	6,202
Transaction costs	23,750	30,638	7,750	8,215
Other expenses	(2,044)	10,389	49,612	3,574
	<b>488,616</b>	<b>641,142</b>	<b>170,800</b>	<b>114,430</b>
<b>Net income/(losses)</b>	<b>389,692</b>	<b>568,621</b>	<b>(170,315)</b>	<b>(114,430)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>				
Net (losses)/gains on investments	(9,601,771)	4,724,878	(2,668,957)	(267,839)
Net foreign exchange (losses)/gains	(39,655)	(18,867)	(83,899)	11,906
Net (losses)/gains on financial derivatives	(1,824,297)	(1,245,461)	230,618	87,769
	<b>(11,465,723)</b>	<b>3,460,550</b>	<b>(2,522,238)</b>	<b>(168,164)</b>
<b>Total (deficit)/return for the financial period before income tax</b>	<b>(11,076,031)</b>	<b>4,029,171</b>	<b>(2,692,553)</b>	<b>(282,594)</b>
<b>Less: Income tax</b>	<b>(185,984)</b>	<b>(252,662)</b>	<b>432</b>	<b>-</b>
<b>Total (deficit)/return for the financial period after income tax</b>	<b>(11,262,015)</b>	<b>3,776,509</b>	<b>(2,692,121)</b>	<b>(282,594)</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF TOTAL RETURN**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Income</b>				
Dividends	9,795,326	7,178,757	-	-
Interest on cash and cash equivalents	9,876	-	557	-
Other Income	-	-	2,500	-
	<b>9,805,202</b>	<b>7,178,757</b>	<b>3,057</b>	<b>-</b>
<b>Less: Expenses</b>				
Management fee	2,845,133	2,384,750	113,822	126,499
Management fee rebate	(576)	(331)	-	-
Registrar fee	61,116	57,584	8,399	8,935
Trustee fee	72,393	60,888	3,612	4,032
Custody fee	42,035	35,462	1,851	2,032
Audit fee	10,621	1,047	4,584	6,923
Valuation fee	121,447	95,266	5,687	6,323
Transaction costs	355,705	364,030	3,994	4,734
Other expenses	66,136	112,372	2,421	5,528
	<b>3,574,010</b>	<b>3,109,068</b>	<b>144,370</b>	<b>165,006</b>
<b>Net income/(losses)</b>	<b>6,231,192</b>	<b>4,069,689</b>	<b>(141,313)</b>	<b>(165,006)</b>
<b>Net gains or losses on value of investments</b>				
Net gains/(losses) on investments	555,964	26,180,580	(1,386,892)	(562,342)
Net foreign exchange losses	(119,556)	(87,947)	-	-
	<b>436,408</b>	<b>26,092,633</b>	<b>(1,386,892)</b>	<b>(562,342)</b>
<b>Total return/(deficit) for the financial period before income tax</b>	<b>6,667,600</b>	<b>30,162,322</b>	<b>(1,528,205)</b>	<b>(727,348)</b>
<b>Less: Income tax</b>	<b>(155,540)</b>	<b>(154,268)</b>	<b>-</b>	<b>-</b>
<b>Total return/(deficit) for the financial period after income tax</b>	<b>6,512,060</b>	<b>30,008,054</b>	<b>(1,528,205)</b>	<b>(727,348)</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF FINANCIAL POSITION**

As at 30 June 2022 (unaudited)

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	US\$	US\$	S\$	S\$
<b>ASSETS</b>				
Portfolio of investments	50,523,551	59,212,540	16,673,478	21,442,884
Receivables	131,979	123,082	-	-
Cash and cash equivalents	1,666,685	1,082,475	1,254,540	600,510
Financial derivatives at fair value	6,325	806,718	-	188,427
<b>Total assets</b>	<b>52,328,540</b>	<b>61,224,815</b>	<b>17,928,018</b>	<b>22,231,821</b>
<b>LIABILITIES</b>				
Payables	285,311	453,203	76,114	60,277
Distribution payable	62,673	52,991	-	-
Financial derivatives at fair value	677,403	-	-	5,331
<b>Total liabilities</b>	<b>1,025,387</b>	<b>506,194</b>	<b>76,114</b>	<b>65,608</b>
<b>EQUITY</b>				
Net assets attributable to unitholders	<b>51,303,153</b>	<b>60,718,621</b>	<b>17,851,904</b>	<b>22,166,213</b>
	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	S\$	S\$	S\$	S\$
<b>ASSETS</b>				
Portfolio of investments	435,493,736	410,124,431	20,285,346	24,075,794
Sales awaiting settlement	-	6,542	501,389	290,488
Receivables	4,205,294	1,473,601	36,652	9,388
Cash and cash equivalents	32,271,858	17,395,642	1,685,670	232,562
<b>Total assets</b>	<b>471,970,888</b>	<b>429,000,216</b>	<b>22,509,057</b>	<b>24,608,232</b>
<b>LIABILITIES</b>				
Payables	3,059,996	2,015,661	74,855	87,188
Purchases awaiting settlement	-	-	647,892	-
Distribution payable	1,949,100	1,734,463	-	-
<b>Total liabilities</b>	<b>5,009,096</b>	<b>3,750,124</b>	<b>722,747</b>	<b>87,188</b>
<b>EQUITY</b>				
Net assets attributable to unitholders	<b>466,961,792</b>	<b>425,250,092</b>	<b>21,786,310</b>	<b>24,521,044</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**  
*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	US\$	US\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>60,718,621</b>	<b>73,276,632</b>	<b>22,166,213</b>	<b>24,879,872</b>
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	(11,262,015)	7,854,871	(2,692,121)	(523,913)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	5,552,727	6,437,269	567,147	17,470,840
Cancellation of units	(3,329,272)	(26,404,972)	(2,189,335)	(19,660,586)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	2,223,455	(19,967,703)	(1,622,188)	(2,189,746)
Distributions	(376,908)	(445,179)	-	-
Total increases/(decreases) in net assets attributable to unitholders	(9,415,468)	(12,558,011)	(4,314,309)	(2,713,659)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>51,303,153</b>	<b>60,718,621</b>	<b>17,851,904</b>	<b>22,166,213</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS**  
*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	S\$	S\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>425,250,092</b>	<b>345,365,432</b>	<b>24,521,044</b>	<b>25,728,274</b>
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations	<b>6,512,060</b>	27,539,089	<b>(1,528,205)</b>	(1,002,258)
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units	<b>117,188,641</b>	166,923,890	<b>183,658</b>	2,953,790
Cancellation of units	<b>(70,473,988)</b>	(94,579,273)	<b>(1,390,187)</b>	(3,158,762)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<b>46,714,653</b>	72,344,617	<b>(1,206,529)</b>	(204,972)
Distributions	<b>(11,515,013)</b>	(19,999,046)	-	-
Total increases/(decreases) in net assets attributable to unitholders	<b>41,711,700</b>	79,884,660	<b>(2,734,734)</b>	(1,207,230)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>466,961,792</b>	<b>425,250,092</b>	<b>21,786,310</b>	<b>24,521,044</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

Nikko AM Global Dividend Equity Fund			
By Geography (Primary)			
	Holdings at 30 June 2022	Fair value at 30 June 2022 US\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Equities</b>			
<b>AUSTRALIA</b>			
Macquarie Group Limited	8,532	965,168	1.88
Worley Limited	156,309	1,530,572	2.98
<b>Total AUSTRALIA</b>		<b>2,495,740</b>	<b>4.86</b>
<b>BRITAIN</b>			
Astrazeneca Public Listed Company	8,152	1,069,274	2.08
Compass Group Public Listed Company	82,205	1,677,292	3.27
Diageo Public Listed Company	36,870	1,580,923	3.08
Linde Public Listed Company	4,789	1,377,843	2.69
<b>Total BRITAIN</b>		<b>5,705,332</b>	<b>11.12</b>
<b>CANADA</b>			
Intact Financial Corporation	9,475	1,333,631	2.60
<b>Total CANADA</b>		<b>1,333,631</b>	<b>2.60</b>
<b>FINLAND</b>			
Neste OYJ	23,601	1,044,436	2.04
<b>Total FINLAND</b>		<b>1,044,436</b>	<b>2.04</b>
<b>FRANCE</b>			
Schneider Electric SE	9,335	1,101,822	2.15
<b>Total FRANCE</b>		<b>1,101,822</b>	<b>2.15</b>
<b>GERMANY</b>			
Allianz SE	6,967	1,325,333	2.58
Deutsche Telekom AG	39,150	773,974	1.51
Siemens Healthineers AG	17,728	895,179	1.75
<b>Total GERMANY</b>		<b>2,994,486</b>	<b>5.84</b>
<b>HONG KONG SAR</b>			
AIA Group Limited	108,600	1,177,072	2.29
<b>Total HONG KONG SAR</b>		<b>1,177,072</b>	<b>2.29</b>
<b>IRELAND</b>			
Accenture Public Listed Company	3,720	1,032,858	2.01
<b>Total IRELAND</b>		<b>1,032,858</b>	<b>2.01</b>
<b>JAPAN</b>			
Technopro Holdings Incorporated	32,100	641,976	1.25
<b>Total JAPAN</b>		<b>641,976</b>	<b>1.25</b>



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 30 June 2022 (unaudited)

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2022	Fair value at 30 June 2022 US\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Equities (continued)</b>			
<b>NETHERLANDS</b>			
Euronext NV	14,533	1,183,575	2.31
Koninklijke Philips NV	24,559	527,754	1.03
<b>Total NETHERLANDS</b>		<b>1,711,329</b>	<b>3.34</b>
<b>SINGAPORE</b>			
DBS Group Holdings Limited	47,400	1,010,875	1.97
<b>Total SINGAPORE</b>		<b>1,010,875</b>	<b>1.97</b>
<b>SWEDEN</b>			
Assa Abloy AB	36,640	777,680	1.52
<b>Total SWEDEN</b>		<b>777,680</b>	<b>1.52</b>
<b>SWITZERLAND</b>			
Nestle SA	22,274	2,592,697	5.05
Roche Holding AG	6,098	2,028,979	3.96
<b>Total SWITZERLAND</b>		<b>4,621,676</b>	<b>9.01</b>
<b>TAIWAN</b>			
Taiwan Semiconductor Manufacturing Company Limited	97,000	1,552,861	3.03
<b>Total TAIWAN</b>		<b>1,552,861</b>	<b>3.03</b>
<b>UNITED STATES OF AMERICA</b>			
Abbott Laboratories	10,281	1,117,853	2.18
AbbVie Incorporated	14,518	2,228,077	4.34
Baker Hughes Company	35,077	1,012,673	1.97
Coca-Cola Company	46,823	2,947,040	5.74
Deere & Company	3,963	1,186,800	2.31
Emerson Electric Company	19,159	1,523,907	2.97
Encompass Health Corporation	12,232	685,726	1.34
Microsoft Corporation	5,445	1,398,603	2.73
Pfizer Incorporated	38,834	2,038,785	3.97
Philip Morris International Incorporated	16,726	1,652,194	3.22
The Progressive Corporation	10,829	1,259,738	2.46
Texas Instruments Incorporated	9,107	1,399,746	2.73
<b>Total UNITED STATES OF AMERICA</b>		<b>18,451,142</b>	<b>35.96</b>
<b>Total Quoted Equities</b>		<b>45,652,916</b>	<b>88.99</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2022	Fair value at 30 June 2022 US\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Real Estate Investment Trusts</b>			
<b>SPAIN</b>			
Merlin Properties Socimi SA	142,195	1,368,395	2.67
<b>Total SPAIN</b>		<u>1,368,395</u>	<u>2.67</u>
<b>UNITED STATES OF AMERICA</b>			
American Tower Corporation	5,914	1,513,333	2.95
Digital Realty Trust Incorporated	6,821	885,570	1.72
National Retail Properties Incorporated	25,659	1,103,337	2.15
<b>Total UNITED STATES OF AMERICA</b>		<u>3,502,240</u>	<u>6.82</u>
<b>Total Quoted Real Estate Investment Trusts</b>		<u>4,870,635</u>	<u>9.49</u>
<b>Portfolio of investments</b>		50,523,551	98.48
<b>Other net assets</b>		779,602	1.52
<b>Net assets attributable to unitholders</b>		<u>51,303,153</u>	<u>100.00</u>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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<b>Nikko AM Global Dividend Equity Fund</b>		
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Equities</b>		
Australia	4.86	2.10
Britain	11.12	9.15
Canada	2.60	2.03
Finland	2.04	1.91
France	2.15	3.02
Germany	5.84	6.10
Hong Kong SAR	2.29	1.80
Ireland	2.01	3.74
Japan	1.25	2.16
Netherlands	3.34	3.99
Singapore	1.97	1.89
Sweden	1.52	1.84
Switzerland	9.01	8.26
Taiwan	3.03	5.27
United States of America	35.96	38.35
<b>Total Quoted Equities</b>	<b>88.99</b>	<b>91.61</b>
<b>Quoted Real Estate Investment Trusts</b>		
Spain	2.67	1.89
United States of America	6.82	4.02
<b>Total Quoted Real Estate Investment Trusts</b>	<b>9.49</b>	<b>5.91</b>
<b>Portfolio of investments</b>	<b>98.48</b>	<b>97.52</b>
<b>Other net assets</b>	<b>1.52</b>	<b>2.48</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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<b>Nikko AM Global Dividend Equity Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 30 June 2022 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Agriculture	1,652,194	3.22	2.62
Banks	1,976,043	3.85	3.99
Beverages	4,527,963	8.82	11.48
Chemicals	1,377,843	2.69	1.75
Commercial Services	2,172,548	4.23	2.16
Computers	1,032,858	2.01	3.74
Distribution/Wholesale	-	-	2.01
Diversified Financial Services	1,183,575	2.31	2.49
Electrical Component & Equipment	2,625,729	5.12	5.00
Electronics	777,680	1.52	1.84
Food	2,592,697	5.05	4.08
Food Service	1,677,292	3.27	3.03
Gas	-	-	1.39
Healthcare-Products	2,540,786	4.95	6.08
Healthcare-Services	685,726	1.34	-
Home Furnishings	-	-	2.14
Insurance	5,095,774	9.93	8.38
Machinery-Diversified	1,186,800	2.31	2.24
Oil and Gas	2,057,109	4.01	1.91
Pharmaceuticals	7,365,115	14.36	12.38
Real Estate Investment Trusts (REITS)	4,870,635	9.49	5.91
Semiconductors	2,952,607	5.76	8.10
Software	1,398,603	2.73	3.61
Telecommunications	773,974	1.51	1.19
<b>Portfolio of investments</b>	<b>50,523,551</b>	<b>98.48</b>	<b>97.52</b>
<b>Other net assets</b>	<b>779,602</b>	<b>1.52</b>	<b>2.48</b>
<b>Net assets attributable to unitholders</b>	<b>51,303,153</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities</b>			
<b>AUSTRIA</b>			
UNIQA Insurance Group AG 6% due 27/07/2046	100,000	152,249	0.85
<b>Total AUSTRIA</b>		<b>152,249</b>	<b>0.85</b>
<b>BRITAIN</b>			
B.A.T. International Finance Public Listed Company 3.95% due 15/06/2025	100,000	136,748	0.76
Bellis Acquisition Company Public Listed Company 3.25% due 16/02/2026	200,000	264,225	1.48
HSBC Holdings Public Listed Company 6.25% due 31/12/2049	200,000	273,329	1.53
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	200,000	308,012	1.73
<b>Total BRITAIN</b>		<b>982,314</b>	<b>5.50</b>
<b>BRITISH VIRGIN ISLANDS</b>			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	290,952	1.63
<b>Total BRITISH VIRGIN ISLANDS</b>		<b>290,952</b>	<b>1.63</b>
<b>CAYMAN ISLANDS</b>			
Barings CLO Limited 2020-I 4.24429% due 15/10/2036	500,000	651,644	3.65
Greywolf CLO VI Limited 4.16371% due 26/04/2031	250,000	323,570	1.81
Madison Park Funding XXVII Limited 3.66271% due 20/04/2030	500,000	647,686	3.63
Neuberger Berman Loan Advisers CLO 26 Limited 3.69429% due 18/10/2030	500,000	650,741	3.65
Tencent Holdings Limited 3.28% due 11/04/2024	200,000	276,370	1.54
<b>Total CAYMAN ISLANDS</b>		<b>2,550,011</b>	<b>14.28</b>
<b>CHILE</b>			
Corporacion Nacional del Cobre de Chile 3.625% due 01/08/2027	200,000	263,958	1.48
<b>Total CHILE</b>		<b>263,958</b>	<b>1.48</b>
<b>FINLAND</b>			
SBB Treasury OYJ 0.75% due 14/12/2028	100,000	87,370	0.50
<b>Total FINLAND</b>		<b>87,370</b>	<b>0.50</b>
<b>FRANCE</b>			
Altice France S.A. 2.125% due 15/02/2025	200,000	252,388	1.41
Faurecia SE 2.75% due 15/02/2027	100,000	113,559	0.64
Loxam SAS 2.875% due 15/04/2026	200,000	246,777	1.38
Orange S.A. 1.75% due 31/12/2059	100,000	125,411	0.70
<b>Total FRANCE</b>		<b>738,135</b>	<b>4.13</b>
<b>GERMANY</b>			
CT Investment GMBH 5.5% due 15/04/2026	100,000	119,318	0.67
Deutsche Bank AG 4.625% due 31/12/2061	200,000	224,573	1.26
K S AG 3.25% due 18/07/2024	100,000	142,076	0.80
Nidda Healthcare Holding GMBH 3.5% due 30/09/2024	100,000	129,299	0.72
ZF Finance GMBH 3% due 21/09/2025	100,000	128,313	0.72
<b>Total GERMANY</b>		<b>743,579</b>	<b>4.17</b>

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**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary) (continued)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>INDONESIA</b>			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	276,948	1.55
<b>Total INDONESIA</b>		<b>276,948</b>	<b>1.55</b>
<b>IRELAND</b>			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust 6.5% due 15/07/2025	150,000	214,088	1.20
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	277,518	1.55
Grenke Finance Public Listed Company 4.125% due 14/10/2024	50,000	72,355	0.40
Sculptor European CLO I DAC 3.5% due 18/04/2034	400,000	507,917	2.85
St. Paul's CLO VIII DAC 2.45% due 17/01/2030	500,000	648,959	3.64
Tikehau CLO II DAC 3.4% due 07/09/2035	500,000	643,421	3.60
<b>Total IRELAND</b>		<b>2,364,258</b>	<b>13.24</b>
<b>ITALY</b>			
ENI SPA 2% due 31/12/2061	100,000	118,245	0.66
Societa Cattolica di Assicurazione SpA 4.25% due 14/12/2047	100,000	136,646	0.77
<b>Total ITALY</b>		<b>254,891</b>	<b>1.43</b>
<b>JAPAN</b>			
Softbank Group Corporation 4.75% due 19/09/2024	200,000	257,464	1.44
<b>Total JAPAN</b>		<b>257,464</b>	<b>1.44</b>
<b>LUXEMBOURG</b>			
Cirsa Finance International Sarl 4.75% due 22/05/2025	100,000	129,531	0.73
Lincoln Financing Sarl 3.625% due 01/04/2024	100,000	141,281	0.79
Telenet Finance Luxembourg Notes Sarl 5.5% due 01/03/2028	200,000	244,985	1.37
<b>Total LUXEMBOURG</b>		<b>515,797</b>	<b>2.89</b>
<b>MAURITIUS</b>			
Greenko Power II Limited 4.3% due 13/12/2028	195,500	219,022	1.23
<b>Total MAURITIUS</b>		<b>219,022</b>	<b>1.23</b>
<b>NETHERLANDS</b>			
OCI NV 4.625% due 15/10/2025	200,000	269,172	1.51
Q-Park Holding I BV 2% due 01/03/2027	100,000	116,318	0.65
Telefonica Europe BV 4.375% due 31/12/2049	100,000	139,581	0.78
Teva Pharmaceutical Finance Netherlands III BV 6% due 15/04/2024	200,000	271,381	1.52
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	132,252	0.74
<b>Total NETHERLANDS</b>		<b>928,704</b>	<b>5.20</b>
<b>POLAND</b>			
MBank SA 0.966% due 21/09/2027	100,000	118,170	0.67
<b>Total POLAND</b>		<b>118,170</b>	<b>0.67</b>

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**Nikko AM Multi Sector Credit Fund**  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

**By Geography (Primary) (continued)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>SINGAPORE</b>			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	267,208	1.50
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	264,331	1.48
<b>Total SINGAPORE</b>		<b>531,539</b>	<b>2.98</b>
<b>SOUTH KOREA</b>			
Kookmin Bank 4.5% due 01/02/2029	200,000	276,245	1.55
<b>Total SOUTH KOREA</b>		<b>276,245</b>	<b>1.55</b>
<b>SPAIN</b>			
Caixabank S.A. 6.75% due 31/12/2049	200,000	281,033	1.57
Gestamp Automocion S.A. 3.25% due 30/04/2026	100,000	128,505	0.72
<b>Total SPAIN</b>		<b>409,538</b>	<b>2.29</b>
<b>SWEDEN</b>			
Verisure Holding AB 3.875% due 15/07/2026	200,000	254,852	1.43
<b>Total SWEDEN</b>		<b>254,852</b>	<b>1.43</b>
<b>UNITED STATES OF AMERICA</b>			
Ally Financial Incorporation 2.2% due 02/11/2028	100,000	113,706	0.64
Antero Resources Corporation 8.375% due 15/07/2026	50,000	73,720	0.41
CCO Holdings LLC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	65,896	0.37
Cheniere Corpus Christi Holdings LLC 5.125% due 30/06/2027	100,000	139,453	0.78
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	251,559	1.40
CoreCivic Incorporation 4.625% due 01/05/2023	50,000	69,146	0.39
Crown Americas LLC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	66,350	0.37
CSC Holdings LLC 5.25% due 01/06/2024	50,000	65,340	0.37
Dell International LLC / EMC Corporation 6.1% due 15/07/2027	100,000	146,090	0.82
Dish DBS Corporation 5% due 15/03/2023	50,000	66,614	0.37
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	65,757	0.37
EnLink Midstream Partners LP 4.85% due 15/07/2026	50,000	64,318	0.36
EQT Corporation 6.625% due 01/02/2025	100,000	143,657	0.81
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	60,854	0.34
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	237,632	1.33
Hanesbrands Incorporation 4.875% due 15/05/2026	50,000	64,591	0.36
HCA Incorporation 5.375% due 01/09/2026	50,000	69,118	0.39
Lennar Corporation 4.75% due 29/11/2027	50,000	67,728	0.38
MGM Resorts International 5.75% due 15/06/2025	50,000	66,375	0.37
The Mosaic Company 4.05% due 15/11/2027	100,000	136,597	0.77
Navient Corporation 5.875% due 25/10/2024	50,000	64,106	0.36
Netflix Incorporation 5.875% due 15/11/2028	50,000	68,193	0.38
Nextera Energy Operating Partners LP 4.5% due 15/09/2027	50,000	64,570	0.36
Occidental Petroleum Corporation 8% due 15/07/2025	50,000	73,356	0.41

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**Nikko AM Multi Sector Credit Fund**  
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**By Geography (Primary) (continued)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>UNITED STATES OF AMERICA (continued)</b>			
Onemain Finance Corporation 6.875% due 15/03/2025	50,000	65,898	0.37
Organon & Company / Organon Foreign Debt Co-Issuer BV 2.875% due 30/04/2028	100,000	122,237	0.68
Owens-Brockway Glass Container Incorporation 5.375% due 15/01/2025	50,000	65,504	0.37
Pitney Bowes Incorporation 4.625% due 15/03/2024	50,000	65,088	0.36
QVC Incorporation 4.45% due 15/02/2025	200,000	248,251	1.39
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	57,702	0.32
Sealed Air Corporation 4% due 01/12/2027	50,000	62,871	0.35
Southwestern Energy Company 5.95% due 23/01/2025	50,000	68,858	0.39
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	50,000	66,350	0.37
Tenet Healthcare Corporation 4.625% due 15/06/2028	50,000	60,696	0.34
T-Mobile USA Incorporation 4.75% due 01/02/2028	50,000	67,588	0.38
Travel + Leisure Company 6.625% due 31/07/2026	200,000	264,752	1.48
Twitter Incorporation 3.875% due 15/12/2027	100,000	131,103	0.73
United States Treasury Bill 0% due 23/03/2023	265,000	362,378	2.03
Utah Acquisition Sub Incorporation 3.95% due 15/06/2026	100,000	131,524	0.74
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	50,000	68,860	0.39
Vistra Operations Company LLC 4.375% due 01/05/2029	50,000	58,421	0.33
<b>Total UNITED STATES OF AMERICA</b>		<b>4,272,807</b>	<b>23.93</b>
<b>Accrued interest receivable on quoted fixed income securities</b>		<b>184,675</b>	<b>1.03</b>
<b>Total Quoted Fixed Income Securities</b>		<b>16,673,478</b>	<b>93.40</b>
<b>Portfolio of investments</b>		<b>16,673,478</b>	<b>93.40</b>
<b>Other net assets</b>		<b>1,178,426</b>	<b>6.60</b>
<b>Net assets attributable to unitholders</b>		<b>17,851,904</b>	<b>100.00</b>



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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<b>Nikko AM Multi Sector Credit Fund</b> <b>(formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>		
<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Fixed Income Securities</b>		
Austria	0.85	-
Britain	5.50	-
British Virgin Islands	1.63	-
Cayman Islands	14.28	-
Chile	1.48	-
Finland	0.50	-
France	4.13	-
Germany	4.17	-
Indonesia	1.55	-
Ireland	13.24	-
Italy	1.43	-
Japan	1.44	-
Luxembourg	2.89	-
Mauritius	1.23	-
Netherlands	5.20	-
Poland	0.67	-
Singapore	2.98	-
South Korea	1.55	-
Spain	2.29	-
Sweden	1.43	-
United States of America	23.93	-
Accrued interest receivable on quoted fixed income securities	1.03	-
<b>Total Quoted Fixed Income Securities</b>	<b>93.40</b>	<b>-</b>
<b>Quoted Investment Funds</b>		
Ireland	-	96.74
<b>Total Quoted Investment Funds</b>	<b>-</b>	<b>96.74</b>
<b>Portfolio of investments</b>	<b>93.40</b>	<b>96.74</b>
<b>Other net assets</b>	<b>6.60</b>	<b>3.26</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

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**Nikko AM Multi Sector Credit Fund**  
**(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

**By Industry (Secondary)**

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Agriculture	136,748	0.77	-
Apparel	183,909	1.03	-
Auto Manufacturers	369,884	2.07	-
Auto Parts & Equipment	370,377	2.07	-
Banks	1,437,681	8.05	-
Chemicals	547,845	3.07	-
Commercial Services	978,045	5.48	-
Computers	146,090	0.82	-
Debt Fund	-	-	96.74
Diversified Financial Services	1,062,101	5.95	-
Electric	183,845	1.03	-
Energy-Alternate Sources	219,022	1.23	-
Entertainment	129,531	0.73	-
Food	264,225	1.48	-
Healthcare-Services	129,814	0.73	-
Home Builders	67,728	0.38	-
Insurance	566,413	3.17	-
Internet	475,666	2.66	-
Lodging	331,127	1.85	-
Media	750,847	4.21	-
Mining	540,906	3.03	-
Office/Business Equipment	65,088	0.36	-
Oil and Gas	477,836	2.68	-
Other ABS	4,073,938	22.82	-
Packaging & Containers	194,725	1.09	-
Pharmaceuticals	654,441	3.67	-
Pipelines	521,680	2.92	-
Real Estate	87,370	0.49	-
Real Estate Investment Trusts (REITS)	68,860	0.39	-
Retail	248,251	1.39	-
Sovereign	362,378	2.03	-
Telecommunications	842,432	4.72	-
Accrued interest receivable on quoted fixed income securities	184,675	1.03	-
<b>Portfolio of investments</b>	<b>16,673,478</b>	<b>93.40</b>	<b>96.74</b>
<b>Other net assets</b>	<b>1,178,426</b>	<b>6.60</b>	<b>3.26</b>
<b>Net assets attributable to unitholders</b>	<b>17,851,904</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 30 June 2022 (unaudited)

Singapore Dividend Equity Fund			
By Geography (Primary)			Percentage of total net assets attributable to unitholders at
	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	30 June 2022 %
<b>Quoted Equities</b>			
<b>HONG KONG SAR</b>			
Hongkong Land Holdings Limited	834,100	5,827,290	1.24
Jardine Matheson Holdings Limited	157,400	11,513,435	2.47
<b>Total HONG KONG SAR</b>		<b>17,340,725</b>	<b>3.71</b>
<b>MALAYSIA</b>			
Frencken Group Limited	4,767,500	5,291,925	1.13
<b>Total MALAYSIA</b>		<b>5,291,925</b>	<b>1.13</b>
<b>SINGAPORE</b>			
BRC Asia Limited	1,458,800	2,611,252	0.56
CapitaLand Investment Limited	6,125,400	23,399,028	5.01
CSE Global Limited	8,801,100	4,092,512	0.88
DBS Group Holdings Limited	1,384,489	41,091,634	8.80
First Resources Limited	4,011,200	6,538,256	1.40
Great Eastern Holdings Limited	215,800	4,229,680	0.91
Hyphens Pharma International Limited	4,000,400	1,240,124	0.26
Japfa Limited	3,445,460	2,050,049	0.43
Jardine Cycle & Carriage Limited	482,600	13,652,754	2.92
Keppel Corporation Limited	5,000,400	32,452,596	6.95
Nanofilm Technologies International Limited	1,281,300	2,985,429	0.64
Oversea-Chinese Banking Corporation Limited	3,443,482	39,221,260	8.40
SATS Limited	3,145,000	12,265,500	2.63
Sembcorp Industries Limited	7,862,800	22,408,980	4.80
Singapore Exchange Limited	1,447,900	13,697,134	2.93
Singapore Post Limited	10,599,200	6,889,480	1.48
Singapore Technologies Engineering Limited	4,108,300	16,761,864	3.59
Singapore Telecommunications Limited	2,642,234	6,684,852	1.43
UMS Holdings Limited	3,319,500	3,684,645	0.79
United Overseas Bank Limited	1,330,070	34,914,338	7.48
Venture Corporation Limited	474,600	7,892,598	1.69
Wilmar International Limited	4,148,600	16,760,344	3.59
<b>Total SINGAPORE</b>		<b>315,524,309</b>	<b>67.57</b>
<b>THAILAND</b>			
Thai Beverage Public Company Limited	15,699,700	10,126,306	2.17
<b>Total THAILAND</b>		<b>10,126,306</b>	<b>2.17</b>
<b>Total Quoted Equities</b>		<b>348,283,265</b>	<b>74.58</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Investment Funds</b>			
<b>SINGAPORE</b>			
Ascendas India Trust	4,778,200	5,590,494	1.20
Keppel Infrastructure Trust	3,652,906	2,082,156	0.45
NetLink NBN Trust	2,103,800	2,040,686	0.43
<b>Total SINGAPORE</b>		<b>9,713,336</b>	<b>2.08</b>
<b>Total Quoted Investment Funds</b>		<b>9,713,336</b>	<b>2.08</b>
<b>Quoted Real Estate Investment Trusts</b>			
<b>HONG KONG SAR</b>			
Link REIT	377,775	4,288,020	0.92
<b>Total HONG KONG SAR</b>		<b>4,288,020</b>	<b>0.92</b>
<b>PHILIPPINES</b>			
Citicore Energy REIT Corporation	74,861,000	4,566,394	0.98
RL Commercial REIT Incorporated	29,381,900	4,610,757	0.99
<b>Total PHILIPPINES</b>		<b>9,177,151</b>	<b>1.97</b>
<b>SINGAPORE</b>			
Ascott Residence Trust	8,552,100	9,749,394	2.09
CapitaLand Integrated Commercial Trust	4,753,905	10,315,974	2.21
Digital Core REIT Management Pte. Limited	6,268,500	6,717,369	1.44
Frasers Centrepont Trust	2,709,000	6,203,610	1.33
Frasers Logistics & Commercial Trust	4,851,540	6,452,548	1.38
Keppel REIT	8,310,200	9,058,118	1.94
Lendlease Global Commercial REIT	14,544,518	11,562,892	2.47
Mapletree Industrial Trust	1,527,715	3,972,059	0.85
<b>Total SINGAPORE</b>		<b>64,031,964</b>	<b>13.71</b>
<b>Total Quoted Real Estate Investment Trusts</b>		<b>77,497,135</b>	<b>16.60</b>
<b>Portfolio of investments</b>		<b>435,493,736</b>	<b>93.26</b>
<b>Other net assets</b>		<b>31,468,056</b>	<b>6.74</b>
<b>Net asset attributable to unitholders</b>		<b>466,961,792</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

By Geography (Summary)	Singapore Dividend Equity Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
<b>Quoted Equities</b>		
Hong Kong SAR	3.71	4.12
Malaysia	1.13	1.02
Singapore	67.57	70.50
Thailand	2.17	2.44
<b>Total Quoted Equities</b>	<b>74.58</b>	<b>78.08</b>
<b>Quoted Investment Funds</b>		
Singapore	2.08	2.56
<b>Total Quoted Investment Funds</b>	<b>2.08</b>	<b>2.56</b>
<b>Quoted Real Estate Investment Trusts</b>		
Hong Kong SAR	0.92	1.05
Philippines	1.97	1.39
Singapore	13.71	13.36
<b>Total Quoted Real Estate Investment Trusts</b>	<b>16.60</b>	<b>15.80</b>
<b>Portfolio of investments</b>	<b>93.26</b>	<b>96.44</b>
<b>Other net assets</b>	<b>6.74</b>	<b>3.56</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

Singapore Dividend Equity Fund			
By Industry (Secondary)	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Agriculture	8,588,305	1.84	2.19
Banks	115,227,232	24.68	27.77
Beverages	10,126,306	2.17	2.44
Commercial Services	-	-	3.60
Computers	4,092,512	0.88	1.02
Distribution/Wholesale	13,652,754	2.92	1.52
Diversified Financial Services	13,697,134	2.93	3.17
Electric	24,491,136	5.24	0.47
Electrical Component & Equipment	5,291,925	1.13	1.02
Electronics	7,892,598	1.69	2.04
Engineering and Construction	61,479,960	13.17	10.02
Food	16,760,344	3.59	3.73
Healthcare-Services	-	-	1.53
Holding Companies-Diversified	11,513,435	2.47	2.74
Insurance	4,229,680	0.91	-
Iron/Steel	2,611,252	0.55	0.54
Miscellaneous Manufacture	2,985,429	0.63	1.15
Pharmaceuticals	1,240,124	0.26	0.28
Private Equity	23,399,028	5.01	4.50
Real Estate	11,417,784	2.45	2.97
Real Estate Investment Trusts (REITS)	77,497,135	16.60	15.80
Retail	-	-	0.64
Semiconductors	3,684,645	0.79	1.86
Telecommunications	8,725,538	1.87	1.94
Transportation	6,889,480	1.48	3.50
<b>Portfolio of investments</b>	<b>435,493,736</b>	<b>93.26</b>	<b>96.44</b>
<b>Other net assets</b>	<b>31,468,056</b>	<b>6.74</b>	<b>3.56</b>
<b>Net assets attributable to unitholders</b>	<b>466,961,792</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 30 June 2022 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities</b>			
<b>AUSTRALIA</b>			
Frasers Property AHL Limited 3% due 09/10/2028	750,000	700,379	3.21
Lendlease Finance Limited 3.9% due 27/04/2027	500,000	503,665	2.32
<b>Total AUSTRALIA</b>		<b>1,204,044</b>	<b>5.53</b>
<b>BRITAIN</b>			
Barclays Public Listed Company 3.75% due 23/05/2030	500,000	497,359	2.28
HSBC Holdings Public Listed Company 5.25% due 27/06/2032	250,000	252,819	1.16
<b>Total BRITAIN</b>		<b>750,178</b>	<b>3.44</b>
<b>CANADA</b>			
Commerzbank AG 4.2% due 18/09/2028	250,000	246,980	1.13
<b>Total CANADA</b>		<b>246,980</b>	<b>1.13</b>
<b>GERMANY</b>			
Manulife Financial Corporation 3% due 21/11/2029	250,000	248,871	1.14
<b>Total GERMANY</b>		<b>248,871</b>	<b>1.14</b>
<b>HONG KONG SAR</b>			
AIA Group Limited 2.9% due 31/12/2061	500,000	437,251	2.01
<b>Total HONG KONG SAR</b>		<b>437,251</b>	<b>2.01</b>
<b>NETHERLANDS</b>			
ABN Amro Bank NV 5.5% due 05/10/2032	250,000	253,410	1.16
<b>Total HONG KONG SAR</b>		<b>253,410</b>	<b>1.16</b>
<b>SINGAPORE</b>			
CDL Properties Limited 2.958% due 09/05/2024	250,000	247,605	1.14
CJ Logistics Asia Private Limited 2.938% due 25/03/2024	250,000	249,033	1.14
CMT MTN Private Limited 3.2% due 21/08/2025	250,000	249,007	1.14
ESR-Logos REIT 5.5% due 09/12/2170	500,000	499,443	2.29
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	251,220	1.15
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	494,060	2.27
Keppel Corporation Limited 2.9% due 16/03/2170	750,000	706,889	3.24
Mapletree Industrial Trust 3.15% due 31/12/2061	750,000	720,064	3.31
Monetary Authority of Singapore Bill 0% due 23/09/2022	400,000	398,082	1.83
NTUC Income Insurance Co-Operative Limited 3.1% due 20/07/2050	500,000	457,143	2.10
Oversea-Chinese Banking Corporation Limited 4% due 31/12/2049	250,000	250,819	1.15
Sembcorp Financial Services Private Limited 3.735% due 20/04/2029	750,000	744,053	3.42
Singapore Airlines Limited 3.13% due 17/11/2026	250,000	243,538	1.12
Singapore Government Bond 1.625% due 01/07/2031	1,170,000	1,046,565	4.80

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENTS OF PORTFOLIO**

As at 30 June 2022 (unaudited)

**Horizon Singapore Fixed Income Enhanced Fund**

**By Geography (Primary)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
<b>Quoted Fixed Income Securities (continued)</b>			
<b>SINGAPORE (continued)</b>			
Singapore Government Bond 1.875% due 01/03/2050	480,000	375,840	1.73
Singapore Government Bond 1.875% due 01/10/2051	300,000	237,150	1.09
Singapore Government Bond 2.25% due 01/08/2036	2,200,000	1,994,300	9.15
Singapore Government Bond 2.375% due 01/07/2039	600,000	543,000	2.49
Singapore Government Bond 2.625% due 01/05/2028	100,000	98,900	0.46
Singapore Government Bond 2.75% due 01/03/2046	1,300,000	1,219,400	5.60
Singapore Government Bond 2.75% due 01/04/2042	1,370,000	1,293,280	5.94
Singapore Government Bond 2.875% due 01/09/2030	850,000	845,750	3.88
Singapore Government Bond 3.5% due 01/03/2027	400,000	412,400	1.89
Singapore Life Holdings Private Limited 3.375% due 24/02/2031	500,000	486,675	2.23
Singapore Technologies Telemedia Private Limited 4.05% due 02/12/2025	500,000	508,285	2.33
Singapore Technologies Telemedia Private Limited 4.2% due 31/12/2061	500,000	494,730	2.27
Surbana Jurong Private Limited 2.48% due 10/02/2031	500,000	448,677	2.06
Surbana Jurong Private Limited 4.11% due 03/10/2025	250,000	254,970	1.17
United Overseas Bank Limited 3.5% due 27/02/2029	500,000	500,577	2.30
<b>Total SINGAPORE</b>		<b>16,271,455</b>	<b>74.69</b>
<b>SWITZERLAND</b>			
Credit Suisse Group AG 5.625% due 31/12/2049	250,000	239,208	1.10
<b>Total SWITZERLAND</b>		<b>239,208</b>	<b>1.10</b>
<b>UNITED STATES OF AMERICA</b>			
Ford Motor Credit Company LLC 4.125% due 20/06/2024	500,000	495,875	2.28
<b>Total UNITED STATES OF AMERICA</b>		<b>495,875</b>	<b>2.28</b>
<b>Accrued interest receivable on quoted fixed income securities</b>		<b>138,074</b>	<b>0.63</b>
<b>Total Quoted Fixed Income Securities</b>		<b>20,285,346</b>	<b>93.11</b>
<b>Portfolio of investments</b>		<b>20,285,346</b>	<b>93.11</b>
<b>Other net assets</b>		<b>1,500,964</b>	<b>6.89</b>
<b>Net assets attributable to unitholders</b>		<b>21,786,310</b>	<b>100.00</b>



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

**Horizon Singapore Fixed Income Enhanced Fund**

**By Geography (Summary)**

	<b>Percentage of total net assets attributable to unitholders at 30 June 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
<b>Quoted Fixed Income Securities</b>		
Australia	<b>5.53</b>	5.21
Britain	<b>3.44</b>	2.12
Canada	<b>1.13</b>	1.05
France	<b>-</b>	1.08
Germany	<b>1.14</b>	3.07
Hong Kong SAR	<b>2.01</b>	1.98
Netherlands	<b>1.16</b>	-
Singapore	<b>74.69</b>	82.95
Switzerland	<b>1.10</b>	-
United States of America	<b>2.28</b>	-
Accrued interest receivable on quoted fixed income securities	<b>0.63</b>	0.72
<b>Total Quoted Fixed Income Securities</b>	<b>93.11</b>	98.18
<b>Portfolio of investments</b>	<b>93.11</b>	98.18
<b>Other net assets</b>	<b>6.89</b>	1.82
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENTS OF PORTFOLIO**

*As at 30 June 2022 (unaudited)*

<b>Horizon Singapore Fixed Income Enhanced Fund</b>			
<b>By Industry (Secondary)</b>	<b>Fair value at 30 June 2022 S\$</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2022 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2021 %</b>
Airlines	243,538	1.13	1.03
Auto Manufacturers	495,875	2.28	-
Banks	2,641,145	12.12	18.71
Diversified Financial Services	744,053	3.42	-
Electric	-	-	3.16
Engineering and Construction	1,410,536	6.47	3.10
Food	251,220	1.15	1.08
Insurance	1,628,049	7.47	7.20
Investment Companies	1,003,015	4.60	7.47
Media	-	-	1.01
Private Equity	-	-	1.06
Real Estate	1,451,649	6.66	5.21
Real Estate Investment Trusts (REITS)	1,962,574	9.01	15.25
Sovereign	8,066,585	37.03	28.06
Telecommunications	-	-	2.03
Transportation	249,033	1.14	3.09
Accrued interest receivable on quoted fixed income securities	138,074	0.63	0.72
<b>Portfolio of investments</b>	<b>20,285,346</b>	<b>93.11</b>	<b>98.18</b>
<b>Other net assets</b>	<b>1,500,964</b>	<b>6.89</b>	<b>1.82</b>
<b>Net assets attributable to unitholders</b>	<b>21,786,310</b>	<b>100.00</b>	<b>100.00</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

The following contains additional information relating to the Sub-Funds.

**1. Distribution of investments**

Please refer to the Statements of Portfolio on pages 22 to 40.

**2. Credit rating of debt securities**

**Nikko AM Multi Sector Credit Fund**  
**(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
A+	553,888	3.10
A	263,958	1.48
A-	267,208	1.50
Baa1	264,331	1.48
Baa2	925,907	5.19
Baa3	1,568,394	8.79
BBB+	485,348	2.72
BBB	1,770,977	9.92
BBB-	3,154,768	17.67
Ba1	219,022	1.23
Ba2	65,757	0.37
BB+ *+	67,588	0.38
BB+	1,726,179	9.67
BB+ *-	131,103	0.73
BB	1,180,471	6.61
BB-	2,003,974	11.22
B+ *-	66,375	0.37
B+	129,446	0.73
B	887,975	4.97
B-	129,531	0.73
B1	264,225	1.48
Not rated	362,378	2.03
Accrued interest receivable on quoted fixed income securities	184,675	1.03
	<b>16,673,478</b>	<b>93.40</b>

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

**2. Credit rating of debt securities (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders at 30 June 2022 %
AAA*	8,464,667	38.85
AA	743,093	3.41
A	457,143	2.10
A2	937,828	4.31
A3	249,007	1.14
A-	246,980	1.13
Baa2	497,359	2.28
Baa3	990,340	4.55
BBB	252,819	1.16
BBB-	504,229	2.32
BB+	744,746	3.42
B+	239,208	1.10
Not rated	5,819,853	26.71
Accrued interest receivable on quoted fixed income securities	138,074	0.63
	<b>20,285,346</b>	<b>93.11</b>

\* The balance includes securities that are issued by government agencies of government that have a AAA rating as rated by Standard & Poor's.

**3. Top 10 holdings**

**Nikko AM Global Dividend Equity Fund**

**10 largest holdings at 30 June 2022**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,947,040	5.74
Nestle SA	2,592,697	5.05
AbbVie Incorporated	2,228,077	4.34
Pfizer Incorporated	2,038,785	3.97
Roche Holding AG	2,028,979	3.96
Compass Group Public Listed Company	1,677,292	3.27
Philip Morris International Incorporated	1,652,194	3.22
Diageo Public Listed Company	1,580,923	3.08
Taiwan Semiconductor Manufacturing Company Limited	1,552,861	3.03
Worley Limited	1,530,572	2.98

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

**3. Top 10 holdings (continued)**

**Nikko AM Global Dividend Equity Fund (continued)**

10 largest holdings at 30 June 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Company Limited	3,972,004	5.35
Coca-Cola Company	3,373,975	4.54
Roche Holding AG	3,059,179	4.12
Nestle SA	2,941,948	3.96
PepsiCo Incorporated	2,843,920	3.83
Unilever Public Listed Company	2,747,472	3.70
Microsoft Corporation	2,349,245	3.16
Allianz SE	2,313,688	3.11
Compass Group Public Listed Company	2,301,878	3.10
Schneider Electric SE	2,271,594	3.05

**Nikko AM Multi Sector Credit Fund  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

10 largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Barings CLO Limited 2020-I 4.24429% due 15/10/2036	651,644	3.65
Neuberger Berman Loan Advisers CLO 26 Limited 3.69429% due 18/10/2030	650,741	3.65
St. Paul's CLO VIII DAC 2.45% due 17/01/2030	648,959	3.64
Madison Park Funding XXVII Limited 3.66271% due 20/04/2030	647,686	3.63
Tikehau CLO II DAC 3.4% due 07/09/2035	643,421	3.60
Sculptor European CLO I DAC 3.5% due 18/04/2034	507,917	2.85
United States Treasury Bill 0% due 23/03/2023	362,378	2.03
Greywolf CLO VI Limited 4.16371% due 26/04/2031	323,570	1.81
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	308,012	1.73
CMHI Finance BVI Company Limited 5% due 06/08/2028	290,952	1.63

10 largest holdings at 30 June 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Russell Investment Company PLC - Russell Global Bond Fund (Class A)	24,662,652	96.90

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

**3. Top 10 holdings (continued)**

**Singapore Dividend Equity Fund**

**10 largest holdings at 30 June 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	41,091,634	8.80
Oversea-Chinese Banking Corporation Limited	39,221,260	8.40
United Overseas Bank Limited	34,914,338	7.48
Keppel Corporation Limited	32,452,596	6.95
CapitaLand Investment Limited	23,399,028	5.01
Sembcorp Industries Limited	22,408,980	4.80
Singapore Technologies Engineering Limited	16,761,864	3.59
Wilmar International Limited	16,760,344	3.59
Singapore Exchange Limited	13,697,134	2.93
Jardine Cycle & Carriage Limited	13,652,754	2.92

**10 largest holdings at 30 June 2021**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	37,125,374	9.47
United Overseas Bank Limited	35,184,914	8.97
Oversea-Chinese Banking Corporation Limited	35,080,420	8.95
Keppel Corporation Limited	22,670,415	5.78
Singapore Exchange Limited	18,994,820	4.84
Wilmar International Limited	15,408,000	3.93
Jardine Matheson Holdings Limited	13,326,494	3.40
Sembcorp Industries Limited	12,379,258	3.16
Capitaland Limited	11,727,681	2.99
Nanofilm Technologies International Limited	11,717,307	2.99

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**3. Top 10 holdings (continued)**

**Horizon Singapore Fixed Income Enhanced Fund**

**10 largest holdings at 30 June 2022**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.25% due 01/08/2036	1,994,300	9.15
Singapore Government Bond 2.75% due 01/04/2042	1,293,280	5.94
Singapore Government Bond 2.75% due 01/03/2046	1,219,400	5.60
Singapore Government Bond 1.625% due 01/07/2031	1,046,565	4.80
Singapore Government Bond 2.875% due 01/09/2030	845,750	3.88
Sembcorp Financial Services Private Limited 3.735% due 20/04/2029	744,053	3.42
Mapletree Industrial Trust 3.15% due 31/12/2061	720,064	3.31
Keppel Corporation Limited 2.9% due 16/03/2170	706,889	3.24
Frasers Property AHL Limited 3% due 09/10/2028	700,379	3.21
Singapore Government Bond 2.375% due 01/07/2039	543,000	2.49

**10 largest holdings at 30 June 2021**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.75% due 01/04/2042	1,375,200	5.37
Singapore Government Bond 2.25% due 01/08/2036	1,262,400	4.93
Singapore Government Bond 2.75% due 01/03/2046	1,167,100	4.55
Housing & Development Board 2.315% due 18/09/2034	1,062,467	4.15
Australia & New Zealand Banking Group Limited 3.75% due 23/03/2027	763,770	2.98
Mapletree Industrial Trust 3.15% due 31/12/2061	757,898	2.96
Singapore Government Bond 2.375% due 01/07/2039	699,530	2.73
Mapletree Treasury Services Limited 3.4% due 03/09/2026	536,806	2.09
Lendlease Finance Limited 3.9% due 27/04/2027	531,814	2.07
Singapore Government Bond 2.125% due 01/06/2026	529,550	2.07

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**REPORT TO UNITHOLDERS**

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**4. Exposure to financial derivatives**

**Nikko AM Global Dividend Equity Fund**

	Fair value at 30 June 2022 US\$	Percentage of total net assets attributable to unitholders 30 June 2022 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Forward foreign exchange contracts	<u>(671,078)</u>	<u>(1.31)</u>	<u>(671,078)</u>	<u>(1,153,219)</u>

**Nikko AM Multi Sector Credit Fund  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to unitholders 30 June 2022 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,618</u>

**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.



**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**REPORT TO UNITHOLDERS**

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**6. Collateral**

Nil.

**7. Securities lending or repurchase transactions**

Nil.

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

**Nikko AM Global Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 22 to 26.

**Singapore Dividend Equity Fund**

Please refer to the Statements of Portfolio on pages 33 to 36.

**9. Borrowings**

Nil.

**10. Amount of units created and cancelled for the financial period ended 30 June 2022**

	<b>Nikko AM Global Dividend Equity Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	<b>Nikko AM Multi Sector Credit Fund</b>
	<b>US\$</b>	<b>S\$</b>
Units created	5,552,727	567,147
Units cancelled	(3,329,272)	(2,189,335)

	<b>Singapore Dividend Equity Fund</b>	<b>Horizon Singapore Fixed Income Enhanced Fund</b>
	<b>S\$</b>	<b>S\$</b>
Units created	117,188,641	183,658
Units cancelled	(70,473,988)	(1,390,187)

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

**11. Turnover ratio**

**Nikko AM Global Dividend Equity Fund**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Lower of total value of purchases or sales	US\$	<b>6,744,062</b>	12,353,653
Average daily net asset value	US\$	<b>56,460,596</b>	73,406,335
<b>Total turnover ratio<sup>1</sup></b>	%	<b>11.94</b>	16.83

**Nikko AM Multi Sector Credit Fund  
(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Lower of total value of purchases or sales	S\$	<b>20,120,273</b>	862,543
Average daily net asset value	S\$	<b>19,681,662</b>	25,021,792
<b>Total turnover ratio<sup>1</sup></b>	%	<b>102.23</b>	3.45

**Singapore Dividend Equity Fund**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Lower of total value of purchases or sales	S\$	<b>47,050,939</b>	65,906,122
Average daily net asset value	S\$	<b>460,330,627</b>	385,928,305
<b>Total turnover ratio<sup>1</sup></b>	%	<b>10.22</b>	17.08

**Horizon Singapore Fixed Income Enhanced Fund**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Lower of total value of purchases or sales	S\$	<b>14,692,513</b>	9,730,449
Average daily net asset value	S\$	<b>22,935,789</b>	25,501,915
<b>Total turnover ratio<sup>1</sup></b>	%	<b>64.06</b>	38.16

<sup>1</sup> 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 HORIZON INVESTMENT FUNDS**  
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**REPORT TO UNITHOLDERS**

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**12. Expense ratio**

**Nikko AM Global Dividend Equity Fund**

<b>SGD Hedged (Acc) Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	US\$	<b>894,359</b>	1,027,704
Average daily net asset value	US\$	<b>53,074,837</b>	61,947,163
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.69</b>	1.66

<b>SGD Hedge (Dist) Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	US\$	<b>163,417</b>	122,083
Average daily net asset value	US\$	<b>9,707,129</b>	7,360,048
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.68</b>	1.66

<b>USD (Acc) Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	US\$	<b>8,357</b>	<b>6,267</b>
Average daily net asset value	US\$	<b>498,294</b>	<b>378,264</b>
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.68</b>	<b>1.66</b>

<b>CNH Hedged (Dist) Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	US\$	<b>2,672</b>	1,074
Average daily net asset value	US\$	<b>161,458</b>	64,836
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.65</b>	1.66

**Nikko AM Multi Sector Credit Fund**  
**(formerly known as Horizon Global Bond Fund (S\$ Hedged))**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>281,678</b>	206,296
Average daily net asset value	S\$	<b>22,861,129</b>	24,610,174
<b>Total expense ratio<sup>2</sup> (including Underlying Fund's expense ratio)</b>	%	<b>1.73</b>	1.55
Weighted average of the Underlying Fund's unaudited expense ratio	%	<b>0.50</b>	0.71

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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**REPORT TO UNITHOLDERS**

*For the financial period from 01 January 2022 to 30 June 2022 (unaudited)*

**12. Expense ratio (continued)**

**Singapore Dividend Equity Fund**

<b>SGD class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>5,868,702</b>	4,564,711
Average daily net asset value	S\$	<b>412,476,403</b>	319,586,777
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.42</b>	1.43

<b>JPY Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>10,734</b>	5,906
Average daily net asset value	S\$	<b>1,934,117</b>	1,076,234
<b>Total expense ratio<sup>2</sup></b>	%	<b>0.55</b>	0.55

<b>MYR Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>129,464</b>	105,894
Average daily net asset value	S\$	<b>9,088,545</b>	7,433,112
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.42</b>	1.42

<b>USD Class</b>		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>148,083</b>	111,569
Average daily net asset value	S\$	<b>10,410,326</b>	7,825,157
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.42</b>	1.43

**Horizon Singapore Fixed Income Enhanced Fund**

		<b>30 June 2022</b>	<b>30 June 2021</b>
Total operating expenses	S\$	<b>305,416</b>	307,473
Average daily net asset value	S\$	<b>24,001,447</b>	24,624,527
<b>Total expense ratio<sup>2</sup></b>	%	<b>1.27</b>	1.25

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

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**13. Related party transactions**

The Manager of the Sub-Funds is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Trustee of the Sub-Funds 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 and valuation fee are payable to a related company of the Trustee, BNP Paribas Securities Services 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 Sub-Funds and a related party at terms agreed between the parties and within the provisions of the Deed.

	<b>Nikko AM Global Dividend Equity Fund</b>		<b>Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))</b>	
	<b>30 June 2022 US\$</b>	<b>31 December 2021 US\$</b>	<b>30 June 2022 S\$</b>	<b>31 December 2021 S\$</b>
Bank balances held with related party of the trustee	<b>1,666,685</b>	1,082,475	<b>1,254,540</b>	600,510
	<b>Singapore Dividend Equity Fund</b>		<b>Horizon Singapore Fixed Income Enhanced Fund</b>	
	<b>30 June 2022 S\$</b>	<b>31 December 2021 S\$</b>	<b>30 June 2022 S\$</b>	<b>31 December 2021 S\$</b>
Bank balances held with related party of the trustee	<b>32,271,858</b>	17,395,642	<b>1,685,670</b>	232,562

**14. Any other material information that will adversely impact the valuation of the Sub-Funds**

Nil.

**15. Soft dollar commissions/arrangements**

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

The Sub-Managers, Nikko Asset Management Europe Ltd, do not receive or intend to receive any soft dollars in their management of the Nikko AM Global Dividend Equity Fund and the Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)). Nikko Asset Management Americas, Inc also does not receive or intend to receive soft dollars in respect of the global equities trading that it carries out for the Nikko AM Global Dividend Equity Fund.

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**  
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With effect from 31 March 2022, the investment objective and policy/focus and approach of Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) was amended such that the Sub-Fund will seek to achieve its investment objective by investing in credit-related debt securities globally. Prior to that, the Sub-Fund as a feeder fund invested all or substantially all of its assets in the shares of Russell Investments Global Bond Fund, a sub-fund within the Russell Investment Company PLC.

The details which follow make reference to the investments within the Russell Investment Company PLC - Russell Investments Global Bond Fund (Class A) unless stated otherwise.

**1. Top 10 Holdings**

10 Largest holdings at 30 June 2021	Fair value US\$	Percentage of total net assets attributable to unitholders %
Japan (10 Yr Issue) 0.1 20-Mar-2029	27,331,896	1.45
Japan (10 Yr Issue) 1 20-Mar-2022	26,129,505	1.39
US Treasury N/B 2.75 31-May-2023	25,690,396	1.37
Japan (10 Yr Issue) 0.1 20-Jun-2029	19,232,870	1.02
US Treasury N/B 1.5 15-Aug-2022	17,603,489	0.94
UK Treasury 3.5% 22-Jan-2045	16,030,575	0.85
Bundesobligation 0 11-Apr-2025	15,858,223	0.84
US Treasury N/B 1.5 15-Aug-2026	15,392,267	0.82
Japan (30 Yr Issue) 1.5 20-Mar-2045	14,790,368	0.79
Japan (20 Yr Issue) 1.5 20-Jun-2034	14,596,669	0.78

**2. Financial Ratios**

	30 June 2021 %
Expense ratio <sup>1</sup>	0.73
Turnover ratio	216.85

<sup>1</sup> The expense ratio has been computed based on the total operating expenses divided by the average net asset value for the period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The average net asset value is based on the daily balances.



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