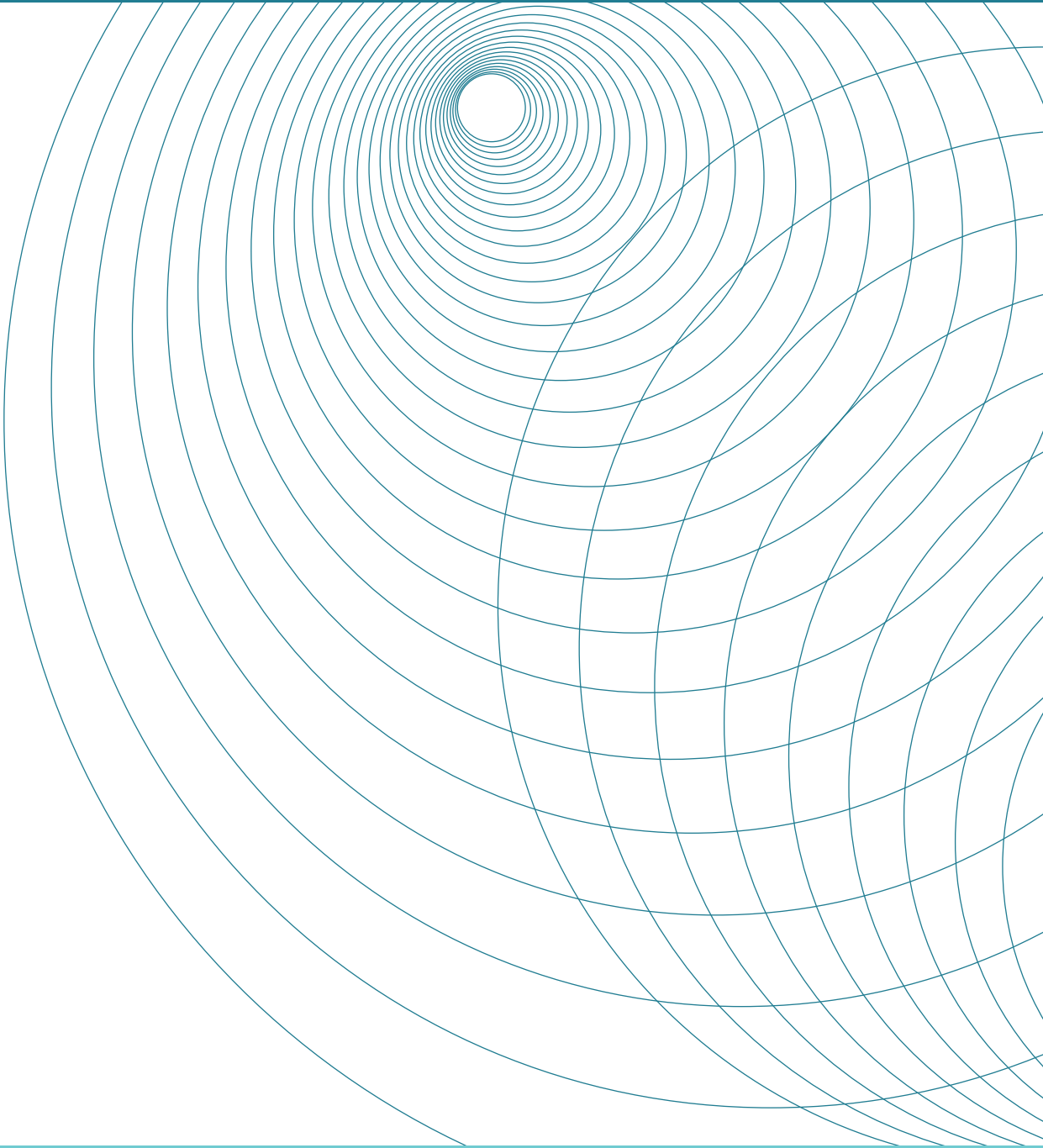

ANNUAL REPORT

Nikko AM Japan Dividend Equity Fund

Financial year ended 31 December 2024



MANAGERS

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

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR

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

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CUSTODIAN

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20 Collyer Quay, #01-01
Singapore 049319

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class	4.74	0.23	17.92	19.29	12.93	11.11	11.29

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class	-0.49	-4.78	12.03	17.27	11.78	10.54	10.79

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class	5.75	1.38	20.45	20.43	13.81	11.62	11.77

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class	0.47	-3.69	14.42	18.39	12.65	11.05	11.27

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 1 July 2013

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	0.46	2.01	5.82	4.76	3.31	N/A	5.90

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	-4.56	-3.09	0.53	2.99	2.25	N/A	5.28

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 1 April 2016

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	5.30	0.97	19.65	17.98	12.56	N/A	13.14

Source: Nikko Asset Management Asia Limited, returns as 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	0.04	-4.08	13.66	15.98	11.41	N/A	12.13

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 17 April 2019

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund – JPY Class	4.11	-0.63	14.55	N/A	N/A	N/A	18.70

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class	-1.09	-5.60	8.82	N/A	N/A	N/A	16.08

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. 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: 13 September 2022

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	0.67	2.42	6.69	N/A	N/A	N/A	12.24

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	-4.37	-2.70	1.36	N/A	N/A	N/A	9.30

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	-5.33	1.70	2.66	N/A	N/A	N/A	9.72

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	-10.06	-3.39	-2.48	N/A	N/A	N/A	6.85

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 26 January 2023

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class B	4.33	-0.21	N/A	N/A	N/A	N/A	2.46

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class B	-0.88	-5.20	N/A	N/A	N/A	N/A	-2.66

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2024. 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: 26 April 2024

Note:

(1) The investment objective of the Fund is to provide a total return of capital growth and income

over the medium to long term by investing in equity investments listed and traded on the Tokyo Stock Exchange. The currency exposures of the “SGD Hedged Share Class” and the “USD Hedged Share Class” are hedged from the Fund’s base currency – JPY to the share classes’ currencies – SGD and USD respectively, to remove the currency conversion risk from the Fund’s base currency to the respective share classes’ currencies.

- (2) With effect from 1 June 2017, the benchmark has been removed and there will no longer be any benchmark for the 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 1 June 2017, the benchmark against which the Fund’s performance was measured was the TOPIX Total Return Index.
- (3) Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was fully redeemed on 28 September 2022. Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was re-incepted on 25 June 2024. Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was fully redeemed on 2 August 2024.
- (4) Nikko AM Japan Dividend Equity Fund - JPY Class B was incepted on 26 April 2024.
- (5) With effect from 1 September 2025, references to “Nikko Asset Management Asia Limited”, “Nikko AM Japan Dividend Equity Fund” and “Nikko Asset Management Co., Ltd” shall be deemed deleted and replaced with “**Amova Asset Management Asia Limited**”, “**Amova Japan Dividend Equity Fund**” and “**Amova Asset Management Co., Ltd**” respectively.

Portfolio Review and Activity

Fund rises in 2024

The Nikko AM Japan Dividend Equity Fund (SGD Hedged Class) (the “Fund”) returned 17.92% (in SGD terms, on a NAV-NAV basis) in the 12 months to 31 December 2024 and has returned 11.29% (annualised) since its inception on 1 July 2013. The portfolio underperformed the TOPIX for nine months of the year, as our strategy’s low Beta and small- and mid-cap bias acted as a headwind as the market favoured high Beta and large-cap stocks. However, there were also some bright spots with relatively strong outperformance in April due to the contribution from certain holdings which rose on idiosyncratic factors as well as the reversal trend benefitting our investment strategy amid the market correction, in addition to in July when large-cap stocks with high Beta, including semiconductor-related stocks which we do not hold in the portfolio underwent correction while the appreciation of the yen attracted investors to domestic demand-driven stocks which had been lagging the market, which was also a plus for our strategy.

Stocks that made large positive contributions on an absolute return basis during the period were primarily those which benefitted from rising Japanese interest rates and delivered strong earnings such as non-life insurer Tokio Marine Holdings and megabanks Sumitomo Mitsui Financial Group, Mitsubishi UFJ Financial Group, and Mizuho Financial Group. IT services provider Net One Systems also contributed positively as its stock climbed sharply on the announcement of a tender offer from another tech firm.

In contrast, negative contributors included major electronic components manufacturer Kyocera and drug maker Astellas Pharma whose short-term earnings fell short of expectations, and major drug store chain Sundrug whose stock declined on concerns regarding weakness in the consumption environment in Japan. Independent semiconductor-focused trading house Macnica Holdings also contributed negatively as its earnings guidance came in below market expectations; as did major comprehensive chemical manufacturer Mitsui Chemicals, which fell on concerns regarding the potential impact of the sluggish Chinese economy on its earnings.

We maintained the portfolio's stock weighting during the period at around 98%. As of the end of December, the portfolio consisted of 52 issues.

Market Review

Japanese equities rally in 2024

The Japanese equity market rallied in calendar year 2024, marking the second year in a row of gains exceeding 20%, supported by the depreciation of the yen, the Tokyo Stock Exchange's push to encourage listed companies to improve capital efficiency, a number of Japanese companies increasing shareholder returns, and growth in the semiconductor industry amid the generative AI boom. Equities moved upward every month in the first half of the year except April, when semiconductor-related stocks weighed down the Japanese market after a major Taiwanese contract semiconductor manufacturer scaled back its outlook for chip market growth. This was followed by more mixed performance in the second half of the year, where December was the only bright spot due in part to anticipation that Japan's Government Pension Investment Fund (GPIF) would boost the allocation to Japanese equities within its assets under management after it announced plans to raise its return-on-investment target. Overall, the TOPIX (including dividends) ended the year up 20.45%, while the Nikkei 225 (including dividends) rose 21.33% (both in JPY terms).

Of the 33 Tokyo Stock Exchange sectors, 29 rose during the period with Insurance, Nonferrous Metals, and Banks posting the strongest gains. Only 4 sectors declined, which were Land Transportation, Air Transportation, Iron & Steel, and Rubber Products.

Market Outlook

Japanese corporates continue to seek to improve capital efficiency and increase shareholder returns

The Japanese equity market has been top-heavy due to the rise in long-term interest rates, the strengthening of the yen, and concerns regarding a Chinese-developed AI model. At the same time, equities were supported by investors seeking out certain stocks which delivered strong earnings, and overall, the market has moved in a boxed range. In the near term, it is possible that we may see periods of high volatility based on Trump's proposed economic and trade policies, US and Japanese monetary policy, and geopolitical risk. However, we believe the Japanese equity market will continue to perform solidly given that Japanese corporate earnings have been showing good progress, Japanese companies continue to seek ways to increase returns to shareholders, and overall, the impact of proposed higher US tariffs on Japanese corporates is likely to be limited given the progress on diversifying supply chains. At the same time, with an eye to improving capital efficiency, Japanese companies are enhancing the efficiency of their operations by implementing business structure reforms, selling off cross-shareholdings, investing in future growth, and prioritising returns to shareholders. The economy is also beginning to exit a deflationary period as both the price of goods and wages are rising. We believe these factors will support a continued uptrend in Japanese equities in the medium term as well.

Investment Strategy

Portfolio is characterised by low volatility and low correlation relative to the market

In principle, we manage the portfolio based on an investment policy of making highly selective investments in companies with future dividend growth potential from among those whose projected dividend yield is higher than the market average. In making stock selections, we focus on bottom-up research, thoroughly scrutinising each company's corporate competitiveness, cash flow generation capacity, financial stability, and stance on shareholder returns. We therefore carefully select firms that are able to continually grow their dividends, and invest from a medium- to long-term perspective.

Since many of the holdings are in stable growth stocks with strong earnings power and sound financials, the portfolio is characterised by low volatility and low correlation with the market.

Currently, many of the portfolio's holdings are in fields such as electronic materials, electronic components, telecommunications, general trading firms, automobiles, retail, construction, and banking. Following the introduction of Japan's Corporate Governance Code, Japanese firms have worked to improve dialogue with investors and are increasing the ratio of outside directors on their boards. As a result, there is a greater emphasis on improving ROE and the number of companies that are selling off unprofitable businesses or strategic shareholdings and putting their excess cash to use through dividend increases and share buybacks is growing.

The Tokyo Stock Exchange has stepped up pressure on its listed stocks to disclose specific measures aimed at ensuring that corporate management approaches take into account capital efficiency and stock prices. At present, Japanese companies are making solid progress in comparison to earnings guidance released at the start of the fiscal year. Additionally, as a general trend we continue to see companies raising their dividend payout ratio as a means of enhancing capital efficiency, leading to the possibility that dividend growth could outpace earnings growth. In light of this, we see continuing potential to target names that, in addition to providing stable dividend income, can offer capital gains as dividend hikes drive up their share prices.

Although there are concerns regarding the potential impact of Trump's plans for higher tariffs, overall, the impact on Japanese corporates is likely to be limited given their progress on diversifying supply chains and because there does not appear to be any major change in the global competitive environment.

Positioning our portfolio to achieve steady returns as investors factor in improving corporate earnings results and dividend hikes

In terms of stock selection, we will seek out names with ample cash reserves and/or strong earnings momentum that balance investment in future growth with providing returns to shareholders. In particular, we will focus on those names where management has changed its stance on shareholder returns, including efforts to increase capital efficiency and improve low P/B ratios based on their medium-term business plans and/or strategies in response to the Tokyo Stock Exchange's request, via methods including dividend hikes and introducing dividends on equity (DOE) targets or progressive dividend policies.

There are many domestic demand-driven firms with stable growth prospects, and we are focused on home building, real estate, construction, and building materials firms which are expected to achieve stable earnings as they are less influenced by the external environment; and specialty retailers expected to see earnings growth driven by industry restructuring. At the same time, considering expectations for inventory adjustments to run their course, we will actively seek out and invest in stocks with highly stable dividends among those with increasingly attractive dividend yields in cyclical sectors such as electronic materials, electronic components, and machinery, particularly companies which hold a high global market share.

In response to the Japanese economy's ongoing exit from deflation, other areas we are focusing on include trading houses which are involved in increasingly essential energy provision, as well as banks likely to benefit from the changes to Japan's monetary policy. We will also look at names that are likely to increase dividends and proactively invest in high quality stocks that have lagged the market relative to their fundamentals. In this way, we will position our portfolio to achieve steady returns as investors factor in improving corporate earnings results and dividend hikes.

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2024

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

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 15 to 46, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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

Authorised signatory
27 March 2025

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2024

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 15 to 46, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Nikko AM Japan Dividend Equity Fund (the "Fund") as at 31 December 2024, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

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

Authorised signatory
27 March 2025

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

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Japan Dividend Equity Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2024, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

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

Basis for Opinion

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

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

Independence

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

Other Information

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

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

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

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

Responsibilities of the Manager for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 27 March 2025

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial year ended 31 December 2024*

	Note	2024 JPY'000	2023 JPY'000
Income			
Dividends		1,588,112	825,388
Interest on cash and cash equivalents		45,364	27,674
Other income		103	-
		1,633,579	853,062
Less: Expenses			
Management fee		751,811	361,444
Transfer agent fee		40,157	8,905
Trustee fee		15,590	7,746
Custody fee		6,432	3,403
Audit fee		2,106	1,788
Valuation fee		20,742	10,330
Transaction costs		66,788	41,083
Other expenses*		20,748	17,978
		924,374	452,677
Net income		709,205	400,385
Net gains or losses on value of investments and financial derivatives			
Net gains on investments		4,465,795	5,914,143
Net foreign exchange gains		90,985	18,347
Net gains on financial derivatives		3,252,605	1,585,548
		7,809,385	7,518,038
Total return for the financial year before income tax		8,518,590	7,918,423
Less: Income tax	3	(243,219)	(126,408)
Total return for the financial year after income tax		8,275,371	7,792,015

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

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 31 December 2024*

	Note	2024 JPY'000	2023 JPY'000
ASSETS			
Portfolio of investments		57,256,974	30,010,260
Sales awaiting settlement		131,540	-
Receivables	4	320,815	337,628
Cash and cash equivalents		2,132,300	1,298,540
Financial derivatives at fair value	6	768,695	103,649
Total assets		60,610,324	31,750,077
LIABILITIES			
Payables	5	760,043	582,524
Purchases awaiting settlement		117,929	6,364
Distributions payable	8	341,231	185,276
Financial derivatives at fair value	6	206	10,399
Total liabilities		1,219,409	784,563
EQUITY			
Net assets attributable to unitholders	7	59,390,915	30,965,514

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2024*

	Note	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders at the beginning of the financial year		30,965,514	20,720,836
Operations			
Change in net assets attributable to unitholders resulting from operations		8,275,371	7,792,015
Unitholders' contributions/(withdrawals)			
Creation of units		48,676,098	24,451,593
Cancellation of units		(24,921,167)	(20,656,391)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		23,754,931	3,795,202
Distributions	8	(3,604,901)	(1,342,539)
Total increase in net assets attributable to unitholders		28,425,401	10,244,678
Net assets attributable to unitholders at the end of the financial year	7	59,390,915	30,965,514

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2024***By Industry (Primary)**

	Holdings at 31 December 2024	Fair value at 31 December 2024 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Equities			
AUTO MANUFACTURERS			
Honda Motor Company Limited	810,400	1,243,964	2.09
Toyota Motor Corporation	422,400	1,328,870	2.24
Total AUTO MANUFACTURERS		2,572,834	4.33
AUTO PARTS & EQUIPMENT			
Bridgestone Corporation	217,200	1,159,848	1.95
Denso Corporation	495,000	1,096,178	1.85
Toyoda Gosei Company Limited	400,800	1,114,825	1.88
Total AUTO PARTS & EQUIPMENT		3,370,851	5.68
BANKS			
Mitsubishi UFJ Financial Group Incorporated	1,086,200	2,005,125	3.38
Mizuho Financial Group Incorporated	469,100	1,816,824	3.06
Sumitomo Mitsui Financial Group Incorporated	541,500	2,038,206	3.43
Total BANKS		5,860,155	9.87
BEVERAGES			
Kirin Holdings Company Limited	652,300	1,336,563	2.25
Total BEVERAGES		1,336,563	2.25
BUILDING MATERIALS			
AGC Incorporated	240,500	1,112,313	1.87
Total BUILDING MATERIALS		1,112,313	1.87
CHEMICALS			
Adeka Corporation	143,800	407,314	0.68
AICA Kogyo Company Limited	194,400	641,909	1.08
Air Water Incorporated	483,100	925,861	1.56
Mitsubishi Gas Chemical Company Incorporated	522,500	1,478,414	2.49
Mitsui Chemicals Incorporated	369,000	1,280,430	2.16
Total CHEMICALS		4,733,928	7.97
COMMERCIAL SERVICES			
Persol Holdings Company Limited	3,704,800	876,185	1.48
Technopro Holdings Incorporated	35,100	104,001	0.17
Total COMMERCIAL SERVICES		980,186	1.65
COMPUTERS			
Otsuka Corporation	116,800	421,531	0.71
Total COMPUTERS		421,531	0.71

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2024***By Industry (Primary) (continued)**

	Holdings at 31 December 2024	Fair value at 31 December 2024 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Equities (continued)			
DISTRIBUTION/WHOLESALE			
Itochu Corporation	171,600	1,343,971	2.26
Mitsui & Company Limited	424,400	1,405,188	2.37
Nagase & Company Limited	170,300	549,218	0.93
Nippon Gas Company Limited	480,200	1,041,554	1.75
Toyota Tsusho Corporation	495,800	1,402,122	2.36
Total DISTRIBUTION/WHOLESALE		5,742,053	9.67
DIVERSIFIED FINANCIAL SERVICES			
ORIX Corporation	457,400	1,558,819	2.63
Zenkoku Hosho Company Limited	190,000	1,053,360	1.77
Total DIVERSIFIED FINANCIAL SERVICES		2,612,179	4.40
ELECTRICAL COMPONENT & EQUIPMENT			
GS Yuasa Corporation	355,300	941,900	1.59
Mabuchi Motor Company Limited	421,600	947,124	1.59
Total ELECTRICAL COMPONENT & EQUIPMENT		1,889,024	3.18
ELECTRONICS			
Hirose Electric Company Limited	73,500	1,377,390	2.32
Inaba Denki Sangyo Company Limited	85,200	333,728	0.56
Kyocera Corporation	803,000	1,265,127	2.13
Macnica Holdings Incorporated	743,700	1,372,498	2.31
Star Micronics Company Limited	80,100	151,229	0.25
Taiyo Yuden Company Limited	289,800	657,556	1.11
Total ELECTRONICS		5,157,528	8.68
ENGINEERING AND CONSTRUCTION			
Exeo Group Incorporated	696,500	1,206,338	2.03
Kumagai Gumi Company Limited	192,700	766,946	1.30
Obayashi Corporation	701,900	1,469,077	2.47
Total ENGINEERING AND CONSTRUCTION		3,442,361	5.80
HAND/MACHINE TOOLS			
Amada Company Limited	968,500	1,488,585	2.51
DMG Mori Company Limited	353,600	899,205	1.51
Total HAND/MACHINE TOOLS		2,387,790	4.02
HOME BUILDERS			
Daiwa House Industry Company Limited	232,100	1,127,542	1.90
Total HOME BUILDERS		1,127,542	1.90
INSURANCE			
Tokio Marine Holdings Incorporated	327,100	1,873,629	3.15
Total INSURANCE		1,873,629	3.15

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2024***By Industry (Primary) (continued)**

	Holdings at 31 December 2024	Fair value at 31 December 2024 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2024 %
Quoted Equities (continued)			
MISCELLANEOUS MANUFACTURE			
Amano Corporation	248,300	1,064,214	1.79
Total MISCELLANEOUS MANUFACTURE		1,064,214	1.79
OFFICE/BUSINESS EQUIPMENT			
Sato Holdings Corporation	6,700	14,767	0.02
Total OFFICE/BUSINESS EQUIPMENT		14,767	0.02
PHARMACEUTICALS			
Astellas Pharma Incorporated	721,200	1,106,681	1.86
Takeda Pharmaceutical Company Limited	257,800	1,077,862	1.82
Total PHARMACEUTICALS		2,184,543	3.68
REAL ESTATE			
Nomura Real Estate Holdings Incorporated	346,400	1,352,692	2.28
Total REAL ESTATE		1,352,692	2.28
RETAIL			
Adastria Company Limited	252,700	875,606	1.47
K's Holdings Corporation	610,600	859,725	1.45
Marui Group Company Limited	456,100	1,146,863	1.93
Sundrug Company Limited	364,000	1,464,736	2.47
Total RETAIL		4,346,930	7.32
TELECOMMUNICATIONS			
KDDI Corporation	278,900	1,406,214	2.37
Nippon Telegraph & Telephone Corporation	8,721,100	1,377,934	2.32
Total TELECOMMUNICATIONS		2,784,148	4.69
TRANSPORTATION			
Kamigumi Company Limited	259,700	889,213	1.50
Total TRANSPORTATION		889,213	1.50
Total Quoted Equities		57,256,974	96.41
Portfolio of investments		57,256,974	96.41
Other net assets		2,133,941	3.59
Net assets attributable to unitholders		59,390,915	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2024***By Industry (Summary)**

	Percentage of total net assets attributable to unitholders at 31 December 2024 %	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Auto Manufacturers	4.33	4.98
Auto Parts & Equipment	5.68	3.62
Banks	9.87	7.49
Beverages	2.25	1.87
Building Materials	1.87	5.64
Chemicals	7.97	8.66
Commercial Services	1.65	2.37
Computers	0.71	5.29
Distribution/Wholesale	9.67	9.28
Diversified Financial Services	4.40	4.50
Electrical Component & Equipment	3.18	1.72
Electronics	8.68	6.24
Engineering and Construction	5.80	2.96
Hand/Machine Tools	4.02	2.41
Home Builders	1.90	2.46
Insurance	3.15	2.53
Machinery-Diversified	-	2.09
Miscellaneous Manufacture	1.79	1.31
Office/Business Equipment	0.02	0.44
Pharmaceuticals	3.68	4.59
Real Estate	2.28	2.34
Retail	7.32	6.73
Telecommunications	4.69	4.75
Transportation	1.50	2.65
	96.41	96.92
Portfolio of investments	96.41	96.92
Other net assets	3.59	3.08
Net assets attributable to unitholders	100.00	100.00

As the Fund invests wholly into Japanese equities, it is not meaningful to classify the investments into geography.

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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

1. General

Nikko AM Japan Dividend Equity Fund (the "Fund") is a Singapore domiciled fund constituted under a Trust Deed dated 21 May 2013 as amended by Supplemental Deeds and Amended and Restated Deeds (collectively referred to as the "Deeds"). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Fund is BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Fund is Nikko Asset Management Asia Limited (the "Manager"). The sub manager of the Fund is Nikko Asset Management Co., Ltd., domiciled in Japan (the "Sub-Manager").

There are currently thirteen classes of units established within the Fund, namely the United States Dollar ("USD" or "US\$") Class (denominated in USD), the USD (Acc) Class (denominated in USD), the USD Hedged Class (denominated in USD), the USD Hedged Class B (denominated in USD), the USD Hedged (Acc) Class (denominated in USD), the Singapore Dollar ("SGD" or "S\$") Class (denominated in SGD), the SGD Hedged (Acc) Class (denominated in SGD), the SGD Class B (denominated in SGD), the SGD Hedged Class (denominated in SGD), the SGD Hedged Class B (denominated in SGD), the Renminbi ("RMB") Class (denominated in RMB), the JPY Class Units (denominated in JPY) and the JPY Class B Units (denominated in JPY).

For the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class, the Manager intends to hedge the currency exposure of the assets of the Fund attributable to the USD Hedged Class, the USD Hedged Class B and to the USD Hedged (Acc) Class, respectively, into USD through the use of currency forwards. The net asset value ("NAV") per unit of each of the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class will take into account any gains or losses arising from the use of the currency forwards in respect of the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class, respectively.

For the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B, the Manager intends to hedge the currency exposure of the assets of the Fund attributable to the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B respectively into SGD through the use of currency forwards. The NAV per unit of each of the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B will take into account any gains or losses arising from the use of the currency forwards in respect of the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B respectively.

The USD Class, the USD Hedged Class, the USD Hedged Class B, the SGD Class, the SGD Hedged Class, the SGD Class B, the SGD Hedged Class B, the RMB Class, the JPY Class and the JPY Class B each intends to make distributions to unitholders. However, the USD (Acc) Class, the USD Hedged (Acc) Class and the SGD Hedged (Acc) Class will each not make any distributions to the unitholders of the relevant class.

There are no material differences between the Classes of units save for (i) the currency of denomination of each Class; (ii) the hedging features of the USD Hedged Class, the USD Hedged Class B, the USD Hedged (Acc) Class, the SGD Hedged (Acc) Class, the SGD Hedged Class and the SGD Hedged Class B; (iii) the annual management fee payable by each Class; (iv) the distribution policies applicable to the classes as described above and (v) the minimum initial and subsequent investment amounts and the minimum holding for the classes.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

1. **General** (continued)

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

The Fund is single priced and the NAV of the Fund may fall as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions, switches and/or exchanges of units in the Fund. To protect unitholders' interests, the Manager shall, in consultation with the Trustee, have the discretion to apply dilution adjustment or swing pricing in certain circumstances which the Manager deem appropriate. Swing pricing involves making upwards or downwards adjustments in the calculation of the NAV per unit of the Fund or Class on a particular Dealing Day so that such transaction costs and dealing spreads in respect of the underlying investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging units on that Dealing Day.

The NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular Dealing Day reaches or exceeds a certain percentage (the "Swing Threshold") of the size of the Fund as of such relevant Dealing Day.

Any dilution adjustment as at the last dealing day of the year will be disclosed under Units in issue.

2. **Material accounting policy information**

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

(a) Basis of preparation

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

(b) Recognition of income

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

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

(c) Distributions

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

(d) Investments

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

(i) *Initial recognition*

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

(ii) *Subsequent measurement*

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

(iii) *Derecognition*

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

(e) Basis of valuation of investments

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

(f) Receivables

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

(g) Sales and purchases awaiting settlement

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

(h) Payables

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

(i) Cash and cash equivalents

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

(j) Foreign currency translation

(i) *Functional and presentation currency*

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

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

(ii) *Transactions and balances*

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

(k) Offsetting financial instruments

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Material accounting policy information (continued)

(l) Financial derivatives

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

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

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

(m) Expenses

Expenses including transaction costs on purchases or sales of investments are recognised in the Statements of Total Return as the related services are performed, in the period in which they arise.

(n) Management fee

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

(o) Creation and cancellation of units

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. Income tax

The Fund was granted the status of Designated Unit Trust (DUT) in Singapore. The Manager and Trustee of the Fund will ensure that the Fund fulfils its reporting obligations under the DUT Scheme.

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

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

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

	2024 JPY'000	2023 JPY'000
Overseas income tax	<u>243,219</u>	<u>126,408</u>

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

4. Receivables

	2024 JPY'000	2023 JPY'000
Receivable from unitholders for creation of units	188,697	281,260
Dividends receivable	98,296	56,368
Other receivables	33,822	-
	<u>320,815</u>	<u>337,628</u>

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***5. Payables**

	2024 JPY'000	2023 JPY'000
Payable to unitholders for cancellation of units	488,256	433,966
Amount due to the Manager	232,383	128,250
Amount due to the Trustee	13,447	6,775
Valuation fee payable	17,930	9,035
Transfer agent fee payable	79	217
Provision for audit fee	2,018	1,735
Custody fee payable	5,610	2,546
Other payables	320	-
	760,043	582,524

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

6. Financial derivatives

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

	Contract or underlying principal amount		Year-end positive fair value		Year-end negative fair value	
	2024 JPY'000	2023 JPY'000	2024 JPY'000	2023 JPY'000	2024 JPY'000	2023 JPY'000
Forward foreign exchange contracts	42,938,063	23,684,255	768,695	103,649	(206)	(10,399)

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. Financial derivatives (continued)

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

(i) Offsetting financial assets

	Gross amounts of recognised financial assets JPY'000	Gross amounts of recognised financial liabilities set-off in the Statement of Financial Position JPY'000	Net amounts of financial assets presented in the Statement of Financial Position JPY'000	Related accounts not set-off in the Statement of Financial Position		
				Financial instruments JPY'000	Cash collateral JPY'000	Net exposure JPY'000
2024						
Forward foreign exchange contracts	758,692	-	758,692	206	-	758,486

(ii) Offsetting financial liabilities

	Gross amounts of recognised financial liabilities JPY'000	Gross amounts of recognised financial assets set-off in the Statement of Financial Position JPY'000	Net amounts of financial liabilities presented in the Statement of Financial Position JPY'000	Related accounts not set-off in the Statement of Financial Position		
				Financial instruments JPY'000	Cash collateral JPY'000	Net exposure JPY'000
2024						
Forward foreign exchange contracts	206	-	206	206	-	-

	Gross amounts of recognised financial liabilities JPY'000	Gross amounts of recognised financial assets set-off in the Statement of Financial Position JPY'000	Net amounts of financial liabilities presented in the Statement of Financial Position JPY'000	Related accounts not set-off in the Statement of Financial Position		
				Financial instruments JPY'000	Cash collateral JPY'000	Net exposure JPY'000
2023						
Forward foreign exchange contracts	10,399	-	10,399	-	-	10,399

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***7. Units in issue**

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

<u>SGD Hedged Class</u>	2024 '000	2023 '000
Units at beginning of the financial year	120,088	84,878
Units created	151,066	76,425
Units cancelled	(78,395)	(41,215)
Units at end of the financial year	192,759	120,088
Net assets attributable to unitholders - JPY'000	39,156,891	20,569,738
Net asset value per unit - JPY	203.1391	171.289
<u>USD Hedged Class</u>	2024 '000	2023 '000
Units at beginning of the financial year	9,733	26,186
Units created	10,772	5,461
Units cancelled	(8,009)	(21,914)
Units at end of the financial year	12,496	9,733
Net assets attributable to unitholders - JPY'000	3,639,452	2,261,673
Net asset value per unit - JPY	291.2493	232.372
<u>SGD Class</u>	2024 '000	2023 '000
Units at beginning of the financial year	43,467	37,102
Units created	30,692	31,571
Units cancelled	(38,138)	(25,206)
Units at end of the financial year	36,021	43,467
Net assets attributable to unitholders - JPY'000	4,177,153	4,718,922
Net asset value per unit - JPY	115.9643	108.563
<u>SGD Hedged Class B</u>	2024 '000	2023 '000
Units at beginning of the financial year	1,331	24,559
Units created	67	525
Units cancelled	-	(23,753)
Units at end of the financial year	1,398	1,331
Net assets attributable to unitholders - JPY'000	235,831	186,573
Net asset value per unit - JPY	168.6917	140.175

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***7. Units in issue (continued)**

<u>JPY Class</u>	2024 '000	2023 '000
Units at beginning of the financial year	12,120	2,360
Units created	82,832	10,870
Units cancelled	(16,755)	(1,110)
Units at end of the financial year	78,197	12,120
Net assets attributable to unitholders - JPY'000	10,158,410	1,473,188
Net asset value per unit - JPY'000	129.9079	121.550
<u>SGD Class B</u>	2024 '000	2023 '000
Units at beginning of the financial year	8,127	-
Units created	1,677	32,483
Units cancelled	(1,613)	(24,356)
Units at end of the financial year	8,191	8,127
Net assets attributable to unitholders - JPY'000	1,053,455	970,426
Net asset value per unit - JPY'000	128.6112	119.408
<u>USD Class</u>	2024 '000	2023 '000
Units at beginning of the financial year	5,010	-
Units created	2,716	21,764
Units cancelled	(1,989)	(16,754)
Units at end of the financial year	5,737	5,010
Net assets attributable to unitholders - JPY'000	959,808	784,994
Net asset value per unit - JPY'000	167.3013	156.685
<u>JPY Class B</u>	2024 '000	2023 '000
Units at beginning of the financial year	-	-
Units created	481	-
Units cancelled	(380)	-
Units at end of the financial year	101	-
Net assets attributable to unitholders - JPY'000	9,915	-
Net asset value per unit - JPY'000	98.1683	-

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***7. Units in issue (continued)**

<u>USD Hedged Class B</u>	2024 '000	2023 '000
Units at beginning of the financial year	-	-
Units created	250	-
Units cancelled	(250)	-
Units at end of the financial year	-	-
Net assets attributable to unitholders - JPY'000	-	-
Net asset value per unit - JPY'000	-	-

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

<u>SGD Hedged Class</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	203.1391	171.289
Effects of distribution per unit	1.1662	1.034
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.7430	(0.015)
Net assets attributable to unitholders for issuing/redeeming per unit	205.0483	172.308

<u>USD Hedged Class</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	291.2493	232.372
Effects of distribution per unit	1.6538	1.403
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.0351	(0.063)
Net assets attributable to unitholders for issuing/redeeming per unit	292.9382	233.712

<u>SGD Class</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	115.9643	108.563
Effects of distribution per unit	0.6812	0.631
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.0073	0.010
Net assets attributable to unitholders for issuing/redeeming per unit	116.6528	109.204

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***7. Units in issue (continued)**

<u>SGD Hedged Class B</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	168.6917	140.175
Effects of distribution per unit	0.9584	0.838
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.6103	-
Net assets attributable to unitholders for issuing/redeeming per unit	170.2604	141.013
<u>JPY Class</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	129.9079	121.550
Effects of distribution per unit	0.7405	0.719
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.0094	0.009
Net assets attributable to unitholders for issuing/redeeming per unit	130.6578	122.278
<u>SGD Class B</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	128.6112	119.408
Effects of distribution per unit	0.7505	0.696
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.0109	0.013
Net assets attributable to unitholders for issuing/redeeming per unit	129.3726	120.117
<u>USD Class</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	167.3013	156.685
Effects of distribution per unit	1.0080	0.911
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.0154	0.005
Net assets attributable to unitholders for issuing/redeeming per unit	168.3247	157.601

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024*

7. Units in issue (continued)

<u>JPY Class B</u>	2024 JPY'000	2023 JPY'000
Net assets attributable to unitholders per financial statements per unit	98.1683	-
Effects of distribution per unit	0.5572	-
Effect for movement in the net assets value between the last dealing date and the end of the reporting period [^]	(0.3457)	-
Net assets attributable to unitholders for issuing/redeeming per unit	98.3798	-

[^] 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.

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***8. Distributions**

	2024 JPY'000	2023 JPY'000
January interim distribution of US\$1.02 (USD Hedged Class), S\$0.99 (SGD Hedged Class), S\$ 0.61 (SGD Class), S\$0.81 (SGD Hedged Class B), JPY 7.513 (JPY Class), S\$0.68 (SGD Class B) & US\$0.66 (USD Class) per 100 units in respect of the financial year ended 31 December 2024	206,141	-
February interim distribution of US\$1.03 (USD Hedged Class), S\$1.00 (SGD Hedged Class), S\$ 0.61 (SGD Class), S\$0.82 (SGD Hedged Class B), JPY7.566 (JPY Class), S\$0.67 (SGD Class B) & US\$0.65 (USD Class) per 100 units in respect of the financial year ended 31 December 2024	222,397	-
March interim distribution of US\$1.06 (USD Hedged Class), S\$1.03 (SGD Hedged Class), S\$ 0.62 (SGD Class), S\$0.84 (SGD Hedged Class B), JPY 7.744 (JPY Class), S\$0.68 (SGD Class B) & US\$0.67 (USD Class) per 100 units in respect of the financial year ended 31 December 2024	252,013	-
April interim distribution of US\$1.10 (USD Hedged Class), S\$1.06 (SGD Hedged Class), S\$ 0.63 (SGD Class), S\$0.87 (SGD Hedged Class B), JPY 7.974 (JPY Class), S\$0.69 (SGD Class B) & US\$0.67 (USD Class) per 100 units in respect of the financial year ended 31 December 2024	280,593	-
May interim distribution of US\$1.08 (USD Hedged Class), S\$1.05 (SGD Hedged Class), S\$ 0.61 (SGD Class), S\$0.86 (SGD Hedged Class B), JPY 7.821 (JPY Class), S\$0.67 (SGD Class B), US\$0.65 (USD Class) & JPY 5.589 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	322,007	-
June interim distribution of US\$1.07 (USD Hedged Class), S\$1.03 (SGD Hedged Class), S\$0.59 (SGD Class), S\$0.85 (SGD Hedged Class B), JPY 7.706 (JPY Class), S\$0.65 (SGD Class B), US\$0.63 (USD Class) & JPY 5.776 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	327,400	-
July interim distribution of US\$1.13 (USD Hedged Class), S\$1.09 (SGD Hedged Class), S\$ 0.61 (SGD Class), S\$0.90 (SGD Hedged Class B), US\$0.61 (USD Hedged Class B), JPY 8.084 (JPY Class), S\$0.68 (SGD Class B), US\$0.66 (USD Class) & JPY 6.063 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	348,486	-
August interim distribution of US\$1.03 (USD Hedged Class), S\$0.99 (SGD Hedged Class), S\$0.59 (SGD Class), S\$0.82 (SGD Hedged Class B), JPY 7.396 (JPY Class), S\$0.65 (SGD Class B), US\$0.64 (USD Class) & JPY 5.552 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	310,417	-
September interim distribution of US\$1.02 (USD Hedged Class), S\$0.98 (SGD Hedged Class), S\$0.60 (SGD Class), S\$0.81 (SGD Hedged Class B), JPY 7.264 (JPY Class), S\$0.66 (SGD Class B), US\$0.67 (USD Class) & JPY 5.456 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	316,371	-

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***8. Distributions (continued)**

	2024	2023
	JPY'000	JPY'000
October interim distribution of US\$1.06 (USD Hedged Class), S\$1.02 (SGD Hedged Class), S\$0.59 (SGD Class), S\$0.84 (SGD Hedged Class B), JPY 7.559 (JPY Class), S\$0.65 (SGD Class B), US\$0.65 (USD Class) & JPY 5.681 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	338,777	-
November interim distribution of US\$1.06 (USD Hedged Class), S\$1.02 (SGD Hedged Class), S\$0.58 (SGD Class), S\$0.84 (SGD Hedged Class B), JPY 7.505 (JPY Class), S\$0.64 (SGD Class B), US\$0.62 (USD Class) & JPY 5.645 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	339,068	-
December final distribution of US\$1.05 (USD Hedged Class), S\$1.01 (SGD Hedged Class), S\$0.59 (SGD Class), S\$0.83 (SGD Hedged Class B), JPY 7.405 (JPY Class), S\$0.65 (SGD Class B), US\$0.64 (USD Class) & JPY 5.572 (JPY Class B) per 100 units in respect of the financial year ended 31 December 2024	341,231	-
January interim distribution of US\$0.52 (USD Hedged Class), S\$0.51 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.42 (SGD Hedged Class B) & JPY4.021 (JPY Class) per 100 units in respect of the financial year ended 31 December 2023	-	59,286
February interim distribution of US\$0.55 (USD Hedged Class), S\$0.54 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.43 (SGD Hedged Class B), JPY4.208 (JPY Class) & S\$0.41 (SGD Class B) US\$0.40 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	82,057
March interim distribution of US\$0.54 (USD Hedged Class), S\$0.54 (SGD Hedged Class), S\$0.38 (SGD Class), S\$0.44 (SGD Hedged Class B), JPY4.184 (JPY Class) & S\$0.42 (SGD Class B) US\$0.41 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	85,016
April interim distribution of US\$0.56 (USD Hedged Class), S\$0.55 (SGD Hedged Class), S\$0.38 (SGD Class), S\$0.45 (SGD Hedged Class B), JPY4.282 (JPY Class) & S\$0.42 (SGD Class B) US\$0.41 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	86,776
May interim distribution of US\$0.60 (USD Hedged Class), S\$0.59 (SGD Hedged Class), S\$0.40 (SGD Class), S\$0.48 (SGD Hedged Class B), JPY4.579 (JPY Class) & S\$0.44 (SGD Class B) US\$0.43 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	98,748
June interim distribution of US\$0.65 (USD Hedged Class), S\$0.64 (SGD Hedged Class), S\$0.42 (SGD Class), S\$0.52 (SGD Hedged Class B), JPY4.921 (JPY Class) & S\$0.46 (SGD Class B) US\$0.45 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	107,647

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***8. Distributions (continued)**

	2024	2023
	JPY'000	JPY'000
July interim distribution of US\$0.63 (USD Hedged Class), S\$0.62 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.51 (SGD Hedged Class B), JPY4.79 (JPY Class) & S\$0.45 (SGD Class B) US\$0.45 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	108,593
August interim distribution of US\$0.66 (USD Hedged Class), S\$0.64 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.52 (SGD Hedged Class B), JPY4.948 (JPY Class) & S\$0.45 (SGD Class B) US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	118,704
September interim distribution of US\$0.70 (USD Hedged Class), S\$0.69 (SGD Hedged Class), S\$0.43 (SGD Class), S\$0.56 (SGD Hedged Class B), JPY5.253 (JPY Class) & S\$0.48 (SGD Class B) US\$0.46 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	139,041
October interim distribution of US\$0.68 (USD Hedged Class), S\$0.67 (SGD Hedged Class), S\$0.42 (SGD Class), S\$0.55 (SGD Hedged Class B), JPY5.11 (JPY Class) & S\$0.46 (SGD Class B) US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	145,798
November interim distribution of US\$0.69 (USD Hedged Class), S\$0.68 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.55 (SGD Hedged Class B), JPY5.14 (JPY Class) & S\$0.45 (SGD Class B) US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	125,597
December final distribution of US\$0.97 (USD Hedged Class), S\$0.95 (SGD Hedged Class), S\$0.58 (SGD Class), S\$0.77 (SGD Hedged Class B), JPY7.19 (JPY Class) & S\$0.64 (SGD Class B) US\$0.63 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	-	185,276
	3,604,901	1,342,539

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management

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

The Fund's primary objective is to provide a total return of capital growth and income over the medium to long-term by investing in equities listed and traded on the Tokyo Stock Exchange.

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

(a) Market risk - Price risk

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

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

The Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. The Fund's market price risk is managed through diversification of the investment portfolio across various industries in Japan. The Manager has assessed that the TOPIX Net Return Index (the "Index") will provide a suitable analysis of reasonable possible shifts of the fair value of the Fund's investments.

As at 31 December 2024, an increase/decrease of the index component within the Index by 19% (2023: 18%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 15% (2023: 15%). The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management (continued)

(b) Market risk - Interest rate risk

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

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

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

(c) Market risk - Currency risk

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

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

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

As at 31 December 2024	SGD JPY'000	JPY JPY'000	USD JPY'000	Total JPY'000
Assets				
Portfolio of investments	-	57,256,974	-	57,256,974
Sales awaiting settlement	-	131,540	-	131,540
Receivables	201,765	110,740	8,310	320,815
Cash and cash equivalents	1,424,021	400,949	307,330	2,132,300
Total assets	1,625,786	57,900,203	315,640	59,841,629
Liabilities				
Payables	460,385	279,762	19,896	760,043
Purchases awaiting settlement	-	117,929	-	117,929
Distributions payable	256,820	57,961	26,450	341,231
Total liabilities	717,205	455,652	46,346	1,219,203
Net off-balance sheet derivative financial instruments	38,644,642	(41,582,326)	3,706,173	
Net currency exposure	39,553,223	15,862,225	3,975,467	

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

As at 31 December 2023	SGD JPY'000	JPY JPY'000	USD JPY'000	Total JPY'000
Assets				
Portfolio of investments	-	30,010,260	-	30,010,260
Receivables	247,961	86,994	2,673	337,628
Cash and cash equivalents	816,254	326,695	155,591	1,298,540
Total assets	1,064,215	30,423,949	158,264	31,646,428
Liabilities				
Payables	547,148	-	35,376	582,524
Purchases awaiting settlement	-	6,364	-	6,364
Distributions payable	158,341	8,714	18,221	185,276
Total liabilities	705,489	15,078	53,597	774,164
Net off-balance sheet derivative financial instruments	20,969,122	(23,148,236)	2,272,364	
Net currency exposure	21,327,848	7,260,635	2,377,031	

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 as part of the price risk sensitivity analysis.

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

	Increase/decrease in foreign exchange rate (%)		Increase/decrease in net asset attributable to unitholders (%)	
		31 December 2024	31 December 2023	
SGD	9%	9%	6%	6%
USD	11%	10%	1%	1%

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management (continued)

(d) Liquidity risk

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

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

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

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

The Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining year at the Statement of Financial Position date to the contractual maturity date. As at 31 December 2024 and 2023, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

	<u>Less than 3 months</u>	
	As at	As at
	31 December	31 December
	2024	2023
	JPY'000	JPY'000
Payables	760,043	582,524
Purchases awaiting settlement	117,929	6,364
Distributions payable	341,231	185,276
Contractual cash outflows		
(excluding gross settled derivatives)	1,219,203	774,164

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management (continued)

(d) Liquidity risk (continued)

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

	<u>Less than 3 months</u>	
	As at	As at
	31 December	31 December
	2024	2023
	JPY'000	JPY'000
Currency forwards		
- Outflow	(153,546)	(3,457,437)
- Inflow	153,340	3,447,038
Net outflow	<u>(206)</u>	<u>(10,399)</u>

(e) Credit risk

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

Concentrations of credit risk are minimised primarily by:

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

The Fund is also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2024 and 2023, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognised based on the 12 month expected credit losses as any such impairment would be insignificant to the Fund.

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

Credit risk arises from cash and cash equivalents and outstanding and committed transactions from brokers. The table below summarises the credit rating of bank and custodians in which the Fund's assets are held as at 31 December 2024 and 2023.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Financial risk management (continued)

(e) Credit risk (continued)

	Credit rating as at 31 December 2024	Credit rating as at 31 December 2023	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	A1	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- ANZ Bank	Aa1	Aa3	Moody's
- ING Bank	N.A.	Baa1	Moody's
- JP Morgan Chase & Company	A1	A1	Moody's
- HSBC	N.A.	Aa3	Moody's
- Barclays Capital	A1	N.A.	Moody's

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

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

(f) Capital management

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

(g) Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***9. Financial risk management (continued)****(g) Fair value estimation (continued)**

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

As at 31 December 2024	Level 1 JPY'000	Level 2 JPY'000	Level 3 JPY'000	Total JPY'000
Assets				
Portfolio of investments:				
- Quoted equities	57,256,974	-	-	57,256,974
Financial derivatives at fair value	-	768,695	-	768,695
	<u>57,256,974</u>	<u>768,695</u>	<u>-</u>	<u>58,025,669</u>
Liabilities				
Financial derivatives at fair value	-	206	-	206
As at 31 December 2023	Level 1 JPY'000	Level 2 JPY'000	Level 3 JPY'000	Total JPY'000
Assets				
Portfolio of investments:				
- Quoted equities	30,010,260	-	-	30,010,260
Financial derivatives at fair value	-	103,649	-	103,649
	<u>30,010,260</u>	<u>103,649</u>	<u>-</u>	<u>30,113,909</u>
Liabilities				
Financial derivatives at fair value	-	10,399	-	10,399

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

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 over-the-counter derivatives.

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

10. Related party transactions

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

	2024 JPY'000	2023 JPY'000
Bank balances held with related party of the Trustee	<u>2,132,300</u>	1,298,540

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2024***11. Financial ratios****Expense ratio****SGD Hedged Class**

		2024	2023
Total operating expenses	JPY'000	576,306	245,597
Average daily net asset value	JPY'000	33,553,150	14,547,577
Total expense ratio¹	%	1.72	1.69

USD Hedged Class

		2024	2023
Total operating expenses	JPY'000	58,126	35,836
Average daily net asset value	JPY'000	3,371,373	2,091,592
Total expense ratio¹	%	1.72	1.71

SGD Class

		2024	2023
Total operating expenses	JPY'000	79,936	50,933
Average daily net asset value	JPY'000	4,616,006	2,992,779
Total expense ratio¹	%	1.73	1.70

SGD Hedged Class B

		2024	2023
Total operating expenses	JPY'000	2,039	2,663
Average daily net asset value	JPY'000	225,970	274,060
Total expense ratio¹	%	0.90	0.97

USD Hedged Class B

		2024	2023
Total operating expenses	JPY'000	44	-
Average daily net asset value	JPY'000	40,626	-
Total expense ratio^{1,2} (annualised)	%	1.01	-

JPY Class

		2024	2023
Total operating expenses	JPY'000	115,114	12,093
Average daily net asset value	JPY'000	6,767,148	720,879
Total expense ratio¹	%	1.70	1.68

SGD Class B

		2024	2023
Total operating expenses	JPY'000	9,931	25,221
Average daily net asset value	JPY'000	1,090,936	3,067,923
Total expense ratio¹	%	0.91	0.88

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. Financial ratios (continued)

Expense ratio (continued)

		2024	2023
<u>USD Class</u>			
Total operating expenses	JPY'000	15,152	37,991
Average daily net asset value	JPY'000	868,323	2,407,928
Total expense ratio¹	%	1.74	1.69
		2024	2023
<u>JPY Class B</u>			
Total operating expenses	JPY'000	254	-
Average daily net asset value	JPY'000	39,239	-
Total expense ratio^{1,3} (annualised)	%	0.95	-

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

² USD Hedged Class B was subscribed on 25 June 2024 and fully redeemed on 2 August 2024.

³ JPY Class B was subscribed on 26 April 2024.

Turnover ratio

		2024	2023
Lower of total value of purchases or sales	JPY'000	19,138,085	18,258,316
Average daily net asset value	JPY'000	50,524,559	25,802,375
Total turnover ratio⁴	%	37.88	70.76

⁴ 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 JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2024

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 18 to 21.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 31 December 2024

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Sumitomo Mitsui Financial Group Incorporated	2,038,206	3.43
Mitsubishi UFJ Financial Group Incorporated	2,005,125	3.38
Tokio Marine Holdings Incorporated	1,873,629	3.15
Mizuho Financial Group Incorporated	1,816,824	3.06
ORIX Corporation	1,558,819	2.62
Amada Company Limited	1,488,585	2.51
Mitsubishi Gas Chemical Company Incorporated	1,478,414	2.49
Obayashi Corporation	1,469,077	2.47
Sundrug Company Limited	1,464,736	2.47
KDDI Corporation	1,406,214	2.37

10 largest holdings at 31 December 2023

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Mitsubishi UFJ Financial Group Incorporated	826,364	2.67
Toyota Motor Corporation	791,398	2.56
Sumitomo Mitsui Financial Group Incorporated	786,384	2.54
Tokio Marine Holdings Incorporated	784,850	2.53
Nitto Denko Corporation	780,700	2.52
Marui Group Company Limited	767,280	2.48
Nippon Telegraph & Telephone Corporation	764,323	2.47
Daiwa House Industry Company Limited	760,843	2.46
ORIX Corporation	756,694	2.44
Honda Motor Company Limited	749,859	2.42

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial year ended 31 December 2024***4. Exposure to financial derivatives**

	Fair value at 31 December 2024 JPY'000	Percentage of total net assets attributable to unitholders 31 December 2024 %	Unrealised gains/(losses) JPY'000	Realised gains/(losses) JPY'000
Forward foreign exchange contracts	768,489	1.29	768,489	2,484,116

5. Global exposure to financial derivatives

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

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

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

Nil.

9. Borrowings

Nil.

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

	JPY'000
Units created	48,676,098
Units cancelled	(24,921,167)

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2024

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 46.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 45 to 46.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 44.

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

Nil.

15. Soft dollar commissions/arrangements

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

16. Subsequent events

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

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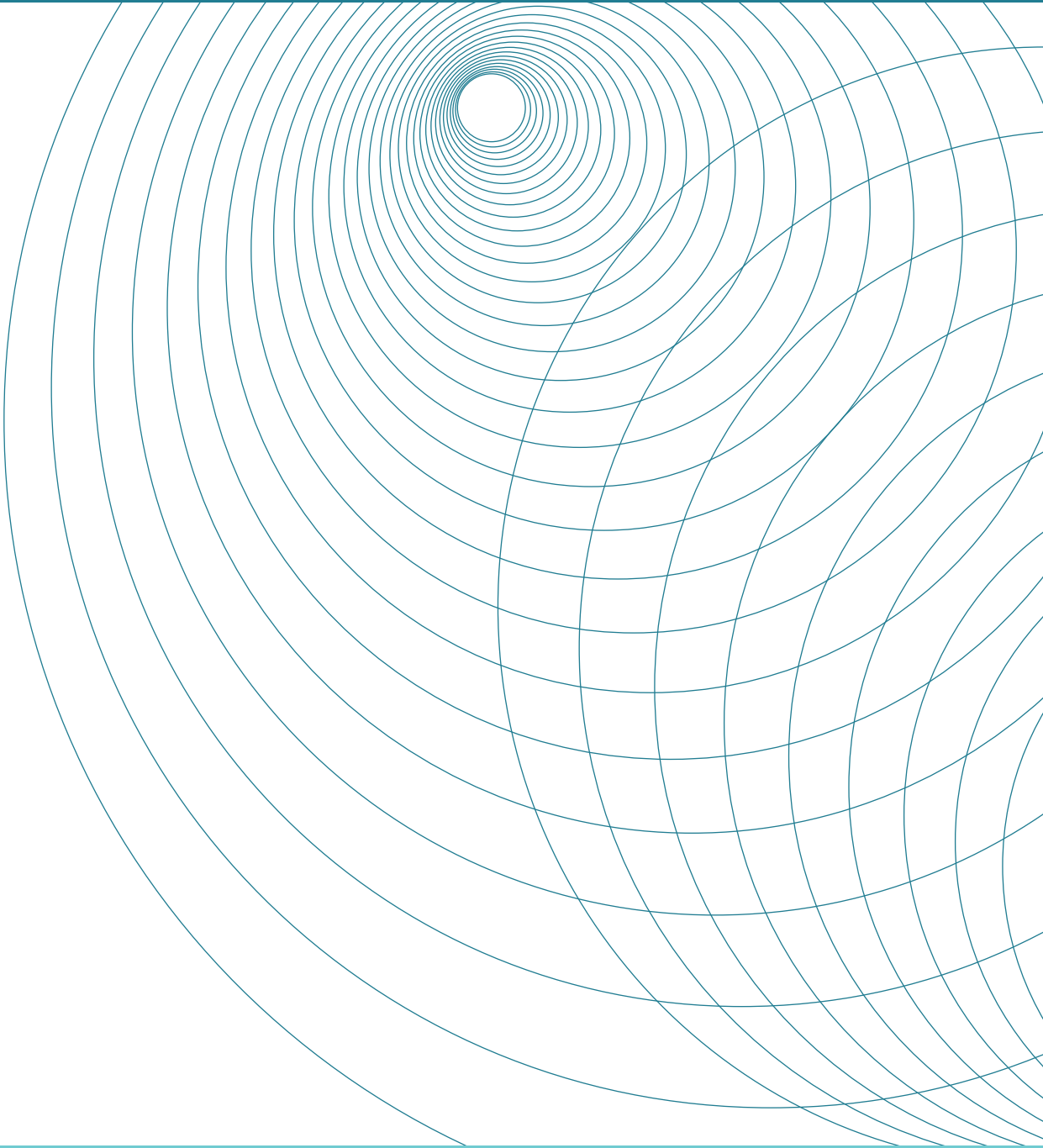
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SEMI-ANNUAL REPORT

Nikko AM Japan Dividend Equity Fund

Financial period ending 30 June 2024



MANAGERS

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

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR

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20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

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

CUSTODIAN

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

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class	2.14	17.65	26.31	19.20	15.94	11.94	11.81

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class	-2.97	11.77	20.00	17.18	14.76	11.37	11.29

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class	2.66	18.81	28.75	19.93	16.65	12.31	12.20

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class	-2.47	12.87	22.32	17.90	15.46	11.73	11.68

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 1 July 2013

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	-4.49	3.73	9.35	2.98	5.18	N/A	6.02

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	-9.26	-1.45	3.88	1.24	4.10	N/A	5.36

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 1 April 2016

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	2.55	18.49	27.75	17.79	15.43	N/A	14.28

Source: Nikko Asset Management Asia Limited, returns as 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	-2.57	12.57	21.36	15.79	14.25	N/A	13.16

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 17 April 2019

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund – JPY Class	1.12	15.28	21.56	N/A	N/A	N/A	24.97

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class	-3.93	9.51	15.49	N/A	N/A	N/A	21.46

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. 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: 13 September 2022

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	-4.26	4.17	10.14	N/A	N/A	N/A	14.97

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	-9.04	-1.03	4.63	N/A	N/A	N/A	10.92

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	-4.86	0.94	9.16	N/A	N/A	N/A	12.04

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	-9.62	-4.10	3.71	N/A	N/A	N/A	8.09

Source: Nikko Asset Management Asia Limited, returns as at 30 June 2024. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 26 January 2023

Note:

- (1) The investment objective of the Fund is to provide a total return of capital growth and income over the medium to long term by investing in equity investments listed and traded on the Tokyo Stock Exchange. The currency exposures of the "SGD Hedged Share Class" and the "USD Hedged Share Class" are hedged from the Fund's base currency – JPY to the share classes' currencies – SGD and USD respectively, to remove the currency conversion risk from the Fund's base currency to the respective share classes' currencies.
- (2) With effect from 1 June 2017, the benchmark has been removed and there will no longer be any benchmark for the 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 1 June 2017, the benchmark against which the Fund's performance is measured is the TOPIX Total Return Index.
- (3) Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was fully redeemed on 28 September 2022. Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was re-incepted on 25 June 2024. Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was fully redeemed on 2 August 2024.
- (4) Nikko AM Japan Dividend Equity Fund - JPY Class B was incepted on 25 April 2024.

Portfolio Review and Activity

Fund rises in the first half of 2024 (1H24)

The Nikko AM Japan Dividend Equity Fund (SGD Hedged Class) (the “Fund”) returned 17.65% (in SGD terms, on a NAV-NAV basis) in the six months to 30 June 2024 and has returned 11.81% (annualised) since its inception on 1 July 2013. Overall, the Fund underperformed the broad-based market in the reporting period. In the first few months of the year, we could not keep pace with the Japanese equity market’s large-cap led rally, given our strategy’s low beta and small- and mid-cap bias, and later in the period, our portfolio was weighed down by the overall lacklustre performance of high dividend stocks (with the exception of financials) against a backdrop of rising long-term interest rates.

Stocks that made large positive contributions during the period included non-life insurer Tokio Marine Holdings and megabanks Sumitomo Mitsui Financial Group and Mitsubishi UFJ Financial Group, which benefitted from the rise in Japanese interest rates, as well as pump and semiconductor production equipment maker Ebara, which rose on strong earnings results, and major trading company Mitsui & Co., which rose on anticipation of strong earnings.

On the other hand, stocks that contributed negatively during the period included those where rising concerns regarding short-term earnings weighed down the stock, such as telecommunications firm Nippon Telegraph and Telephone and major drug store chain Sundrug. Other negative contributors included electronic components manufacturer Kyocera, which came under profit-taking selling pressure following gains; staffing and HR services company Persol Holdings, whose earnings momentum was thought to be lagging; and semiconductor-focused trading house Macnica Holdings, which declined on disappointing earnings.

We maintained the portfolio’s stock weighting during the period at around 97–98%. As of the end of June, the portfolio consisted of 52 issues.

Market Review

Japanese equities hold strong in 1H24 on weak yen and Japanese corporates’ progress on improving capital efficiency

The Japanese equity market was solid overall in the January-June period, supported by the continued weak yen, the Tokyo Stock Exchange’s push to encourage listed companies to improve capital efficiency, a number of Japanese companies increasing shareholder returns, and the strong performance of semiconductor and other high-tech related stocks in tandem with share price gains by a major US chip maker. Over the period, the TOPIX (w/dividends) rose 20.14% (in JPY terms).

Overall, in terms of sector performance, 31 of the TOPIX sectors rose during the period, with the highest gains seen by Insurance, Oil & Coal Products, and Banks. Only two sectors declined: Land Transportation and Air Transportation.

Market Outlook

Japanese corporates continue to seek to improve capital efficiency and increase shareholder returns

The Japanese equity market has performed solidly on the back of further depreciation in the yen as well as the strong performance of US high-tech stocks. In the near term, it is possible that we may see periods of volatility based on changes in domestic and international monetary policy, macroeconomic indicators, and foreign exchange (forex). However, we believe the Japanese equity market will continue to perform solidly given that FY24 earnings forecasts for Japanese

corporates are conservative in terms of their assumptions regarding forex rates and cost increases. It is therefore likely that every quarter, earnings results will exceed their guidance, and Japanese companies also continue to seek ways to increase returns to shareholders. At the same time, with an eye to improving capital efficiency, Japanese companies are enhancing the efficiency of their operations by implementing business structure reforms, selling off cross-shareholdings, investing in future growth and prioritising returns to shareholders. The economy is also beginning to exit a deflationary period as both the price of goods and wages are rising. We believe these factors will support a continued uptrend in Japanese equities in the medium term as well.

Investment Strategy

Portfolio is characterised by low volatility and low correlation relative to the market

In principle, we manage the portfolio based on an investment policy of making highly selective investments in companies with future dividend growth potential from among those whose projected dividend yield is higher than the market average. In making stock selections, we focus on bottom-up research, thoroughly scrutinising each company's corporate competitiveness, cash flow generation capacity, financial stability and stance on shareholder returns. We therefore carefully select firms that are able to continually grow their dividends, and invest from a medium- to long-term perspective. Since many of the holdings are in stable growth stocks with strong earnings power and sound financials, the portfolio is characterised by low volatility and low correlation with the market. Currently, many of the portfolio's holdings are in fields such as IT services, electronic materials, electronic components, telecommunications, general trading firms, automobiles, retail, construction and banking.

Following the introduction of Japan's Corporate Governance Code, Japanese firms have worked to improve dialogue with investors and are increasing the ratio of outside directors on their boards. As a result, there is a greater emphasis on improving returns on equity and the number of companies that are selling off unprofitable businesses or strategic shareholdings and putting their excess cash to use through dividend increases and share buybacks is growing. The Tokyo Stock Exchange has stepped up pressure on its listed stocks to disclose specific measures aimed at ensuring that corporate management approaches take into account capital efficiency and stock prices.

Although Japanese corporates' earnings guidance is mostly flat, they tend to be conservative in terms of their assumptions regarding forex rates and cost increases, making it likely that every quarter going forward, their earnings results will exceed their guidance. Additionally, many companies are raising their dividend payout ratio as a means of enhancing capital efficiency, leading to the possibility that dividend growth could outpace earnings growth. In light of this, we continue to see opportunities to invest in names that, in addition to providing stable dividend income, can offer capital gains as dividend hikes drive up their share prices.

Seek out stocks with dividend growth potential due to changes in management's stance on shareholder returns

In terms of stock selection, we will seek out names with ample cash reserves and/or strong earnings momentum that balance investment in future growth with providing returns to shareholders. In particular, we will focus on those names where management has changed its stance on shareholder returns, including efforts to increase capital efficiency and improve low price-to-book (P/B) ratios based on their medium-term business plans and/or strategies in response to the Tokyo Stock Exchange's request, via methods including dividend hikes and introducing dividends on equity targets or progressive dividend policies.

There are many domestic demand-driven firms with stable growth prospects, and we are focused on IT services firms, network construction firms and outsourcing companies that offer solutions to address the ongoing labour shortage and shift to remote work; home building, real estate, construction, and building materials firms which are expected to achieve stable earnings as they are less influenced by the external environment; and specialty retailers expected to see earnings growth driven by industry restructuring. At the same time, considering expectations for inventory adjustments to run their course, we will actively seek out and invest in stocks with highly stable dividends in cyclical sectors such as electronic materials, electronic components, and machinery, particularly companies which hold a high global market share.

In response to the Japanese economy's ongoing exit from deflation, other areas we are focusing on include trading houses which are involved in increasingly essential energy provision, as well as banks likely to benefit from the changes to Japan's monetary policy. We will also look at names that are likely to increase dividends and proactively invest in high quality stocks that have lagged the market relative to their fundamentals. In this way, we will position our portfolio to achieve steady returns as investors factor in improving corporate earnings results and dividend hikes.

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 January 2024 to 30 June 2024 (unaudited)*

	30 June 2024 JPY'000	30 June 2023 JPY'000
Income		
Dividends	685,181	364,730
Interest on cash and cash equivalents	23,922	10,467
	709,103	375,197
Less: Expenses		
Management fee	330,135	145,631
Transfer agent fee	2,167	7,228
Trustee fee	6,805	3,171
Custody fee	3,507	1,287
Audit fee	1,117	887
Valuation fee	9,206	4,228
Transaction costs	32,440	20,814
Other expenses	24,965	7,224
	410,342	190,470
Net income	298,761	184,727
Net gains or losses on value of investments and financial derivatives		
Net gains on investments	5,123,403	4,507,590
Net foreign exchange gains	170,675	112,229
Net gains on financial derivatives	4,151,154	1,337,488
	9,445,232	5,957,307
Total return for the financial period before income tax	9,743,993	6,142,034
Less: Income tax	(104,935)	(55,858)
Total return for the financial period after income tax	9,639,058	6,086,176

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2024 (unaudited)*

	30 June 2024	31 December 2023
	JPY'000	JPY'000
ASSETS		
Portfolio of investments	55,201,401	30,010,260
Receivables	965,514	337,628
Cash and cash equivalents	3,009,657	1,298,540
Financial derivatives at fair value	841,111	103,649
Total assets	60,017,683	31,750,077
LIABILITIES		
Payables	1,071,278	582,524
Purchases awaiting settlement	518,743	6,364
Distributions payable	330,466	185,276
Financial derivatives at fair value	1,323	10,399
Total liabilities	1,921,810	784,563
EQUITY		
Net assets attributable to unitholders	58,095,873	30,965,514

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 January 2024 to 30 June 2024 (unaudited)*

	30 June 2024 JPY'000	31 December 2023 JPY'000
Net assets attributable to unitholders at the beginning of the financial period/year	30,965,514	20,720,836
Operations		
Change in net assets attributable to unitholders resulting from operations	9,639,058	7,792,015
Unitholders' contributions/(withdrawals)		
Creation of units	29,426,445	24,451,593
Cancellation of units	(10,321,527)	(20,656,391)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	19,104,918	3,795,202
Distributions	(1,613,617)	(1,342,539)
Total increases in net assets attributable to unitholders	27,130,359	10,244,678
Net assets attributable to unitholders at the end of the financial period/year	58,095,873	30,965,514

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024 (unaudited)***By Geography (Primary)**

	Holdings at 30 June 2024	Fair value at 30 June 2024 JPY'000	Percentage of total net assets attributable to unitholders at 30 June 2024 %
Quoted Equities			
AUTO MANUFACTURERS			
Honda Motor Company Limited	793,800	1,365,336	2.35
Toyota Motor Corporation	424,600	1,396,934	2.40
Total AUTO MANUFACTURERS		2,762,270	4.75
AUTO PARTS & EQUIPMENT			
Bridgestone Corporation	206,100	1,302,964	2.24
Denso Corporation	341,300	852,567	1.47
Toyoda Gosei Company Limited	364,300	1,030,423	1.77
Total AUTO PARTS & EQUIPMENT		3,185,954	5.48
BANKS			
Mitsubishi UFJ Financial Group Incorporated	1,035,400	1,790,207	3.08
Mizuho Financial Group Incorporated	455,500	1,529,569	2.63
Sumitomo Mitsui Financial Group Incorporated	180,200	1,932,645	3.33
Total BANKS		5,252,421	9.04
BEVERAGES			
Kirin Holdings Company Limited	581,600	1,205,657	2.08
Total BEVERAGES		1,205,657	2.08
BUILDING MATERIALS			
AGC Incorporated	227,300	1,183,324	2.04
Sanwa Holdings Corporation	81,100	238,556	0.41
Total BUILDING MATERIALS		1,421,880	2.45
CHEMICALS			
Adeka Corporation	133,900	433,568	0.75
AICA Kogyo Company Limited	160,300	560,729	0.97
Air Water Incorporated	212,200	461,641	0.79
LINTEC Corporation	57,900	197,729	0.34
Mitsubishi Gas Chemical Company Incorporated	366,000	1,122,888	1.93
Mitsui Chemicals Incorporated	311,700	1,383,948	2.38
Total CHEMICALS		4,160,503	7.16
COMMERCIAL SERVICES			
Persol Holdings Company Limited	5,062,100	1,127,330	1.94
Total COMMERCIAL SERVICES		1,127,330	1.94
COMPUTERS			
Net One Systems Company Limited	401,200	1,182,738	2.04
Otsuka Corporation	314,000	970,574	1.67
Total COMPUTERS		2,153,312	3.71

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 30 June 2024	Fair value at 30 June 2024 JPY'000	Percentage of total net assets attributable to unitholders at 30 June 2024 %
Quoted Equities (continued)			
DISTRIBUTION/WHOLESALE			
Itochu Corporation	180,500	1,417,647	2.44
Mitsui & Company Limited	334,800	1,222,355	2.10
Nagase & Company Limited	112,700	354,892	0.61
Nippon Gas Company Limited	462,400	1,117,852	1.92
Toyota Tsusho Corporation	399,900	1,252,487	2.16
Total DISTRIBUTION/WHOLESALE		5,365,233	9.23
DIVERSIFIED FINANCIAL SERVICES			
ORIX Corporation	444,200	1,577,798	2.72
Zenkoku Hosho Company Limited	190,500	1,128,903	1.94
Total DIVERSIFIED FINANCIAL SERVICES		2,706,701	4.66
ELECTRICAL COMPONENT & EQUIPMENT			
Mabuchi Motor Company Limited	383,000	914,413	1.57
Total ELECTRICAL COMPONENT & EQUIPMENT		914,413	1.57
ELECTRONICS			
Hirose Electric Company Limited	78,000	1,386,060	2.39
Inaba Denki Sangyo Company Limited	79,600	312,032	0.54
Kyocera Corporation	763,600	1,413,805	2.43
Macnica Holdings Incorporated	213,500	1,441,125	2.48
Star Micronics Company Limited	104,500	220,391	0.38
Total ELECTRONICS		4,773,413	8.22
ENGINEERING AND CONSTRUCTION			
Exeo Group Incorporated	752,200	1,203,144	2.07
Kumagai Gumi Company Limited	200,800	737,940	1.27
Obayashi Corporation	296,400	566,717	0.98
Total ENGINEERING AND CONSTRUCTION		2,507,801	4.32
HAND/MACHINE TOOLS			
Amada Company Limited	837,800	1,488,771	2.56
Total HAND/MACHINE TOOLS		1,488,771	2.56
HOME BUILDERS			
Daiwa House Industry Company Limited	294,400	1,200,269	2.07
Total HOME BUILDERS		1,200,269	2.07
INSURANCE			
Tokio Marine Holdings Incorporated	314,400	1,887,972	3.25
Total INSURANCE		1,887,972	3.25
INTERNET			
ZOZO Incorporated	360,100	1,450,483	2.50
Total INTERNET		1,450,483	2.50
MISCELLANEOUS MANUFACTURE			
Amano Corporation	221,300	919,280	1.58
Total MISCELLANEOUS MANUFACTURE		919,280	1.58

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 30 June 2024	Fair value at 30 June 2024 JPY'000	Percentage of total net assets attributable to unitholders at 30 June 2024 %
Quoted Equities (continued)			
OFFICE/BUSINESS EQUIPMENT			
Sato Holdings Corporation	64,900	139,860	0.24
Total OFFICE/BUSINESS EQUIPMENT		139,860	0.24
PHARMACEUTICALS			
Astellas Pharma Incorporated	661,800	1,052,262	1.81
Takeda Pharmaceutical Company Limited	263,900	1,100,991	1.90
Total PHARMACEUTICALS		2,153,253	3.71
REAL ESTATE			
Nomura Real Estate Holdings Incorporated	341,600	1,376,990	2.37
Total REAL ESTATE		1,376,990	2.37
RETAIL			
K's Holdings Corporation	780,500	1,180,506	2.03
Marui Group Company Limited	517,000	1,173,073	2.02
Sundrug Company Limited	288,300	1,168,768	2.01
Total RETAIL		3,522,347	6.06
TELECOMMUNICATIONS			
KDDI Corporation	270,200	1,149,431	1.98
Nippon Telegraph & Telephone Corporation	7,683,000	1,166,279	2.01
Total TELECOMMUNICATIONS		2,315,710	3.99
TRANSPORTATION			
Kamigumi Company Limited	267,300	885,565	1.52
Senko Group Holdings Company Limited	287,500	324,013	0.56
Total TRANSPORTATION		1,209,578	2.08
Total Quoted Equities		55,201,401	95.02
Portfolio of investments		55,201,401	95.02
Other net assets		2,894,472	4.98
Net assets attributable to unitholders		58,095,873	100.00

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024 (unaudited)*

By Industry (Summary)	Percentage of total net assets attributable to unitholders at 30 June 2024 %	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Auto Manufacturers	4.75	4.98
Auto Parts & Equipment	5.48	3.62
Banks	9.04	7.49
Beverages	2.08	1.87
Building Materials	2.45	5.64
Chemicals	7.16	8.66
Commercial Services	1.94	2.37
Computers	3.71	5.29
Distribution/Wholesale	9.23	9.28
Diversified Financial Services	4.66	4.50
Electrical Component & Equipment	1.57	1.72
Electronics	8.22	6.24
Engineering and Construction	4.32	2.96
Hand/Machine Tools	2.56	2.41
Home Builders	2.07	2.46
Insurance	3.25	2.53
Internet	2.50	-
Machinery-Diversified	-	2.09
Miscellaneous Manufacture	1.58	1.31
Office/Business Equipment	0.24	0.44
Pharmaceuticals	3.71	4.59
Real Estate	2.37	2.34
Retail	6.06	6.73
Telecommunications	3.99	4.75
Transportation	2.08	2.65
Portfolio of investments	95.02	96.92
Other net assets	4.98	3.08
Net assets attributable to unitholders	100.00	100.00

As the Fund invests wholly into Japanese equities, it is not meaningful to classify the investments into geography.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2024 to 30 June 2024 (unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 13 to 16.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 Largest holdings at 30 June 2024

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Sumitomo Mitsui Financial Group Incorporated	1,932,645	3.33
Tokio Marine Holdings Incorporated	1,887,972	3.25
Mitsubishi UFJ Financial Group Incorporated	1,790,207	3.08
ORIX Corporation	1,577,798	2.72
Mizuho Financial Group Incorporated	1,529,569	2.63
Amada Company Limited	1,488,771	2.56
ZOZO Incorporated	1,450,483	2.50
Macnica Holdings Incorporated	1,441,125	2.48
Itochu Corporation	1,417,647	2.44
Kyocera Corporation	1,413,805	2.43

10 Largest holdings at 30 June 2023

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Mitsubishi UFJ Financial Group Incorporated	665,945	2.54
Toyota Motor Corporation	661,154	2.52
Toyota Tsusho Corporation	656,074	2.50
Honda Motor Company Limited	655,925	2.50
Tokio Marine Holdings Incorporated	647,088	2.47
Itochu Corporation	644,337	2.46
Sumitomo Mitsui Financial Group Incorporated	641,768	2.45
Mitsui & Company Limited	635,251	2.42
Marui Group Company Limited	624,994	2.39
Nippon Telegraph & Telephone Corporation	623,075	2.38

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2024 to 30 June 2024 (unaudited)***4. Exposure to financial derivatives**

	Fair value at 30 June 2024 JPY'000	Percentage of total net assets attributable to unitholders at 30 June 2024 %	Unrealised gains/(losses) JPY'000	Realised gains/(losses) JPY'000
Forward foreign exchange contracts	839,788	1.45	839,788	3,311,366

5. Global exposure to financial derivatives

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

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

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

Nil.

9. Borrowings

Nil.

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

	JPY'000
Units created	29,426,445
Units cancelled	(10,321,527)

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2024 to 30 June 2024 (unaudited)***11. Turnover ratio**

		30 June 2024	30 June 2023
Lower of total value of purchases or sales	JPY'000	7,649,613	10,641,955
Average daily net asset value	JPY'000	44,126,735	21,841,343
Total turnover ratio¹	%	17.34	48.72

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

12. Expense ratio

		30 June 2024	30 June 2023
<u>SGD Hedged Class</u>			
Total operating expenses	JPY'000	404,700	187,518
Average daily net asset value	JPY'000	23,420,195	10,822,436
Total expense ratio²	%	1.73	1.73

		30 June 2024	30 June 2023
<u>USD Hedged Class</u>			
Total operating expenses	JPY'000	47,831	58,496
Average daily net asset value	JPY'000	2,772,440	3,370,526
Total expense ratio²	%	1.73	1.74

		30 June 2024	30 June 2023
<u>SGD Class</u>			
Total operating expenses	JPY'000	75,166	48,332
Average daily net asset value	JPY'000	4,347,378	2,788,583
Total expense ratio²	%	1.73	1.73

		30 June 2024	30 June 2023
<u>SGD Hedged Class B</u>			
Total operating expenses	JPY'000	2,096	14,191
Average daily net asset value	JPY'000	234,882	1,542,644
Total expense ratio²	%	0.89	0.92

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2024 to 30 June 2024 (unaudited)***12. Expense ratio (continued)**

		30 June 2024	30 June 2023
<u>USD Hedged Class B</u>			
Total operating expenses	JPY'000	6	74
Average daily net asset value	JPY'000	40,878	32,968
Total expense ratio² (annualised)	%	0.90	0.91
		30 June 2024	30 June 2023
<u>JPY Class</u>			
Total operating expenses	JPY'000	43,938	4,264
Average daily net asset value	JPY'000	2,512,021	307,770
Total expense ratio² (annualised)	%	1.75	1.74
		30 June 2024	30 June 2023
<u>SGD Class B</u>			
Total operating expenses	JPY'000	17,981	12,531
Average daily net asset value	JPY'000	2,076,793	3,192,903
Total expense ratio² (annualised)	%	0.87	0.92
		30 June 2024	30 June 2023
<u>USD Class</u>			
Total operating expenses	JPY'000	26,759	18,454
Average daily net asset value	JPY'000	1,589,149	2,499,429
Total expense ratio² (annualised)	%	1.68	1.73
		30 June 2024	30 June 2023
<u>JPY Class B</u>			
Total operating expenses	JPY'000	69	-
Average daily net asset value	JPY'000	39,706	-
Total expense ratio² (annualised)	%	0.96	-

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2024 to 30 June 2024 (unaudited)

13. Related party transactions

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

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

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

	30 June 2024 JPY'000	31 December 2023 JPY'000
Bank balances held with related party of the Trustee	<u>3,009,657</u>	<u>1,298,540</u>

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

Nil.

15. Soft dollar commissions/arrangements

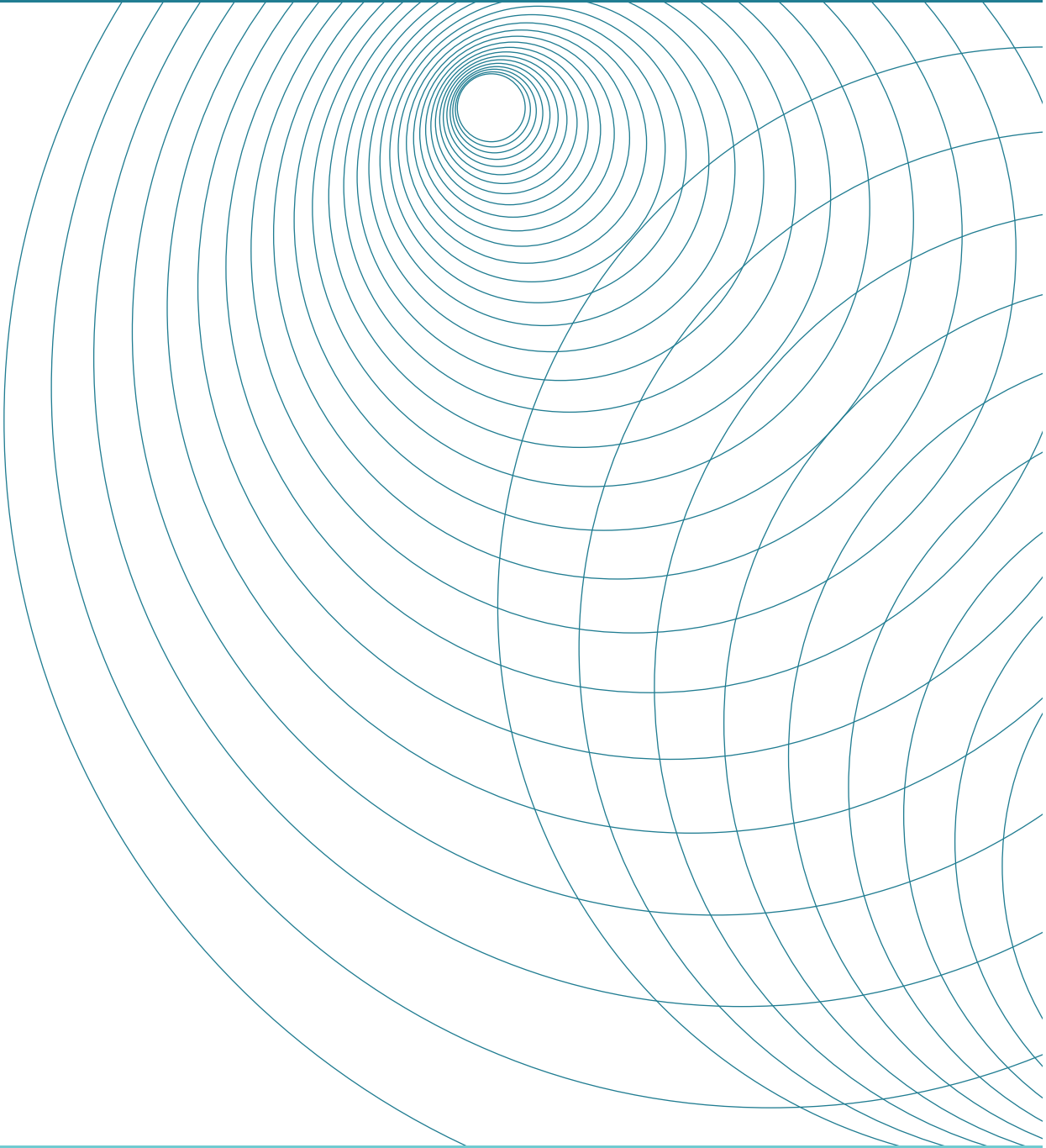
In their management of the Fund, the Managers and Sub-Managers, Nikko Asset Management Co., Ltd, currently do not receive or enter into any soft dollar commissions or arrangements.

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ANNUAL REPORT
Nikko AM Japan Dividend Equity Fund
Financial year ended 31 December 2023



MANAGERS

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

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR

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

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CUSTODIAN

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

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class ¹	1.09	7.36	36.58	17.32	13.60	10.40	10.68

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class ¹	-3.97	1.99	29.75	15.33	12.44	9.83	10.14

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class ¹	1.75	8.37	36.72	17.62	14.17	10.68	10.98

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Hedged Class ¹	-3.33	2.96	29.88	15.63	13.00	10.12	10.44

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

Inception date: 1 July 2013

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	2.47	5.41	21.36	3.67	5.78	N/A	5.92

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class	-2.65	0.14	15.29	1.91	4.70	N/A	5.22

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

Inception date: 1 April 2016

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	1.35	7.81	29.40	15.77	N/A	N/A	11.81

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Hedged Class B	-3.72	2.42	22.93	13.80	N/A	N/A	10.60

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, 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 April 2019

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class	0.17	5.46	31.73	N/A	N/A	N/A	22.02

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. 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.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - JPY Class	-4.84	0.18	25.15	N/A	N/A	N/A	17.30

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. 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: 13 September 2022

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	2.64	5.72	N/A	N/A	N/A	N/A	17.17

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - SGD Class B	-2.49	0.44	N/A	N/A	N/A	N/A	11.31

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	6.01	8.15	N/A	N/A	N/A	N/A	16.54

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

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Japan Dividend Equity Fund - USD Class	0.71	2.74	N/A	N/A	N/A	N/A	10.71

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

Inception date: 26 January 2023

Note:

- (1) The investment objective of the Fund is to provide a total return of capital growth and income over the medium to long term by investing in equity investments listed and traded on the Tokyo Stock Exchange. The currency exposures of the "SGD Hedged Share Class" and the "USD Hedged Share Class" are hedged from the Fund's base currency – JPY to the share classes' currencies – SGD and USD respectively, to remove the currency conversion risk from the Fund's base currency to the respective share classes' currencies.
- (2) With effect from 1 June 2017, the benchmark has been removed and there will no longer be any benchmark for the 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 1 June 2017, the benchmark against which the Fund's performance is measured is the TOPIX Total Return Index.
- (3) Nikko AM Japan Dividend Equity Fund - USD Hedged Class B was fully redeemed on 28 September 2022.

Portfolio Review and Activity

Fund surged in 2023

The Nikko AM Japan Dividend Equity Fund (SGD Hedged Class) (the “Fund”) returned 36.58% (in SGD terms, on a NAV-NAV basis) in the twelve months to 31 December 2023 and has returned 10.68% (annualised) since its inception on 1 July 2013. The portfolio outperformed the TOPIX for nine months of the year, supported overall by the market’s preference for high dividend names as well as stocks with low price-to-book multiples which are expected to make improvements in line with the Tokyo Stock Exchange’s recommendations. The month with the highest outperformance was August, when several of our holdings made large positive contributions to portfolio performance as their share prices rose following the release of strong fiscal first-quarter earnings, and at the same time large-cap stocks, especially in the high-tech sector, underwent correction while small and mid-caps performed well, which acted as a tailwind for our investment strategy. In contrast, the portfolio underperformed the TOPIX for three months during the year, with November the low point when amid the market rally, our investment strategy underperformed due to its low beta and low volatility characteristics as well as the fact that many high dividend stocks which had continued to see gains until recently came under profit-taking selling pressure following the decline in US interest rates.

Stocks that made large positive contributions on an absolute return basis during the period were primarily those which announced strong earnings and/or higher shareholder returns such as semiconductor-focused trading house Macnica Holdings, construction materials manufacturer Sanwa Holdings and Toyota-affiliated trading company Toyota Tsusho. Major automakers Honda Motor and Toyota Motor also contributed positively as they rose on expectations for strong earnings due in part to the weak yen.

In contrast, negative contributors included stocks whose earnings momentum was thought to be lagging, such as IT services provider Net One Systems, drug makers Astellas Pharma and Takeda Pharmaceutical, major bank Resona Holdings and staffing and HR services company Persol Holdings.

We maintained the portfolio’s stock weighting during the period at around 97–99%. As of the end of December, the portfolio consisted of 53 issues.

Market Review

Japanese equity market rallies in 2023

The Japanese equity market rallied in calendar year 2023, supported by the weak yen, rising expectations for the Japanese economy to exit deflation and the positive effects of the Tokyo Stock Exchange’s request that companies whose stocks are trading below book value make moves to improve corporate management. Equities moved upward every month of the year except October and December. October was the only significant dip, when stocks were weighed down by an outlook for the continuation of US monetary tightening as well as risk-off sentiment due to the intensification of the conflict in the Middle East. In contrast, the strongest gains were in January and June, which were both months when the Bank of Japan (BOJ) signalled it would maintain its monetary easing policy, as well as November when Japanese long-term bond yields declined, making Japanese equities appear less richly valued in comparison. As a result, the TOPIX (including dividends) ended the year up 28.26%, while the Nikkei 225 (including dividends) rose 30.96% (both in JPY terms).

All of the 33 Tokyo Stock Exchange sectors rose during the period with Marine Transportation, Iron & Steel, and Wholesale Trade posting the strongest gains. Although no sectors declined, Pharmaceuticals, Air Transportation, and Textiles & Apparel saw comparatively smaller gains.

Market Outlook

Confluence of factors to support a continued uptrend in Japanese equities in the medium term

The Japanese equity market has been trending upward, supported by a weaker yen influenced by strong economic indicators out of the US, as well as overseas investors' rising conviction in Japanese stocks. In the near term, it is possible that we may see periods of volatility based on changes in domestic and international monetary policy and macroeconomic indicators. However, we believe the Japanese equity market will continue to perform solidly given that Japanese corporate earnings are expected to continue trending upward in FY24 as inventory adjustments run their course and domestic demand recovers, while Japanese companies also continue to seek ways to increase returns to shareholders. At the same time, with an eye to improving capital efficiency, Japanese companies are enhancing the efficiency of their operations by implementing business structure reforms, investing in future growth and prioritising returns to shareholders. The economy is also beginning to exit a deflationary period. We believe these factors will support a continued uptrend in Japanese equities in the medium term as well.

Investment Strategy

Portfolio is characterised by low volatility and low correlation relative to the market

In principle, we manage the portfolio based on an investment policy of making highly selective investments in companies with future dividend growth potential from among those whose projected dividend yield is higher than the market average. In making stock selections, we focus on bottom-up research, thoroughly scrutinising each company's corporate competitiveness, cash flow generation capacity, financial stability and stance on shareholder returns. We therefore carefully select firms that are able to continually grow their dividends, and invest from a medium- to long-term perspective. Since many of the holdings are in stable growth stocks with strong earnings power and sound financials, the portfolio is characterised by low volatility and low correlation with the market. Currently, many of the portfolio's holdings are in fields such as IT services, electronic components, telecommunications, trading firm business, automobiles, retail, construction and banking.

Following the introduction of Japan's Corporate Governance Code, Japanese firms have worked to improve dialogue with investors and are increasing the ratio of outside directors on their boards. As a result, there is a greater emphasis on improving returns on equity and the number of companies that are selling off unprofitable businesses or strategic shareholdings and putting their excess cash to use through dividend increases and share buybacks is growing. The Tokyo Stock Exchange has stepped up pressure on its listed stocks to disclose specific measures aimed at ensuring that corporate management approaches take into account capital efficiency and stock prices.

Japanese companies are largely expected to produce strong results as inventory adjustments run their course and domestic demand continues to recover. Additionally, an increasing number of companies are raising their dividend payout ratio as a means of enhancing capital efficiency, leading to the possibility that dividend growth could outpace earnings growth. In light of this, we are investing in names that, in addition to providing stable dividend income, can offer capital gains as dividend hikes drive up their share prices.

Focus on names that balance investment in future growth with providing returns to shareholders

In terms of stock selection, we will seek out names with ample cash reserves and/or strong earnings momentum that balance investment in future growth with providing returns to shareholders. In particular, we will focus on those names from which sustained dividend growth can be expected, paying close attention to firms where there are indications that management (via medium-term

business plans or other directives) is changing its stance on shareholder returns, such as dividend hikes. In response to the abovementioned request from the Tokyo Stock Exchange, it seems that an increasing number of companies plan to disclose strategies for enhancing capital efficiency and resolving low price-to-book ratios by late April to early May 2024 when releasing their FY23 fourth-quarter earnings results, and this year we will be closely analysing the details of such announcements.

We will focus on primarily domestic demand-driven firms with stable growth prospects including IT services firms, network construction firms and outsourcing companies that offer solutions to address the ongoing labour shortage and shift to remote work; home building, real estate, construction, and building materials firms which are expected to achieve stable earnings as they are less influenced by the external environment; and specialty retailers expected to see earnings growth driven by industry restructuring. Considering the possibility for a recovery in the economic climate in the latter half of 2024, we will seek out stocks with highly stable dividends in cyclical sectors such as electronic materials, electronic components, and machinery, particularly companies which hold a high global market share.

Other areas we are focusing on include trading houses which are involved in increasingly essential energy provision, as well as banks and other firms likely to benefit from expected future changes to Japan's monetary policy. We will also look at names that are likely to increase dividends and proactively invest in high quality stocks that have lagged the market relative to their fundamentals. In this way, we will position our portfolio to achieve steady returns as investors factor in improving corporate earnings results and dividend hikes.

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

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

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

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

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

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the financial year covered by these financial statements, set out on pages 15 to 44, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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

Authorised signatory
27 March 2024

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 15 to 44, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of Nikko AM Japan Dividend Equity Fund (the "Fund") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

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

Authorised signatory
27 March 2024

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

Our Opinion

In our opinion, the accompanying financial statements of Nikko AM Japan Dividend Equity Fund (the "Fund"), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2023, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the Statement of Total Return for the financial year ended 31 December 2023;
- the Statement of Financial Position as at 31 December 2023;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 31 December 2023; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

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

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

Independence

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

Other Information

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

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

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

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

Responsibilities of the Manager for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 27 March 2024

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial year ended 31 December 2023*

	Note	2023 JPY'000	2022 JPY'000
Income			
Dividends		825,388	655,256
Interest on cash and cash equivalents		27,674	4,708
		853,062	659,964
Less: Expenses			
Management fee		361,444	278,089
Transfer agent fee		8,905	10,551
Trustee fee		7,746	6,081
Custody fee		3,403	2,011
Audit fee		1,788	1,534
Valuation fee		10,330	8,108
Transaction costs		41,083	23,302
Other expenses		17,978	9,199
		452,677	338,875
Net income		400,385	321,089
Net gains or losses on value of investments and financial derivatives			
Net gains on investments		5,914,143	469,944
Net foreign exchange gains		18,347	73,782
Net gains on financial derivatives		1,585,548	2,451,886
		7,518,038	2,995,612
Total return for the financial year before income tax		7,918,423	3,316,701
Less: Income tax	3	(126,408)	(100,352)
Total return for the financial year after income tax		7,792,015	3,216,349

The accompanying notes form an integral part of these financial statements

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

	Note	2023 JPY'000	2022 JPY'000
ASSETS			
Portfolio of investments		30,010,260	20,480,861
Sales awaiting settlement		-	25,615
Receivables	4	337,628	105,130
Cash and cash equivalents		1,298,540	760,343
Financial derivatives at fair value	6	103,649	-
Total assets		31,750,077	21,371,949
LIABILITIES			
Payables	5	582,524	124,649
Purchases awaiting settlement		6,364	29,596
Distributions payable	8	185,276	88,888
Financial derivatives at fair value	6	10,399	407,980
Total liabilities		784,563	651,113
EQUITY			
Net assets attributable to unitholders	7	30,965,514	20,720,836

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2023*

	Note	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders at the beginning of the financial year		20,720,836	16,773,949
Operations			
Change in net assets attributable to unitholders resulting from operations		7,792,015	3,216,349
Unitholders' contributions/(withdrawals)			
Creation of units		24,451,593	6,254,890
Cancellation of units		(20,656,391)	(4,533,954)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		3,795,202	1,720,936
Distributions	8	(1,342,539)	(990,398)
Total increases in net assets attributable to unitholders		10,244,678	3,946,887
Net assets attributable to unitholders at the end of the financial year	7	30,965,514	20,720,836

The accompanying notes form an integral part of these financial statements

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

	Holdings at 31 December 2023	Fair value at 31 December 2023 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities			
AUTO MANUFACTURERS			
Honda Motor Company Limited	511,500	749,859	2.42
Toyota Motor Corporation	305,500	791,398	2.56
Total AUTO MANUFACTURERS		1,541,257	4.98
AUTO PARTS & EQUIPMENT			
Bridgestone Corporation	112,000	654,080	2.11
Toyoda Gosei Company Limited	176,700	467,460	1.51
Total AUTO PARTS & EQUIPMENT		1,121,540	3.62
BANKS			
Mitsubishi UFJ Financial Group Incorporated	682,100	826,364	2.67
Mizuho Financial Group Incorporated	292,400	705,415	2.28
Sumitomo Mitsui Financial Group Incorporated	114,300	786,384	2.54
Total BANKS		2,318,163	7.49
BEVERAGES			
Kirin Holdings Company Limited	280,700	579,926	1.87
Total BEVERAGES		579,926	1.87
BUILDING MATERIALS			
AGC Incorporated	132,600	694,294	2.24
Nichias Corporation	100,500	340,695	1.10
Sanwa Holdings Corporation	332,800	711,693	2.30
Total BUILDING MATERIALS		1,746,682	5.64
CHEMICALS			
Adeka Corporation	71,600	205,492	0.67
AICA Kogyo Company Limited	78,700	268,524	0.87
Air Water Incorporated	315,000	606,848	1.96
LINTEC Corporation	58,800	161,700	0.52
Mitsui Chemicals Incorporated	157,200	657,410	2.12
Nitto Denko Corporation	74,000	780,700	2.52
Total CHEMICALS		2,680,674	8.66
COMMERCIAL SERVICES			
Persol Holdings Company Limited	3,025,500	732,474	2.37
Total COMMERCIAL SERVICES		732,474	2.37
COMPUTERS			
Biprogy Incorporated	68,400	301,986	0.97
NEC Networks & System Integration Corporation	128,600	305,939	0.99
Net One Systems Company Limited	232,700	559,294	1.81
Otsuka Corporation	81,100	471,434	1.52
Total COMPUTERS		1,638,653	5.29

The accompanying notes form an integral part of these financial statements

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

	Holdings at 31 December 2023	Fair value at 31 December 2023 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities (continued)			
DISTRIBUTION/WHOLESALE			
Itochu Corporation	129,400	746,250	2.41
Mitsui & Company Limited	139,300	738,011	2.39
Nippon Gas Company Limited	294,100	684,518	2.21
Toyota Tsusho Corporation	84,700	703,688	2.27
Total DISTRIBUTION/WHOLESALE		2,872,467	9.28
DIVERSIFIED FINANCIAL SERVICES			
ORIX Corporation	284,900	756,694	2.44
Zenkoku Hosho Company Limited	119,900	637,269	2.06
Total DIVERSIFIED FINANCIAL SERVICES		1,393,963	4.50
ELECTRICAL COMPONENT & EQUIPMENT			
Mabuchi Motor Company Limited	228,200	533,760	1.72
Total ELECTRICAL COMPONENT & EQUIPMENT		533,760	1.72
ELECTRONICS			
Inaba Denki Sangyo Company Limited	45,600	155,040	0.50
Kyocera Corporation	346,800	713,714	2.31
Macnica Holdings Incorporated	89,500	665,612	2.15
Nissha Company Limited	40,200	59,215	0.19
Star Micronics Company Limited	110,600	190,121	0.61
Taiyo Holdings Company Limited	47,400	147,651	0.48
Total ELECTRONICS		1,931,353	6.24
ENGINEERING AND CONSTRUCTION			
Exeo Group Incorporated	170,000	532,950	1.72
Kumagai Gumi Company Limited	106,600	384,293	1.24
Total ENGINEERING AND CONSTRUCTION		917,243	2.96
HAND/MACHINE TOOLS			
Amada Company Limited	508,600	747,642	2.41
Total HAND/MACHINE TOOLS		747,642	2.41
HOME BUILDERS			
Daiwa House Industry Company Limited	178,100	760,843	2.46
Total HOME BUILDERS		760,843	2.46
INSURANCE			
Tokio Marine Holdings Incorporated	222,400	784,850	2.53
Total INSURANCE		784,850	2.53
MACHINERY-DIVERSIFIED			
Ebara Corporation	77,400	646,135	2.09
Total MACHINERY-DIVERSIFIED		646,135	2.09
MISCELLANEOUS MANUFACTURE			
Amano Corporation	121,400	405,719	1.31
Total MISCELLANEOUS MANUFACTURE		405,719	1.31

The accompanying notes form an integral part of these financial statements

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

	Holdings at 31 December 2023	Fair value at 31 December 2023 JPY'000	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities (continued)			
OFFICE/BUSINESS EQUIPMENT			
Sato Holdings Corporation	64,700	136,905	0.44
Total OFFICE/BUSINESS EQUIPMENT		136,905	0.44
PHARMACEUTICALS			
Astellas Pharma Incorporated	428,000	721,608	2.33
Takeda Pharmaceutical Company Limited	172,500	699,315	2.26
Total PHARMACEUTICALS		1,420,923	4.59
REAL ESTATE			
Nomura Real Estate Holdings Incorporated	195,000	723,255	2.34
Total REAL ESTATE		723,255	2.34
RETAIL			
K's Holdings Corporation	490,300	647,686	2.09
Marui Group Company Limited	324,500	767,280	2.48
Sundrug Company Limited	147,500	668,470	2.16
Total RETAIL		2,083,436	6.73
TELECOMMUNICATIONS			
KDDI Corporation	157,500	706,545	2.28
Nippon Telegraph & Telephone Corporation	4,436,000	764,323	2.47
Total TELECOMMUNICATIONS		1,470,868	4.75
TRANSPORTATION			
Kamigumi Company Limited	158,400	533,174	1.72
Senko Group Holdings Company Limited	252,500	288,355	0.93
Total TRANSPORTATION		821,529	2.65
Total Quoted Equities		30,010,260	96.92
Portfolio of investments		30,010,260	96.92
Other net assets		955,254	3.08
Net assets attributable to unitholders		30,965,514	100.00

The accompanying notes form an integral part of these financial statements

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

	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Auto Manufacturers	4.98	4.55
Auto Parts & Equipment	3.62	4.09
Banks	7.49	7.28
Beverages	1.87	-
Building Materials	5.64	7.26
Chemicals	8.66	10.98
Commercial Services	2.37	-
Computers	5.29	6.40
Distribution/Wholesale	9.28	9.13
Diversified Financial Services	4.50	4.26
Electrical Component & Equipment	1.72	-
Electronics	6.24	8.36
Engineering and Construction	2.96	3.88
Hand/Machine Tools	2.41	2.03
Home Builders	2.46	2.37
Insurance	2.53	2.46
Internet	-	0.96
Machinery-Construction & Mining	-	1.90
Machinery-Diversified	2.09	-
Miscellaneous Manufacture	1.31	1.28
Office/Business Equipment	0.44	1.18
Packaging & Containers	-	2.03
Pharmaceuticals	4.59	2.60
Real Estate	2.34	1.94
Retail	6.73	5.80
Semiconductors	-	1.96
Telecommunications	4.75	4.68
Transportation	2.65	1.46
	96.92	98.84
Portfolio of investments	96.92	98.84
Other net assets	3.08	1.16
Net assets attributable to unitholders	100.00	100.00

As the Fund invests wholly into Japanese equities, it is not meaningful to classify the investments into geography.

The accompanying notes form an integral part of these financial statements

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

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

1. General

Nikko AM Japan Dividend Equity Fund (the "Fund") is a Singapore domiciled fund constituted under a Trust Deed dated 21 May 2013 as amended by Supplemental Deeds and Amended and Restated Deeds (collectively referred to as the "Deeds"). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Fund is BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Fund is Nikko Asset Management Asia Limited (the "Manager"). The sub manager of the Fund is Nikko Asset Management Co., Ltd., domiciled in Japan (the "Sub-Manager").

There are currently thirteen classes of units established within the Fund, namely the United States Dollar ("USD" or "US\$") Class (denominated in USD), the USD (Acc) Class (denominated in USD), the USD Hedged Class (denominated in USD), the USD Hedged Class B (denominated in USD), the USD Hedged (Acc) Class (denominated in USD), the Singapore Dollar ("SGD" or "S\$") Class (denominated in SGD), the SGD Hedged (Acc) Class (denominated in SGD), the SGD Class B (denominated in SGD), the SGD Hedged Class (denominated in SGD), the SGD Hedged Class B (denominated in SGD), the Renminbi ("RMB") Class (denominated in RMB), the JPY Class Units (denominated in JPY) and the JPY Class B Units (denominated in JPY).

For the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class, the Manager intends to hedge the currency exposure of the assets of the Fund attributable to the USD Hedged Class, the USD Hedged Class B and to the USD Hedged (Acc) Class respectively, into USD through the use of currency forwards. The net asset value ("NAV") per unit of each of the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class will take into account any gains or losses arising from the use of the currency forwards in respect of the USD Hedged Class, the USD Hedged Class B and the USD Hedged (Acc) Class respectively.

For the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B, the Manager intends to hedge the currency exposure of the assets of the Fund attributable to the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B respectively into SGD through the use of currency forwards. The NAV per unit of each of the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B will take into account any gains or losses arising from the use of the currency forwards in respect of the SGD Hedged (Acc) Class, SGD Hedged Class and the SGD Hedged Class B respectively.

The USD Class, the USD Hedged Class, the USD Hedged Class B, the SGD Class, the SGD Hedged Class, the SGD Class B, the SGD Hedged Class B, the RMB Class, the JPY Class and the JPY Class B each intends to make distributions to unitholders. However, the USD (Acc) Class, the USD Hedged (Acc) Class and the SGD Hedged (Acc) Class will each not make any distributions to the unitholders of the relevant class.

There are no material differences between the Classes of units save for (i) the currency of denomination of each Class; (ii) the hedging features of the USD Hedged Class, the USD Hedged Class B, the USD Hedged (Acc) Class, the SGD Hedged (Acc) Class, the SGD Hedged Class and the SGD Hedged Class B; (iii) the annual management fee payable by each Class; (iv) the distribution policies applicable to the classes as described above and (v) the minimum initial and subsequent investment amounts and the minimum holding for the classes.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

1. General (continued)

As of 31 December 2023 and 2022, only units in the SGD Hedged Class, USD Hedged Class, SGD Class, SGD Hedged Class B and JPY Class, have been issued. During the financial year ended 31 December 2023, units in SGD Class B and USD Class were also issued.

The Fund is single priced and the NAV of the Fund may fall as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such Investments caused by subscriptions, redemptions, switches and/or exchanges of units in the Fund. To protect unitholders' interests, the Manager shall, in consultation with the Trustee, have the discretion to apply dilution adjustment or swing pricing in certain circumstances which the Manager deem appropriate. Swing Pricing involves making upwards or downwards adjustments in the calculation of the NAV per unit of the Fund or Class on a particular Dealing Day so that such transaction costs and dealing spreads in respect of the underlying investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging units on that Dealing Day.

The NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular Dealing Day reaches or exceeds a certain percentage (the "Swing Threshold") of the size of the Fund as of such relevant Dealing Day.

Any dilution adjustment as at the last dealing day of the year will be disclosed under Units in issue.

During the financial year ended 31 December 2023, the Fund has reached the swing threshold and swing pricing has been applied on some Dealing Day. For the financial year ended 2022, the Fund did not reach the swing threshold and no swing pricing has been applied.

2. Material accounting policy information

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued and revised by the Institute of Singapore Chartered Accountants in August 2023 for the financial year beginning on or after 1 January 2023.

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

(b) Recognition of income

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

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(c) Distributions

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

(d) Investments

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

(i) *Initial recognition*

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

(ii) *Subsequent measurement*

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

(iii) *Derecognition*

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

(e) Basis of valuation of investments

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

(f) Receivables

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

(g) Sales and purchases awaiting settlement

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(h) Payables

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

(i) Cash and cash equivalents

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

(j) Foreign currency translation

(i) *Functional and presentation currency*

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

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

(ii) *Transactions and balances*

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

(k) Offsetting financial instruments

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

(l) Financial derivatives

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

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(l) Financial derivatives (continued)

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

(m) Expenses

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

(n) Management fee

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

(o) Creation and cancellation of units

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

3. Income tax

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

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

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***3. Income tax (continued)**

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

	2023	2022
	JPY'000	JPY'000
Overseas income tax	126,408	100,352

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

4. Receivables

	2023	2022
	JPY'000	JPY'000
Receivable from unitholders for creation of units	281,260	73,446
Dividends receivable	56,368	31,684
	337,628	105,130

5. Payables

	2023	2022
	JPY'000	JPY'000
Payable to unitholders for cancellation of units	433,966	35,425
Amount due to the Manager	128,250	82,739
Amount due to the Trustee	6,775	1,766
Valuation fee payable	9,035	2,355
Transfer agent fee payable	217	69
Provision for audit fee	1,735	1,438
Custody fee payable	2,546	857
	582,524	124,649

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

6. Financial derivatives

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

	Contract or underlying principal amount		Year-end positive fair value		Year-end negative fair value	
	2023	2022	2023	2022	2023	2022
	JPY'000	JPY'000	JPY'000	JPY'000	JPY'000	JPY'000
Forward foreign exchange contracts	23,684,255	17,498,802	103,649	-	(10,399)	(407,980)

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***6. Financial derivatives (continued)**

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

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

(i) Offsetting financial assets

The Fund has no financial assets which are subject to enforceable master netting agreements or similar agreements for the financial year ended 31 December 2023 and 2022.

(ii) Offsetting financial liabilities

	Gross amounts of recognised financial liabilities JPY'000	Gross amounts of recognised financial assets set-off in the Statement of Financial Position JPY'000	Net amounts of financial liabilities presented in the Statement of Financial Position JPY'000	Related accounts not set-off in the Statement of Financial Position		
				Financial instruments JPY'000	Cash collateral JPY'000	Net exposure JPY'000
2023						
Forward foreign exchange contracts	10,399	-	10,399	-	-	10,399

	Gross amounts of recognised financial liabilities JPY'000	Gross amounts of recognised financial assets set-off in the Statement of Financial Position JPY'000	Net amounts of financial liabilities presented in the Statement of Financial Position JPY'000	Related accounts not set-off in the Statement of Financial Position		
				Financial instruments JPY'000	Cash collateral JPY'000	Net exposure JPY'000
2022						
Forward foreign exchange contracts	239,660	-	239,660	-	-	239,660

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Units in issue**

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

<u>SGD Hedged Class</u>	2023 '000	2022 '000
Units at beginning of the financial year	84,878	72,886
Units created	76,425	31,676
Units cancelled	(41,215)	(19,684)
Units at end of the financial year	120,088	84,878
Net assets attributable to unitholders - JPY'000	20,569,738	10,312,127
Net asset value per unit - JPY	171.289	121.494
<u>USD Hedged Class</u>	2023 '000	2022 '000
Units at beginning of the financial year	26,186	27,732
Units created	5,461	5,162
Units cancelled	(21,914)	(6,708)
Units at end of the financial year	9,733	26,186
Net assets attributable to unitholders - JPY'000	2,261,673	4,384,112
Net asset value per unit - JPY	232.372	167.422
<u>SGD Class</u>	2023 '000	2022 '000
Units at beginning of the financial year	37,102	31,343
Units created	31,571	12,364
Units cancelled	(25,206)	(6,605)
Units at end of the financial year	43,467	37,102
Net assets attributable to unitholders - JPY'000	4,718,922	3,218,376
Net asset value per unit - JPY	108.563	86.744
<u>SGD Hedged Class B</u>	2023 '000	2022 '000
Units at beginning of the financial year	24,559	25,605
Units created	525	4,466
Units cancelled	(23,753)	(5,512)
Units at end of the financial year	1,331	24,559
Net assets attributable to unitholders - JPY'000	186,573	2,577,047
Net asset value per unit - JPY	140.175	104.933

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Units in issue (continued)**

<u>JPY Class</u>	2023 '000	2022 '000
Units at beginning of the financial year	2,360	-
Units created	10,870	2,360
Units cancelled	(1,110)	-
Units at end of the financial year	12,120	2,360
Net assets attributable to unitholders - JPY'000	1,473,188	229,174
Net asset value per unit - JPY	121.550	97.108
<u>SGD Class B</u>	2023 '000	2022 '000
Units at beginning of the financial year	-	-
Units created	32,483	-
Units cancelled	(24,356)	-
Units at end of the financial year	8,127	-
Net assets attributable to unitholders - JPY'000	970,426	-
Net asset value per unit - JPY	119.408	-
<u>USD Class</u>	2023 '000	2022 '000
Units at beginning of the financial year	-	-
Units created	21,764	-
Units cancelled	(16,754)	-
Units at end of the financial year	5,010	-
Net assets attributable to unitholders - JPY'000	784,994	-
Net asset value per unit - JPY	156.685	-

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Units in issue (continued)**

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

<u>SGD Hedged Class</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	171.289	121.494
Effects of distribution per unit	1.034	0.521
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	(0.015)	(0.020)
Net assets attributable to unitholders for issuing/redeeming per unit	172.308	121.995
<u>USD Hedged Class</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	232.372	167.422
Effects of distribution per unit	1.403	0.726
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	(0.063)	(0.015)
Net assets attributable to unitholders for issuing/redeeming per unit	233.712	168.133
<u>SGD Class</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	108.563	86.744
Effects of distribution per unit	0.631	0.364
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.010	0.004
Net assets attributable to unitholders for issuing/redeeming per unit	109.204	87.112

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Units in issue (continued)**

<u>SGD Hedged Class B</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	140.175	104.933
Effects of distribution per unit	0.838	0.453
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	-	(0.020)
Net assets attributable to unitholders for issuing/redeeming per unit	141.013	105.366
<u>JPY Class</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	121.550	97.108
Effects of distribution per unit	0.719	0.421
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.009	(0.005)
Net assets attributable to unitholders for issuing/redeeming per unit	122.278	97.524
<u>SGD Class B</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	119.408	-
Effects of distribution per unit	0.696	-
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.013	-
Net assets attributable to unitholders for issuing/redeeming per unit	120.117	-
<u>USD Class</u>	2023 JPY'000	2022 JPY'000
Net assets attributable to unitholders per financial statements per unit	156.685	-
Effects of distribution per unit	0.911	-
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	0.005	-
Net assets attributable to unitholders for issuing/redeeming per unit	157.601	-

^ 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.

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Distributions**

	2023 JPY'000	2022 JPY'000
January interim distribution of US\$0.52 (USD Hedged Class), S\$0.51 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.42 (SGD Hedged Class B) & JPY4.021 (JPY Class) per 100 units in respect of the financial year ended 31 December 2023	59,286	-
February interim distribution of US\$0.55 (USD Hedged Class), S\$0.54 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.43 (SGD Hedged Class B), JPY4.208 (JPY Class), S\$0.41 (SGD Class B) & US\$0.40 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	82,057	-
March interim distribution of US\$0.54 (USD Hedged Class), S\$0.54 (SGD Hedged Class), S\$0.38 (SGD Class), S\$0.44 (SGD Hedged Class B), JPY4.184 (JPY Class), S\$0.42 (SGD Class B) & US\$0.41 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	85,016	-
April interim distribution of US\$0.56 (USD Hedged Class), S\$0.55 (SGD Hedged Class), S\$0.38 (SGD Class), S\$0.45 (SGD Hedged Class B), JPY4.282 (JPY Class), S\$0.42 (SGD Class B) & US\$0.41 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	86,776	-
May interim distribution of US\$0.60 (USD Hedged Class), S\$0.59 (SGD Hedged Class), S\$0.40 (SGD Class), S\$0.48 (SGD Hedged Class B), JPY4.579 (JPY Class), S\$0.44 (SGD Class B) & US\$0.43 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	98,748	-
June interim distribution of US\$0.65 (USD Hedged Class), S\$0.64 (SGD Hedged Class), S\$0.42 (SGD Class), S\$0.52 (SGD Hedged Class B), JPY4.921 (JPY Class), S\$0.46 (SGD Class B) & US\$0.45 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	107,647	-
July interim distribution of US\$0.63 (USD Hedged Class), S\$0.62 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.51 (SGD Hedged Class B), JPY 4.79 (JPY Class), S\$0.45 (SGD Class B) & US\$0.45 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	108,593	-
August interim distribution of US\$0.66 (USD Hedged Class), S\$0.64 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.52 (SGD Hedged Class B), JPY4.948 (JPY Class), S\$0.45 (SGD Class B), US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	118,704	-
September interim distribution of US\$0.70 (USD Hedged Class), S\$0.69 (SGD Hedged Class), S\$0.43 (SGD Class), S\$0.56 (SGD Hedged Class B), JPY5.253 (JPY Class), S\$0.48 (SGD Class B) & US\$0.46 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	139,041	-
October interim distribution of US\$0.68 (USD Hedged Class), S\$0.67 (SGD Hedged Class), S\$0.42 (SGD Class), S\$0.55 (SGD Hedged Class B), JPY5.11 (JPY Class), S\$0.46 (SGD Class B) & US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	145,798	-

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Distributions (continued)**

	2023 JPY'000	2022 JPY'000
November interim distribution of US\$0.69 (USD Hedged Class), S\$0.68 (SGD Hedged Class), S\$0.41 (SGD Class), S\$0.55 (SGD Hedged Class B), JPY5.14 (JPY Class), S\$0.45 (SGD Class B) & US\$0.44 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	125,597	-
December final distribution of US\$0.97 (USD Hedged Class), S\$0.95 (SGD Hedged Class), S\$0.58 (SGD Class), S\$0.77 (SGD Hedged Class B), JPY7.19 (JPY Class), S\$0.64 (SGD Class B) & US\$0.63 (USD Class) per 100 units in respect of the financial year ended 31 December 2023	185,276	-
January interim distribution of US\$0.53 (USD Hedged Class), S\$0.52 (SGD Hedged Class), S\$0.44 (SGD Class), S\$0.45 (SGD Hedged Class B) & US\$0.4 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	72,171
February interim distribution of US\$0.52 (USD Hedged Class), S\$0.51 (SGD Hedged Class), S\$0.43 (SGD Class), S\$0.44 (SGD Hedged Class B) & US\$0.39 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	72,250
March interim distribution of US\$0.50 (USD Hedged Class), S\$0.49 (SGD Hedged Class), S\$0.40 (SGD Class), S\$0.42 (SGD Hedged Class B) & US\$0.38 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	73,829
April interim distribution of US\$0.51 (USD Hedged Class), S\$0.50 (SGD Hedged Class), S\$0.39 (SGD Class), S\$0.43 (SGD Hedged Class B) & US\$0.39 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	76,310
May interim distribution of US\$0.52 (USD Hedged Class), S\$0.50 (SGD Hedged Class), S\$0.39 (SGD Class), S\$0.43 (SGD Hedged Class B) & US\$0.39 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	80,582
June interim distribution of US\$0.52 (USD Hedged Class), S\$0.50 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.43 (SGD Hedged Class B) & US\$0.39 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	82,577
July interim distribution of US\$0.51 (USD Hedged Class), S\$0.50 (SGD Hedged Class), S\$0.36 (SGD Class), S\$0.43 (SGD Hedged Class B) & US\$0.39 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	80,039
August interim distribution of US\$0.53 (USD Hedged Class), S\$0.52 (SGD Hedged Class), S\$0.38 (SGD Class), S\$0.45 (SGD Hedged Class B) & US\$0.40 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	91,621

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Distributions (continued)**

	2023 JPY'000	2022 JPY'000
September interim distribution of US\$0.53 (USD Hedged Class), S\$0.52 (SGD Hedged Class), S\$0.36 (SGD Class), S\$0.45 (SGD Hedged Class B) & US\$0.40 (USD Hedged Class B) per 100 units in respect of the financial year ended 31 December 2022	-	93,436
October interim distribution of US\$0.53 (USD Hedged Class), S\$0.51 (SGD Hedged Class), S\$0.35 (SGD Class), S\$0.44 (SGD Hedged Class B) & JPY4.08 (JPY Class) per 100 units in respect of the financial year ended 31 December 2022	-	88,698
November interim distribution of US\$0.54 (USD Hedged Class), S\$0.52 (SGD Hedged Class), S\$0.36 (SGD Class), S\$0.45 (SGD Hedged Class B) & JPY4.137 (JPY Class) per 100 units in respect of the financial year ended 31 December 2022	-	89,997
December final distribution of US\$0.55 (USD Hedged Class), S\$0.53 (SGD Hedged Class), S\$0.37 (SGD Class), S\$0.46 (SGD Hedged Class B) & JPY4.214 (JPY Class) per 100 units in respect of the financial year ended 31 December 2022	-	88,888
	1,342,539	990,398

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management

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

The Fund's primary objective is to provide a total return of capital growth and income over the medium to long-term by investing in equities listed and traded on the Tokyo Stock Exchange.

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

(a) Market risk - Price risk

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

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

The Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark. The Fund's market price risk is managed through diversification of the investment portfolio across various industries in Japan. The Manager has assessed that the TOPIX Net Return Index (the "Index") will provide a suitable analysis of reasonable possible shifts of the fair value of the Fund's investments.

As at 31 December 2023, an increase/decrease of the index component within the Index by 18% (2022: 20%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 15% (2022: 15%). The analysis was based on the assumptions that the index components within the Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(b) Market risk - Interest rate risk

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

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

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

(c) Market risk - Currency risk

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

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

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

As at 31 December 2023	SGD JPY'000	JPY JPY'000	USD JPY'000	Total JPY'000
Assets				
Portfolio of investments	-	30,010,260	-	30,010,260
Receivables	247,961	86,994	2,673	337,628
Cash and cash equivalents	816,254	326,695	155,591	1,298,540
Total assets	1,064,215	30,423,949	158,264	31,646,428
Liabilities				
Payables	547,148	-	35,376	582,524
Purchases awaiting settlement	-	6,364	-	6,364
Distributions payable	158,341	8,714	18,221	185,276
Total liabilities	705,489	15,078	53,597	774,164
Net off-balance sheet derivative financial instruments	20,969,122	(23,148,236)	2,272,364	
Net currency exposure	21,327,848	7,260,635	2,377,031	

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***9. Financial risk management (continued)****(c) Market risk - Currency risk (continued)**

As at 31 December 2022	SGD JPY'000	JPY JPY'000	USD JPY'000	Total JPY'000
Assets				
Portfolio of investments	-	20,480,861	-	20,480,861
Sales awaiting settlement	-	25,615	-	25,615
Receivables	73,237	31,683	210	105,130
Cash and cash equivalents	399,736	257,573	103,034	760,343
Total assets	472,973	20,795,732	103,244	21,371,949
Liabilities				
Payables	122,983	-	1,666	124,649
Purchases awaiting settlement	-	29,596	-	29,596
Distributions payable	68,878	995	19,015	88,888
Total liabilities	191,861	30,591	20,681	243,133
Net off-balance sheet derivative financial instruments	13,063,288	(17,732,212)	4,260,944	
Net currency exposure	13,344,400	3,032,929	4,343,507	

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 as part of the price risk sensitivity analysis.

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

	Increase/decrease in foreign exchange rate (%)		Increase/decrease in net asset attributable to unitholders (%)	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
SGD	9	10	6	6
USD	10	11	1	2

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(d) Liquidity risk

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

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

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

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

The Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining year at the Statement of Financial Position date to the contractual maturity date. As at 31 December 2023 and 2022, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

	<u>Less than 3 months</u>	
	As at	As at
	31 December	31 December
	2023	2022
	JPY'000	JPY'000
Payables	582,524	124,649
Purchases awaiting settlement	6,364	29,596
Distribution payable	185,276	88,888
Contractual cash outflows		
(excluding gross settled derivatives)	774,164	243,133

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***9. Financial risk management (continued)****(d) Liquidity risk (continued)**

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

	Less than 3 months	
	As at	As at
	31 December	31 December
	2023	2022
	JPY'000	JPY'000
Currency forwards		
- Outflow	(3,457,437)	(17,732,212)
- Inflow	3,447,038	17,324,232
Net outflow	(10,399)	(407,980)

(e) Credit risk

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

Concentrations of credit risk are minimised primarily by:

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

The Fund is also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2023 and 2022, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realised within three months. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognised based on the 12 month expected credit losses as any such impairment would be insignificant to the Fund.

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

Credit risk arises from cash and cash equivalents and outstanding and committed transactions from brokers. The table below summarises the credit rating of bank and custodian in which the Fund's assets are held as at 31 December 2023 and 2022.

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Financial risk management (continued)

(e) Credit risk (continued)

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	Aa3	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- ANZ Bank	Aa3	Aa3	Moody's
- ING Bank	Baa1	N.A	Moody's
- JP Morgan Chase & Company	A1	A1	Moody's
- HSBC Bank	Aa3	A3	Moody's

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

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

(f) Capital management

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

(g) Fair value estimation

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***9. Financial risk management (continued)****(g) Fair value estimation (continued)**

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

As at 31 December 2023	Level 1 JPY'000	Level 2 JPY'000	Level 3 JPY'000	Total JPY'000
Assets				
Portfolio of investments:				
- Quoted equities	30,010,260	-	-	30,010,260
Financial derivatives at fair value	-	103,649	-	103,649
	30,010,260	103,649	-	30,113,909
Liabilities				
Financial derivatives at fair value	-	10,399	-	10,399
As at 31 December 2022	Level 1 JPY'000	Level 2 JPY'000	Level 3 JPY'000	Total JPY'000
Assets				
Portfolio of investments:				
- Quoted equities	20,480,861	-	-	20,480,861
Liabilities				
Financial derivatives at fair value	-	407,980	-	407,980

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

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 over-the-counter derivatives.

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

10. Related party transactions

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

	2023 JPY'000	2022 JPY'000
Bank balances held with related party of the Trustee	1,298,540	760,343

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***11. Financial ratios****Expense ratio****SGD Hedged Class**

		2023	2022
Total operating expenses	JPY'000	245,597	160,321
Average daily net asset value	JPY'000	14,547,577	9,358,039
Total expense ratio¹	%	1.69	1.71

USD Hedged Class

		2023	2022
Total operating expenses	JPY'000	35,836	78,253
Average daily net asset value	JPY'000	2,091,592	4,565,666
Total expense ratio¹	%	1.71	1.71

SGD Class

		2023	2022
Total operating expenses	JPY'000	50,933	51,823
Average daily net asset value	JPY'000	2,992,779	3,023,416
Total expense ratio¹	%	1.70	1.71

SGD Hedged Class B

		2023	2022
Total operating expenses	JPY'000	2,663	23,214
Average daily net asset value	JPY'000	274,060	2,578,828
Total expense ratio¹	%	0.97	0.90

USD Hedged Class B

		2023	2022
Total operating expenses	JPY'000	-	201
Average daily net asset value	JPY'000	-	30,215
Total expense ratio^{1,2} (annualised)	%	-	0.90

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***11. Financial ratios (continued)****Expense ratio (continued)**

		2023	2022
<u>JPY Class</u>			
Total operating expenses	JPY'000	12,093	1,101
Average daily net asset value	JPY'000	720,879	207,305
Total expense ratio¹ (annualised)	%	1.68	1.76
		2023	2022
<u>SGD Class B</u>			
Total operating expenses	JPY'000	25,221	-
Average daily net asset value	JPY'000	3,067,923	-
Total expense ratio¹ (annualised)	%	0.88	-
		2023	2022
<u>USD Class</u>			
Total operating expenses	JPY'000	37,991	-
Average daily net asset value	JPY'000	2,407,928	-
Total expense ratio¹ (annualised)	%	1.69	-

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

² USD Hedged Class B was fully redeemed on 28 September 2022.

Turnover ratio

		2023	2022
Lower of total value of purchases or sales	JPY'000	18,258,316	7,478,142
Average daily net asset value	JPY'000	25,802,375	19,763,469
Total turnover ratio³	%	70.76	37.84

³ 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 JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 18 to 21.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 31 December 2023

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Mitsubishi UFJ Financial Group Incorporated	826,364	2.67
Toyota Motor Corporation	791,398	2.56
Sumitomo Mitsui Financial Group Incorporated	786,384	2.54
Tokio Marine Holdings Incorporated	784,850	2.53
Nitto Denko Corporation	780,700	2.52
Marui Group Company Limited	767,280	2.48
Nippon Telegraph & Telephone Corporation	764,323	2.47
Daiwa House Industry Company Limited	760,843	2.46
ORIX Corporation	756,694	2.44
Honda Motor Company Limited	749,859	2.42

10 largest holdings at 31 December 2022

	Fair value JPY'000	Percentage of total net assets attributable to unitholders %
Sumitomo Mitsui Financial Group Incorporated	528,011	2.55
Mitsubishi UFJ Financial Group Incorporated	521,310	2.52
Tokio Marine Holdings Incorporated	510,647	2.46
Astellas Pharma Incorporated	496,408	2.40
Kyocera Corporation	495,986	2.39
Itochu Corporation	495,862	2.39
Mitsui & Company Limited	494,340	2.39
Daiwa House Industry Company Limited	491,102	2.37
Nippon Telegraph & Telephone Corporation	490,565	2.37
KDDI Corporation	479,433	2.31

NIKKO AM JAPAN DIVIDEND EQUITY FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial year ended 31 December 2023***4. Exposure to financial derivatives**

	Fair value at 31 December 2023 JPY'000	Percentage of Total net assets attributable to unitholders at 31 December 2023 %	Unrealised gains/(losses) JPY'000	Realised gains/(losses) JPY'000
Forward foreign exchange contracts	93,250	0.30	93,250	1,492,298

5. Global exposure to financial derivatives

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

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

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

Nil.

9. Borrowings

Nil.

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

	JPY'000
Units created	24,451,593
Units cancelled	(20,656,391)

NIKKO AM JAPAN DIVIDEND EQUITY FUND

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 44.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 43 to 44.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 42.

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

Nil.

15. Soft dollar commissions/arrangements

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

