

SEMI-ANNUAL REPORT

For the financial period ending 31 December 2021

**NikkoAM-StraitsTrading
Asia ex Japan REIT ETF**

MANAGERS

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Company Registration No. 198202562H

DIRECTORS

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TRUSTEE & REGISTRAR

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AUDITORS

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Singapore 018936

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

| <i>Returns (%)</i> | <i>3 Mth</i> | <i>6 Mth</i> | <i>1 Yr</i> | <i>3 Yr</i> | <i>5 Yr</i> | <i>10 Yr</i> | <i>Since Inception</i> |
|--|--------------|--------------|-------------|-------------|-------------|--------------|------------------------|
| NikkoAM-StraitsTrading Asia ex Japan REIT ETF ¹ | 1.66 | -1.11 | 1.67 | 4.58 | N/A | N/A | 6.20 |
| Benchmark ² | 1.81 | -0.61 | 2.68 | 5.53 | N/A | N/A | 7.02 |

Source: Nikko Asset Management Asia Limited & FTSE International Ltd. Returns as at 31 December 2021. Returns are calculated on a NAV-NAV basis, in SGD, and based on the assumption that all dividends and distributions are reinvested if any. Returns for periods in excess of 1 year are annualised. Past performance is not indicative of future performance.

Note:

- (1) With effect from 31 January 2018, SRE Capital Pte. Ltd. has ceased to be the Investment Adviser to Nikko Asset Management Asia Limited in respect of the NikkoAM-StraitsTrading Asia ex Japan REIT ETF.
- (2) The benchmark against which the performance of the Fund will be measured is the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (formerly known as FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index prior to 20 July 2020 and FTSE EPRA/NAREIT Asia ex Japan Net Total Return REIT Index prior to 3 September 2018). Benchmark returns are using the net total return version.

Inception date: 29 March 2017

The units of NikkoAM-StraitsTrading Asia ex Japan REIT ETF are not in any way sponsored, sold or promoted by FTSE International Limited ("FTSE"), by the London Stock Exchange Group companies ("LSEG"), Euronext N.V. ("Euronext"), European Public Real Estate Association ("EPRA"), or the National Association of Real Estate Investment Trusts ("NAREIT") (together the "Licensor Parties") and none of the Licensor Parties make any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the "Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, none of the Licensor Parties shall be liable (whether in negligence or otherwise) to any person for any error in the Index and none of the Licensor Parties shall be under any obligation to advise any person of any error therein.

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About NikkoAM-StraitsTrading Asia ex Japan REIT ETF

The NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the “Fund”) is a collective investment scheme authorised under Section 286 of the Securities and Futures Act and is established under the terms of a trust deed dated 27 February 2017 made between Nikko Asset Management Asia Limited as manager, and HSBC Institutional Trust Services (Singapore) Limited as trustee, of the Fund.

The investment objective of the Fund is to replicate as closely as possible, before expenses, the performance of the FTSE EPRA Nareit Asia ex Japan Net Total Return REIT Index (the “Index”), or upon the Manager giving three (3) months’ prior written notice to the Trustee and the Holders, such other index that gives, in the opinion of the Manager, the same or substantially similar exposure as the Index. There is no assurance that the Fund will achieve its investment objective or that it will be able to fully track the performance of the Index.

The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Securities in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy).

The Fund is designed for investors who seek an “index-based” approach to investing in a portfolio of Asia ex Japan listed REIT or REIT-type 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 on the Fund.

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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The performance of the ETF's price on the Singapore Exchange Securities Trading Limited ("SGX-ST") may be different from the net asset value per unit of the ETF. The ETF may also be delisted from the SGX-ST. Transactions 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-ST 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.

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.

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period ended 31 December 2021 (Unaudited)*

| | 31 December 2021 | 31 December 2020 |
|---|-------------------------|-------------------------|
| | S\$ | S\$ |
| Income | | |
| Dividends | 8,048,584 | 5,370,372 |
| Interest | 6 | 3 |
| Other Income | 11,158 | - |
| | 8,059,748 | 5,370,375 |
| Less: Expenses | | |
| Administrator fee | 54,559 | 45,967 |
| Audit fee | 10,199 | 11,031 |
| Management fee | 859,225 | 620,659 |
| Less: Management fee rebate | (250,210) | (197,689) |
| Trustee fee | 53,110 | 45,967 |
| Registrar fee | 7,054 | 9,942 |
| Custody fee | 42,537 | 42,953 |
| Transaction costs | 249,954 | 198,260 |
| Other expenses | 261,953 | 157,052 |
| | 1,288,381 | 934,142 |
| Net income | 6,771,367 | 4,436,233 |
| Net gains or losses on value of investments | | |
| Net (losses)/gains on investments | (11,672,809) | 7,811,472 |
| Net foreign exchange gains/(losses) | 197,411 | (299,196) |
| | (11,475,398) | 7,512,276 |
| Total (deficit)/gains for the period before income tax | (4,704,031) | 11,948,509 |
| Less: Income tax | (50,648) | (24,211) |
| Total (deficit)/gains for the period after income tax | (4,754,679) | 11,924,298 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 31 December 2021 (Unaudited)*

| | 31 December 2021 | 30 June 2021 |
|--|-------------------------|--------------|
| | S\$ | S\$ |
| ASSETS | | |
| Portfolio of investments | 347,014,537 | 346,203,239 |
| Sales awaiting settlement | 40,750 | 68,075 |
| Receivables | 1,868,202 | 1,446,312 |
| Cash and bank balances | 2,044,471 | 2,200,482 |
| Total assets | 350,967,960 | 349,918,108 |
| | <hr/> | <hr/> |
| LIABILITIES | | |
| Payables | 400,637 | 383,319 |
| Purchases awaiting settlement | 1,083,666 | 1,972,447 |
| Distribution payable | 3,983,000 | 3,524,578 |
| Total liabilities | 5,467,303 | 5,880,344 |
| | <hr/> | <hr/> |
| EQUITY | | |
| Net assets attributable to unitholders | 345,500,657 | 344,037,764 |
| | <hr/> | <hr/> |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 31 December 2021 (Unaudited)*

| | 31 December 2021 S\$ | 30 June 2021 S\$ |
|--|---------------------------------------|-----------------------------------|
| Net assets attributable to unitholders at the beginning of financial period/ year | 344,037,764 | 235,223,171 |
| Operations | | |
| Change in net assets attributable to unitholders resulting from operations | (4,754,679) | 20,622,821 |
| Unitholders' contributions/(withdrawals) | | |
| Creation of units | 74,317,056 | 156,684,716 |
| Cancellation of units | (60,401,850) | (56,166,060) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 13,915,206 | 100,518,656 |
| Distributions | (7,697,634) | (12,326,884) |
| Total increase in net assets attributable to unitholders | 1,462,893 | 108,814,593 |
| Net assets attributable to unitholders at the end of financial period/ year | 345,500,657 | 344,037,764 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2021 (Unaudited)***By Geography (Primary)**

| | Holdings at 31 December 2021 | Fair value at 31 December 2021 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2021 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) | | | |
| HONG KONG SAR | | | |
| Champion REIT | 7,278,000 | 5,021,513 | 1.46 |
| Fortune Real Estate Investment Trust | 4,969,000 | 6,882,578 | 1.99 |
| Hui Xian Real Estate Investment Trust | 9,066,000 | 2,690,851 | 0.78 |
| Link REIT | 2,920,400 | 34,668,299 | 10.03 |
| Prosperity Real Estate Investment Trust | 4,352,000 | 2,317,871 | 0.67 |
| Sunlight Real Estate Investment Trust | 3,955,000 | 2,968,150 | 0.86 |
| Yuexiu Real Estate Investment Trust | 6,388,990 | 3,568,489 | 1.03 |
| Total Hong Kong SAR | | 58,117,751 | 16.82 |
| INDIA | | | |
| Brookfield India Real Estate Trust | 510,432 | 2,748,736 | 0.79 |
| Embassy Office Parks REIT | 1,955,148 | 12,042,779 | 3.49 |
| Total India | | 14,791,515 | 4.28 |
| INDONESIA | | | |
| First Real Estate Investment Trust | 3,957,714 | 1,207,103 | 0.35 |
| Total Indonesia | | 1,207,103 | 0.35 |
| MALAYSIA | | | |
| Axis Real Estate Investment Trust | 4,080,400 | 2,561,671 | 0.74 |
| IGB Real Estate Investment Trust | 6,259,500 | 3,342,277 | 0.97 |
| Sunway Real Estate Investment Trust | 7,203,000 | 3,286,634 | 0.95 |
| Total Malaysia | | 9,190,582 | 2.66 |
| PHILIPPINES | | | |
| AREIT Inc | 2,221,400 | 2,854,269 | 0.83 |
| Total Philippines | | 2,854,269 | 0.83 |
| SINGAPORE | | | |
| AIMS APAC REIT Management Limited | 2,034,100 | 2,949,445 | 0.85 |
| ARA LOGOS Logistics Trust | 4,659,400 | 4,193,460 | 1.21 |
| Ascendas Real Estate Investment Trust | 11,659,190 | 34,394,611 | 9.96 |
| Ascott Trust REIT | 6,994,100 | 7,203,923 | 2.09 |
| CapitaLand Integrated Commercial Trust | 17,079,200 | 34,841,568 | 10.08 |
| CapitaLand Retail China Trust | 4,154,870 | 4,944,295 | 1.43 |
| CDL Hospitality Trusts | 2,919,000 | 3,415,230 | 0.99 |
| Cromwell European Real Estate Investment Trust | 1,159,100 | 4,495,898 | 1.30 |
| ESR REIT | 9,864,700 | 4,735,056 | 1.37 |
| Far East Hospitality Trust | 3,566,700 | 2,104,353 | 0.61 |
| Frasers Centrepoint Trust | 3,949,129 | 9,122,488 | 2.64 |
| Frasers Logistics & Industrial Trust | 10,408,100 | 15,820,312 | 4.58 |
| Keppel DC REIT | 4,677,477 | 11,553,368 | 3.34 |
| Keppel REIT | 7,861,500 | 8,883,495 | 2.57 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2021 (Unaudited)***By Geography (Primary) (continued)**

| | Holdings at 31 December 2021 | Fair value at 31 December 2021 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2021 % |
|---|------------------------------------|---|--|
| Quoted Real Estate Investment Trusts (REITS) (continued) | | | |
| SINGAPORE (continued) | | | |
| Keppel Pacific Oak US REIT | 3,093,800 | 3,336,725 | 0.97 |
| Lendlease Global Commercial REIT | 3,245,400 | 2,904,633 | 0.84 |
| Manulife US REIT | 5,329,600 | 4,814,017 | 1.39 |
| Mapletree Commercial Trust | 8,025,539 | 16,051,078 | 4.65 |
| Mapletree Industrial Trust | 6,793,000 | 18,409,030 | 5.33 |
| Mapletree Logistics Trust | 10,944,687 | 20,794,905 | 6.02 |
| Mapletree North Asia Commercial Trust | 8,540,000 | 9,479,400 | 2.74 |
| OUE Commercial Real Estate Investment Shares REIT | 8,022,500 | 3,529,900 | 1.02 |
| Parkway Life Real Estate Investment Trust | 1,418,000 | 7,274,340 | 2.11 |
| Prime US REIT | 2,363,600 | 2,660,717 | 0.77 |
| Sasseur REIT | 1,878,700 | 1,587,502 | 0.46 |
| SPH REIT | 3,473,700 | 3,473,700 | 1.01 |
| Starhill Global REIT | 5,186,700 | 3,397,289 | 0.98 |
| Suntec Real Estate Investment Trust | 7,681,600 | 11,599,216 | 3.36 |
| Total Singapore | | 257,969,954 | 74.67 |
| THAILAND | | | |
| WHA Premium Growth Freehold & Leasehold Real Estate Investment Trust | 5,625,600 | 2,883,363 | 0.83 |
| Total Thailand | | 2,883,363 | 0.83 |
| Total Quoted Real Estate Investment Trusts (REITS) | | 347,014,537 | 100.44 |
| Portfolio of investments | | 347,014,537 | 100.44 |
| Other net liabilities | | (1,513,880) | (0.44) |
| Net assets attributable to unitholders | | 345,500,657 | 100.00 |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 31 December 2021 (Unaudited)***By Geography (Summary)**

| | Percentage of total net assets attributable to unitholders at 31 December 2021 % | Percentage of total net assets attributable to unitholders at 30 June 2021 % |
|---|---|---|
| Quoted Real Estate Investment Trusts (REITS) | | |
| Hong Kong SAR | 16.82 | 17.00 |
| India | 4.28 | 4.01 |
| Indonesia | 0.35 | 0.38 |
| Malaysia | 2.66 | 3.38 |
| Philippines | 0.83 | - |
| Singapore | 74.67 | 74.82 |
| Thailand | 0.83 | 1.04 |
| Total Quoted Real Estate Investment Trusts (REITS) | 100.44 | 100.63 |
| Portfolio of investments | 100.44 | 100.63 |
| Other net liabilities | (0.44) | (0.63) |
| Net assets attributable to unitholders | 100.00 | 100.00 |

Information on investment portfolio by industry segments is not presented as the Fund invests only into Real Estate Investment Trusts (REITS).

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 8 to 10.

2. Credit rating of debt securities

Nil

3. Top 10 holdings

10 largest holdings at 31 December 2021

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|--|-------------|-------------------|--|
| CapitaLand Integrated Commercial Trust | 35,766,124 | 34,841,568 | 10.08 |
| Link REIT | 36,311,275 | 34,668,299 | 10.03 |
| Ascendas Real Estate Investment Trust | 34,358,263 | 34,394,611 | 9.96 |
| Mapletree Logistics Trust | 20,382,171 | 20,794,905 | 6.02 |
| Mapletree Industrial Trust | 17,654,833 | 18,409,030 | 5.33 |
| Mapletree Commercial Trust | 16,048,321 | 16,051,078 | 4.65 |
| Frasers Logistics & Industrial Trust | 13,457,800 | 15,820,312 | 4.58 |
| Embassy Office Parks REIT | 12,196,009 | 12,042,779 | 3.49 |
| Suntec Real Estate Investment Trust | 12,461,229 | 11,599,216 | 3.36 |
| Keppel DC REIT | 11,378,327 | 11,553,368 | 3.34 |

10 largest holdings at 31 December 2020

| | Cost S\$ | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------------|-------------|-------------------|--|
| CapitaLand Mall Trust | 24,650,892 | 25,678,080 | 10.23 |
| Ascendas Real Estate Investment Trust | 24,910,675 | 25,464,368 | 10.14 |
| Link REIT | 26,183,316 | 24,955,749 | 9.94 |
| Mapletree Logistics Trust | 17,665,295 | 19,812,550 | 7.89 |
| Mapletree Industrial Trust | 14,130,694 | 16,827,892 | 6.70 |
| Mapletree Commercial Trust | 15,067,574 | 16,605,563 | 6.61 |
| Frasers Logistics & Industrial Trust | 10,944,317 | 13,062,663 | 5.20 |
| Keppel DC REIT | 9,930,177 | 12,133,796 | 4.83 |
| Suntec Real Estate Investment Trust | 12,540,579 | 10,948,818 | 4.36 |
| Frasers Centrepoint Trust | 9,765,797 | 9,437,861 | 3.76 |

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

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

4. Exposure to derivatives

Nil

5. Global exposure to financial derivatives

Nil

6. Collateral

Nil

7. Securities Lending or Repurchase Transactions

(a) Transferable securities lent

As at 31 December 2021

Absolute amounts of the repurchase transactions – Nil

| Collateral provider | Security | Fair value of securities lent S\$ | Percentage of total lendable assets % | Percentage of total net assets attributable to unitholders % |
|-------------------------|-----------------------------------|--------------------------------------|--|---|
| The Bank of Nova Scotia | CDL Hospitality Trusts | 106,097 | 0.03 | 0.03 |
| The Bank of Nova Scotia | AIMS APAC REIT Management Limited | 144,653 | 0.04 | 0.04 |
| The Bank of Nova Scotia | SPH REIT | 1,609,706 | 0.46 | 0.47 |
| The Bank of Nova Scotia | Manulife US REIT | 137,147 | 0.04 | 0.04 |
| | | 1,997,603 | 0.57 | 0.58 |

(b) Collateral for securities lending transactions

| | |
|--|------------------|
| Cash Collateral | Nil |
| Collateral has been re-used or re-hypothecated | Nil |
| Proportion of cash versus non-cash collateral | Nil |
| Collateral type | Government bonds |
| Maturity tenor | Open tenor |
| Settlement/clearing | Bilateral |

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period ended 31 December 2021 (Unaudited)***7. Securities Lending or Repurchase Transactions (continued)**

(b) Collateral for securities lending transactions (continued)

| Collateral provider | Credit rating of the collateral provider by Moody's | Nature of the collateral | Marked-to market value of non-cash collateral S\$ | Fair value of collateral S\$ |
|-------------------------|---|--------------------------|--|---------------------------------|
| The Bank of Nova Scotia | A1 | Fixed income securities | 2,098,679 | 2,098,679 |

Collateral provider - The Bank of Nova Scotia

| Government bond | Rating Agencies | Credit Rating of collateral | Currency S\$ | Fair value of collateral S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------|-----------------|-----------------------------|-----------------|---------------------------------|---|
| UK TREASURY UKTI 018 11/22/65 | Moody's | AA2 | GBP | 1,837,712 | 0.53 |
| FRANCE FRGV 0.100 03/01/28 | Moody's | AA2 | EUR | 68,650 | 0.02 |
| JAPAN JPGV 2.200 09/20/39 | Moody's | A1 | JPY | 58,339 | 0.02 |
| FRANCE FRGV 1.100 07/25/22 | Moody's | AA2 | EUR | 36,810 | 0.01 |
| FRANCE FRGV 2.500 05/25/30 | Moody's | AA2 | EUR | 31,416 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/29 | Moody's | AA2 | GBP | 20,240 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/46 | Moody's | AA2 | GBP | 19,138 | 0.01 |
| AUSTRIA ATGV 02/20/30 | Moody's | AA1 | EUR | 8,936 | - |
| FRANCE FRGV 0.100 03/01/29 | Moody's | AA2 | EUR | 6,548 | - |
| UK TREASURY UKTI 018 03/22/26 | Moody's | AA2 | GBP | 5,977 | - |
| FRANCE FRGV 0.250 07/25/24 | Moody's | AA2 | EUR | 2,585 | - |
| JAPAN JPGV 2.500 09/20/36 | Moody's | A1 | JPY | 1,133 | - |
| AUSTRIA ATGV 02/20/31 | Moody's | AA1 | EUR | 1,109 | - |
| UK TREASURY UKTI 0 1/2 03/22/50 | Moody's | AA2 | GBP | 86 | - |
| | | | | <u>2,098,679</u> | <u>0.61</u> |

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

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

7. Securities Lending or Repurchase Transactions (continued)

(b) Collateral for securities lending transactions (continued)

Top 10 collateral securities at 31 December 2021

| | Fair value S\$ | Percentage of total net assets attributable to unitholders % |
|---------------------------------|-------------------|--|
| UK TREASURY UKTI 018 11/22/65 | 1,837,712 | 0.53 |
| FRANCE FRGV 0.100 03/01/28 | 68,650 | 0.02 |
| JAPAN JPGV 2.200 09/20/39 | 58,339 | 0.02 |
| FRANCE FRGV 1.100 07/25/22 | 36,810 | 0.01 |
| FRANCE FRGV 2.500 05/25/30 | 31,416 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/29 | 20,240 | 0.01 |
| UK TREASURY UKTI 0 1/8 03/22/46 | 19,138 | 0.01 |
| AUSTRIA ATGV 02/20/30 | 8,936 | - |
| FRANCE FRGV 0.100 03/01/29 | 6,548 | - |
| UK TREASURY UKTI 018 03/22/26 | 5,977 | - |

(c) Custodians and the amount of assets held by each custodian

As at 31 December 2021

| | Fair value S\$ |
|---|-------------------|
| Custodian of collateral securities HSBC Bank Plc | <u>2,098,679</u> |
| Custodian of securities lent HSBC Bank Plc | <u>1,997,603</u> |

All securities lending transactions arranged and collateral held are under fully segregated model. HSBC Bank Plc as the securities lending agent arranges the loan transactions and collateral management.

(d) Revenue earned

Security lending income of \$11,158 earned for period ended 31 December 2021.

(e) Split between the return from securities lending and repurchase transactions and the return from cash collateral reinvestment

100% from securities lending

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REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

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

Please refer to the Statement of Portfolio on pages 8 to 10.

9. Borrowings

Nil

10. Amount of units created and cancelled for the financial period ended 31 December 2021

| | S\$ |
|-----------------|----------------------------|
| Units created | 74,317,056 |
| Units cancelled | <u>(60,401,850)</u> |

11. Financial ratios

Expense ratio

| | 31 December 2021 | 31 December 2020 |
|--|-----------------------------|---------------------|
| Total operating expenses | S\$ 1,947,383 | 1,400,741 |
| Average daily net asset value | S\$ 322,216,409 | 231,789,934 |
| Total expense ratio¹ | % 0.60 | <u>0.60</u> |

Turnover ratio

| | 31 December 2021 | 31 December 2020 |
|--|-----------------------------|---------------------|
| Lower of total value of purchases or sales | S\$ 116,871,253 | 93,975,870 |
| Average daily net asset value | S\$ 340,647,874 | 246,136,519 |
| Total turnover ratio² | % 34.31 | <u>38.18</u> |

¹The 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 31 December 2021 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include 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.

²The 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 and sales of the underlying investments, divided by the average daily net asset value.

NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

REPORT TO UNITHOLDERS

For the financial period ended 31 December 2021 (Unaudited)

12. 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 (the "Trustee").

Management fee is payable to the Manager. Registrar fee, administrator fee and trustee fee are payable to the Trustee. Custody fee is payable to a related company of the Trustee, The Hongkong and Shanghai Banking Corporation Limited.

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

| | 31 December 2021 S\$ | 30 June 2021 S\$ |
|--|-------------------------|---------------------|
| Bank balances held with a related party of the Trustee | 2,044,471 | 2,200,482 |

13. Additional information

Service Providers:

| | |
|---------------------------------------|---|
| Fund Manager | : Nikko Asset Management Asia Limited appointed on 27 Feb 17; any retirement or removal per Clause 29 of Trust Deed |
| Remuneration Basis | : 0.5% p.a. on NAV |
| Custodian | : The Hongkong and Shanghai Banking Corporation Limited |
| Valuation Agent/ Trustee/Registrar | : HSBC Institutional Trust Services (Singapore) Limited |
| Market Makers | : Flow Traders Asia Pte Ltd, Phillip Securities Pte Ltd |
| Participating Dealers | : DBS Vickers Securities, UOB Kay Hian, OCBC Securities, CGS-CIMB Securities (S) Pte Ltd, ABN Amro Clearing Bank N.V.(S), Flow Traders Asia Pte Ltd, Societe Generale (Hong Kong), Phillip Securities Pte Ltd and Nomura Securities Singapore Pte Ltd |
| Corporate Secretariat | : Boardroom Corporate & Advisory Services Pte Ltd |
| Auditor | : PricewaterhouseCoopers appointed on 27 Feb 17 |
| Audit Partner | : Lim Kheng Wah |
| Tax Agent | : Ernst & Young Solutions LLP |
| Solicitors to Managers | : Chan & Goh LLP |
| Solicitors to Trustee | : Clifford Chance Pte Ltd |

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

Nil.

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

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15. Soft Dollar Commissions/Arrangements

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

The managers of the REITs into which the Fund may invest more than 10% of its asset value from time to time do not receive or intend to enter into soft dollar commissions or arrangements in their management of their REITs.

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