

nikko am

ANNUAL REPORT

For the financial year ended 30 June 2014

**Nikko AM Singapore
STI ETF**

MANAGERS

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

DIRECTORS

Frederick Reidenbach
Blair Chilton Pickerell
Lim Say Boon
V Arivazhagan
Seet Oon Hui Eleanor
Andrew Ross Long
Yu-Ming Wang

TRUSTEE & REGISTRAR

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay, #10-02 HSBC Building
Singapore 049320

AUDITORS

PricewaterhouseCoopers LLP
8 Cross Street, #17-00 PWC Building
Singapore 048424

SOLICITORS TO THE MANAGERS

Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

SOLICITORS TO THE TRUSTEE

WongPartnership LLP
12 Marina Boulevard Level 28
Marina Bay Financial Centre Tower 3
Singapore 018982

CUSTODIAN

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong

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	Since Inception
FTSE Straits Times Index	3.40	4.43	6.65	4.58	10.17	17.74
Nikko AM Singapore STI ETF ¹	3.26	4.17	6.02	4.07	9.28	16.62

Source: ©2014 Morningstar, Inc. & Nikko Asset Management Asia Limited, as at 30 June 2014. Benchmark returns are calculated on a total return basis. Returns are calculated on a NAV-NAV² basis, in SGD, and assuming 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.

Note:

(1) With effect from 17 October 2011, the Fund (formerly known as “DBS Singapore STI ETF”) has been renamed “Nikko AM Singapore STI ETF”.

(2) Nil subscription fee or preliminary charge.

Inception Date: 24 February 2009

About Nikko AM Singapore STI ETF

The Nikko AM Singapore STI ETF (the “Fund”) is an exchange traded fund (“ETF”) and a collective investment scheme, authorised in Singapore and listed on the Singapore Stock Exchange.

The Fund’s investment objective is to replicate as closely as possible, before expenses, the performance of the FTSE Straits Times Index or upon the Manager giving three (3) months’ prior written notice to the Trustee and the Holders, such other index which tracks the performance of Singapore listed equity securities. The current benchmark for the Fund is the FTSE Straits Times Index. There can be no assurance that the Fund will achieve its investment objective.

FUND DETAILS *	
Net Asset Value (“NAV”) per unit (30 June 2014)	S\$ 3.3518
Fund Size (30 June 2014)	S\$ 125.18 million
Fund Currency	Singapore Dollar
Inception Date	24 February 2009
Listing Date	25 February 2009
Lot Size (via SGX-ST)	100 units per lot
Lot Size (via participating dealers)	100,000 units
Management Fee	0.20% p.a.
Trustee Fee	0.08% p.a.

*** Please refer to the Fund’s prospectus for more information on payable fees and charges.**

The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Shares in substantially the same weightings as reflected in the Index. Various circumstances may make it impossible or impracticable to purchase each component Index Shares in the same weightings as reflected in the Index. In those circumstances, the Manager may employ a combination of one or more investment techniques in seeking to closely track the Index. In addition, given the Index Shares may be and are added to or removed from the Index from time to time, the Manager may sell or purchase securities that are not yet represented in the Index in anticipation of their removal from or addition to the Index.

The Fund is designed for investors who seek an “index-based” approach to investing in a portfolio of Singapore listed securities in a cost effective and easy to access manner. Units may also be used as an asset allocation tool or as a trading instrument.

Note: Investors are advised to refer to the Fund’s prospectus for more details of the Fund.

IMPORTANT INFORMATION

This document is for information only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. 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 unit trusts 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 funds may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. Investments in the funds are subject to investment risks, including the possible loss of principal amount invested. You should read the relevant prospectus and product highlights sheet obtainable from appointed distributors of Nikko AM Asia or our website (www.nikkoam.com.sg) before investing.

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

The performance of the ETF's price on the Singapore Stock Exchange ("SGX") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX. Transaction in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

Nikko Asset Management Asia Limited. Registration Number 198202562H

SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

The primary objective of the Manager in placing orders for the purchase and sale of Index Shares and non-Index Shares, when adjusting the Nikko AM Singapore STI ETF (the "Fund") portfolio to reflect changes in the Index or in respect of a cash subscription or redemption, is to obtain the most favourable net results taking into account such factors as price, commission or spread and size of the order. Where it is consistent with this objective, it is the Manager's practice to place such orders with brokers/dealers who supply research, market information and quotations and statistical information to the Manager, which may be useful to the Manager in providing its services as manager of the Fund and/or may be useful to the Manager in providing services to other clients (including other funds managed by the Manager), other than as manager of the Fund.

Appointment of soft dollar brokers

Soft dollar brokers will be appointed onto the Manager's broker panel only after the Manager has ensured that:

- a) full disclosure of the practice of accepting soft dollars is made;
- b) the commission rates charged are comparable with the market rates;
- c) there is no conflict of interest;
- d) the soft dollar credits are used only for clearly defined services;
- e) at all times trades are executed through the respective brokers only on the basis of best execution regardless whether soft dollar benefits will accrue. Best execution shall include competitive prices with smooth execution ability; and
- f) relevant regulations and guidelines are complied with.

The procedures for the appointment of the brokers shall be no different from that of normal full service brokers.

Execution and allocation

If the Trustee objects to the use of the soft dollar brokers, the trades of the Fund shall be segregated from the rest of the trades that are executed through the relevant soft dollar broker(s). The Manager will execute trades for such accounts only with authorised full service brokers.

It is the responsibility of the Manager to ensure that the allocation quotas are adhered to. In addition, the Manager will monitor the execution ability of the soft dollar brokers and assign the business strictly on a "best execution" basis.

Subject to the provisions of the CIS Code*, in its management of the Fund, the Manager may receive soft dollar commissions from, or may enter into soft dollar arrangements with, stockbrokers who execute trades on behalf of the Fund and the soft dollars received would be restricted to the following kinds of services:

- a) specific advice as to the advisability of dealing in, or of the value of any investments;
- b) research and advisory services;
- c) economic and political analysis;
- d) portfolio analysis including valuation and portfolio measurements;
- e) market analysis;
- f) data and quotation services;
- g) computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and
- h) custodial services in relation to the investments managed for clients.

The following are, however, prohibited:

- a) travel, accommodation and entertainment expenses;
- b) general administrative goods and services including office equipment and premises;
- c) membership fees;
- d) employee salaries;
- e) direct money payments / rebates.

Records of the payments made using soft dollar commissions shall be retained with the Manager.

*The "Code" means the Code on Collective Investment Schemes issued by the Authority pursuant to the Securities and Futures Act, as may be amended, modified, or supplemented from time to time by the Authority.

NIKKO AM SINGAPORE STI ETF

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

REPORT OF THE TRUSTEE

For the financial year ended 30 June 2014

The Trustee is under a duty to take into custody and hold the assets of Nikko AM Singapore STI ETF (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act (Cap.289), 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 9 to 29, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC Institutional Trust Services (Singapore) Limited

Authorised signatory

NIKKO AM SINGAPORE STI ETF

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

STATEMENT BY THE MANAGER

For the financial year ended 30 June 2014

In the opinion of the directors of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 9 to 29, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders' Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of Nikko AM Singapore STI ETF (the "Fund") as at 30 June 2014 and the total return and changes in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" 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

**INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF
NIKKO AM SINGAPORE STI ETF**

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

We have audited the accompanying financial statements of Nikko AM Singapore STI ETF (the "Fund") which comprise the Statement of Financial Position and Statement of Portfolio as at 30 June 2014, the Statement of Total Return and Statement of Movements of Unitholders' Funds for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 29.

Manager's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 30 June 2014 and the total return for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial year ended 30 June 2014*

	Note	2014 S\$	2013 S\$
Income			
Dividends		<u>4,091,395</u>	<u>4,042,005</u>
Less: Expenses			
Audit fee		25,850	27,069
Management fee		248,803	270,239
Trustee fee		99,521	108,096
Transaction costs		27,624	56,236
Other expenses		<u>144,341</u>	<u>120,873</u>
		<u>546,139</u>	<u>582,513</u>
Net income		<u>3,545,256</u>	<u>3,459,492</u>
Net gains or losses on value of investments			
Net gains on investments		3,391,738	13,090,378
Net foreign exchange losses		<u>(11,533)</u>	<u>(6,439)</u>
		<u>3,380,205</u>	<u>13,083,939</u>
Total return for the financial year before income tax		<u>6,925,461</u>	<u>16,543,431</u>
Less: Income tax	3	<u>(28,954)</u>	<u>(25,123)</u>
Total return for the financial year after income tax		<u>6,896,507</u>	<u>16,518,308</u>

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2014*

	Note	2014 S\$	2013 S\$
ASSETS			
Portfolio of investments		124,773,959	125,810,407
Receivables	4	16,893	39,516
Prepayments		1,120	-
Cash and bank balances		512,434	1,120,122
Total assets		125,304,406	126,970,045
LIABILITIES			
Payables	5	128,292	126,139
Distribution payable		1,736,608	-
Purchases awaiting settlement		-	601,611
Total liabilities		1,864,900	727,750
EQUITY			
Net assets attributable to unitholders	7	123,439,506	126,242,295

The accompanying notes form an integral part of these financial statements

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 30 June 2014*

	Note	2014 S\$	2013 S\$
Net assets attributable to unitholders at the beginning of financial year		126,242,295	139,298,315
Operations			
Change in net assets attributable to unitholders resulting from operations		6,896,507	16,518,308
Unitholders' contributions/(withdrawals)			
Creation of units		5,597,780	5,045,460
Cancellation of units		(11,794,380)	(31,701,040)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(6,196,600)	(26,655,580)
Distributions	6	(3,502,696)	(2,918,748)
Total decrease in net assets attributable to unitholders		<u>(2,802,789)</u>	<u>(13,056,020)</u>
Net assets attributable to unitholders at the end of financial year	7	<u>123,439,506</u>	<u>126,242,295</u>

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2014***By Geography (Primary)**

	Holdings at 30 June 2014	Fair value at 30 June 2014 S\$	Percentage of total net assets attributable to unitholders at 30 June 2014 %
Quoted Equities			
HONG KONG SAR			
Hongkong Land Holdings Limited	537,503	4,469,421	3.62
Jardine Matheson Holdings Limited	108,069	7,990,493	6.47
Jardine Strategic Holdings Limited	101,310	4,512,632	3.66
Noble Group Limited	1,740,310	2,384,225	1.93
Total Hong Kong SAR		19,356,771	15.68
ISLE OF MAN			
Genting Singapore PLC	2,766,618	3,679,602	2.98
Total Isle of Man		3,679,602	2.98
MAURITIUS			
Golden Agri-Resources Limited	2,909,351	1,614,690	1.31
Total Mauritius		1,614,690	1.31
SINGAPORE			
Capitaland Limited	1,161,128	3,715,610	3.01
City Developments Limited	267,305	2,734,530	2.22
ComfortDelGro Corporation Limited	909,783	2,274,457	1.84
DBS Group Holdings Limited	788,034	13,199,570	10.69
Global Logistic Properties Limited	1,373,164	3,707,543	3.00
Hutchison Port Holdings Trust	2,339,003	2,099,461	1.70
Jardine Cycle & Carriage Limited	45,741	2,024,496	1.64
Keppel Corporation Limited	650,820	7,022,348	5.69
Olam International Limited	211,628	546,000	0.44
Oversea-Chinese Banking Corporation Limited	1,228,903	11,736,024	9.51
Sembcorp Industries Limited	403,654	2,167,622	1.76
Sembcorp Marine Limited	376,973	1,545,589	1.25
SIA Engineering Company Limited	101,708	513,625	0.42
Singapore Airlines Limited	226,032	2,343,952	1.90
Singapore Exchange Limited	372,863	2,591,398	2.10
Singapore Press Holdings Limited	723,157	3,015,565	2.44
Singapore Technologies Engineering Limited	705,161	2,679,612	2.17
Singapore Telecommunications Limited	3,331,768	12,827,307	10.39
Starhub Limited	263,508	1,098,828	0.89
United Overseas Bank Limited	537,621	12,107,225	9.81
Wilmar International Limited	952,628	3,038,883	2.46
Total Singapore		92,989,645	75.33

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2014***By Geography (Primary) (continued)**

	Holdings at 30 June 2014	Fair value at 30 June 2014 S\$	Percentage of total net assets attributable to unitholders at 30 June 2014 %
Quoted Equities (continued)			
THAILAND			
Thai Beverage Public Company Limited	4,461,551	2,766,161	2.24
Total Thailand		<u>2,766,161</u>	<u>2.24</u>
Total Quoted Equities		<u>120,406,869</u>	<u>97.54</u>
Quoted Real Estate Investment Trusts			
SINGAPORE			
Ascendas Real Estate Investment Trust	892,000	2,051,600	1.66
CapitaMall Trust	1,172,400	2,315,490	1.88
Total Singapore		<u>4,367,090</u>	<u>3.54</u>
Total Quoted Real Estate Investment Trusts		<u>4,367,090</u>	<u>3.54</u>
Portfolio of investments		124,773,959	101.08
Other net liabilities		(1,334,453)	(1.08)
Net assets attributable to unitholders		<u>123,439,506</u>	<u>100.00</u>

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2014***By Geography (Summary)**

	Percentage of total net assets attributable to unitholders at 30 June 2014 %	Percentage of total net assets attributable to unitholders at 30 June 2013 %
Quoted Equities		
Hong Kong SAR	15.68	15.73
Isle of Man	2.98	2.98
Mauritius	1.31	1.36
Singapore	75.33	75.48
Thailand	2.24	2.17
Total Quoted Equities	97.54	97.72
Quoted Real Estate Investment Trusts		
Singapore	3.54	1.94
Total Quoted Real Estate Investment Trusts	3.54	1.94
Portfolio of investments	101.08	99.66
Other net (liabilities)/assets	(1.08)	0.34
Net assets attributable to unitholders	100.00	100.00

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2014*

By Industry (Secondary)	Fair value at 30 June 2014 S\$	Percentage of total net assets attributable to unitholders at 30 June 2014 %	Percentage of total net assets attributable to unitholders at 30 June 2013 %
Agriculture	4,653,573	3.77	3.82
Airlines	2,343,952	1.90	1.93
Automotive	2,024,496	1.64	1.62
Banks & Finance	39,634,217	32.11	31.07
Brewery	2,766,161	2.24	2.17
Commercial Services	513,625	0.42	0.40
Diversified Resources	14,887,350	12.06	11.95
Engineering/Machine	2,167,622	1.76	1.61
Entertainment	3,015,565	2.44	2.49
Food & Beverage	546,000	0.44	0.80
Investment	2,099,461	1.70	1.72
Real Estate	18,306,706	14.83	16.06
REITS	4,367,090	3.54	1.94
Ship Building	8,567,937	6.94	6.84
Technology	2,679,612	2.17	2.42
Telecom Service	13,926,135	11.28	11.45
Transport	2,274,457	1.84	1.37
Portfolio of investments	124,773,959	101.08	99.66
Other net (liabilities)/assets	(1,334,453)	(1.08)	0.34
Net assets attributable to unitholders	123,439,506	100.00	100.00

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

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

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

1. General

Nikko AM Singapore STI ETF (the “Fund”) is a Singapore domiciled fund constituted by a Trust Deed dated 30 October 2008 as amended by Supplemental Deed (collectively referred to as the “Deeds”). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Fund is HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Manager of the Fund is Nikko Asset Management Asia Limited (the “Manager”).

2. Significant accounting policies

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

(a) Basis of preparation

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

On 1 July 2013, the Fund has adopted Singapore Financial Reporting Standard 113 “Fair value measurement” (“FRS 113”) which is effective for annual periods beginning on or after 1 January 2013. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Financial Reporting Standards (“FRS”). The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within FRS. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask price spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread.

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

On adoption of the standard, the Fund changed its valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs prescribed in the Fund's prospectus for the calculation of its per unit trading value for subscription and redemptions. In the prior year, the Fund utilised bid and ask prices for its listed financial assets and liabilities in accordance with FRS 39 "Financial Instruments: Recognition and Measurement". The change in valuation inputs is considered to be a change in estimate in accordance with FRS 8 "Accounting Policies Changes in Accounting Estimates and Errors" and is applied prospectively.

(b) Recognition of income

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

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

(c) Foreign currency translation

(i) *Functional and presentation currency*

The Fund qualifies as an authorised scheme under the Securities and Futures Act ("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 being denominated in Singapore dollars.

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

(ii) *Transactions and balances*

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

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

2. Significant accounting policies (continued)

(d) Distributions

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

(e) Investments

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

(i) *Initial recognition*

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

(ii) *Subsequent measurement*

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

(iii) *Derecognition*

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

(f) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. Prior to 1 July 2013, the quoted market price used for the financial assets held by the Fund was the current bid price. On adoption of FRS 113 'Fair value measurement', the Fund changed its fair valuation input to utilise 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 price spread that is most representative of fair value.

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

2. Significant accounting policies (continued)

(g) Receivables

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

(h) Units in issue

All units issued by the Trust provide the investors with the right to redeem for cash at the value proportionate to the investors' share in the Trust's net assets at redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount.

3. Income tax

The Fund was granted the status of a Designated Unit Trust by the Inland Revenue Authority of Singapore.

In accordance to Section 35(12) and (12A) of the Income Tax Act (Cap 134) of Singapore, subject to certain conditions, the following income shall not form part of the statutory income of the Fund and is thus not taxable for the year of assessment:

- (a) gains or 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);
- (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; and
- (e) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

3. Income tax (continued)

Income tax for the financial year ended 30 June 2014 and 2013 comprises:

	2014	2013
	S\$	S\$
Overseas income tax	7,594	-
Singapore income tax	21,360	25,123
	28,954	25,123

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

4. Receivables

	2014	2013
	S\$	S\$
Dividends receivable	16,893	39,516

5. Payables

	2014	2013
	S\$	S\$
Amount due to the Manager	61,609	63,629
Amount due to the Trustee	8,279	7,745
Provision for audit fee	25,503	25,403
Other payables	32,901	29,362
	128,292	126,139

Management fee is payable to Nikko Asset Management Asia Limited. Trustee fee is payable to HSBC Institutional Trust Services (Singapore) Limited.

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2014***6. Distributions**

	2014	2013
	S\$	S\$
Final distribution of S\$4.50 per 100 units in respect of the financial year 30 June 2013	1,766,088	-
Interim distribution of S\$4.65 per 100 units in respect of the financial year 30 June 2014	1,736,608	-
Final distribution of S\$3.50 per 100 units in respect of the financial year 30 June 2012	-	1,562,624
Interim distribution of S\$3.50 per 100 units in respect of the financial year 30 June 2013	-	1,356,124
	<u>3,502,696</u>	<u>2,918,748</u>

7. Units in issue

During the year ended 30 June 2014 and 30 June 2013, the number of units issued, redeemed and outstanding were as follows:

	2014	2013
Units at beginning of the financial year	39,446,400	47,746,400
Units created	1,700,000	1,600,000
Units cancelled	(3,800,000)	(9,900,000)
Units at end of the financial year	<u>37,346,400</u>	<u>39,446,400</u>
Net assets attributable to unitholders – S\$	123,439,506	126,242,295
Net asset value per unit – S\$	<u>3.3053</u>	<u>3.2004</u>

For subscriptions and redemptions and for various fee calculations as well as for reporting purpose, investments are stated at the last traded price on the valuation day for the purpose of determining net asset value per unit.

Prior to 1 July 2013, the investments were valued at the relevant bid market prices as at the reporting date for reporting purpose.

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:

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

7. Units in issue (continued)

	2014 S\$	2013 S\$
Net assets attributable to unitholders as per financial statements per unit	3.3053	3.2004
Effect of distribution per unit	0.0465	-
Effect of adopting bid prices at fair value per unit	-	0.0054
Net assets attributable to unitholders for issuing/redeeming per unit	3.3518	3.2058

8. Financial risk management

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

The Fund's primary objective is to provide investors with investment returns that correspond closely to the total return of Straits Times Index (the "Index"), or other indices which track the performance of certain equity securities ("Index Shares") listed on the Singapore Exchange, before fees and expenses.

The Fund's assets principally consist of investments in Index Shares in substantially the same weightings as reflected in the Index, and cash. The Manager will rebalance the Fund's investment from time to time to reflect any changes to the composition of, or the weighting of securities in, the Index with a view to minimise tracking error of the Fund's overall returns relative to the performance of the Index.

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

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

8. Financial risk management (continued)

(a) Market risk - Price risk

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

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

The Fund's market price risk is managed through diversification of the investment portfolio exposure across various stocks traded on the Singapore Exchange.

As the Fund invests primarily in equities listed on the Singapore Exchange in substantially the same weightings as reflected in the Index, the Manager is of the view that the price risk the Fund is subject to is best reflected by movements in its benchmark of the Index.

At 30 June 2014, an increase/decrease of the Index by 10% (2013: 20%), with all other variables remaining constant, the net assets attributable to unitholders for the year would increase/decrease by approximately 10% (2013: 19%). The analysis was based on the assumptions that the Index components within the benchmark increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Fund's investments moved according to the beta. The benchmark index percentage is revised annually depending on management's current view on market volatility and other relevant factors.

(b) Market Risk - Interest rate risk

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

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

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

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2014***8. Financial risk management (continued)****(c) Market Risk - Currency risk**

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

To minimise currency risk, the 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.

	SGD S\$	USD S\$	Total S\$
As at 30 June 2014			
Assets			
Portfolio of investments	105,701,952	19,072,007	124,773,959
Receivables	16,893	-	16,893
Prepayments	1,120	-	1,120
Cash and bank balances	511,187	1,247	512,434
Total assets	106,231,152	19,073,254	125,304,406
Liabilities			
Distribution payable	1,736,608	-	1,736,608
Payables	128,292	-	128,292
Total liabilities	1,864,900	-	1,864,900
Net currency exposure	104,366,252	19,073,254	
	SGD S\$	USD S\$	Total S\$
As at 30 June 2013			
Assets			
Portfolio of investments	105,453,679	20,356,728	125,810,407
Receivables	-	39,516	39,516
Cash and bank balances	1,118,853	1,269	1,120,122
Total assets	106,572,532	20,397,513	126,970,045
Liabilities			
Payables	126,139	-	126,139
Purchases awaiting settlement	601,611	-	601,611
Total liabilities	727,750	-	727,750
Net currency exposure	105,844,782	20,397,513	

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

8. Financial risk management (continued)

(c) Market Risk - Currency risk (continued)

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

As of 30 June 2014 and 2013, the Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

(d) Liquidity risk

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

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

To manage 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 all the securities are listed on a recognised stock exchange.

The Fund's financial liabilities are analysed using contractual undiscounted cashflows for maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at 30 June 2014, all liabilities are either payable on demand or due in less than 3 months. The impact of discounting is not significant.

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2014***8. Financial risk management** (continued)**(d) Liquidity risk** (continued)

	<u>Less than 3 months</u>	
	As at 30 June 2014 S\$	As at 30 June 2013 S\$
Distribution payables	1,736,608	-
Payables	128,292	126,139
Purchases awaiting settlement	-	601,611
Contractual cash outflows (excluding gross settled derivatives)	<u>1,864,900</u>	<u>727,750</u>

(e) Credit risk

Credit risk is the risk that a counterparty will be unable to fulfil its obligation 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.

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 bank balances, and outstanding and committed transactions with brokers. The table below summarises the credit rating of the bank and custodian in which the Fund's assets are held as at 30 June 2014 and 30 June 2013.

	Credit rating as at 30 June 2014	Credit rating as at 30 June 2013	Source of credit rating
Bank balance			
- The Hong Kong and Shanghai Banking Corporation Limited	AA-	AA-	Standard & Poor's
Custodian			
- The Hong Kong and Shanghai Banking Corporation Limited	AA-	AA-	Standard & Poor's

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

8. Financial risk management (continued)

(e) Credit risk (continued)

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

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

(f) Capital management

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

(g) Fair value estimation

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

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

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 30 June 2014 and 2013:

As at 30 June 2014	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted equities	120,406,869	-	-	120,406,869
- Quoted real estate investment trusts	4,367,090	-	-	4,367,090
	<u>124,773,959</u>	<u>-</u>	<u>-</u>	<u>124,773,959</u>

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

8. Financial risk management (continued)

(g) Fair value estimation (continued)

<u>As at 30 June 2013</u>	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted equities	123,359,061	-	-	123,359,061
- Quoted real estate investment trusts	2,451,346	-	-	2,451,346
	<u>125,810,407</u>	-	-	<u>125,810,407</u>

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.

Except for cash and bank balances which are classified as level 1, the Fund's assets and liabilities not measured at fair value at 30 June 2014 and 2013 have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the Statement of Financial Position date.

9. 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 HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Holdings Plc.

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 a related party at terms agreed between the parties and within the provisions of the Trust Deed:

	2014 S\$	2013 S\$
Related party balances		
- Current account bank balances maintained with a related company of the Trustee	<u>512,434</u>	<u>1,120,122</u>

NIKKO AM SINGAPORE STI ETF

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

10. Financial ratios

Expense ratio

		2014	2013
Total operating expenses	S\$	518,515	526,277
Average daily net asset value	S\$	123,655,361	135,815,306
Total expense ratio¹	%	0.42	0.39

Turnover ratio

		2014	2013
Lower of total value of purchases or sales	S\$	18,686,523	28,470,548
Average daily net asset value	S\$	123,655,361	135,815,306
Total turnover ratio²	%	15.11	20.96

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

(2) The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value. In line with Statement of Recommended Accounting Practice 7 "Reporting framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants in June 2012, total value of purchases or sales for the current year do not include brokerage and other transaction costs.

NIKKO AM SINGAPORE STI ETF

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2014

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 12 to 15.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 30 June 2014

	Cost S\$	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	10,853,661	13,199,570	10.69
Singapore Telecommunications Limited	10,464,738	12,827,307	10.39
United Overseas Bank Limited	9,999,831	12,107,225	9.81
Oversea-Chinese Banking Corporation Limited	11,036,100	11,736,024	9.51
Jardine Matheson Holdings Limited	6,703,855	7,990,493	6.47
Keppel Corporation Limited	6,239,005	7,022,348	5.69
Jardine Strategic Holdings Limited	3,753,752	4,512,632	3.66
Hongkong Land Holdings Limited	4,055,704	4,469,421	3.62
Capitaland Limited	3,493,919	3,715,610	3.01
Global Logistic Properties Limited	3,003,207	3,707,543	3.00

10 largest holdings at 30 June 2013

	Cost S\$	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Telecommunications Limited	10,678,701	13,017,605	10.31
Oversea-Chinese Banking Corporation Limited	11,363,031	12,730,906	10.08
DBS Group Holdings Limited	10,959,721	12,564,657	9.95
United Overseas Bank Limited	10,314,989	11,191,309	8.86
Jardine Matheson Holdings Limited	6,775,043	8,494,428	6.73
Keppel Corporation Limited	6,437,448	6,999,075	5.54
Jardine Strategic Holdings Limited	3,921,332	4,934,998	3.91
Hongkong Land Holdings Limited	4,073,867	4,757,139	3.77
Global Logistic Properties Limited	3,032,965	3,847,244	3.05
Genting Singapore PLC	4,891,723	3,765,588	2.98

NIKKO AM SINGAPORE STI ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial year ended 30 June 2014***4. Exposure to financial derivatives**

Nil.

5. Global exposure financial derivatives

Nil.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

	Fair value at 30 June 14 S\$	Percentage of total net assets attributable to unitholders at 30 June 14 %
Ascendas Real Estate Investment Trust	2,051,600	1.66
CapitaMall Trust	2,315,490	1.88
	<u>4,367,090</u>	<u>3.54</u>

9. Borrowings

Nil.

10. Amount of redemptions and subscriptions for the financial year ended 30 June 2014

	S\$
Redemptions	(11,794,380)
Subscriptions	<u>5,597,780</u>

11. Turnover ratios

Please refer to Note 10 of the Notes to the Financial Statements on page 29.

NIKKO AM SINGAPORE STI ETF

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

REPORT TO UNITHOLDERS

For the financial year ended 30 June 2014

12. Expense ratios

Please refer to Note 10 of the Notes to the Financial Statements on page 29.

13. Related party transactions

Please refer to Note 9 of the Notes to the Financial Statements on page 28.

14. Additional information

Service Providers:

Fund Manager	: Nikko Asset Management Asia Limited appointed on 30 Oct 08;
Remuneration Basis	: 0.2% p.a. on NAV
Trustee/Custodian/ Valuation Agent/	: HSBC Institutional Trust Services (Singapore) Limited
Fund Registrar	: HSBC Institutional Trust Services (Singapore) Limited
Market Makers	: Commerzbank AG (Hong Kong), BNP Paribas Arbitrage SNC & Standard Chartered Bank (Singapore)
Participating Dealers	: DBS Vickers Securities Pte Ltd, Societe General Bank & Trust (Hong Kong), Flow Traders Asia Pte Ltd, Commerzbank AG (Hong Kong) & BNP Paribas Securities Services
Corporate Secretariat	: Boardroom Corporate & Advisory Services Pte Ltd
Auditor	: PricewaterhouseCoopers appointed on 02 Sep 08
Audit Partner	: Patrick Yeo
Tax Agent	: Ernst & Young Solutions LLP
Solicitors to Managers	: Allen & Gledhill LLP
Solicitors to Trustee	: WongPartnership LLP

15. Any other material information that will adversely impact the valuation of the fund

Nil.

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

Company registration number 198202562H