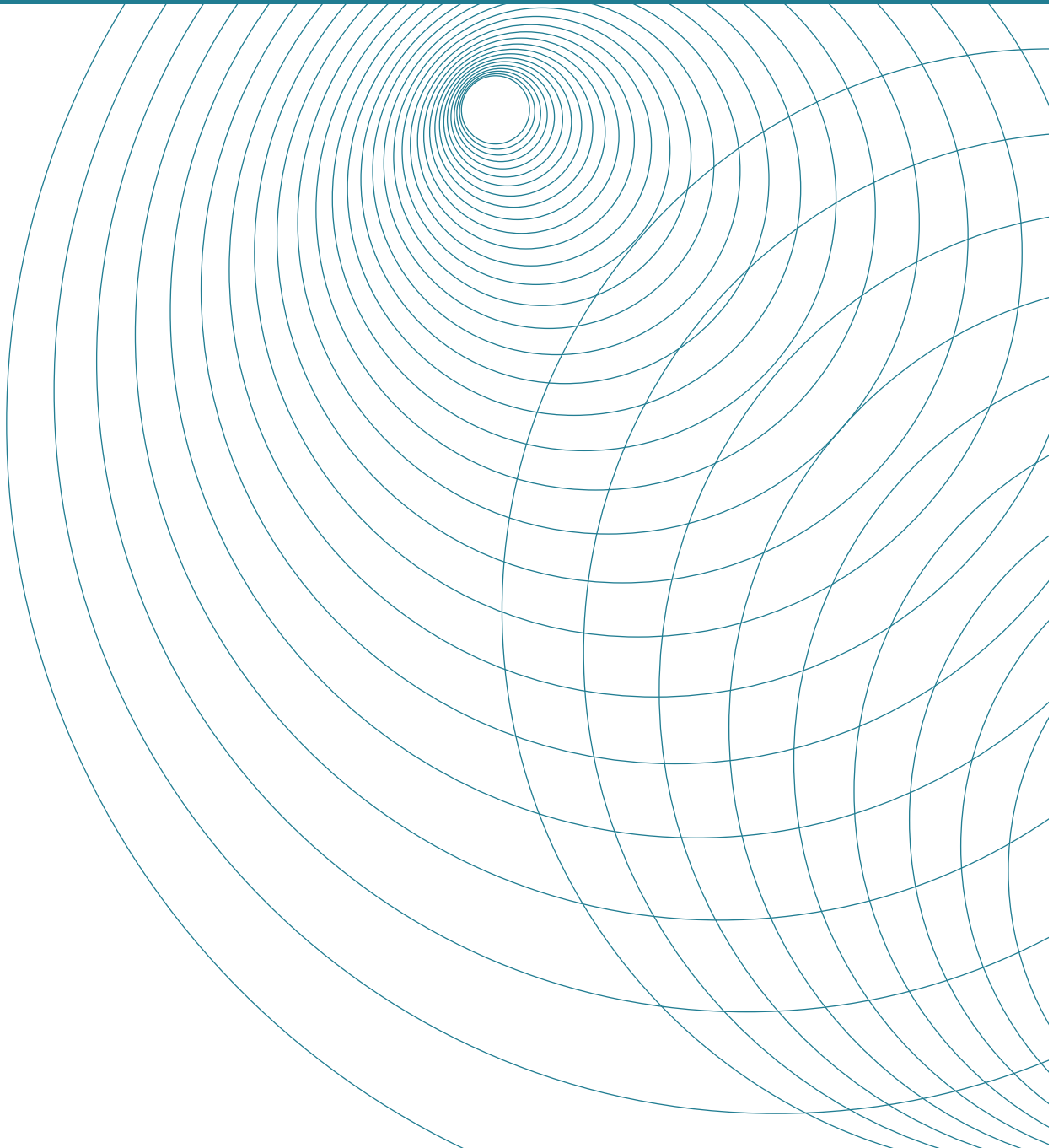


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**ANNUAL REPORT**  
**NikkoAM-StraitsTrading Asia ex Japan REIT ETF**

**Financial year ended 30 June 2024**

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**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**

HSBC Institutional Trust Services (Singapore) Limited  
10 Marina Boulevard  
Marina Bay Financial Centre Tower 2, #48-01  
Singapore 018983

**AUDITORS**

PricewaterhouseCoopers LLP  
7 Straits View, Marina One,  
East Tower, Level 12,  
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](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

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<b>Returns (%)</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>3 Yr</b>	<b>5 Yr</b>	<b>10 Yr</b>	<b>Since Inception</b>
NikkoAM-StraitsTrading Asia ex Japan REIT ETF <sup>1</sup>	-3.64	-10.48	-8.60	-8.15	-5.81	N/A	0.58
Benchmark <sup>2</sup>	-3.59	-10.39	-8.11	-7.57	-5.11	N/A	1.29

Source: Nikko Asset Management Asia Limited & FTSE International Ltd. Returns as at 30 June 2024<sup>3</sup>. 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.
- (3) Fund and benchmark performance returns are calculated as of the last NAV date of the fund for the reporting period.

### 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.**

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

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

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 Exchange Securities Trading Limited (“SGX-ST”) may be different from the net asset value per unit of the ETF. The ETF may also be suspended or delisted from the SGX-ST. Listing of the units does not guarantee a liquid market for the units. 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.

(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.

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)*

**REPORT OF THE TRUSTEE**

*For the financial year ended 30 June 2024*

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The Trustee is under a duty to take into custody and hold the assets of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (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 10 to 30, 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

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Authorised signatory  
27 September 2024

**NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF**

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

**STATEMENT BY THE MANAGER**

*For the financial year ended 30 June 2024*

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In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 10 to 30, 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 portfolio holdings of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the "Fund") as at 30 June 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

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Authorised signatory  
27 September 2024

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**Our Opinion**

In our opinion, the accompanying financial statements of NikkoAM-StraitsTrading Asia ex Japan REIT ETF (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 30 June 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 30 June 2024;
- the Statement of Financial Position as at 30 June 2024;
- the Statement of Movements of Unitholders' Funds for the financial year then ended;
- the Statement of Portfolio as at 30 June 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.

**Our Audit Approach**

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.



**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**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.

**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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF NIKKOAM-STRAITSTRADING ASIA EX JAPAN ETF**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

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

- 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.
- 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.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Paul Sammy Pak.

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

**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 year ended 30 June 2024*

	Note	2024 S\$	2023 S\$
<b>Income</b>			
Dividends		19,343,960	20,758,552
Interest on cash and cash equivalents		8,305	5,893
Other income		52,845	32,752
		<u>19,405,110</u>	<u>20,797,197</u>
<b>Less: Expenses</b>			
Valuation fee		81,839	87,704
Audit fee		25,153	19,800
Management fee		1,818,716	1,948,976
Expenses reimbursement		(674,802)	(540,739)
Trustee fee		72,746	77,959
Custody fee		74,039	71,792
Registrar fee		3,640	2,440
Transaction costs		338,537	185,825
Other expenses*		612,493	482,283
		<u>2,352,361</u>	<u>2,336,040</u>
<b>Net income</b>		<u>17,052,749</u>	<u>18,461,157</u>
<b>Net gains or losses on value of investments</b>			
Net losses on investments		(51,316,066)	(64,860,595)
Net foreign exchange losses		(314,158)	(163,124)
		<u>(51,630,224)</u>	<u>(65,023,719)</u>
<b>Total deficit for the financial year before income tax</b>		<u>(34,577,475)</u>	<u>(46,562,562)</u>
<b>Less: Income tax</b>	3	<u>(240,859)</u>	<u>(146,136)</u>
<b>Total deficit for the financial year after income tax</b>		<u>(34,818,334)</u>	<u>(46,708,698)</u>

\* The balances included non-audit related fees paid to a network firm of the Fund's Auditor which amounted to S\$61,009 for 2024 (2023: S\$48,600).

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

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

**STATEMENT OF FINANCIAL POSITION**  
*As at 30 June 2024*

	Note	2024 S\$	2023 S\$
<b>ASSETS</b>			
Portfolio of investments		<b>326,496,007</b>	388,727,891
Sales awaiting settlement		-	14,783
Receivables	4	<b>2,935,922</b>	2,832,195
Cash and cash equivalents		<b>816,527</b>	759,031
<b>Total assets</b>		<b>330,248,456</b>	392,333,900
<b>LIABILITIES</b>			
Payables	5	<b>330,562</b>	525,039
Purchases awaiting settlement		<b>740,238</b>	1,820,752
Distribution payable	6	<b>4,912,443</b>	5,694,655
<b>Total liabilities</b>		<b>5,983,243</b>	8,040,446
<b>EQUITY</b>			
Net assets attributable to unitholders	7	<b>324,265,213</b>	384,293,454

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

**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 year ended 30 June 2024*

	Note	2024 S\$	2023 S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		<b>384,293,454</b>	406,004,440
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		<b>(34,818,334)</b>	(46,708,698)
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		<b>77,895,255</b>	60,910,086
Cancellation of units		<b>(81,400,075)</b>	(14,342,300)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>(3,504,820)</b>	46,567,786
Distributions	6	<b>(21,705,087)</b>	(21,570,074)
Total decrease in net assets attributable to unitholders		<b>(60,028,241)</b>	(21,710,986)
<b>Net assets attributable to unitholders at the end of financial year</b>	7	<b>324,265,213</b>	384,293,454

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

**NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF***(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024***By Geography (Primary)**

	Holdings at 30 June 2024	Fair value at 30 June 2024 S\$	Percentage of total net assets attributable to unitholders at 30 June 2024 %
<b>Quoted Real Estate Investment Trusts (REITS)</b>			
<b>HONG KONG SAR</b>			
Champion REIT	8,322,000	2,267,986	0.70
Fortune Real Estate Investment Trust	6,452,000	4,211,096	1.30
Link REIT	5,854,100	30,841,237	9.51
Prosperity Real Estate Investment Trust	5,269,000	1,262,177	0.39
Sunlight Real Estate Investment Trust	4,323,000	1,283,200	0.39
Yuexiu Real Estate Investment Trust	10,747,990	1,772,408	0.55
<b>Total Hong Kong SAR</b>		<b>41,638,104</b>	<b>12.84</b>
<b>INDIA</b>			
Embassy Office Parks REIT	3,918,010	22,625,783	6.98
Mindspace Business Parks REIT	969,707	5,249,689	1.62
Nexus Select Trust	1,432,824	3,272,272	1.01
<b>Total India</b>		<b>31,147,744</b>	<b>9.61</b>
<b>INDONESIA</b>			
First Real Estate Investment Trust	5,175,514	1,268,001	0.39
<b>Total Indonesia</b>		<b>1,268,001</b>	<b>0.39</b>
<b>MALAYSIA</b>			
Axis Real Estate Investment Trust	7,254,800	3,814,029	1.18
Pavilion Real Estate Investment Trust	6,511,100	2,600,019	0.80
<b>Total Malaysia</b>		<b>6,414,048</b>	<b>1.98</b>
<b>PHILIPPINES</b>			
AREIT Inc.	3,611,900	2,881,442	0.89
<b>Total Philippines</b>		<b>2,881,442</b>	<b>0.89</b>
<b>SINGAPORE</b>			
AIMS APAC REIT Management Limited	2,815,851	3,519,814	1.08
CapitaLand Ascendas Real Estate Investment Trust	12,874,790	32,959,462	10.16
CapitaLand Ascott Trust	11,085,000	9,699,375	2.99
CapitaLand Mall Trust Real Estate Investment Trust	17,055,800	33,770,484	10.41
CapitaLand Retail China Trust	5,138,270	3,442,641	1.06
CDL Hospitality Trusts	3,949,500	3,752,025	1.16
Cromwell European Real Estate Investment Trust	1,423,400	2,894,462	0.89
Digital Core REIT Management Private Limited	3,963,100	3,061,465	0.94
ESR-Logos REIT	27,484,128	7,420,715	2.29
Far East Hospitality Trust	4,493,200	2,785,784	0.86
Frasers Centrepoint Trust	4,910,329	10,459,001	3.23
Frasers Logistics & Commercial Trust	12,882,100	12,237,995	3.77
Keppel DC REIT	5,723,077	10,301,539	3.18
Keppel REIT	10,515,000	8,780,025	2.71
Lendlease Global Commercial REIT	7,657,549	4,288,227	1.32
Mapletree Industrial Trust	8,832,700	18,636,997	5.75

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

**NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF***(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2024***By Geography (Primary) (continued)**

	Holdings at 30 June 2024	Fair value at 30 June 2024 S\$	Percentage of total net assets attributable to unitholders at 30 June 2024 %
<b>Quoted Real Estate Investment Trusts (REITS)</b> (continued)			
<b>SINGAPORE (continued)</b>			
Mapletree Logistics Trust	14,920,287	19,247,170	5.94
Mapletree Pan Asia Commercial Trust	10,274,839	12,535,304	3.87
OUE Commercial Real Estate Investment Trust	9,585,600	2,492,256	0.77
Paragon REIT	4,871,600	4,165,218	1.28
Parkway Life Real Estate Investment Trust	1,729,700	6,053,950	1.87
Sasseur REIT	2,358,300	1,591,853	0.49
Starhill Global REIT	6,404,100	3,105,988	0.96
Suntec Real Estate Investment Trust	9,541,000	10,018,050	3.09
<b>Total Singapore</b>		<b>227,219,800</b>	<b>70.07</b>
<b>SOUTH KOREA</b>			
ESR Kendall Square REIT Company Limited	535,263	2,432,104	0.75
JR Global REIT	515,173	2,018,735	0.62
Lotte REIT Company Limited	541,337	1,742,844	0.54
Shinhan Alpha REIT Company Limited	303,344	1,881,565	0.58
SK REIT Company Limited	813,571	3,856,869	1.19
<b>Total South Korea</b>		<b>11,932,117</b>	<b>3.68</b>
<b>THAILAND</b>			
CPN Retail Growth Leasehold REIT	10,709,900	3,994,751	1.23
<b>Total Thailand</b>		<b>3,994,751</b>	<b>1.23</b>
<b>Total Quoted Real Estate Investment Trusts (REITS)</b>		<b>326,496,007</b>	<b>100.69</b>
<b>Portfolio of investments</b>		<b>326,496,007</b>	<b>100.69</b>
<b>Other net liabilities</b>		<b>(2,230,794)</b>	<b>(0.69)</b>
<b>Net assets attributable to unitholders</b>		<b>324,265,213</b>	<b>100.00</b>

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

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

**STATEMENT OF PORTFOLIO**

*As at 30 June 2024*

<b>By Geography (Summary)</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2024 %</b>	<b>Percentage of total net assets attributable to unitholders at 30 June 2023 %</b>
<b>Quoted Real Estate Investment Trusts (REITS)</b>		
Hong Kong SAR	<b>12.84</b>	14.17
India	<b>9.61</b>	5.55
Indonesia	<b>0.39</b>	0.39
Malaysia	<b>1.98</b>	2.08
Philippines	<b>0.89</b>	1.22
Singapore	<b>70.07</b>	75.06
South Korea	<b>3.68</b>	2.68
Thailand	<b>1.23</b>	-
<b>Total Quoted Real Estate Investment Trusts (REITS)</b>	<b>100.69</b>	101.15
<b>Portfolio of investments</b>	<b>100.69</b>	101.15
<b>Other net liabilities</b>	<b>(0.69)</b>	(1.15)
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

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

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



## **NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF**

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

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 30 June 2024*

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

#### **1. General**

NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the “Fund”) is a Singapore domiciled fund constituted by a Trust Deed dated 27 February 2017 as amended by Supplemental Deed and Amending and Restating 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 HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Manager of the Fund is Nikko Asset Management Asia Limited (the “Manager”).

#### **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”) revised and issued 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 investment 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 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 being denominated in Singapore Dollar.

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**NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF**  
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For the financial year ended 30 June 2024

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**2. Material accounting policy information (continued)**

(c) Foreign currency translation (continued)

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

The performance of the Fund is measured and reported to the investors in Singapore Dollar. 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 Dollar, which is the Fund's functional and presentation currency.

(ii) *Transactions and balances*

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

(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.

## NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

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#### 2. Material accounting policy information (continued)

##### (e) Investments (continued)

###### (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. The quoted market price used for the 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.

##### (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) 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.

##### (i) Cash and cash equivalents

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

##### (j) Payables

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

## NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

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#### 2. Material accounting policy information (continued)

(k) Expenses

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

(l) 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.

(m) 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.

(n) Securities lending

Securities on loan are included in the investment portfolio of the Fund as the Fund is entitled to the interest income from equities on loan and retain substantially all the risks and rewards. Relevant securities lending income received by the Fund is included in other income in the statement of total return.

Collateral received for the purpose of securities on loan generally consists of fixed income securities collateral. Fixed income securities collateral received is treated as an off-balance sheet transaction and is therefore not included in the statement of financial position because the Fund is not entitled to the interest income from the fixed income securities collateral and do not retain substantially all the risks and rewards. Interest received from fixed income securities collateral is paid to the counterparty that provides the collateral to the Fund.

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For the financial year ended 30 June 2024

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**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 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 fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

Income tax for the financial year ended 30 June 2024 and 2023 comprises:

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Singapore income tax	<b>6,244</b>	9,264
Overseas income tax	<b>234,615</b>	136,872
	<b>240,859</b>	146,136

The Singapore income tax represents tax charge on other income earned by the Fund. The overseas income tax represents tax deducted at source on dividends derived from outside Singapore.

The Fund is also approved for tax transparency treatment under Section 43(2) of the Income Tax Act. Subject to meeting the terms and conditions of the tax transparency treatment, the Fund may not be taxed on the distributions received which are made out of the qualifying income of REITs listed on the Singapore Exchange ("S- REIT").

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*For the financial year ended 30 June 2024*

**4. Receivables**

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Amount due from unitholders	<b>1,122,200</b>	1,394,080
Dividends receivable	<b>1,799,131</b>	1,428,691
Other receivables	<b>14,591</b>	9,424
	<b>2,935,922</b>	2,832,195

**5. Payables**

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Amount due to the Manager	<b>181,925</b>	366,191
Amount due to the Trustee	<b>5,387</b>	6,334
Provision for audit fee	<b>21,800</b>	19,801
Valuation fee payable	<b>6,060</b>	7,125
Other payables	<b>115,390</b>	125,588
	<b>330,562</b>	525,039

Amount due to the Manager comprises management fee payable to and expenses reimbursement due from Nikko Asset Management Asia Limited. Amount due to the Trustee comprises of trustee fee payable to HSBC Institutional Trust Services (Singapore) Limited. Valuation fee is payable to HSBC Institutional Trust Services (Singapore) Limited.

**6. Distributions**

	<b>2024</b>	2023
	<b>S\$</b>	S\$
July final distribution of S\$1.12 per 100 units in respect of the financial year ended 30 June 2024	<b>4,912,443</b>	-
April interim distribution of S\$1.15 per 100 units in respect of the financial year ended 30 June 2024	<b>5,284,718</b>	-
January interim distribution of S\$1.17 per 100 units in respect of the financial year ended 30 June 2024	<b>5,350,819</b>	-
October interim distribution of S\$1.31 per 100 units in respect of the financial year ended 30 June 2024	<b>6,157,107</b>	-

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**6. Distributions (continued)**

	<b>2024</b>	<b>2023</b>
	<b>S\$</b>	<b>S\$</b>
July final distribution of S\$1.27 per 100 units in respect of the financial year ended 30 June 2023	-	5,694,655
April interim distribution of S\$1.23 per 100 units in respect of the financial year ended 30 June 2023	-	5,234,450
January interim distribution of S\$1.30 per 100 units in respect of the financial year ended 30 June 2023	-	5,413,646
October interim distribution of S\$1.27 per 100 units in respect of the financial year ended 30 June 2023	-	5,227,323
	<b><u>21,705,087</u></b>	<b><u>21,570,074</u></b>

**7. Units in issue**

During the financial year ended 30 June 2024 and 2023 the number of units issued, redeemed and outstanding was as follow:

	<b>2024</b>	<b>2023</b>
Units at beginning of the financial year	<b>447,698,000</b>	397,450,000
Units created	<b>97,513,000</b>	65,498,000
Units cancelled	<b>(106,600,000)</b>	(15,250,000)
Units at end of the financial year	<b><u>438,611,000</u></b>	<b><u>447,698,000</u></b>
Net assets attributable to unitholders – S\$	<b>324,265,213</b>	384,293,454
Net asset value per unit – S\$	<b><u>0.7393</u></b>	<b><u>0.8584</u></b>

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

	<b>2024</b>	<b>2023</b>
	<b>S\$</b>	<b>S\$</b>
Net assets attributable to unitholders as per financial statements per unit	<b>0.7393</b>	0.8584
Effect of movement in the net asset value between the last dealing date and the end of the reporting period <sup>^</sup>	<b>(0.0001)</b>	0.0002
Effect of distribution per unit	<b>0.0112</b>	0.0127
Net assets attributable to unitholders for issuing/redeeming per unit	<b><u>0.7504</u></b>	<b><u>0.8713</u></b>

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

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### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 30 June 2024*

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#### **8. Financial risk management**

The Fund's activities expose it to a variety of risk, including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Manager is responsible for the implementation of 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 investment objective of the Fund is to replicate as closely as possible the performance of the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index (the "Index") before expenses.

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. The Manager may in its discretion also invest in non-Index Securities to achieve the Fund's investment objective. 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.

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

Price risk is the risk that arises from uncertainties about the 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 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.



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### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **8. Financial risk management (continued)**

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

As at 30 June 2024, an increase/decrease of the Index by 14% (2023: 15%), with all other variables remaining constant, the net asset attributable to unitholders for the year would increase/decrease by approximately 14% (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 the 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 securities may be subject to interest rate risk as any interest rate change may affect the 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 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 a 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.

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

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

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

	SGD S\$	USD S\$	HKD S\$	MYR S\$	INR S\$	KRW S\$	Others S\$	Total S\$
<b>As at 30 June 2024</b>								
<b>Assets</b>								
Portfolio of investments	222,531,874	3,061,465	41,638,104	6,414,048	31,147,744	11,932,117	9,770,655	326,496,007
Receivables	1,122,200	14,591	1,343,775	-	455,356	-	-	2,935,922
Cash and cash equivalents	624,923	1,355	7	-	-	189,920	322	816,527
<b>Total assets</b>	<b>224,278,997</b>	<b>3,077,411</b>	<b>42,981,886</b>	<b>6,414,048</b>	<b>31,603,100</b>	<b>12,122,037</b>	<b>9,770,977</b>	<b>330,248,456</b>
<b>Liabilities</b>								
Payables	322,440	7,718	392	-	-	-	12	330,562
Purchase awaiting settlement	598,841	-	107,622	-	-	-	33,775	740,238
Distribution payable	4,912,443	-	-	-	-	-	-	4,912,443
<b>Total liabilities</b>	<b>5,833,724</b>	<b>7,718</b>	<b>108,014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,787</b>	<b>5,983,243</b>
<b>Net currency exposure</b>	<b>218,445,273</b>	<b>3,069,693</b>	<b>42,873,872</b>	<b>6,414,048</b>	<b>31,603,100</b>	<b>12,122,037</b>	<b>9,737,190</b>	
<b>As at 30 June 2023</b>								
<b>Assets</b>								
Portfolio of investments	282,468,676	3,783,721	54,435,148	8,008,703	21,326,639	10,325,763	8,379,241	388,727,891
Sales awaiting settlement	14,783	-	-	-	-	-	-	14,783
Receivables	1,657,819	9,424	968,718	-	165,183	31,051	-	2,832,195
Cash and cash equivalents	757,989	594	3	-	-	2	443	759,031
<b>Total assets</b>	<b>284,899,267</b>	<b>3,793,739</b>	<b>55,403,869</b>	<b>8,008,703</b>	<b>21,491,822</b>	<b>10,356,816</b>	<b>8,379,684</b>	<b>392,333,900</b>
<b>Liabilities</b>								
Payables	513,660	11,352	-	27	-	-	-	525,039
Purchase awaiting settlement	1,534,544	74,697	119,515	54,634	-	37,362	-	1,820,752
Distribution payable	5,694,655	-	-	-	-	-	-	5,694,655
<b>Total liabilities</b>	<b>7,742,859</b>	<b>86,049</b>	<b>119,515</b>	<b>54,661</b>	<b>-</b>	<b>37,362</b>	<b>-</b>	<b>8,040,446</b>
<b>Net currency exposure</b>	<b>277,156,408</b>	<b>3,707,690</b>	<b>55,284,354</b>	<b>7,954,042</b>	<b>21,491,822</b>	<b>10,319,454</b>	<b>8,379,684</b>	

## **NIKKOAM-STRAITSTRADING ASIA EX JAPAN REIT ETF**

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### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **8. Financial risk management (continued)**

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

Portfolio of investment, 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 real estate investment trusts, as part of price risk sensitivity analysis.

As of 30 June 2024 and 2023, the Fund does not hold substantial monetary assets/liabilities denominated in foreign currencies. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

##### **(d) Liquidity risk**

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

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

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

The Fund's securities are considered readily realisable, as all the securities are listed on a recognised stock exchange.

The Fund's financial liabilities are analysed for maturity groupings using contractual undiscounted cashflows based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at 30 June 2024 and 2023, all liabilities are either payable on demand or due in less than 3 months. The impact of discounting is not significant.

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

(d) **Liquidity risk** (continued)

	<b>Less than 3 months</b>	
	<b>As at 30 June 2024 S\$</b>	<b>As at 30 June 2023 S\$</b>
Distribution payable	<b>4,912,443</b>	5,694,655
Payables	<b>330,562</b>	525,039
Purchases awaiting settlement	<b>740,238</b>	1,820,752
<b>Contractual cash outflows</b>	<b>5,983,243</b>	<b>8,040,446</b>

(e) **Credit risk**

Credit risk is the risk that 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.

The Fund is also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 30 June 2024 and 2023, the Fund's financial assets held at amortised cost as disclosed in the Statement of Financial Position are realisable 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 settlements 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 also arises from cash and cash equivalents, 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 2024 and 2023.

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

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

<b>Credit rating as at 30 June 2024</b>	Credit rating as at 30 June 2023
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**Bank and custodian**

- The Hong Kong and Shanghai Banking Corporation Limited

**Aa3**

**Aa3**

The credit ratings are based on the Local Long-Term Bank Deposits from Moody's.

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

As at 30 June 2024, collateral securities of S\$60,263,009 (2023: S\$29,866,611) was held by HSBC Bank Plc as custodian of the collateral securities received for security lending transactions.

(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).

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

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

The following tables analyse within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value at 30 June 2024 and 2023:

<b>As at 30 June 2024</b>	<b>Level 1 S\$</b>	<b>Level 2 S\$</b>	<b>Level 3 S\$</b>	<b>Total S\$</b>
<b>Assets</b>				
Portfolio of investments:				
- Quoted real estate investment trusts	<u>326,496,007</u>	-		<u>- 326,496,007</u>

<b>As at 30 June 2023</b>	<b>Level 1 S\$</b>	<b>Level 2 S\$</b>	<b>Level 3 S\$</b>	<b>Total S\$</b>
<b>Assets</b>				
Portfolio of investments:				
- Quoted real estate investment trusts	<u>388,727,891</u>	-		<u>- 388,727,891</u>

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

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

**9. Securities lending transactions**

The Fund may engage in securities lending transactions or repurchase transactions where such securities lending or repurchase transactions are carried out solely for the purpose of efficient portfolio management and do not amount to more than 50% of the Net Asset Value of the Fund. The collateral of the securities lending or repurchase transactions should exceed the market value of the transferable securities or money market instruments transferred.

The collateral will be marked-to-market on a daily basis and be safe kept by the Trustee or an agent appointed by the Trustee. Security lending income and expenses are accounted for in the Statement of Total Return on an accrual basis.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**10. Related party transactions**

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

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Bank balances held with related party of the Trustee	<b>816,527</b>	759,031
Aggregate securities lending transactions through related party of the Trustee	<b>56,279,098</b>	24,624,247
	<b><u>57,095,625</u></b>	<u>25,383,278</u>

**11. Financial ratios**

**Expense ratio**

		<b>2024</b>	2023
Total operating expenses	S\$	<b>2,013,824</b>	2,150,215
Average daily net asset value	S\$	<b>362,984,060</b>	389,876,777
<b>Total expense ratio<sup>1</sup></b>	<b>%</b>	<b><u>0.55</u></b>	<u>0.55</u>

**Turnover ratio**

		<b>2024</b>	2023
Lower of total value of purchases or sales	S\$	<b>131,465,531</b>	59,158,221
Average daily net asset value	S\$	<b>362,984,060</b>	389,876,777
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b><u>36.22</u></b>	<u>15.17</u>

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

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

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The following contains additional information relating to the Fund.

**1. Distribution of investments**

Please refer to the Statement of Portfolio on pages 13 to 15.

**2. Credit rating of debt securities**

Nil.

**3. Top 10 holdings**

**10 largest holdings at 30 June 2024**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
CapitaLand Mall Trust Real Estate Investment Trust	33,770,484	10.41
CapitaLand Ascendas Real Estate Investment Trust	32,959,462	10.16
Link REIT	30,841,237	9.51
Embassy Office Parks REIT	22,625,783	6.98
Mapletree Logistics Trust	19,247,170	5.94
Mapletree Industrial Trust	18,636,997	5.75
Mapletree Pan Asia Commercial Trust	12,535,304	3.87
Frasers Logistics & Commercial Trust	12,237,995	3.77
Frasers Centrepont Trust	10,459,001	3.23
Keppel DC REIT	10,301,539	3.18

**10 largest holdings at 30 June 2023**

	Fair value S\$	Percentage of total net assets attributable to unitholders %
CapitaLand Ascendas Real Estate Investment Trust	40,165,941	10.45
CapitaLand Mall Trust Real Estate Investment Trust	37,963,542	9.88
Link REIT	35,953,013	9.36
Mapletree Logistics Trust	27,131,253	7.06
Mapletree Industrial Trust	21,252,465	5.53
Mapletree Pan Asia Commercial Trust	18,688,059	4.86
Frasers Logistics & Commercial Trust	17,998,500	4.68
Embassy Office Parks REIT	14,801,039	3.85
Keppel DC REIT	13,919,422	3.62
Suntec Real Estate Investment Trust	13,686,513	3.56



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**4. Exposure to derivatives**

Nil.

**5. Global exposure to financial derivatives**

Nil.

**6. Collateral**

Please refer to 7(b) on page 35 to 36.

**7. Securities lending or repurchase transactions**

(a) Transferable securities lent

As at 30 June 2024

Absolute amounts of the repurchase transactions - Nil

Counterparty	Security	Fair value of securities lent S\$	Percentage of total lendable assets %	Percentage of total net assets attributable to unitholders %
Citigroup Global Markets (International) - United Kingdom	CDL Hospitality Trusts	11,177	-*	-*
Citigroup Global Markets (International) - United Kingdom	Champion REIT	58,591	0.02	0.02
Citigroup Global Markets (International) - United Kingdom	ESR-Logos REIT	470,243	0.14	0.15
Citigroup Global Markets (International) - United Kingdom	Fortune Real Estate Investment Trust	354,891	0.11	0.11
Citigroup Global Markets (International) - United Kingdom	Global Lendlease Commercial REIT	72,141	0.02	0.02
Citigroup Global Markets (International) - United Kingdom	Prosperity Real Estate Investment Trust	50,020	0.02	0.02
Citigroup Global Markets (International) - United Kingdom	Sunlight Real Estate Investment Trust	241,956	0.08	0.08

\* Denotes amount less than 0.01%

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**7. Securities lending or repurchase transactions (continued)**

(a) Transferable securities lent (continued)

Counterparty	Security	Fair value of securities lent S\$	Percentage of total lendable assets %	Percentage of total net assets attributable to unitholders %
Citigroup Global Markets (International) - United Kingdom	Yuexiu Real Estate Investment Trust	6,989	-*	-*
Goldman Sachs International - United States	CapitaLand Ascendas REIT	953,015	0.29	0.29
Goldman Sachs International - United States	CapitaLand Retail China Trust	2,258,153	0.69	0.70
Goldman Sachs International - United States	Champion REIT Cromwell	1,600,005	0.49	0.49
Goldman Sachs International - United States	European Real Estate Investment Trust	466,088	0.14	0.14
Goldman Sachs International - United States	ESR-Logos REIT	817,500	0.25	0.25
Goldman Sachs International - United States	First Real Estate Investment Trust	194,000	0.06	0.06
Goldman Sachs International - United States	Fortune Real Estate Investment Trust	2,875,478	0.88	0.89
Goldman Sachs International - United States	Keppel DC REIT	1,981,783	0.61	0.61
Goldman Sachs International - United States	Keppel REIT Lendlease	4,092,863	1.25	1.26
Goldman Sachs International - United States	Global Commercial REIT	1,831,945	0.56	0.56
Goldman Sachs International - United States	Mapletree Industrial Trust	5,109,840	1.57	1.58
Goldman Sachs International - United States	Mapletree Logistics Trust	1,575,578	0.48	0.49
Goldman Sachs International - United States	Mapletree Pan Asia Commercial Trust	501,795	0.15	0.16

\* Denotes amount less than 0.01%

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**7. Securities lending or repurchase transactions (continued)**

(a) Transferable securities lent (continued)

Counterparty	Security	Fair value of securities lent S\$	Percentage of total lendable assets %	Percentage of total net assets attributable to unitholders %
Goldman Sachs International - United States	Paragon REIT	416,020	0.13	0.13
Goldman Sachs International - United States	Parkway Life Real Estate Investment Trust	644,920	0.20	0.20
Goldman Sachs International - United States	Suntec Real Estate Investment Trust	6,361,987	1.95	1.96
Merrill - United States	CapitaLand Ascendas REIT	14,555,835	4.46	4.49
Merrill - United States	CapitaLand Retail China Trust	133,500	0.04	0.04
Merrill - United States	Keppel DC REIT Fortune Real Estate Investment Trust	1,099,245	0.34	0.34
UBS - Switzerland	Keppel DC REIT Suntec Real Estate Investment Trust	119,779	0.04	0.04
UBS - Switzerland	Keppel DC REIT Suntec Real Estate Investment Trust	5,126,200	1.57	1.58
UBS - Switzerland	Keppel DC REIT Suntec Real Estate Investment Trust	1,634,195	0.50	0.50
UBS - Switzerland	Yuexiu Real Estate Investment Trust	663,366	0.20	0.20
		<b>56,279,098</b>	<b>17.24</b>	<b>17.36</b>

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**7. Securities lending or repurchase transactions (continued)**

(b) Collateral for securities lending transactions

As at 30 June 2024

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

Collateral provider	Credit rating of the collateral provider by Moody's	Nature of the collateral	Fair value of collateral S\$	Percentage of total net assets attributable to unitholders %
Citigroup Global Markets (International) - United Kingdom	A1	Government bond	1,329,252	0.41
Goldman Sachs International - United States	A1	Government bond	33,753,355	10.41
Merrill - United States	Not rated	Government bond	16,559,222	5.11
UBS - Switzerland	Aa2	Government bond	8,621,180	2.66

**Citigroup Global Markets (International) - United Kingdom**

Government bond	Credit rating of the collateral by Moody's	Currency	Fair value of collateral S\$	Percentage of total net assets attributable to unitholders %
JAPAN JPGV 2.100 09/20/28	A1	JPY	1,329,252	0.41
			<b>1,329,252</b>	<b>0.41</b>

**Goldman Sachs International - United States**

Government bond	Credit rating of the collateral by Moody's	Currency	Fair value of collateral S\$	Percentage of total net assets attributable to unitholders %
JAPAN JPGV 2.100 03/20/30	A1	JPY	18,187,531	5.61
US TREASURY UST 1.125 08/31/28	Aaa	USD	15,565,824	4.80
			<b>33,753,355</b>	<b>10.41</b>

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**7. Securities lending or repurchase transactions (continued)**

(b) Collateral for securities lending transactions (continued)

**Merrill - United States**

<b>Government bond</b>	<b>Credit rating of the collateral by Moody's</b>	<b>Currency</b>	<b>Fair value of collateral S\$</b>	<b>Percentage of total net assets attributable to unitholders %</b>
JAPAN JPGV 1.700 12/20/43	A1	JPY	13,348,177	4.12
JAPAN JPGV 0.700 06/20/48	A1	JPY	3,211,045	0.99
			<b>16,559,222</b>	<b>5.11</b>

**UBS - Switzerland**

<b>Government bond</b>	<b>Credit rating of the collateral by Moody's</b>	<b>Currency</b>	<b>Fair value of collateral S\$</b>	<b>Percentage of total net assets attributable to unitholders %</b>
JAPAN JPGV 2.200 03/20/31	A1	JPY	2,733,908	0.84
JAPAN JPGV 1.200 12/20/34	A1	JPY	5,854,473	1.81
US TREASURY UST 6.250 05/15/30	Aaa	USD	32,799	0.01
			<b>8,621,180</b>	<b>2.66</b>

**Top 10 collateral securities at 30 June 2024**

	<b>Fair value of collateral S\$</b>	<b>Percentage of total net assets attributable to unitholders %</b>
JAPAN JPGV 2.100 03/20/30	18,187,531	5.61
US TREASURY UST 1.125 08/31/28	15,565,824	4.80
JAPAN JPGV 1.700 12/20/43	13,348,177	4.12
JAPAN JPGV 1.200 12/20/34	5,854,473	1.81
JAPAN JPGV 0.700 06/20/48	3,211,045	0.99
JAPAN JPGV 2.200 03/20/31	2,733,908	0.84
JAPAN JPGV 2.100 09/20/28	1,329,252	0.41
US TREASURY UST 6.250 05/15/30	32,799	0.01

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**7. Securities lending or repurchase transactions (continued)**

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

As at 30 June 2024	Fair value S\$
Custodian of collateral securities HSBC Bank Plc	<u>60,263,009</u>
Custodian of securities lent HSBC Bank Plc	<u>56,279,098</u>

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

(d) Revenue earned

Securities lending income of \$52,845 earned for the financial year ended 30 June 2024.

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

100% from securities lending.

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

Please refer to the Statement of Portfolio on pages 13 to 15.

**9. Borrowings**

Nil

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

	S\$
Units created	77,895,255
Units cancelled	<u>(81,400,075)</u>

**11. Turnover ratios**

Please refer to Note 11 of the Notes to the Financial Statements on page 30.

**12. Expense ratios**

Please refer to Note 11 of the Notes to the Financial Statements on page 30.

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**13. Related party transactions**

Please refer to Note 10 of the Notes to the Financial Statements on page 30.

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

Nil.

**15. Soft dollar commissions/arrangements**

In its management of the Fund, the Manager currently does 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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