

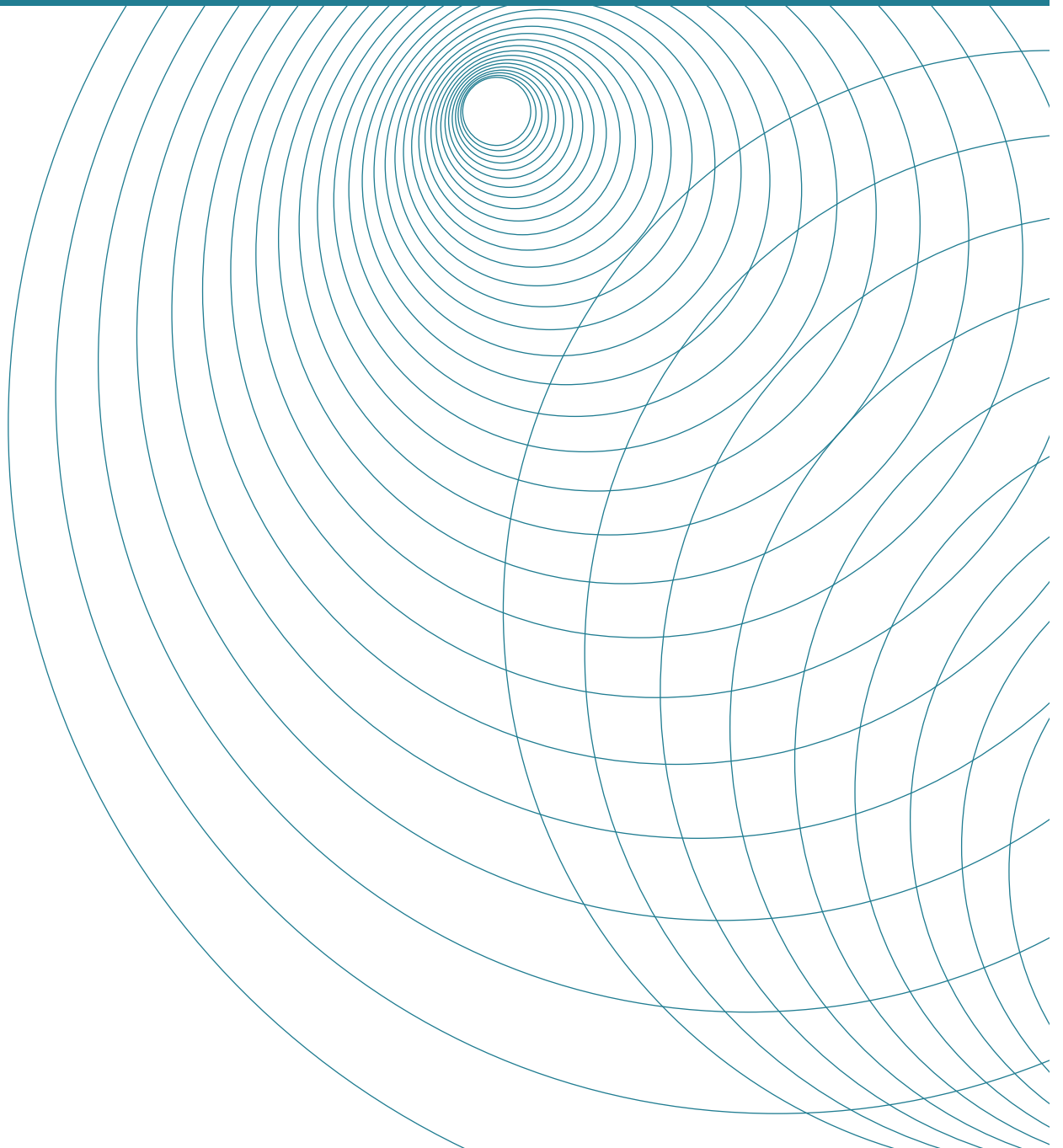
---

**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](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

---

<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 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-NAV<sup>1</sup> 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](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 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\$
<b>Income</b>				
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>
<b>Less: Expenses</b>				
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>
<b>Net gains/(losses)</b>	<u>-</u>	<u>65,078</u>	<u>-</u>	<u>(97,399)</u>
<b>Net losses on value of investments</b>				
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>
<b>Total losses for the financial period before income tax</b>	<u>-</u>	<u>(2,028,354)</u>	<u>-</u>	<u>(630,933)</u>
<b>Less: Income tax</b>	<u>-</u>	<u>(14,707)</u>	<u>-</u>	<u>(6,191)</u>
<b>Total losses for the financial period after income tax</b>	<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)*

	<b>Nikko AM Asia Limited VCC</b>	<b>NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>	<b>Nikko AM Asia Limited VCC</b>	<b>NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	<b>30 June 2023 S\$</b>	<b>30 June 2023 S\$</b>	<b>31 December 2022 S\$</b>	<b>31 December 2022 S\$</b>
<b>ASSETS</b>				
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
<b>Total assets</b>	<b>1</b>	<b>31,846,361</b>	<b>1</b>	<b>33,521,893</b>
<b>LIABILITY</b>				
Payables	-	61,886	-	52,577
<b>Total liability</b>	<b>-</b>	<b>61,886</b>	<b>-</b>	<b>52,577</b>
<b>EQUITY</b>				
Management share	1	-	1	-
Net assets attributable to shareholders	-	31,784,475	-	33,469,316
<b>Total equity</b>	<b>1</b>	<b>31,784,475</b>	<b>1</b>	<b>33,469,316</b>

**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**

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

**NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****Participating shares and total equity**

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



**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 %
<b>Quoted Equities</b>			
<b>Automobiles</b>			
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
		<b>12,359,680</b>	<b>38.89</b>
<b>Chemicals</b>			
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
		<b>4,743,649</b>	<b>14.92</b>
<b>Commercial services and supplies</b>			
GEM Co., Ltd.	185,900	239,325	0.75
		<b>239,325</b>	<b>0.75</b>
<b>Containers and packaging</b>			
Yunnan Energy New Material Co., Ltd.	37,912	680,550	2.14
		<b>680,550</b>	<b>2.14</b>

## 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 %
<b>Quoted Equities (continued)</b>			
<b>Electrical and energy equipment</b>			
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>
<b>Energy</b>			
Sichuan Chuantou Energy Co., Ltd.	85,900	240,858	0.76
		<u>240,858</u>	<u>0.76</u>
<b>Machinery</b>			
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>
<b>Metals and mining</b>			
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)**

	<b>Holdings at 30 June 2023</b>	<b>Fair value at 30 June 2023 S\$</b>	<b>Percentage of total net assets attributable to shareholders at 30 June 2023 %</b>
<b>Quoted Equities (continued)</b>			
<b>Semiconductors</b>			
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>
<b>Total Quoted Equities</b>		<u>31,653,245</u>	<u>99.59</u>
<b>Portfolio of investments</b>		31,653,245	99.59
<b>Other net assets</b>		131,230	0.41
<b>Net assets attributable to shareholders</b>		<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
<b>Portfolio of investments</b>	<b>31,653,245</b>	<b>99.59</b>	<b>99.57</b>
<b>Other net assets</b>	<b>131,230</b>	<b>0.41</b>	<b>0.43</b>
<b>Net assets attributable to</b>	<b>31,784,475</b>	<b>100.00</b>	<b>100.00</b>

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\$	<b>256,565</b>	133,128
Average daily net asset value	S\$	<b>36,579,996</b>	41,952,464
<b>Total expense ratio<sup>1</sup> (annualised)</b>	%	<b>0.70</b>	0.70

<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 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\$	<b>4,680,659</b>	9,262,332
Average daily net asset value	S\$	<b>33,496,544</b>	41,952,464
<b>Total turnover ratio<sup>2</sup></b>	%	<b>13.97</b>	22.08

<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.

#### 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	<b>75,802</b>	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.













# ANNUAL REPORT

For the financial period from  
18 October 2021 (date of incorporation) to 31 December 2022

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



**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  
Hiroki Tsujimura

**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](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

---

<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 MSCI China Electric Vehicles and Future Mobility ETF - SGD Share Class	-14.24	-38.57	N/A	N/A	N/A	N/A	-38.39
MSCI China All Shares IMI Future Mobility Top 50 Index	-14.45	-38.60	N/A	N/A	N/A	N/A	-37.81

Source: Nikko Asset Management Asia Limited & MSCI. Returns as at 31 December 2022. Returns are calculated on a NAV-NAV<sup>1</sup> 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 2001. 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](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 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 DIRECTORS**

*For the financial period ended 31 December 2022*

---

The Directors present their statement to the shareholders together with the audited financial statements of Nikko AM Asia Limited VCC (the "Company") and NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF (the "Sub-Fund") for the financial period ended 31 December 2022.

In the opinion of the Directors,

- (i) the financial statements as set out on pages 9 to 26 are drawn up so as to give a true and fair view of the financial position of the Company and the Sub-Fund as at 31 December 2022 and the financial performance of the Company and the Sub-Fund for the financial period covered by the financial statements; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company and the Sub-Fund will be able to pay their debts as and when they fall due.

#### **Directors**

The Directors of the Company in office at the date of this statement are as follows:

Phillip Yeo Phuay Lik (appointed on 18 October 2021)

Yan Ying Ying (appointed on 18 October 2021)

Lee Ken Hoon (appointed on 18 October 2021)

#### **Arrangement to enable Directors to acquire shares or debentures**

Neither at the end of the financial period nor at any time during the financial period was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, save as disclosed in this statement.

#### **Directors' interest in shares or debentures**

According to the register of directors' shareholdings, none of the Directors holding office at the end of the financial period had any interest in the shares or debentures of the Company or its related corporations.

On behalf of the Directors

---

Authorised signatory  
29 March 2023

## **NIKKO AM ASIA LIMITED VCC**

### **STATEMENT BY THE MANAGER**

*For the financial period ended 31 December 2022*

---

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 9 to 26, comprising the Statements of Total Return, Statements of Financial Position, Statements of Changes in Net Assets Attributable to Shareholders, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of the Company and the Sub-Fund and the portfolio holdings of the Sub-Fund as at 31 December 2022, and the financial performance and movements in shareholders' funds for the financial period 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 Company and the Sub-Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager  
Nikko Asset Management Asia Limited

---

Authorised signatory  
29 March 2023

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF NIKKO AM ASIA LIMITED VCC**  
*(Incorporated in Singapore)*

**Our Opinion**

In our opinion, the accompanying financial statements of Nikko AM Asia Limited VCC (the "Company") and NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF (the "Sub-Fund") are properly drawn up in accordance with the provisions of the Variable Capital Companies Act 2018 (the "Act") and 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 give a true and fair view of the financial position of the Company and the Sub-Fund and portfolio holdings of the Sub-Fund as at 31 December 2022, and the financial performance and movements.

*What we have audited*

The financial statements of the Company and the Sub-Fund comprise:

- the Statements of Total Return for the Company and of the Sub-Fund for the financial period ended 31 December 2022;
- the Statements of Financial Position for the Company and of the Sub-Fund as at 31 December 2022;
- the Statements of Changes in Net Assets Attributable to Shareholders of the Company and the Sub-Fund for the financial period ended 31 December 2022;
- the Statement of Portfolio of the Sub-Fund as at 31 December 2022; and
- the notes to the financial statements, including a summary of significant accounting policies.

**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 Company and the Sub-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 directors 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 SHAREHOLDERS OF NIKKO AM ASIA LIMITED VCC**  
*(Incorporated in Singapore)*

**Other Information**

The directors are responsible for the other information. The other information comprises all the 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 Directors for the Financial Statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and RAP 7, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the directors are responsible for assessing the ability of the Company and of the Sub-Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company and the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

The directors' responsibilities include overseeing the financial reporting process of the Company and the Sub-Fund.

**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 internal control of the Company and the Sub-Fund.

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF NIKKO AM ASIA LIMITED VCC**  
*(Incorporated in Singapore)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 ability of the Company and the Sub-Fund to continue as 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 Company and the Sub-Fund to cease to continue as 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 directors 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 those charged with governance 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 directors, 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.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and the Sub-Fund has been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Kheng Wah.

---

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 29 March 2023

## NIKKO AM ASIA LIMITED VCC

### STATEMENTS OF TOTAL RETURN

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF
	For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022 S\$	For the financial period from 20 January 2022 (date of inception) to 31 December 2022 S\$
Note		
<b>Income</b>		
Dividend income	-	147,302
Interest on cash and cash equivalents	-	133
	<u>-</u>	<u>147,435</u>
<b>Less: Expenses</b>		
Management fee	-	193,644
Expenses reimbursement	2(c) -	(160,523)
Directors' fee	-	12,055
Custody fee	-	16,599
Administrator fee	-	7,958
Audit fee	-	18,000
Transaction costs	-	93,041
Other expenses	-	185,684
	<u>-</u>	<u>366,458</u>
<b>Net losses</b>	<u>-</u>	<u>(219,023)</u>
<b>Net gains or losses on value of investments</b>		
Net losses on investments	-	(19,558,523)
Net losses on foreign exchange	-	(363,854)
	<u>-</u>	<u>(19,922,377)</u>
<b>Total deficit for the financial period before income tax</b>	-	(20,141,400)
<b>Less: Income tax</b>	3 -	(10,267)
<b>Total deficit for the financial period after income tax</b>	<u>-</u>	<u>(20,151,667)</u>

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

**NIKKO AM ASIA LIMITED VCC**

**STATEMENTS OF FINANCIAL POSITION**

*As at 31 December 2022*

		<b>Nikko AM Asia Limited VCC</b>	<b>NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	Note	<b>31 December 2022 S\$</b>	<b>31 December 2022 S\$</b>
<b>ASSETS</b>			
Portfolio of investments		-	33,324,246
Cash and cash equivalents		1	48,548
Receivables	4	-	117,093
Prepayment		-	32,006
<b>Total assets</b>		<b>1</b>	<b>33,521,893</b>
<b>LIABILITIES</b>			
Payables	5	-	52,577
<b>Total liabilities</b>		<b>-</b>	<b>52,577</b>
<b>EQUITY</b>			
Management share	6	1	-
Net assets attributable to shareholders	6	-	33,469,316
<b>Total equity</b>		<b>1</b>	<b>33,469,316</b>

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



## NIKKO AM ASIA LIMITED VCC

### STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

#### Nikko AM Asia Limited VCC

##### Management share and total equity

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

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

##### Participating shares and total equity

	For the financial period from 20 January 2022 (date of inception) to 31 December 2022 S\$
<b>Net assets attributable to shareholders at the beginning of financial period</b>	<b>-</b>
Proceeds from shares issued	55,941,013
Redemption of shares	(2,320,030)
Net increase from share transactions	53,620,983
Decrease in net assets attributable to shareholders from operations	(20,151,667)
<b>Net assets attributable to shareholders at the end of financial period</b>	<b>33,469,316</b>

---

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

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF PORTFOLIO

As at 31 December 2022

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

##### By Industry (Primary)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to shareholders at 31 December 2022 %
<b>Quoted Equities</b>			
<b>Automobiles</b>			
Bethel Automotive Safety Systems Co., Ltd.	16,000	246,335	0.74
BYD Company Limited – H shares	53,500	1,770,653	5.30
BYD Company Limited	35,372	1,753,657	5.24
Contemporary Amperex Technology Co., Ltd.	47,370	3,595,525	10.74
Geely Automobile Holdings Limited	948,000	1,857,106	5.55
Huizhou Desay SV Automotive Co., Ltd.	12,000	243,881	0.73
Li Auto Inc.	96,700	1,276,178	3.81
NIO Inc	214,569	2,805,854	8.38
Seres Group Co., Ltd	23,800	183,625	0.55
XPeng Inc.	82,400	543,020	1.62
Yadea Group Holdings Ltd	190,000	426,403	1.27
		<b>14,702,237</b>	<b>43.93</b>
<b>Chemicals</b>			
CNGR Advanced Material Co., Ltd.	16,300	206,328	0.62
Guangzhou Tinci Materials Technology Co., Ltd.	88,500	748,884	2.24
Qinghai Salt Lake Industry Co., Ltd.	254,800	1,115,415	3.33
Shanghai Putailai New Energy Tech Co., Ltd.	65,000	650,728	1.94
Shenzhen Dynanonic Co., Ltd.	8,100	358,790	1.07
Suzhou TA&A Ultra Clen Technology Co., Ltd.	18,700	201,605	0.60
Tianqi Lithium Corp.	69,300	1,056,107	3.16
Zangge Mining Co., Ltd.	19,500	97,703	0.29
Ningbo Shanshan Co., Ltd.	100,300	352,188	1.05
		<b>4,787,748</b>	<b>14.30</b>
<b>Commercial Services and Supplies</b>			
GEM Co., Ltd.	160,200	229,643	0.69
		<b>229,643</b>	<b>0.69</b>
<b>Containers and Packaging</b>			
Yunnan Energy New Material Co., Ltd.	33,812	856,456	2.56
		<b>856,456</b>	<b>2.56</b>

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

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF PORTFOLIO

As at 31 December 2022

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

##### By Industry (Primary) (continued)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to shareholders at 31 December 2022 %
<b>Quoted Equities (continued)</b>			
<b>Electrical and Energy Equipment</b>			
China Zhenhua (Group) Science & Technology Co., Ltd.	10,000	220,385	0.66
EVE Energy Co., Ltd.	89,100	1,511,016	4.52
Ginlong Technologies Co., Ltd.	16,250	564,481	1.69
GoodWe Technologies Co., Ltd.	5,448	339,596	1.02
Gotion High Tech Co., Ltd.	77,151	429,130	1.28
Hoymiles Power Electronics Inc.	2,043	369,386	1.10
Jiangxi Special Electric Motor Co., Ltd.	78,904	265,642	0.79
Ningbo Ronbay New Energy Technology Co., Ltd.	20,905	277,284	0.83
Pylon Technologies Co., Ltd.	7,148	435,304	1.30
Sungrow Power Supply Co., Ltd.	49,520	1,068,132	3.19
Sunwoda Electric Co., Ltd.	80,500	328,480	0.98
Xiamen Faratronic Co., Ltd.	10,300	317,712	0.95
Zhejiang Chint Electrics Co., Ltd.	69,600	371,956	1.11
		<b>6,498,504</b>	<b>19.42</b>
<b>Energy</b>			
Sichuan Chuantou Energy Co., Ltd.	71,400	168,472	0.50
		<b>168,472</b>	<b>0.50</b>
<b>Machinery</b>			
Ningbo Deye Technology Co., Ltd.	2,600	166,137	0.49
Shenzhen Inovance Technology Co., Ltd.	46,100	618,142	1.85
		<b>784,279</b>	<b>2.34</b>
<b>Metals and Mining</b>			
Ganfeng Lithium Co., Ltd.	75,840	1,017,064	3.04
Ganfeng Lithium Co., Ltd. – H shares	56,680	567,835	1.70
Pangang Group Vanadium Titanium & Resources Co., Ltd.	324,500	296,127	0.88
Sinomine Resource Group Co., Ltd.	8,400	108,031	0.32
Yintai Gold Co., Ltd.	38,800	82,642	0.25
Zhejiang Huayou Cobalt Co., Ltd.	72,822	781,581	2.34
		<b>2,853,280</b>	<b>8.53</b>
<b>Industrial Conglomerates</b>			
China Baoan Grp Co., Ltd.	77,600	181,005	0.54
		<b>181,005</b>	<b>0.54</b>

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

**NIKKO AM ASIA LIMITED VCC****STATEMENT OF PORTFOLIO***As at 31 December 2022***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Primary)** (continued)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to shareholders at 31 December 2022 %
<b>Quoted Equities</b> (continued)			
<b>Semiconductors</b>			
JinkoSolar Holding Co., Ltd.	108,642	307,070	0.92
LONGi Green Energy Technology Co., Ltd.	140,758	1,147,638	3.43
SG Micro Corp.	4,650	154,845	0.46
Western Superconducting Technologies Co., Ltd.	19,038	347,799	1.04
Will Semiconductor Co., Ltd. Shanghai	20,525	305,270	0.91
		<u>2,262,622</u>	<u>6.76</u>
<b>Total Quoted Equities</b>		<u>33,324,246</u>	<u>99.57</u>
<b>Portfolio of investments</b>		33,324,246	99.57
<b>Other net assets</b>		145,070	0.43
<b>Net assets attributable to shareholders</b>		<u>33,469,316</u>	<u>100.00</u>

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

**NIKKO AM ASIA LIMITED VCC****STATEMENT OF PORTFOLIO***As at 31 December 2022***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Summary)**

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to shareholders at 31 December 2022 %
<b>Quoted Equities</b>		
Automobiles	14,702,237	43.93
Chemicals	4,787,748	14.30
Commercial Services and Supplies	229,643	0.69
Containers and Packaging	856,456	2.56
Electrical and Energy Equipment	6,498,504	19.42
Energy	168,472	0.50
Machinery	784,279	2.34
Metals and Mining	2,853,280	8.53
Industrial Conglomerates	181,005	0.54
Semiconductors	2,262,622	6.76
<b>Portfolio of investments</b>	<b>33,324,246</b>	<b>99.57</b>
<b>Other net assets</b>	<b>145,070</b>	<b>0.43</b>
<b>Net assets attributable to shareholders</b>	<b>33,469,316</b>	<b>100.00</b>

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.

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

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

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

#### 1. General

Nikko AM Asia Limited VCC (the "Company") is an open-ended umbrella variable capital company incorporated in Singapore on 18 October 2021 under the provisions of the Variable Capital Companies Act 2018 and governed by the laws of the Republic of Singapore.

The Company currently comprises of 1 sub-fund, i.e. the NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF (the "Sub-Fund"). There is one class of shares established within the Sub-Fund, namely the SGD Class.

The Sub-Fund is an exchange-traded fund listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). All assets and liabilities attributable to each sub-fund shall be segregated from the assets and liabilities of any other sub-funds and the Company, and shall not be used for the purpose of, or borne by the assets of, any other sub-fund.

The Company has appointed Nikko Asset Management Asia Limited (the "Manager") as the Manager to manage and invest the assets of the Company and each Sub-Fund of the Company and DBS Bank Ltd. as the administrator and registrar of the Company in respect of the Sub-Fund. DBS Trustee Limited (the "Custodian") has been appointed as custodian of the assets of the Sub-Fund.

Management shares were issued in respect of the Company only and participating shares were issued in respect of the Sub-Fund. Each management share will comprise one vote while each participating share of the Sub-Fund does not have the right to vote at the general meeting of the Company.

#### 2. Significant accounting policies

##### (a) Basis of preparation

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

##### (b) Recognition of income

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

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

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

#### 2. Significant accounting policies (continued)

##### (c) Expenses reimbursement

As stipulated in the Sub-Fund's prospectus, the Company intends to cap the total expense ratio of the Sub-Fund at 0.70% per annum of the net asset value. Any fees and expenses that are payable by the Sub-Fund and are in excess of 0.70% per annum of the net asset value will be borne by the Manager and not the Sub-Fund.

##### (d) Foreign currency translation

###### (i) Functional and presentation currency

The Sub-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 Sub-Fund's activities are substantially based in Singapore, with subscriptions and redemptions of the shares of the Sub-Fund being denominated in Singapore Dollar ("SGD").

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

###### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statements of Total Return. Translation differences on non-monetary financial assets and liabilities such as equities are also recognised in the Statements of Total Return within the net gain or loss on value of investments.

##### (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 Statements of Total Return in the year in which they arise.

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

#### 2. Significant accounting policies (continued)

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

###### (iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains or 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 Statements 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 equities securities held by the Sub-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 Statements 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 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.



## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

---

#### 3. Income tax

The Sub-Fund has been approved by the Monetary Authority of Singapore ("MAS") under the Section 13O of the Income Tax Act and the relevant Regulations. Subject to certain conditions being met on an annual basis, the Sub-Fund may enjoy Singapore corporate income tax exemption on "specified income" derived from "designated investments" for the life of the Sub-Fund. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from "designated investments" are correspondingly disregarded. The terms "specified income" and "designated investments" are defined in the relevant income tax regulations. The Manager of the Sub-Fund will ensure that the Sub-Fund fulfills its reporting obligations under the S13O Tax Exemption Scheme.

	<b>NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	<b>2022</b>
	<b>S\$</b>
Withholding tax	<u>10,267</u>

The withholding tax represents tax deducted at source on interest and dividend income.

#### 4. Receivables

	<b>NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	<b>2022</b>
	<b>S\$</b>
Amount due from the Manager	<u>117,093</u>

Amount due from the Manager comprises expenses reimbursement due from and management fee payable to Nikko Asset Management Asia Limited.

#### 5. Payables

	<b>NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	<b>2022</b>
	<b>S\$</b>
Valuation fees payable	596
Registrar fees payable	510
Custody fees payable	2,030
Provision for audit fee	18,000
Other payables	<u>31,441</u>
	<u>52,577</u>

Custody fee is payable to DBS Trustee Limited. Administrator fee and registrar fee are payable to DBS Bank Limited.

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

---

#### 6. Units in issue

During the period from 18 October 2021 (date of incorporation) to 31 December 2022, the number of units issued, redeemed and outstanding were as follow:

#### **NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF**

##### **SGD Class**

	<b>2022</b>
Shares at beginning of the financial period	-
Shares created	<b>59,481,903</b>
Shares cancelled	<b>(2,750,000)</b>
Shares at end of the financial period	<b><u>56,731,903</u></b>
Net assets attributable to shareholders – S\$	<b>33,469,316</b>
Net asset value per share – S\$	<b><u>0.590</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:

##### **SGD Class**

	<b>2022</b>
	<b>S\$</b>
Net assets attributable to shareholders per financial statements	<b>0.590</b>
Effect for movement in the net assets value between the last dealing date and the end of the reporting period ^	<b>-*</b>
Net assets attributable to shareholders for issuing/redeeming per unit	<b><u>0.590</u></b>

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

\* Effect is less than 0.001.

There is 1 management share of SGD 1 issued in respect of the Company as at 31 December 2022.

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

#### 7. Financial risk management

The Sub-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 the overall risk management programme, which seeks to minimise potential adverse effects on the Sub-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 Sub-Fund's risk exposures to these risks.

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. 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.

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

##### (a) Market risk – Price risk

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

The Sub-Fund's investment is substantially dependent on the changes of market prices. The Sub-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 Sub-Fund.

The Sub-Fund's market price risk is managed through diversification of the investment portfolio across various industries in the China market. The MSCI China All Shares IMI Future Mobility Top 50 Index (the "Index") is the current benchmark for the Sub-Fund.

As at 31 December 2022, an increase/decrease of the Index by 29%, with all other variables remaining constant, the net assets attributable to shareholders for the period would increase/decrease by approximately 29%. 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 Sub-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.

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

#### 7. Financial risk management (continued)

##### (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.

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

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

##### (c) Market risk – Currency risk

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

To minimise currency risk, the Sub-Fund mainly holds its excess cash in its functional currency. For hedging purposes, the Sub-Fund may also enter into forward foreign exchange contracts.

The table below summarises the Sub-Fund's exposure to currency risk.

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

31 December 2022	CNY S\$	HKD S\$	USD S\$	SGD S\$	Total S\$
<b>Assets</b>					
Portfolio of investments	24,077,198	6,441,194	2,805,854	-	33,324,246
Cash and cash equivalents	27,670	-	-	20,878	48,548
Receivables	-	-	-	117,093	117,093
Prepayment	-	-	24,655	7,351	32,006
<b>Total assets</b>	<b>24,104,868</b>	<b>6,441,194</b>	<b>2,830,509</b>	<b>145,322</b>	<b>33,521,893</b>
<b>Liabilities</b>					
Payables	8,404	-	9,971	34,202	52,577
<b>Total liabilities</b>	<b>8,404</b>	<b>-</b>	<b>9,971</b>	<b>34,202</b>	<b>52,577</b>
<b>Net currency exposure</b>	<b>24,096,464</b>	<b>6,441,194</b>	<b>2,820,538</b>	<b>111,120</b>	

Portfolio of investments, which is a significant item in the Statements 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 equities, as part of the price risk sensitivity analysis.

As of 31 December 2022, the Sub-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 Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

**NIKKO AM ASIA LIMITED VCC**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

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

**(d) Liquidity risk**

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

The Sub-Fund is exposed to daily cash redemptions from shareholders. However, in accordance with the Sub-Fund's prospectus, minimum redemption size is set.

To manage the liquidity risk, a cash buffer is maintained in the Sub-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 Sub-Fund's securities are considered readily realisable, as the majority of securities are listed on a recognised stock exchange.

The Sub-Fund's financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining period at the Statements of Financial Position date to the contractual maturity date. As at 31 December 2022, all liabilities are either payable upon demand or due in less than 3 months. The impact of discounting is not significant.

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

	<b><u>Less than 3 months</u></b>
	<b>As at</b>
	<b>31 December 2022</b>
	<b>S\$</b>
Payables	<b>52,577</b>
<b>Contractual cash outflows</b>	<b><u>52,577</u></b>

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

#### 7. Financial risk management (continued)

##### (e) Credit risk

Credit risk is the risk that a counterparty will be unable to fulfil its obligation to the Sub-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 Sub-Fund is also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2022, the Sub-Fund's financial assets held at amortised cost as disclosed in the Statements of Financial Position are realised 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 Sub-Fund.

All trade settlement with approved counterparties are on Delivery versus Payment and/or Receipt versus Payment basis, with the exception of initial public offerings, new issues and placement transactions.

Credit risk arises from cash and cash equivalents and outstanding and committed transactions with brokers (where applicable). The table below summarises the credit rating of bank and custodian in which the Sub-Fund's assets are held as at 31 December 2022.

#### **NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF**

	<b>Credit rating as at 31 December 2022</b>	<b>Source of credit rating</b>
<b>Bank and custodian</b>		
- DBS Bank Limited	Aa1	Moody's

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

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

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

---

#### 7. Financial risk management (continued)

##### (f) Capital management

The Sub-Fund's capital is represented by the net assets attributable to shareholders. The Sub-Fund strives to invest the subscriptions of redeemable participating shares in investments that meet the Sub-Fund's investment objectives while maintaining sufficient liquidity to meet shareholder redemptions.

##### (g) Fair value estimation

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

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

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at 31 December 2022:

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

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>As at 31 December 2022</b>				
<b>Assets</b>				
Financial assets designated at fair value through profit or loss at inception:				
- Quoted equities	<b>33,324,246</b>	-	-	<b>33,324,246</b>

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

Except for cash and cash equivalents which are classified as Level 1, the Sub-Fund's assets and liabilities not measured at fair value at 31 December 2022 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the Statements of Financial Position date.

## NIKKO AM ASIA LIMITED VCC

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

---

#### 8. Related party transactions

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

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

	2022 S\$
Bank balances held with the Custodian	<u>48,548</u>

#### 9. Financial ratios

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

###### Expense ratio

	2022
<b>SGD Class</b>	
Total operating expenses	S\$ 273,417
Average daily net asset value	S\$ 40,648,008
<b>Total expense ratio<sup>1</sup> (annualised)</b>	<u>0.70</u>

###### Turnover ratio

	2022
Lower of total value of purchases or sales	S\$ 16,230,397
Average daily net asset value	S\$ 40,648,008
<b>Total turnover ratio<sup>2</sup></b>	<u>39.93</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 period end was based on total operating expenses divided by the average net asset value for the financial period. 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.

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

#### 10. Comparatives

These financial statements are the first set of financial statements of the Company and the Sub-Fund. Hence, there are no comparative figures.

#### 11. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 29 March 2023.



## NIKKO AM ASIA LIMITED VCC

### REPORT TO SHAREHOLDERS

For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022

---

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

**1. Distribution of investments**

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

**2. Credit rating of equity securities**

Nil

**3. Top 10 holdings**

10 largest holdings at 31 December 2022

	Fair value S\$	Percentage of total net assets attributable to shareholders %
Contemporary Amperex Technology Co., Ltd.	3,595,525	10.74
NIO Inc.	2,805,854	8.38
Geely Automobile Holdings Limited	1,857,106	5.55
BYD Company Limited – H shares	1,770,653	5.30
BYD Company Limited	1,753,657	5.24
EVE Energy Co., Ltd.	1,511,016	4.52
Li Auto Inc.	1,276,178	3.81
LONGi Green Energy Technology Co., Ltd.	1,147,638	3.43
Qinghai Salt Lake Industry Co., Ltd.	1,115,415	3.33
Sungrow Power Supply Co., Ltd.	1,068,132	3.19

**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

## NIKKO AM ASIA LIMITED VCC

### REPORT TO SHAREHOLDERS

*For the financial period from 18 October 2021 (date of incorporation) to 31 December 2022*

---

**10. Amount of participating shares issued and redeemed for the financial period from 20 January 2022 (date of inception) to 31 December 2022**

	<b>S\$</b>
Shares issued	<b>55,941,013</b>
Shares redeemed	<b>(2,320,030)</b>

---

**11. Turnover ratios**

Please refer to Note 9 of the Notes to the Financial Statements on page 26.

**12. Expense ratios**

Please refer to Note 9 of the Notes to the Financial Statements on page 26.

**13. Related party transactions**

Please refer to Note 8 of the Notes to the Financial Statements on page 26.

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

Nil

**15. 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.



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

Company registration number 198202562H

# SEMI-ANNUAL REPORT

For the financial period from  
18 October 2021 (date of incorporation) to 30 June 2022

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



**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

**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](http://www.nikkoam.com.sg))

## PERFORMANCE SUMMARY

---

<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 MSCI China Electric Vehicles and Future Mobility ETF - SGD Share Class	18.03	-	-	-	-	-	0.30
MSCI China All Shares IMI Future Mobility Top 50 Index	18.66	-	-	-	-	-	1.28

Source: Nikko Asset Management Asia Limited & MSCI. Returns as at 30 June 2022. Returns are calculated on a NAV-NAV<sup>1</sup> 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 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 delisted from the SGX-ST. Transactions in units of the ETF will result in brokerage commissions. Listing of the units does not guarantee a liquid market for the units. Units of the ETF may be bought or sold throughout trading hours of the SGX-ST through any brokerage account. Investors should note that the ETF differs from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units. Investors may only redeem the units with Nikko AM Asia under certain specified conditions.

Nikko Asset Management Asia Limited. Registration Number 198202562H

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF TOTAL RETURN

*For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 (Unaudited)*

	<b>Nikko AM Asia Limited VCC</b>	<b>NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF</b>
	<b>For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 S\$</b>	<b>For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 S\$</b>
<b>Income</b>		
Dividend income	-	106,680
Interest income	-	62
	<u>-</u>	<u>106,742</u>
<b>Less: Expenses</b>		
Management fee	-	94,399
Expenses reimbursement	-	(79,489)
Custody fee	-	5,102
Transaction costs	-	71,013
Administrator fee	-	3,988
Registrar fee	-	3,003
Directors' fee	-	4,521
Audit fee	-	8,510
Other expenses	-	93,094
	<u>-</u>	<u>204,141</u>
<b>Net losses</b>	<u>-</u>	<u>(97,399)</u>
<b>Net losses on value of investments</b>		
Net losses on investments	-	(122,734)
Net losses on foreign exchange	-	(410,800)
	<u>-</u>	<u>(533,534)</u>
<b>Total losses for the financial period before income tax</b>	-	(630,933)
<b>Less: Income tax</b>	-	(6,191)
<b>Total losses for the financial period after income tax</b>	<u>-</u>	<u>(637,124)</u>

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF FINANCIAL POSITION

As at 30 June 2022 (Unaudited)

---

	Nikko AM Asia Limited VCC	NikkoAM- StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF
	30 June 2022 S\$	30 June 2022 S\$
<b>ASSETS</b>		
Portfolio of investments	-	49,221,618
Cash and cash equivalents	1	30,029
Receivables	-	76,992
Prepayment	-	13,269
<b>Total assets</b>	<b>1</b>	<b>49,341,908</b>
<b>LIABILITY</b>		
Payables	-	35,629
<b>Total liability</b>	<b>-</b>	<b>35,629</b>
<b>EQUITY</b>		
Management share	1	-
Net assets attributable to shareholders	-	49,306,279
<b>Total equity</b>	<b>1</b>	<b>49,306,279</b>

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

*For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 (Unaudited)*

---

#### Nikko AM Asia Limited VCC

##### Management share and total equity

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

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

##### Participating shares and total equity

	For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 S\$
Net assets attributable to shareholders at the beginning of financial period	-
Proceeds from shares issued	52,263,433
Redemption of shares	<u>(2,320,030)</u>
Net increase from share transactions	49,943,403
Decrease in net assets attributable to shareholders from operations	<u>(637,124)</u>
Net assets attributable to shareholders at the end of financial period	<u>49,306,279</u>

**NIKKO AM ASIA LIMITED VCC****STATEMENT OF PORTFOLIO***As at 30 June 2022 (Unaudited)***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Primary)**

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to shareholders at 30 June 2022 %
<b>Quoted Equities</b>			
<b>Automobiles</b>			
BYD Company Limited – H shares	45,500	2,533,878	5.14
BYD Company Limited	30,272	2,098,768	4.26
Geely Automobile Holdings Limited	937,000	2,964,689	6.01
Huizhou Desay SV Automotive Co., Ltd.	12,000	369,218	0.75
Li Auto Inc.	46,580	2,483,461	5.04
NIO Inc.	167,232	5,055,043	10.24
Shenzhen Kedali Industry Co., Ltd.	10,800	356,994	0.72
XPeng Inc.	40,509	1,789,386	3.63
Yadea Group Holdings Ltd	186,000	506,698	1.03
		<b>18,158,135</b>	<b>36.82</b>
<b>Chemicals</b>			
Beijing Easpring Material Technology Co., Ltd.	23,400	439,477	0.88
CNGR Advanced Material Co., Ltd.	15,300	394,097	0.80
Guangzhou Tinci Materials Technology Co., Ltd.	87,800	1,132,783	2.30
Jiangsu Cnano Technology Co., Ltd.	10,725	377,882	0.77
Shanghai Putailai New Energy Tech Co., Ltd.	64,600	1,133,484	2.30
Shenzhen Capchem Technology Co., Ltd.	28,400	310,323	0.63
Shenzhen Dynanonic Co., Ltd.	7,500	637,214	1.29
Suzhou TA&A Ultra Clean Technology Co., Ltd.	18,600	337,960	0.69
Tianqi Lithium Corp.	69,000	1,790,211	3.63
		<b>6,553,431</b>	<b>13.29</b>
<b>Commercial services and supplies</b>			
Gem Co., Ltd.	144,700	273,748	0.56
		<b>273,748</b>	<b>0.56</b>
<b>Containers and packaging</b>			
Yunnan Energy New Material Co., Ltd.	33,612	1,750,072	3.55
		<b>1,750,072</b>	<b>3.55</b>

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF PORTFOLIO

As at 30 June 2022 (Unaudited)

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

##### By Industry (Primary) (continued)

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to shareholders at 30 June 2022 %
<b>Quoted Equities (continued)</b>			
<b>Electrical and energy equipment</b>			
China Railway Signal and Communication Co., Ltd.	244,956	230,689	0.47
China Zhenhua Grp Science & Technology Co., Ltd.	9,200	260,059	0.53
Eve Energy Co., Ltd.	88,600	1,795,886	3.65
Ginlong Technologies Co., Ltd.	17,150	759,424	1.54
Gotion High Tech Co., Ltd.	76,551	725,698	1.47
Hongfa Technology Co., Ltd.	21,700	188,797	0.38
Jiangxi Special Electric Motor Co., Ltd.	79,404	413,349	0.84
Ningbo Ronbay New Energy Technology Co., Ltd.	20,662	556,008	1.13
Sungrow Power Supply Co., Ltd.	48,120	982,876	1.99
Sunwoda Electric Co., Ltd.	80,300	527,525	1.07
Wuxi Lead Intelligent Equipment Co., Ltd.	32,800	430,818	0.87
Xiamen Faratronic Co., Ltd.	10,300	439,309	0.89
Zhejiang Chint Electrics Co., Ltd.	71,900	534,823	1.08
		<b>7,845,261</b>	<b>15.91</b>
<b>Energy</b>			
Sichuan Chuantou Energy Co., Ltd.	67,700	167,767	0.34
		<b>167,767</b>	<b>0.34</b>
<b>Industrial Conglomerates</b>			
Keda Industrial Group Co., Ltd.	54,500	233,855	0.47
		<b>233,855</b>	<b>0.47</b>
<b>Machinery</b>			
Contemporary Amperex Technology Co., Ltd.	44,970	4,992,345	10.12
Ningbo Deye Technology Co., Ltd.	2,700	157,106	0.32
Shenzhen Inovance Technology Co., Ltd.	43,100	590,208	1.20
		<b>5,739,659</b>	<b>11.64</b>
<b>Metals and mining</b>			
Zhejiang Huayou Cobalt Co., Ltd.	71,322	1,417,793	2.87
Ganfeng Lithium Co., Ltd.	53,600	1,656,976	3.36
Ganfeng Lithium Co., Ltd. – H shares	56,560	866,197	1.76
Pangang Group Vanadium Titanium & Resources Co., Ltd.	325,400	257,064	0.52
YOUNGY Co., Ltd.	10,600	338,704	0.69
		<b>4,536,734</b>	<b>9.20</b>

**NIKKO AM ASIA LIMITED VCC****STATEMENT OF PORTFOLIO***As at 30 June 2022 (Unaudited)***NikkoAM-StraitsTrading MSCI China Electric Vehicles and Future Mobility ETF****By Industry (Primary)** (continued)

	Holdings at 30 June 2022	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to shareholders at 30 June 2022 %
<b>Quoted Equities</b> (continued)			
<b>Real Estate Investment Trust</b>			
China Baoan Group Co., Ltd.	68,100	190,985	0.39
		<u>190,985</u>	<u>0.39</u>
<b>Semiconductors</b>			
Amlogic Shanghai Co., Ltd.	12,637	265,342	0.54
LONGi Green Energy Technology Co., Ltd.	131,658	1,823,717	3.70
SG Micro Corp.	4,750	179,743	0.36
Western Superconducting Technologies Co.,	19,048	365,108	0.74
Will Semiconductor Co., Ltd. Shanghai	15,200	546,771	1.11
		<u>3,180,681</u>	<u>6.45</u>
<b>Textiles</b>			
Ningbo Shanshan Co., Ltd.	95,700	591,290	1.21
		<u>591,290</u>	<u>1.21</u>
<b>Total Quoted Equities</b>		<u>49,221,618</u>	<u>99.83</u>
<b>Portfolio of investments</b>		49,221,618	99.83
<b>Other net assets</b>		84,661	0.17
<b>Net assets attributable to shareholders</b>		<u>49,306,279</u>	<u>100.00</u>

## NIKKO AM ASIA LIMITED VCC

### STATEMENT OF PORTFOLIO

As at 30 June 2022 (Unaudited)

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

##### By Industry (Summary)

	Fair value at 30 June 2022 S\$	Percentage of total net assets attributable to shareholders at 30 June 2022 %
<b>Quoted Equities</b>		
Automobiles	18,158,135	36.82
Chemicals	6,553,431	13.29
Commercial services and supplies	273,748	0.56
Containers and packaging	1,750,072	3.55
Electrical and energy equipment	7,845,261	15.91
Energy	167,767	0.34
Industrial conglomerates	233,855	0.47
Machinery	5,739,659	11.64
Metals and mining	4,536,734	9.20
Real Estate Investment Trust	190,985	0.39
Semiconductors	3,180,681	6.45
Textiles	591,290	1.21
<b>Portfolio of investments</b>	<b>49,221,618</b>	<b>99.83</b>
<b>Other net assets</b>	<b>84,661</b>	<b>0.17</b>
<b>Net assets attributable to shareholders</b>	<b>49,306,279</b>	<b>100.00</b>

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 from 18 October 2021 (date of incorporation) to 30 June 2022 (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. Top 10 holdings**

**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

**3. Exposure to derivatives**

Nil

**4. Global exposure to financial derivatives**

Nil

**5. Collateral**

Nil

**6. Securities Lending or Repurchase Transactions**

Nil

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

Nil

**8. Borrowings**

Nil

## NIKKO AM ASIA LIMITED VCC

### REPORT TO SHAREHOLDERS

*For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 (Unaudited)*

---

#### 9. Amount of shares issued and redeemed for the financial period ended 30 June 2022

	S\$
Shares issued	52,263,433
Shares redeemed	<u>(2,320,030)</u>

#### 10. Financial ratios

##### Expense ratio

		<b>For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022</b>
Total operating expenses	S\$	133,128
Average daily net asset value	S\$	41,952,464
<b>Total expense ratio<sup>1</sup> (annualised)</b>	<b>%</b>	<b><u>0.70</u></b>

##### Turnover ratio

		<b>For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022</b>
Lower of total value of purchases or sales	S\$	9,262,332
Average daily net asset value	S\$	41,952,464
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b><u>22.08</u></b>

<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 period end was based on total operating expenses divided by the average net asset value for the period. 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.

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

## NIKKO AM ASIA LIMITED VCC

### REPORT TO SHAREHOLDERS

*For the financial period from 18 October 2021 (date of incorporation) to 30 June 2022 (Unaudited)*

---

#### 11. 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 Sub-Fund is DBS Trustee Limited (the "Custodian").

Management fee is payable to the Manager. Custodian 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:

	<b>30 June 2022</b> <b>S\$</b>
Bank balances held with the Custodian	<u><b>30,029</b></u>

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

Nil

#### 13. 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.

Intentionally left blank.

Intentionally left blank.

Intentionally left blank.



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

Company registration number 198202562H