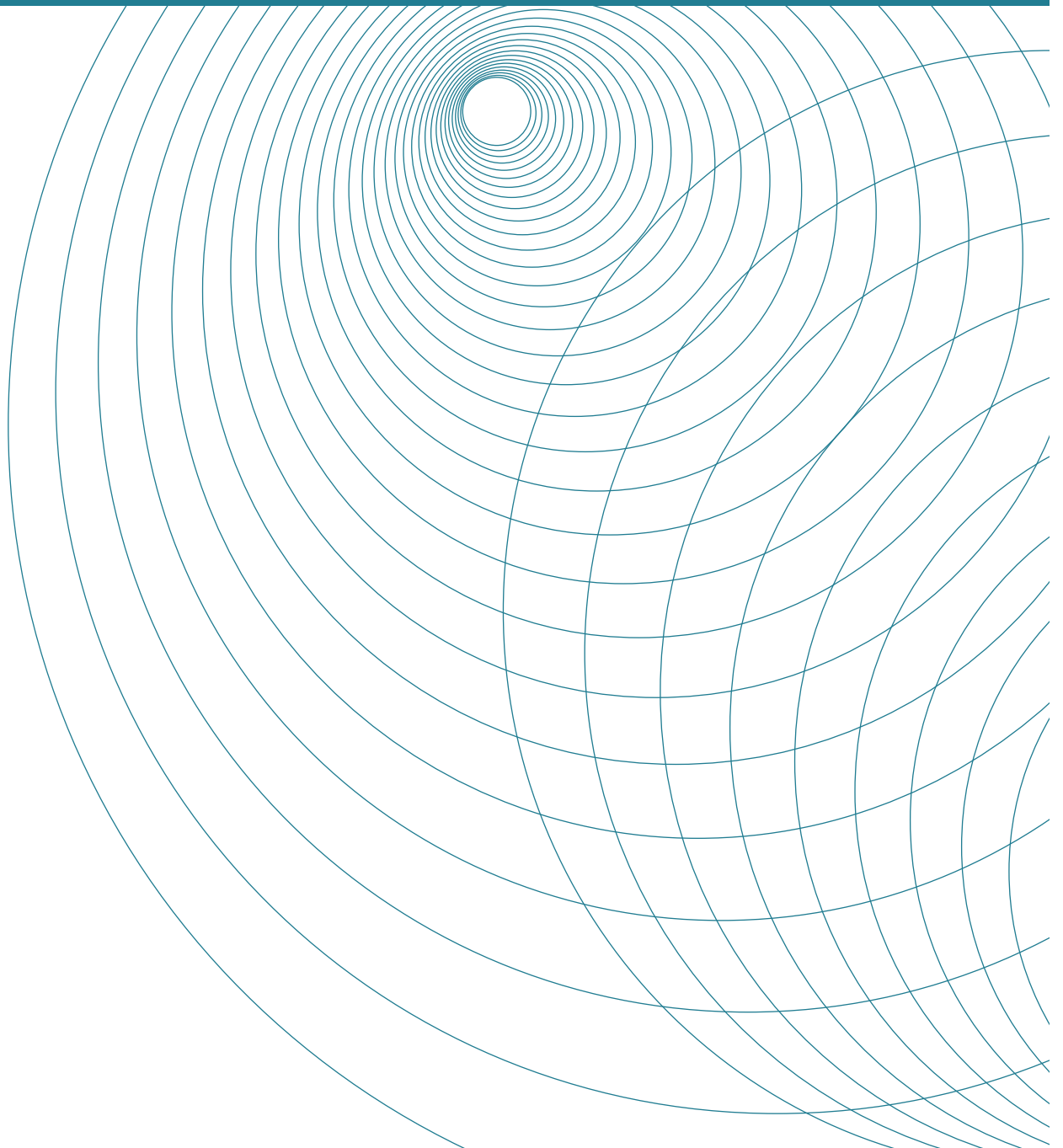

SEMI-ANNUAL REPORT

**Nikko AM Asia Limited VCC – NikkoAM-StraitsTrading
MSCI China Electric Vehicles and Future Mobility ETF**

Financial period ending 30 June 2023



THE COMPANY

Nikko AM Asia Limited VCC
(Company Registration No. T21VC0223L)
12 Marina View
#18-02, Asia Square Tower 2
Singapore 018961

DIRECTORS OF THE COMPANY

Phillip Yeo Phuay Lik
Yan Ying Ying
Lee Ken Hoon

MANAGER

Nikko Asset Management Asia Limited
(Company Registration No. 198202562H)
12 Marina View
#18-02, Asia Square Tower 2
Singapore 01896

DIRECTORS OF THE MANAGERS

Kiyotake Ryu
Seet Oon Hui Eleanor

INVESTMENT ADVISOR

(in respect of the NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF)
Straits Investment Management Pte. Ltd.
(Company Registration No. 201903974H)
1 Wallich Street, #15-01 Guoco Tower
Singapore 078881

FUND ADMINISTRATOR AND REGISTRAR

DBS Bank Limited
(Company Registration No. 196800306E)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

AUDITORS

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

CUSTODIAN

DBS Trustee Limited
(Company Registration No. 197502043G)
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF - SGD Share Class	-4.51	-5.88	-42.19	N/A	N/A	N/A	-31.45
MSCI China All Shares IMI Future Mobility Top 50 Index	-4.12	-5.31	-41.86	N/A	N/A	N/A	-30.72

Source: Nikko Asset Management Asia Limited & MSCI. Returns as at 30 June 2023. Returns are calculated on a NAV-NAV¹ basis, in SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Note:

(1) Nil subscription fee or preliminary charge.

Inception date: 20 January 2022

The MSCI China All Shares IMI Future Mobility Top 50 Index is compiled and calculated by MSCI (the “**Index Licensor**”) and aims to track the performance of Chinese companies listed in US, Hong Kong and China, and other markets from time to time, that are expected to derive significant revenues from energy storage technologies, autonomous vehicles, shared mobility and new transportation methods.

About NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF

The NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF (the “Sub-Fund”) is an authorised scheme under Section 286 of the Securities and Futures Act. It is a sub-fund established under the Nikko AM Asia Limited VCC (the “Company”), a variable capital company incorporated in Singapore on 18 October 2021 with variable capital and limited liability with the company registration number T21VC0223L, under the Variable Capital Companies Act (the “Act”).

The investment objective of the Sub-Fund is to achieve long term capital growth by replicating the returns of the MSCI China All Shares IMI Future Mobility Top 50 Index (the “Index”).

The Sub-Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in securities which are for the time being constituent securities of the Index (“Index Securities”) in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy). The Manager may in its absolute discretion adopt a representative sampling strategy instead of a full replication strategy. Representative sampling is a strategy of investing in a representative sample of securities in the Index which have a similar investment profile as that of the Index. The Manager may invest in certain securities that are not included in the Index (“non-Index Securities”) but have aggregate characteristics (such as yield and duration) similar to those of the Index. Various circumstances may make it impossible or impracticable to purchase each component Index Security in the same weightings as reflected in the Index. In those circumstances, the Manager may employ a combination of one or more investment techniques in seeking to closely track the Index. In addition, given that Index Securities may be and are added to or removed from the Index from time to time, the Manager may sell or purchase securities that are not yet represented in the Index in anticipation of their removal from or addition to the Index.

In order to achieve its investment objective, the Sub-Fund will invest and have direct access to certain eligible China A-shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively, the “Stock Connect”) and may invest through the Manager’s status and capacity under the QFI framework in listed equities in the China A-shares market.

Note: Investors are advised to refer to the Fund’s prospectus for more details of 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 shares 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 share of the ETF. The ETF may also be suspended or delisted from the SGX-ST. Listing of the shares does not guarantee a liquid market for the shares. Investors should note that the ETF differs from a typical unit trust and shares may only be created or redeemed directly by a participating dealer in large creation or redemption shares.

(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.

NIKKO AM ASIA LIMITED VCC

STATEMENT OF TOTAL RETURN

For the financial period ending 30 June 2023 (Unaudited)

	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF
	30 June 2023 S\$	30 June 2023 S\$	For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 S\$	For the financial period from 20 January 2022 (date of inception) to 30 June 2022 S\$
Income				
Dividend income	-	195,936	-	106,680
Interest on cash and cash equivalents	-	52	-	62
	<u>-</u>	<u>195,988</u>	<u>-</u>	<u>106,742</u>
Less: Expenses				
Management fee	-	83,207	-	94,399
Expense reimbursement	-	(88,543)	-	(79,489)
Custody fee	-	14,295	-	5,102
Transaction costs	-	14,635	-	71,013
Administrator fee	-	6,091	-	3,988
Registrar fee	-	7,580	-	3,003
Directors' fee	-	4,959	-	4,521
Audit fee	-	8,927	-	8,510
Other expenses	-	79,759	-	93,094
	<u>-</u>	<u>130,910</u>	<u>-</u>	<u>204,141</u>
Net gains/(losses)	<u>-</u>	<u>65,078</u>	<u>-</u>	<u>(97,399)</u>
Net losses on value of investments				
Net losses on investments	-	(1,592,383)	-	(122,734)
Net losses on foreign exchange	-	(501,049)	-	(410,800)
	<u>-</u>	<u>(2,093,432)</u>	<u>-</u>	<u>(533,534)</u>
Total losses for the financial period before income tax	<u>-</u>	<u>(2,028,354)</u>	<u>-</u>	<u>(630,933)</u>
Less: Income tax	<u>-</u>	<u>(14,707)</u>	<u>-</u>	<u>(6,191)</u>
Total losses for the financial period after income tax	<u>-</u>	<u>(2,043,061)</u>	<u>-</u>	<u>(637,124)</u>

NIKKO AM ASIA LIMITED VCC

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023 (Unaudited)

	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF
	30 June 2023 S\$	30 June 2023 S\$	31 December 2022 S\$	31 December 2022 S\$
ASSETS				
Portfolio of investments	-	31,653,245	-	33,324,246
Cash and cash equivalents	1	75,802	1	48,548
Receivables	-	107,198	-	117,093
Prepayment	-	10,116	-	32,006
Total assets	1	31,846,361	1	33,521,893
LIABILITY				
Payables	-	61,886	-	52,577
Total liability	-	61,886	-	52,577
EQUITY				
Management share	1	-	1	-
Net assets attributable to shareholders	-	31,784,475	-	33,469,316
Total equity	1	31,784,475	1	33,469,316

NIKKO AM ASIA LIMITED VCC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the financial period ending 30 June 2023 (Unaudited)

Nikko AM Asia Limited VCC

Management share and total equity

	30 June 2023 S\$	For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022 S\$
At date of incorporation	1	1
Issuance during the period	-	-
At financial period end	<u>1</u>	<u>1</u>

NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF

Participating shares and total equity

	30 June 2023 S\$	For the financial period from 20 January 2022 (date of inception) to 31 December 2022 S\$
Net assets attributable to shareholders at the beginning of financial period	33,469,316	-
Proceeds from shares issued	1,751,470	55,941,013
Redemption of shares	<u>(1,393,250)</u>	<u>(2,320,030)</u>
Net increase from share transactions	358,220	53,620,983
Decrease in net assets attributable to shareholders from operations	<u>(2,043,061)</u>	<u>(20,151,667)</u>
Net assets attributable to shareholders at the end of financial period	<u>31,784,475</u>	<u>33,469,316</u>

NIKKO AM ASIA LIMITED VCC**STATEMENT OF PORTFOLIO***As at 30 June 2023 (Unaudited)***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Primary)**

	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to shareholders at 30 June 2023 %
Quoted Equities			
Automobiles			
BYD Company Limited	25,172	1,211,220	3.81
BYD Company Limited – H shares	45,500	1,964,418	6.18
Geely Automobile Holdings Limited	977,000	1,613,002	5.08
Huizhou Desay SV Automotive Co., Ltd.	11,000	319,315	1.01
Li Auto Inc.	102,000	2,386,832	7.51
NIO Inc	222,310	2,915,365	9.17
Seres Group Co., Ltd.	24,300	166,468	0.52
Shenzhen Kedali Industry Co., Ltd.	11,400	280,887	0.88
XPeng Inc.	103,400	892,839	2.81
Yadea Group Holdings Ltd	198,000	609,334	1.92
		<u>12,359,680</u>	<u>38.89</u>
Chemicals			
Canmax Technologies Co., Ltd.	38,620	257,589	0.81
CNGR Advanced Material Co., Ltd.	22,500	252,564	0.79
Guangzhou Tinci Materials Technology Co., Ltd.	91,700	703,708	2.21
Qinghai Salt Lake Industry Co., Ltd.	264,500	944,668	2.97
Shanghai Putailai New Energy Technology Co., Ltd.	97,665	695,442	2.19
Shenzhen Capchem Technology Co., Ltd.	29,400	284,225	0.89
Shenzhen Dynanonic Co., Ltd.	13,440	276,014	0.87
Tianqi Lithium Corp.	71,900	936,482	2.95
Zangge Mining Co., Ltd.	20,200	84,940	0.27
Ningbo Shanshan Co., Ltd.	109,200	308,017	0.97
		<u>4,743,649</u>	<u>14.92</u>
Commercial services and supplies			
GEM Co., Ltd.	185,900	239,325	0.75
		<u>239,325</u>	<u>0.75</u>
Containers and packaging			
Yunnan Energy New Material Co., Ltd.	37,912	680,550	2.14
		<u>680,550</u>	<u>2.14</u>

NIKKO AM ASIA LIMITED VCC

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF

By Industry (Primary) (continued)

	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to shareholders at 30 June 2023 %
Quoted Equities (continued)			
Electrical and energy equipment			
China Zhenhua (Group) Science & Technology Co., Ltd.	10,900	194,648	0.62
EVE Energy Co., Ltd.	99,400	1,120,400	3.53
Ginlong Technologies Co., Ltd.	18,050	350,074	1.10
GoodWe Technologies Co., Ltd.	7,964	247,580	0.78
Gotion High Tech Co., Ltd.	86,351	444,347	1.40
Hengdian Group DMEGC Magnetics Co., Ltd.	47,300	160,473	0.50
Pylon Technologies Co., Ltd.	8,420	310,997	0.98
Sieyuan Electric Co., Ltd.	16,100	140,139	0.44
Sungrow Power Supply Co., Ltd.	53,820	1,169,460	3.68
Sunwoda Electric Co., Ltd.	91,100	276,994	0.87
Xiamen Faratronic Co., Ltd.	10,600	271,149	0.85
Zhejiang Chint Electrics Co., Ltd.	65,000	334,842	1.05
		<u>5,021,103</u>	<u>15.80</u>
Energy			
Sichuan Chuantou Energy Co., Ltd.	85,900	240,858	0.76
		<u>240,858</u>	<u>0.76</u>
Machinery			
Contemporary Amperex Technology Co., Ltd.	71,806	3,060,759	9.63
Shenzhen Inovance Technology Co., Ltd.	23,600	282,323	0.89
		<u>3,343,082</u>	<u>10.52</u>
Metals and mining			
Ganfeng Lithium Co., Ltd.	78,340	889,733	2.80
Ganfeng Lithium Co., Ltd. - H shares	65,480	577,846	1.82
Jinduicheng Molybdenum Co., Ltd.	144,000	299,136	0.94
Pangang Group Vanadium Titanium & Resources Co., Ltd.	337,100	245,565	0.78
Sinomine Resource Group Co., Ltd.	13,520	128,312	0.40
Zhejiang Huayou Cobalt Co., Ltd.	75,522	645,970	2.03
		<u>2,786,562</u>	<u>8.77</u>

NIKKO AM ASIA LIMITED VCC**STATEMENT OF PORTFOLIO***As at 30 June 2023 (Unaudited)***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Primary) (continued)**

	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to shareholders at 30 June 2023 %
Quoted Equities (continued)			
Semiconductors			
Amlogic Shanghai Co., Ltd.	13,081	205,496	0.65
ASR Microelectronics Co., Ltd.	11,879	166,850	0.53
JinkoSolar Holding Co., Ltd.	154,636	405,067	1.27
LONGi Green Energy Technology Co., Ltd.	141,658	756,659	2.38
SG Micro Corp.	6,435	98,465	0.31
Western Superconducting Technologies Co., Ltd.	24,007	249,263	0.78
Will Semiconductor Co., Ltd. Shanghai	19,525	356,636	1.12
		<u>2,238,436</u>	<u>7.04</u>
Total Quoted Equities		<u>31,653,245</u>	<u>99.59</u>
Portfolio of investments		31,653,245	99.59
Other net assets		131,230	0.41
Net assets attributable to shareholders		<u>31,784,475</u>	<u>100.00</u>

NIKKO AM ASIA LIMITED VCC

STATEMENT OF PORTFOLIO

As at 30 June 2023 (Unaudited)

NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF

By Industry (Summary)

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to shareholders at 30 June 2023 %	Percentage of total net assets attributable to shareholders at 31 December 2022 %
Automobiles	12,359,680	38.89	43.93
Chemicals	4,743,649	14.92	14.30
Commercial services and supplies	239,325	0.75	0.69
Containers and packaging	680,550	2.14	2.56
Electrical and energy equipment	5,021,103	15.80	19.42
Energy	240,858	0.76	0.50
Machinery	3,343,082	10.52	2.34
Metals and mining	2,786,562	8.77	8.53
Industrial Conglomerates	-	-	0.54
Semiconductors	2,238,436	7.04	6.76
Portfolio of investments	31,653,245	99.59	99.57
Other net assets	131,230	0.41	0.43
Net assets attributable to	31,784,475	100.00	100.00

As the Sub-Fund invests wholly into equities which operations are based in China (including Hong Kong as a special administrative region of China), it is not meaningful to classify the investments into geography.

NIKKO AM ASIA LIMITED VCC

REPORT TO SHAREHOLDERS

For the financial period ending 30 June 2023 (Unaudited)

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

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 7 to 10.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings

10 largest holdings at 30 June 2023

	Fair value S\$	Percentage of total net assets attributable to shareholders %
Contemporary Amperex Technology Co., Limited	3,060,759	9.63
NIO Inc	2,915,365	9.17
Li Auto Inc.	2,386,832	7.51
BYD Company Limited – H shares	1,964,418	6.18
Geely Automobile Holdings Limited	1,613,002	5.07
BYD Company Limited	1,211,220	3.81
Sungrow Power Supply Co., Ltd.	1,169,460	3.68
EVE Energy Co., Ltd.	1,120,400	3.52
Qinghai Salt Lake Industry Co., Ltd.	944,668	2.97
Tianqi Lithium Corp.	936,482	2.95

10 largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to shareholders %
NIO Inc.	5,055,043	10.24
Contemporary Amperex Technology Co., Ltd.	4,992,345	10.12
Geely Automobile Holdings Limited	2,964,689	6.01
BYD Company Limited – H shares	2,533,878	5.14
Li Auto Inc.	2,483,461	5.04
BYD Company Limited	2,098,768	4.26
LONGi Green Energy Technology Co., Ltd.	1,823,717	3.70
Eve Energy Co., Ltd.	1,795,886	3.65
Tianqi Lithium Corp.	1,790,211	3.63
XPeng Inc.	1,789,386	3.63

NIKKO AM ASIA LIMITED VCC

REPORT TO SHAREHOLDERS

For the financial period ending 30 June 2023 (Unaudited)

4. Exposure to derivatives

Nil.

5. Global exposure to financial derivatives

Nil.

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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

Nil.

9. Borrowings

Nil.

10. Amount of participating shares issued and redeemed for the financial period ended 30 June 2023

S\$

Shares issued	1,751,470
Shares redeemed	<u>(1,393,250)</u>

11. Financial ratios

Expense ratio

		30 June 2023	For the financial period from 20 January 2022 (date of inception) to 30 June 2022
Total operating expenses	S\$	256,565	133,128
Average daily net asset value	S\$	36,579,996	41,952,464
Total expense ratio¹ (annualised)	%	0.70	0.70

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

NIKKO AM ASIA LIMITED VCC

REPORT TO SHAREHOLDERS

For the financial period ending 30 June 2023 (Unaudited)

11. Financial ratios (continued)

Turnover ratio

		30 June 2023	For the financial period from 20 January 2022 (date of inception) to 30 June 2022
Lower of total value of purchases or sales	S\$	4,680,659	9,262,332
Average daily net asset value	S\$	33,496,544	41,952,464
Total turnover ratio²	%	13.97	22.08

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

12. Related party transactions

The Manager of the Sub-Fund is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Custodian of the Fund is DBS Trustee Limited (the "Custodian").

Management fee is payable to the Manager. Custody fee is payable to the Custodian. Registrar fee and administrator fee are payable to a related company of the Custodian, DBS Bank 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 Sub-Fund and a related party at terms agreed between the parties and within the provisions of the Deeds:

	30 June 2023 S\$	31 December 2022 S\$
Bank balances held with the Custodian	75,802	48,548

13. Any other material information that will adversely impact the valuation of the Sub-Fund

Nil.

14. Soft dollar commissions/ arrangements

In its management of the Sub-Fund, the Manager, the Directors and their respective Associates currently do not receive or enter into any soft dollar commissions or arrangements, including any part of any brokerage charged to the Sub-Fund, or any part of any fees, allowances or other benefits received on purchases charged to the Sub-Fund.

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