

SEMI-ANNUAL REPORT

For the financial period ending 30 June 2019

**Nikko AM Shenton
Global Opportunities Fund**

MANAGERS

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

PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Opportunities Fund - SGD Class ¹	5.97	19.40	8.24	15.44	10.61	9.05	4.49
Benchmark ²	3.66	15.87	5.29	11.33	7.15	8.20	2.12

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 June 2019. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Shenton Global Opportunities Fund - SGD Class ¹	0.67	13.43	2.83	13.48	9.48	8.50	4.23
Benchmark ²	3.66	15.87	5.29	11.33	7.15	8.20	2.12

Source: Nikko Asset Management Asia Limited and MSCI. Returns as at 30 Jun 2019. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 5 March 1999

Note:

- (1) With effect from 17 October 2011, the Fund (formerly known as "Shenton Global Opportunities Fund") has been renamed Nikko AM Shenton Global Opportunities Fund.

The following changes were made to the Fund with effect from 16 March 2015:

- the appointment of Nikko Asset Management Co., Ltd ("NAM Japan") as the investment adviser for the Fund has been terminated and Nikko Asset Management Europe Ltd ("NAM Europe") has been appointed as the sub-manager of the Fund; and
- the base currency of the Fund has been changed from Singapore dollars to United States dollars.

- (2) With effect from 1 May 2019, the benchmark against which the performance of the Nikko AM Shenton Global Opportunities Fund is measured, i.e. the MSCI World Free Index (Net Total Return), has been changed to the MSCI AC World Index (Net Total Return). Prior to 1 May 2017, the performance returns of the benchmark was calculated using price index methodology. With effect from 1 May 2017, it is calculated using net total return index methodology.

- (3) As the Nikko AM Shenton Global Opportunities Fund - USD Class ("USD Class") has been inceptioned for less 3 months as at the date of publication of this fund report, a track record of at least 3 months is not available as at the date of publication of this fund report. The USD Class was inceptioned on 11 June 2019.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Portfolio Review

Fund returned 19.40% in 1H19

For the six months ended 30 June 2019, the Nikko AM Shenton Global Opportunities Fund (the "Fund") returned 19.40% (SGD terms, on a NAV-NAV basis), outperforming the MSCI AC World Index which returned 15.87% over the same period.

The main contributors to performance included Li Ning, Altran and Progressive. Li Ning, China's premier athletic wear retailer, announced a positive profit alert near the end of the period on the back of greater than 30% revenue growth and in particular growth in the e-commerce channel. Profits grew at more than 90% year over year and given their strength and multi-year lows in inventories, discounting should be kept to a minimum. Future trading should also be helped after strong showings at the recent New York and Paris Fashion weeks. Altran, the global leader in research and development (R&D) consulting, received a cash bid from its larger neighbour and leader in core IT consulting, Cap Gemini. The deal has the blessing of both management teams and was set at a 30% premium above the last three month's average. We initiated the holding in Altran 12 months ago and returns have been mixed, as the company recovers from a fraud post its acquisition of Aricent. We have added positions to the holding during this period as our confidence in management grew and the business strengthened. The bid supports our prior conviction. Progressive had a strong year so far as it continued to deliver very positive numbers and exceed expectations. Its focus on technology such as telematics means it continues to win share in the auto market and make significant gains in home insurance with a dual offering. Its cost ratios are significantly below competitors, who struggle to make returns above cost.

Conversely, Livanova, Sinopharm and Healthcare Services Group were among the detractors from performance. Livanova fell after a surprise profit warning. The company cited increased competition in neuromodulation and staff turnover in its heart valve business. Heart valves have been a perennial source of disappointment for us and are less important to the 'Future Quality' investment case. The issue in neuromodulation is more serious but likely short-lived (based on previous experiences with new oral therapies for epilepsy). The company's opportunity pipeline for treatment resistant depression is not factored into the share price and we believe this will eventually deliver significant returns. The Chinese healthcare sector has been under pressure for some time and Sinopharm has suffered in light of this. Centralised procurement is reducing pricing significantly and although Sinopharm, China's largest pharmaceutical distributor, is consolidating the market, we expect deflationary forces to continue. As such we sold the holding in the company to fund the investment in Nintendo. Healthcare Services Group (HCSG) fell despite releasing full year numbers that were broadly in line with consensus. These results confirmed that management is continuing to improve the quality of their customer list – terminating low profit contracts. The main driver of the share price weakness was concerns over the financial health of HCSG's end markets, with a couple of skilled nursing facility bankruptcies in Q4 2018. We reviewed our investment conclusions and analysis and decided to sell the holding and use the capital to buy McCormick. Since the sale, Healthcare Services has delivered a profit warning resulting in the shares falling a further 20%.

Market Review

Global equity markets gained in 1H19

Global equity markets rose sharply over the six months and recovered all the losses experienced in the latter half of 2018. Technology retained its leadership across regions and markets despite questions about data privacy and their perceived market dominance.

Interestingly economic data generally weakened over the period as the impact from the trade war between the US and China took hold and supply chains were disrupted and consumer confidence dented. The tightening in US interest rates which we experienced in 2018 came to a halt and markets started to predict an easing cycle which at first looked unlikely but now appears imminent. Higher real rates have helped strengthen the US dollar and in turn put pressure on Emerging Market currencies and their equity markets.

Politics has never been far from the headlines and rarely in a good way. Osaka hosted the 14th meeting of the G20 and G7 countries and there was hope that the USA and China would reach an agreement on their differences. However, it is likely that the current rhetoric between the two nations in respect to tariff posturing is superficial when compared to the ideological differences between the two and the likely long term 'cold war' based on a race for technological advantage. We perceive the changes to be longer term in nature.

Given these differences, it is all the more surprising that markets are at highs despite disappointing results and lower guidance in a number of sectors. Performance has been driven by a narrowing band of growth companies, many of which reside in the Technology sector. Although leadership from this cohort of stocks may not quite be at extremes yet, we are cognizant that it is a question of when there is change and not if.

Although Technology may be leading the markets' progress, interestingly and despite the issues driven by the trade war, Industrials was the next best performing sector. Most defensive sectors underperformed the benchmark with Healthcare being the worst by quite a margin. The scale of the underperformance was perhaps a function of the rise of healthcare funding as a 2020 US election debating topic. We remain significantly overweight in the sector which undoubtedly had a detrimental effect on performance - though obviously not enough to impact the outperformance. Strong stock selection helped to counter the sector's drag.

The most notable performance in terms of region came from GEM Asia which actually contracted over the period. This was in stark contrast to the US, which continued its long winning streak, delivering an 18.4% USD return over the period.

With regards to your portfolio, our stock picking drives the overall shape of positioning with respect to geographies or sectors. Over the years, these stock picks have continued to be reasonably dispersed across sectors and geographies and the 6 month period to June was no exception.

Market Outlook and Strategy

Continue to seek companies with future quality and superior returns

Our primary focus remains to seek companies that deliver superior returns over the longer term and we do this by picking companies that meet our Future Quality criteria. One of the key principles of Future Quality for us remains a comprehensive understanding of the quality of our stocks' business franchise – their sources of competitive advantage and what this should mean for their pricing power.

This is probably more important than ever. Like many investors we are concerned about the elevated level of markets and duration of this bull cycle in an atmosphere of weakening global growth and continued trade tension. This concern is raised further considering the inverse shape of the yield curve, which typically suggests we are heading towards a recession. Additionally, the International Monetary

Foundation (IMF) has cut its global growth forecasts for this year and the next. Also, the German purchasing managers' index (PMI) has just registered its worst showing for several years. Moreover, there are many other concerns such as the Middle East crisis including tensions with Iran, escalating Chinese defaults on debts and tensions between the Japanese and South Koreans being on the rise. That fear of pending doom is partially to blame for the strong performance in growth stocks and the unusually strong performance in some defensive sectors such as Utilities in the US for example.

More interesting is the recent break out of gold. Typically strong performance in gold would suggest an increased desire for protection. It is still unclear what the recent rise in gold means. We believe President Trump will do anything he can to support asset prices ahead of the 2020 election cycle as his chances will ebb and flow with the underlying state of the US economy and increasingly, the US stock market. So perhaps gold signals Trump's pending push for greater fiscal largesse or perhaps monetisation of debt - we will find out over the coming months.

In the meantime we attempt to look beyond the noise from the macro environment and hyperbole and continue to hunt for Future Quality investments. We remain excited about the businesses we hold in the portfolio, due to their unique drivers or exposure to areas of growth such as the expanding middle classes in the Emerging Markets or the world's need for greater affordable healthcare for an ageing society. In fact healthcare remains the area we see greatest potential for gains. Although the election noise around healthcare provision is likely to increase over the coming 12 months, our focus remains on those solving the structural problem of expensive healthcare provision. Over the long term we remain convinced our conviction will be rewarded.

We continue to stay away from unproven, less well known business models as we feel it is too early to be invested in somewhat experimental technology. Examples of this are autonomous vehicles, which are still in the rudimentary stages of development and return but also industry structures remain unclear. Hence we stick to our narrative – focusing on Future Quality – companies with moats, strong balance sheets and run by management teams we trust. Over the long term, we believe compounding cashflow growth will drive the capital returns our clients are after.

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

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The CPF interest rate for the Ordinary Account ("OA") is based on the 12-month fixed deposit and month-end savings rates of major local banks, subject to a minimum 2.5% interest per annum. The interest rate for Special, Medisave and Retirement Accounts ("SMRA") is pegged to the 12-month average yield of 10-year Singapore Government Securities yield plus 1%. A 4% floor rate will be maintained for interest earned on SMRA until 31 December 2019, after which a 2.5% minimum rate will apply. An extra 1% interest is paid on the first S\$60,000 of a member's combined balances, including up to S\$20,000 in the OA. The first S\$20,000 in the OA and the first S\$40,000 in the Special Account ("SA") cannot be invested under the CPF Investment Scheme ("CPFIS").

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

In their management of the Nikko AM Shenton Global Opportunities Fund, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

The Sub-Managers of the Nikko AM Shenton Global Opportunities Fund do not receive or intend to receive soft dollars commissions, or enter into soft dollar arrangements, in respect of the Nikko AM Shenton Global Opportunities Fund. NAM Americas also does not receive or intend to receive soft dollars in respect of the global equities trading that it carries out for the Nikko AM Shenton Global Opportunities Fund.

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)*

	30 June 2019 US\$	30 June 2018 US\$
Income		
Dividends	352,276	239,975
Interest	8,540	2,509
Other Income	2,070	788
	<u>362,886</u>	<u>243,272</u>
Less: Expenses		
Management fee	270,974	199,739
Registrar fee	10,006	7,862
Trustee fee	21,672	15,949
Custody fee	4,160	3,194
Audit fee	4,235	4,922
Valuation fee	9,752	7,177
Transaction costs	42,685	44,034
Other expenses	11,612	14,657
	<u>375,096</u>	<u>297,534</u>
Net losses	<u>(12,210)</u>	<u>(54,262)</u>
Net gains or losses on value of investments		
Net gains on investments	7,676,129	1,961,859
Net foreign exchange gain/(loss)	3,121	(7,225)
	<u>7,679,250</u>	<u>1,954,634</u>
Total return for the financial period before income tax	7,667,040	1,900,372
Less: Income tax	(58,392)	(41,499)
Total return for the financial period after income tax	<u>7,608,648</u>	<u>1,858,873</u>

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2019 (unaudited)*

	30 June 2019	31 December 2018
	US\$	US\$
ASSETS		
Portfolio of investments	49,546,293	31,317,216
Receivables	161,843	35,640
Cash and bank balances	3,012,498	1,192,650
Total assets	52,720,634	32,545,506
LIABILITIES		
Payables	225,695	226,671
Purchases awaiting settlement	1,376,164	-
Total liabilities	1,601,859	226,671
EQUITY		
Net assets attributable to unitholders	51,118,775	32,318,835

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)*

	30 June 2019 US\$	31 December 2018 US\$
Net assets attributable to unitholders at the beginning of the financial period/year	32,318,835	22,824,241
Operations		
Change in net assets attributable to unitholders resulting from operations	7,608,648	(2,120,329)
Unitholders' contributions/(withdrawals)		
Creation of units	14,665,838	28,548,801
Cancellation of units	(3,474,546)	(16,933,878)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	11,191,292	11,614,923
Total increase in net assets attributable to unitholders	18,799,940	9,494,594
Net assets attributable to unitholders at the end of the financial period/year	51,118,775	32,318,835

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Geography (Primary)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
Quoted Equities			
BRITAIN			
Compass Group Public Listed Company	52,227	1,254,263	2.45
Johnson Matthey Public Listed Company	23,727	1,005,260	1.97
LivaNova Public Listed Company	16,721	1,203,243	2.35
Prudential Public Listed Company	56,047	1,224,028	2.39
Rentokil Initial Public Listed Company	228,121	1,154,049	2.26
Unilever Public Listed Company	25,689	1,600,211	3.13
Weir Group Public Listed Company	38,353	754,868	1.48
Total BRITAIN		8,195,922	16.03
CHINA			
Li Ning Company Limited	519,500	1,224,853	2.40
Tencent Holdings Limited	24,300	1,096,724	2.14
Total CHINA		2,321,577	4.54
FRANCE			
Altran Technologies SA	73,843	1,173,510	2.30
Total FRANCE		1,173,510	2.30
HONG KONG SAR			
AIA Group Limited	145,400	1,567,989	3.07
Total HONG KONG SAR		1,567,989	3.07
INDIA			
Housing Development Finance Corporation Limited	33,596	1,066,905	2.09
Total INDIA		1,066,905	2.09
IRELAND			
Accenture Public Listed Company	7,643	1,411,739	2.76
Total IRELAND		1,411,739	2.76
ITALY			
Davide Campari-Milano SpA	94,491	927,029	1.81
Total ITALY		927,029	1.81
JAPAN			
Keyence Corporation	1,400	859,309	1.68
Nintendo Company Limited	3,900	1,429,469	2.80
Sony Corporation	22,800	1,195,233	2.33
Total JAPAN		3,484,011	6.81
NETHERLANDS			
Koninklijke Philips NV	30,684	1,334,297	2.61
Total NETHERLANDS		1,334,297	2.61
SWEDEN			
Hexagon AB	17,652	975,996	1.91
Total SWEDEN		975,996	1.91

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
Quoted Equities (continued)			
UNITED STATES OF AMERICA			
Adobe Incorporated	3,996	1,177,421	2.30
Amazon.Com Incorporated	1,109	2,095,733	4.10
Anthem Incorporated	5,517	1,555,794	3.04
Burford Capital Limited	51,474	1,015,410	1.99
Celgene Corporation	11,692	1,080,808	2.11
Danaher Corporation	8,513	1,216,337	2.38
Dolby Laboratories Incorporated	19,515	1,259,888	2.47
Ecolab Incorporated	4,231	832,576	1.63
EOG Resources Incorporated	7,762	723,263	1.42
Estee Lauder Companies Incorporation	7,375	1,349,625	2.64
Laboratory Corporation of America Holdings	5,100	881,382	1.72
LHC Group Incorporated	12,674	1,515,557	2.97
Mccormick & Company Incorporation	8,017	1,242,074	2.43
Microsoft Corporation	18,313	2,453,209	4.80
Progressive Corporation	26,461	2,115,028	4.14
Red Hat Incorporated	4,633	869,475	1.70
ResMed Incorporated	6,471	789,333	1.54
SVB Financial Group	4,642	1,042,547	2.04
Transunion	24,101	1,769,736	3.46
Verisk Analytics Incorporated	6,755	988,932	1.93
Total UNITED STATES OF AMERICA		25,974,128	50.81
Total Quoted Equities		48,433,103	94.74
Quoted Real Estate Investment Trusts			
UNITED STATES OF AMERICA			
American Tower Corporation	5,448	1,113,190	2.18
Total UNITED STATES OF AMERICA		1,113,190	2.18
Total Quoted Real Estate Investment Trusts		1,113,190	2.18
Portfolio of investments		49,546,293	96.92
Other net assets		1,572,482	3.08
Net assets attributable to unitholders		51,118,775	100.00

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Geography (Summary)**

	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
Quoted Equities		
Australia	-	1.47
Britain	16.03	13.93
Cayman Islands	-	1.60
China	4.54	4.16
France	2.30	1.40
Hong Kong SAR	3.07	2.39
India	2.09	2.75
Ireland	2.76	2.31
Italy	1.81	2.00
Japan	6.81	6.31
Netherlands	2.61	2.37
Sweden	1.91	1.73
United States of America	50.81	50.84
Total Quoted Equities	94.74	93.26
Quoted Real Estate Investment Trusts		
United States of America	2.18	3.64
Total Quoted Real Estate Investment Trusts	2.18	3.64
Portfolio of investments	96.92	96.90
Other net assets	3.08	3.10
Net assets attributable to unitholders	100.00	100.00

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Industry (Secondary)**

	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
Banks	1,042,547	2.04	2.76
Beverages	927,029	1.81	3.47
Biotechnology	1,080,808	2.11	1.77
Chemicals	1,837,836	3.60	2.00
Commercial Services	3,912,717	7.65	12.66
Computers	1,411,739	2.76	2.31
Cosmetics/Personal Care	2,949,836	5.77	5.44
Diversified Financial Services	2,082,315	4.07	2.75
Engineering and Construction	1,173,510	2.30	1.40
Food	1,242,074	2.43	-
Food Service	1,254,263	2.45	-
Healthcare-Products	4,543,210	8.89	10.64
Healthcare-Services	3,952,733	7.73	7.24
Home Furnishings	2,455,121	4.80	5.60
Insurance	4,907,045	9.60	8.05
Internet	3,192,457	6.25	5.55
Machinery-Diversified	2,590,173	5.07	5.58
Oil and Gas	723,263	1.41	1.60
Pharmaceuticals	-	-	2.18
Real Estate	-	-	0.66
Real Estate Investment Trusts (REITS)	1,113,190	2.18	3.64
Retail	1,224,853	2.40	1.97
Software	4,500,105	8.80	9.63
Toys/Games/Hobbies	1,429,469	2.80	-
Portfolio of investments	49,546,293	96.92	96.90
Other net assets	1,572,482	3.08	3.10
Net assets attributable to unitholders	51,118,775	100.00	100.00

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)*

The following contains additional information relating to the Fund.

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 11 to 14.

2. Credit rating of debt securities

Nil.

3. Top 10 holdings**10 Largest holdings at 30 June 2019**

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Microsoft Corporation	2,453,209	4.80
Progressive Corporation	2,115,028	4.14
Amazon.Com Incorporated	2,095,733	4.10
Transunion	1,769,736	3.46
Unilever Public Listed Company	1,600,211	3.13
AIA Group Limited	1,567,989	3.07
Anthem Incorporated	1,555,794	3.04
LHC Group Incorporated	1,515,557	2.97
Nintendo Company Limited	1,429,469	2.80
Accenture Public Listed Company	1,411,739	2.76

10 Largest holdings at 30 June 2018

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Microsoft Corporation	2,085,799	5.48
Amazon.com Incorporated	1,725,889	4.54
LivaNova Public Listed Company	1,480,331	3.89
Progressive Corporation	1,305,026	3.43
Transunion	1,236,596	3.25
Sony Corporation	1,227,247	3.23
ResMed Incorporated	1,082,411	2.85
American Tower Corporation	1,031,392	2.71
SVB Financial Group	1,024,556	2.69
Anthem Incorporated	1,017,664	2.68

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)***4. Exposure to financial 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

Please refer to the Statement of Portfolio on pages 11 to 14.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 30 June 2019**US\$**

Units created	14,665,838
Units cancelled	(3,474,546)

11. Turnover ratio

		30 June 2019	30 June 2018
Lower of total value of purchases or sales	US\$	8,723,183	8,527,136
Average daily net asset value	US\$	43,847,367	32,189,261
Total turnover ratio ^{Note}	%	19.89	26.49

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

NIKKO AM SHENTON GLOBAL OPPORTUNITIES FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)***12. Expense ratio**

SGD Class		30 June 2019	30 June 2018
Total operating expenses	US\$	641,112	448,261
Average daily net asset value	US\$	41,520,930	27,984,704
Total expense ratio ^{Note}	%	1.54	1.60

USD Class		30 June 2019	30 June 2018
Total operating expenses	US\$	252	-
Average daily net asset value	US\$	313,337	-
Total expense ratio (annualised) ^{Note}	%	1.47	-

Note: 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.

13. Related party transactions

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

Management fee is payable to the Manager. Trustee fee and registrar fee are payable to the Trustee. Custody fee and valuation fee are payable to a related company of the Trustee, BNP Paribas Securities Services operating through its Singapore Branch.

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

	30 June 2019	31 December 2018
	US\$	US\$
Bank balances held with related party of the Trustee	3,012,498	1,192,650

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

Nil.

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Intentionally left blank.

Intentionally left blank.

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