

Prospectus

Nikko Asset Management New Zealand Limited Unit Trusts

22 September 2015

(as amended by a Memorandum of Amendments dated 18 November
2015)

PROSPECTUS

A copy of this Prospectus, signed on behalf of the Directors of Nikko Asset Management New Zealand Limited and all documents, certificates and other materials required under section 41 of the Securities Act 1978, being:

- (a) The signed Auditor's Report attached as Annexure B to this Prospectus;
- (b) The Trustee's statement attached as Annexure A to this Prospectus; and
- (c) Any Agent Authority forms under which an agent has signed this Prospectus,

have been delivered to the Registrar of Financial Service Providers for registration under section 42 of the Securities Act 1978.

The date of this Prospectus is 22 September 2015. Nikko Asset Management New Zealand Limited has elected that the Securities Act 1978 and the Securities Regulations 2009 apply to the Offer for the purposes of sub-clause 6(3) of Schedule 4 of the Financial Markets Conduct Act 2013. Accordingly, this Prospectus has been prepared in accordance with the Securities Act 1978 and the Securities Regulations 2009 rather than the Financial Markets Conduct Act 2013.

This Prospectus is amended by a Memorandum of Amendments dated 18 November 2015. A signed copy of the Memorandum of Amendments to the Prospectus has been delivered to the Registrar of Financial Service Providers pursuant to section 43 of the Securities Act 1978.

INVESTMENT STATEMENTS

Investment statements have been prepared in relation to the offer described in this Prospectus.

IMPORTANT INFORMATION

The investment statement and this Prospectus contain important information that you should read carefully.

Certain terms in this Prospectus have defined meanings. The terms "we", "us", "our" or "Nikko AM NZ" refer to Nikko Asset Management New Zealand Limited as Manager of the Funds. Where applicable, any reference to fund names should be read as also including any previous names of those funds.

The terms "you" and "your" refer to any Unit Holder. Capitalised terms, if not defined elsewhere in this Prospectus, are explained in Definitions on pages 66 to 67 of this Prospectus.

This offer is open only to people in New Zealand. No person may offer, sell or deliver Units or distribute any documents in respect of the Funds (including this Prospectus and the associated investment statement) to any person in any jurisdiction outside New Zealand other than in compliance with the laws of that jurisdiction.

No listing of any Fund is being sought on any registered exchange.

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KEY INVESTMENT FEATURES

Offer of Unit Trusts

In this Prospectus, Nikko Asset Management New Zealand Limited (“the Manager”) offers Units in the following Unit Trusts:

- Nikko AM Concentrated Equity Fund;
- Nikko AM Australasian Small Companies Fund;
- Nikko AM Core Equity Fund;
- Nikko AM Income Fund;
- Nikko AM NZ Corporate Bond Fund;
- Nikko AM NZ Bond Fund;
- Nikko AM Global Bond Fund;
- Nikko AM Global Equity Hedged Fund;
- Nikko AM Global Equity Unhedged Fund;
- Nikko AM Multi-Strategy Fund.
- Nikko AM NZ Cash Fund

All the above Funds except the Nikko AM Multi-Strategy Fund are referred to as the “Ordinary Funds” in the Prospectus.

The minimum initial investment in each Ordinary Fund is \$5,000.00. Further investments at a minimum amount of \$1,000.00 may also be made. We may accept applications for investment below the minimum investment amount at our discretion. Investments are accepted on any New Zealand Business Day. Regular payments may be increased or reduced with our agreement. You may also suspend regular payments by giving us two Business Days’ notice. Withdrawal requests may also be made on any Business Day. Withdrawal proceeds will be paid as soon as possible after processing and no later than 30 days afterwards.

The minimum initial investment in the Nikko AM Multi-Strategy Fund is \$150,000.00. Further investments at a minimum of \$150,000.00 may also be made. Regular payments are not accepted for this Fund. Investments can only be made into the Nikko AM Multi-Strategy Fund once a month and will be invested two to three weeks later. Redemptions from the Nikko AM Multi-Strategy Fund will only be permitted on a quarterly basis and may take up to three months to process.

We may change the above investment amounts at any time.

The Funds invest in a range of investment securities including shares, fixed interest securities, bonds, derivatives (including option strategies) and cash. Returns to investors are provided through the distribution of income and realised investment gains earned on securities and any increase in the Unit price on redemption.

We manage each of the Funds in accordance with its Investment Mandate. A description of the Investment Mandates of the Funds is contained on pages 11 to 19.

Unit Price

Each Unit is issued at the issue price. The issue price of the Unit is determined by adding to the Net Asset Value of the Unit an amount calculated to reflect the cost of acquiring investments and other administrative costs relating to the issue of Units (“buy/sell spread”), if such amount is charged for the Fund. At the date of this Prospectus, we value each Fund on every Business Day.

Fees

We charge a fee for managing each Ordinary Fund. At present, these fees range from 1.25% per annum of the Gross Asset Value of the Fund for the Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund to 0.25% per annum of the Gross Asset Value of the Fund for the Nikko AM NZ Cash Fund. These fees are deducted from the relevant Fund.

The investment manager of the fund in which the Nikko AM Multi-Strategy Fund ultimately invests, JP Morgan Alternative Asset Management Inc (“JPMAAM”), charges a fee for managing the investments, currently held in a Cayman Islands based vehicle called J.P. Morgan Multi-Strategy Fund II, Ltd (MSF II). We do not currently charge a fee for managing the Nikko AM Multi-Strategy Fund. JPMAAM charges a 1% per annum management fee directly to MSF II.

We may also charge a performance fee where the performance of a Fund exceeds its Benchmark Return (ie its investment objective, being the benchmark plus a “performance hurdle”). At present, performance fees are only payable to us for the Nikko AM Concentrated Equity Fund and the Nikko AM Australasian Small Companies Fund. These fees are deducted from the relevant Fund. JPMAAM is also entitled to a performance fee where performance of certain investments of the Nikko AM Multi-Strategy Fund outperform a performance hurdle. Where this hurdle is achieved, JPMAAM’s performance fee is deducted directly from MSF II.

We also charge a buy/sell spread to cover the cost of buying and selling securities when you buy and withdraw Units. The amount of the buy/sell spread ranges from 0.4% for equity funds such as the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund and Nikko AM Core Equity Fund to 0% for the Nikko AM Multi-Strategy Fund and income funds such as the Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund and the Nikko AM NZ Cash Fund.

Although we may also charge an entry and exit fee, these fees are currently not charged. Further information on our fees and our practices in obtaining reimbursement of expenses from the Funds is set out on page 44 and 45.

Supervisor

Public Trust is the Trustee and Custodian of the Funds.

As required under the Securities Trustees and Statutory Supervisors Act 2011, Public Trust holds a licence from the Financial Markets Authority (“FMA”) allowing it to act as Trustee of the Funds. Public Trust is a crown entity and its Corporate Trustee Services team is based in Auckland and Wellington. Many of the Trustee’s team members have professional qualifications in accounting or law. The Trustee is experienced in supervising unit trusts, having supervised a number of other unit trusts similar to the Funds and having many years of corporate trustee experience to call upon. The Trustee also has extensive experience in supervising other forms of securities issues.

Risks

All investments carry some level of risk. Past performance is not necessarily an indication of future returns.

The main risk you face is that you may not receive the return on your Units that you expect because the capital value of the Funds’ investments may end up less than the value at the time you invested. In addition, in some circumstances you may not be able to get your money back when you need it. In particular, significant redemptions, material adverse changes affecting the Fund or the closure of certain markets may mean that a Fund’s investments are unable to be priced. In these circumstances, we may defer or suspend redemptions. Further information on these circumstances is set out on page 34.

There is a link between the risk of an investment and the likely return that investment will provide. Generally, the higher the risk, the greater the potential return. Equally, the lower the risk, the

lower the expected return. Returns are also affected by fees and expenses charged in connection with the investment, which should be taken into account when comparing the returns.

The key risks affecting the returns provided to you from the Funds are fluctuating market conditions and the soundness and risk management practices of our staff managing the investment. There are also additional risks peculiar to equity, fixed interest and other types of investments. In particular, there are additional risks specific to the Nikko AM Income Fund and the Nikko AM Multi-Strategy Fund arising from these Funds' specific approaches to investment. Further information on the risks affecting all Funds is set out on pages 51 to 58.

Tax

The Funds are portfolio investment entities (PIEs). PIEs are not subject to tax at the Fund level. They instead calculate and deduct tax at the individual investor prescribed investor rate (PIR). Investors must provide us with the correct PIR. Otherwise, it could result in over or under payment of tax. You will be personally liable when an underpayment of PIE tax occurs. Further information on taxation treatment of the Funds is set out on pages 58 to 62.

Related Parties

We may transact with our related parties and there are no restrictions on us doing so. In particular, we may invest the Funds through other funds which we manage and appoint other members of Nikko AM group as investment managers. In our view, the ability to utilise a wide range of funds and the skills of other managers in the group is advantageous. It provides economies of scale to investors and access to skills that may not otherwise be available. Transactions with related parties are carried out at fair market value.

ABOUT NIKKO AM NZ

We manage approximately \$4.5 billion of investment funds for a range of clients including corporates, trustees of superannuation schemes, charitable trusts, foundations, KiwiSaver scheme providers, local government authorities, other fund managers, financial planners and various investment product distributors.

Nikko AM NZ is a wholly owned subsidiary of Nikko Asset Management Co., Limited (“Nikko AM”), a Japanese asset management group. Nikko AM is owned by Sumitomo Mitsui Trust Bank, Limited which in turn is owned by Sumitomo Mitsui Trust Holdings Inc (“Sumitomo”). Accordingly, we are ultimately owned by Sumitomo.¹

We are the only dedicated global investment manager in New Zealand, providing the unique advantage of delivering local knowledge and experience with significant global resources, delivering cutting-edge investment perspectives, risk analysis, financial support and business infrastructure.

Nikko AM NZ has a dedicated investment management team and includes experts that have been together for over a decade, helping us to leverage our collective experience through various market cycles.

We offer investment management services in New Zealand assets (equities, fixed interest and cash) through our Auckland-based investment team. We also utilise the specialist knowledge of off-shore fund managers especially where international assets are involved. In particular, for the Nikko AM Global Bond Fund, we have engaged Goldman Sachs Asset Management Australia Pty Limited to manage that Fund’s global fixed income assets.

The Nikko AM Multi-Strategy Fund invests in the Nikko AM Wholesale Multi-Strategy Fund, a wholesale unit trust managed by us. The Nikko AM Wholesale Multi-Strategy Fund obtains investment exposures by investing in the JP Morgan Multi Strategy Fund II, Ltd – NZD Class C-A Shares (“MSF II”). This is a Cayman Islands-based investment vehicle which invests into approximately 40 underlying funds that cover a range of non-traditional (ie. hedge fund) investments designed to produce a consistent return whatever the underlying investment environment. We have invested in MSF II to utilise JPMAAM’s specialist expertise in hedge fund selection. We and our related parties are independent of JPMAAM and the JP Morgan Group.

The Nikko AM Global Equity Hedged Fund and Nikko AM Global Equity Unhedged Fund are managed by Nikko AM’s Multi-Manager team, which is part of Nikko AM’s Portfolio Solutions Team. This is a multi-manager global equities strategy, currently using the managers set out below:

- WCM Investment Management
- Principal Global Investors (Australia) Limited
- Epoch Investment Partners, Inc
- Davis Selected Advisors, L.P.
- Nikko AM Limited

Nikko AM Limited is also a wholly owned subsidiary of Nikko AM, and a part of the Sumitomo Group. Accordingly, it is one of our related parties. These managers may change at any time without notice.

We are an active investment manager. As such, we take the medium term approach to investment. Our focus is on using research-based information to add value over time and achieve clients’ investment objectives.

¹ No person provides any guarantee of the securities offered in this Prospectus.

We regularly review our investment philosophy and style to ensure it remains relevant and effective.

Change of Name

On 18 September 2014 our name was changed from Tyndall Investment Management New Zealand Limited to Nikko Asset Management New Zealand Limited. On 14 October 2014 the names of the Funds that are the subject of this Prospectus were renamed as Nikko AM NZ Funds. Please see 'Material Contracts' on pages 48 and 49 for further details.

GOVERNANCE AND MANAGEMENT

The Board

Our Board of Directors provides a broad base of knowledge and experience.

George William Carter

George is the Managing Director of Nikko AM NZ with 15 years' experience in the financial services industry. As an actuary he has worked in both the UK and New Zealand advising institutional clients on pensions and investments assets and liabilities as well as having sales and marketing experience in the funds management industry. He joined Nikko in 2015 after six years at AMP Capital Investors where he was both a director and Head of Distribution. George was appointed a Director of Nikko AM NZ effective 9 November 2015. He has an Honours degree in Theology from the University of Durham and is a qualified secondary school teacher.

Peter Boughton Lynn

Peter is Head of Product Promotions, Asia ex-Japan. Peter is an actuary with 21 years' experience in investment consulting, management, capital market research, portfolio strategy development, performance measurement and client servicing. He joined the company in 2000 after eight years at Mercer Investment Consulting. Peter has held the roles of Managing Director (until 8 November 2015), Head of Quantitative Analysis, Head of Client Services and Head of Strategy. Peter is a past Chairman of the Investment Subcommittee of the New Zealand Society of Actuaries and is formerly New Zealand's representative on the Global Investment Performance Standards Council. Peter was appointed a Director of Nikko AM NZ effective 1 January 2010. He has a First Class Honours degree in Mathematics from the University of Canterbury and is a Chartered Financial Analyst (CFA) charterholder.

Anthony William Harland

Anthony is Chief Operating Officer of Nikko AM NZ. He is responsible for the key operating activities of the company including risk monitoring and management, financial control, statutory, fiduciary and contractual compliance and management of service supplier relationships. Anthony joined the company in June 1988 and was appointed a Director effective 1 March 2011. He is a member of the New Zealand Institute of Chartered Accountants (NZICA).

David Jonathan Semaya

David Semaya is Representative Director and Executive Chairman of Nikko AM. He joined Nikko AM in April 2014, and is primarily responsible for overseeing corporate governance. He also contributes to overall corporate strategy and builds the reputation of the business by leveraging his extensive experience and broad network in the global asset management business. David most recently worked at Barclays Plc, where he served in various executive leadership positions since joining the bank in 2004. He was head of the Wealth Management business in the UK and Ireland, Chairman of Barclays Asset Management Ltd., and CEO of Europe and Asia for Barclays Global Investors (BGI). From 2004 to 2007, David was President of BGI Japan Trust &

Banking Co., Ltd. Prior to that, he was with Merrill Lynch and Co. for 12 years in a variety of roles in asset management and capital markets in both New York and Tokyo. He served as President of Merrill Lynch Investment Managers Japan from 2002 to 2004. David holds a Bachelor of Arts from The University of Florida, a Master of Arts from Temple University and has completed the Stanford-NUS program in International Management. Before being based in the UK, he lived in Japan for 15 years and is fluent in Japanese. David was appointed a Director of Nikko AM NZ effective 1 April 2015. David has a number of other directorships within the Nikko AM group.

Investment Management

We have one of New Zealand's most experienced investment management teams. Our team has extensive knowledge and experience.

Domestic Equities

Stuart Williams

Stuart is Head of Equities at Nikko AM NZ having joined the company in August 2014. Stuart has wide ranging experience in all aspects of the investment management industry developed over more than 18 years working for ANZ Investments and its predecessors. He has spent eight years performing detailed research and developing investment recommendations on listed companies in both New Zealand and Australia. The sectors he researched include Transportation, Healthcare, Retirement, Diversified Financials, Technology and Online. Stuart has a strong track record in portfolio management of both benchmark relative and high conviction funds (i.e long term hold). He has a Bachelor of Commerce degree from the University of Auckland and is a Chartered Accountant.

James Lindsay

James is Senior Portfolio Manager at Nikko AM NZ having joined the company in 1998. James has over two decades of investing in the Australasian sharemarkets and had a number of years experience in sharebroking prior to being appointed an Australasian Equity Analyst at Royal & SunAlliance Asset Management in Wellington. He joined the Auckland-based team in 1999 as an Equity Analyst, before being promoted to the role of Domestic Equities Manager in May 2001 and to Senior Portfolio Manager in April 2012. He achieved Honours in his Masters of Commerce degree, completed the Diploma NZSE course and a Bachelor of Commerce. He is a member of the Institute of Finance Professionals (INFINZ) and sits on the Australasian Corporate Reporting Users' Forum (CRUF).

Michael Sherrock

Michael is Portfolio Manager at Nikko AM NZ with responsibility for the Property Fund. In addition to the Property sector, Michael also covers Energy, Materials and Retirement and provides backup for quantitative analysis and the Telecommunications, IT and Media sectors. Since joining the workforce in 1997, Michael has held various roles within the finance industry including Schroders in the UK and ASB Group Investments in New Zealand, before joining Nikko AM NZ in 2006 as an Analyst in the domestic equity team. He is a CFA charterholder and has a Bachelor of Commerce degree from the University of Auckland.

Michael De Cesare

Michael is employed as a Research Analyst in the domestic equities team with primary responsibility for the Consumer Discretionary and Consumer Staples sectors. He covers Industrials and Property as secondary analyst and provides quantitative analysis. Michael's past employers include ANZ Institutional Bank and Fortis Investments, London before joining Nikko AM NZ in 2012. He is a Chartered Alternative Investment Analyst (CAIA) and holds a First Class Honours degree in Industrial Economics from the University of Nottingham Business School, United Kingdom. **Domestic Fixed Interest**

Fergus McDonald

Fergus is Head of the Bonds and Currency team at Nikko AM NZ. He is responsible for the investment strategy, performance and compliance of Bond, Cash and Currency mandates. Fergus has been actively involved in the New Zealand financial markets since 1981. He joined the company in 1990 as the Fixed Interest Manager. Fergus has considerable experience in managing bond portfolios that combine Government stock and derivatives with corporate debt securities. He was instrumental in developing and managing New Zealand's first corporate bond unit trust. Fergus holds a Bachelor of Arts (Economics), from Victoria University of Wellington and Certificate of Treasury Professionals.

Ian Bellew

Ian is the Fixed Income Manager. He joined Nikko AM NZ in 1998 as the Cash Portfolio Manager and was promoted to Fixed Income Manager in January 2012. Ian is responsible for the implementation of investment strategy and day to day management of the fixed income and option portfolios. Ian also contributes to team decision making by analysing economic information and identifying global and domestic trends. Ian holds a Bachelor of Commerce - Finance and Post-Graduate Diploma in Commerce - Finance from the University of Otago.

Tim O'Loan

Tim is the Fixed Income Analyst and joined Nikko AM NZ in 2012. Tim assists with the management of the fixed income portfolios, with emphasis on the implementation of the investment strategy for the cash and short term portfolios as well as currency hedging of offshore assets. Prior to joining Nikko AM NZ, Tim was with NZ Super Fund and OnePath (previously ING NZ). Tim holds a Bachelor of Commerce and Graduate Diploma of Commerce from the University of Auckland and a Masters of Applied Finance from Victoria University of Wellington.

Global Equities and Fixed Interest

George Carter (as Chair of the Nikko AM NZ Investment Committee)

George, in his capacity as Chair of the Nikko AM NZ Investment Committee, manages the outsourcing arrangements for Global Equities and Fixed Interest. Global equities are managed by a specialist Sydney-based team who work as part of Nikko Asset Management's Portfolio Solutions Team based in Singapore. Investment personnel from both Nikko AM Australia, New Zealand and Singapore are responsible for the ongoing selection, monitoring and review of all underlying investment managers. Global Fixed Interest is managed by Goldman Sachs Asset Management.

THE FUNDS

Investment Mandates

Domestic Equities

Nikko AM Core Equity Fund

The investment objective of the Fund is construct a portfolio of authorised investments that outperform the Fund's benchmark (S&P/NZX 50 Index Gross with Imputation) by 3.0% per annum over a rolling three year period before fees, expenses and taxes by investing primarily in New Zealand and Australian ("domestic") listed securities. We may change the benchmark from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale Core Equity Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in:

- New Zealand and Australian listed securities;
- Options and futures contracts;
- New Zealand unlisted securities as well as fixed term investment vehicles or managed funds if we establish that no suitable investment is appropriate at the current time.

The wholesale fund currently invests within the following ranges:

Asset class	Range
Domestic equities	95-100%
Cash	0-5%

Currency hedging of Australian dollar exposure is undertaken within a range of 0-105%².

Nikko AM Concentrated Equity Fund

The investment objective of the Fund is to construct a portfolio of authorised investments that outperform the Fund's benchmark (Reserve Bank of New Zealand Official Cash Rate) by 5.0% per annum over a rolling three year period before fees, expenses and taxes by investing primarily in New Zealand and Australian listed securities. We may change the benchmark from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale Concentrated Equity Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investing through the wholesale fund.

The wholesale fund is not constrained by size, style, sector or index composition. It may invest in equities of varying sizes, in emerging companies, in any sector, growth and value investments and without reference to any index composition. If we do not think there are any suitable investment opportunities, then investment funds can be held in cash.

In particular, the wholesale fund may invest in:

- New Zealand and Australian listed securities;
- Options and futures contracts;

² The range in excess of 100% reflects that, on occasions, the effect of offshore currency fluctuations on the value of offshore assets may mean that such values exceed those calculated on a currency hedged basis.

- New Zealand unlisted securities as well as fixed term investment vehicles or managed funds if we establish that no other suitable investment is appropriate at the current time. The wholesale fund currently invests within the following ranges:

Asset Class	Target Weight	Range
Cash & debt securities	0%	0-100%
New Zealand and Australian equities	100%	0%-100%

The wholesale fund may also hold fixed interest, cash and foreign exchange contracts in New Zealand and Australia. Currency hedging of Australian dollar exposures is undertaken within a range of 0-105%³.

Nikko AM Australasian Small Companies Fund

The investment objective of the Fund is to construct a portfolio of authorised investments that outperform the Fund's benchmark by 3.0% per annum over a rolling three year period before fees, expenses and taxes by investing in New Zealand and Australian "emerging leaders" securities. The current benchmark for the Fund is the Australasian Small Companies Composite Index. The Fund is managed in a manner to provide investors with capital growth and a modest investment income over a medium investment timeframe.

Investment positions are actively managed to provide Unit Holders with a moderate risk exposure to a diverse range of companies, and sectors, contained within the Australasian small companies market.

The Australasian Small Companies Composite Index is a weighted average of the following three indices:

S&P/ASX Small Ordinaries Accumulation Index	70%
S&P/NZX Small Cap Index Gross with Imputation	25%
NZX New Zealand Call Rate Index	5%

We may change the benchmark for this Fund from time to time.

The Fund currently obtains investment exposure by investing through the Nikko AM Wholesale Australasian Small Companies Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in:

- New Zealand and Australian listed securities;
- Options and futures contracts;
- New Zealand unlisted securities as well as fixed term investment vehicles or managed funds if we establish that no other suitable investment is appropriate at the current time.

The wholesale fund currently invests within the following ranges:

Asset Class	Target Weight	Range
Australian smaller equities	70%	50-90%

³ The range in excess of 100% reflects that, on occasions, the effect of offshore currency fluctuations on the value of offshore assets may mean that such values exceed those calculated on a currency hedged basis.

New Zealand smaller equities	25%	10-40%
Cash	5%	0-10%

The wholesale fund may also enter into forward currency and other derivative contracts to appropriately manage its foreign currency risk. Currency hedging of Australian dollar exposures is undertaken within a range of 0-105%⁴.

Domestic Fixed Interest

Nikko AM NZ Bond Fund

The objectives of the Fund are to:

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (S&P/NZX NZ Government Stock Index) by 1.0% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with regular income with the potential for capital gain from New Zealand Dollar (**NZD**) fixed interest markets.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale NZ Bond Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in a diversified portfolio of NZD denominated income earning assets including cash, deposits and debt securities issued or guaranteed by any New Zealand registered bank, or equivalent overseas institution, state-owned enterprise (SOE), the New Zealand or any foreign Government, New Zealand local authority, New Zealand and overseas corporate, trust vehicles and derivative instruments.

The current guidelines are:

- Minimum of 25% of the Fund is to be invested in securities issued or guaranteed by the New Zealand Government or accepted by the Reserve Bank of New Zealand's overnight reserve repo facility;
- A minimum of 50% of the Fund is restricted to debt securities with a credit rating equal to or higher than that of the New Zealand Government;
- Cash and cash equivalent investments must have a minimum credit rating of A1 Short term and A long term;
- Up to 5% of the Fund may be exposed to assets with a credit rating below A-;
- A maximum of 15% of the Fund may be invested in securities issued by the New Zealand Local Government Funding Agency;
- Derivative counterparties to attract a credit rating of A or better from a recognised rating agency;
- Portfolio modified duration range of +/- 1.5 years around index duration.

⁴ The range in excess of 100% reflects that, on occasions, the effect of offshore currency fluctuations on the value of offshore assets may mean that such values exceed those calculated on a currency hedged basis.

At the date of this Prospectus, the wholesale fund does not hold any interests in collateralised debt obligations, collateralised loan obligations or any similar securities, nor is it intended that the wholesale fund will hold any such interests in future.

Nikko AM NZ Corporate Bond Fund

The objectives of the Fund are to:

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (S&P/NZX NZ Government Stock Index) by 1.5% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with regular income, whilst preserving capital value.

Portfolio construction is designed to achieve a weighted average credit rating of A (Standard & Poor's) on capital invested.

We may change the benchmark for the Fund from time to time.

In particular, the Fund may invest in a diversified portfolio of global income earning assets, including:

- Cash or deposits;
- Debt securities listed on any recognised securities exchange or traded in secondary markets;
- Equity securities listed on any recognised securities exchange with a fixed dividend stream and a fixed redemption date;
- Financial futures contracts, options, and swap contracts, both 'exchange traded' or 'over the counter';
- Investment in managed funds that meet or exceed in part or in full the objectives and risk characteristics of the Fund.

All investments are required to have an 'investment grade credit rating' (ie Standard & Poor's BBB- and above) or be capital guaranteed by an investment grade entity. In addition:

- Portfolio duration range of +/- 2.5 years around index duration;
- Derivative counterparties to attract a credit rating of A or better from a recognised rating agency.

The Fund currently invests within the following ranges:

Asset Class	Fund Exposures	Maximum Exposure Per Issuer
AAA	0-100%	15%
AA- to AA+	0-100%	10%
A- to A+	0-80%	7.5%
BBB- to BBB+	0-30%	5%
Unrated to BB+	0%	0%

At present, it is intended that the Fund will invest primarily in New Zealand assets. At the date of this Prospectus, the Fund is not permitted to hold any interests in collateralised debt obligations, collateralised loan obligations or any similar securities, nor is it intended that the Fund will hold any such interests in future.

Nikko AM Income Fund

The investment objectives of the Fund are to construct a portfolio of authorised investments that earns a return in excess of 10% per annum measured over interest rate cycles before fees, expenses and taxes and provide regular quarterly income to Unit Holders by investing primarily in the Nikko AM NZ Corporate Bond Fund and the Nikko AM Wholesale Option Fund.

We may change the benchmark and investment objectives for the Fund from time to time.

In particular, the Fund may invest in a diversified portfolio of global income earning assets, including:

- Fixed or floating rate debt issues denominated in New Zealand dollars or foreign currencies. Foreign exchange exposures are to be hedged back to New Zealand dollars;
- Shares with a fixed dividend stream and a fixed redemption date;
- 'Exchange traded' or 'over the counter' futures, options and interest rate and foreign exchange swap contracts;
- Investment in managed funds to gain exposure to option strategies;
- Investment in managed funds that meet or exceed in part or in full the objectives and risk characteristics of the Fund.

A minimum of 60% of the Nikko AM Income Fund will be invested into the Nikko AM NZ Corporate Bond Fund (a unit trust managed by us). The Nikko AM NZ Corporate Bond Fund invests in a diversified portfolio of corporate debt. The Nikko AM Income Fund does not pay any fees for investing into the Nikko AM NZ Corporate Bond Fund.

A maximum of 40% of the Nikko AM Income Fund will be invested into the Nikko AM Wholesale Option Fund (a wholesale unit trust managed by us). The Nikko AM Income Fund does not pay any fees for investing in the Nikko AM Wholesale Option Fund.

The Nikko AM Wholesale Option Fund invests in debt issued by New Zealand registered banks with a minimum long term Standard & Poor's credit rating of A or the equivalent rating from another recognised agency. These assets are then used as collateral for the simultaneous writing of out-of-the-money call and put options (known as "short strangles") typically on 10-year US Treasuries. The options are written with short duration (i.e. less than 60 calendar days to maturity) and the calls and puts are written with equal size. The Fund receives a premium for writing the options. This strategy also uses leverage and as a result can exhibit significant volatility should there be sudden and unexpected changes in the yield on US Treasuries.

We currently invest within the following ranges:

Asset Class	Maximum Weight	Range
Nikko AM NZ Corporate Bond Fund	80%	60-80%
Nikko AM Wholesale Option Fund	40%	20-40%

At the date of this Prospectus, the Fund does not hold any interests in collateralised debt obligations or collateralised loan obligations or any similar securities, nor is it intended that the Fund will hold any such interests in future.

Nikko AM NZ Cash Fund

The objectives of the Fund are to:

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (NZX New Zealand 90-Day Bank Bill Index) by 0.2% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with reliable income from an actively managed investment portfolio whilst preserving capital value.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale NZ Cash Fund, a wholesale fund managed by us. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in cash, cash equivalent investments and other New Zealand denominated income earning assets including deposits and in debt securities issued or guaranteed by:

- the New Zealand government;
- any New Zealand local authority;
- any New Zealand registered bank with a Standard & Poor's credit rating of A1 short term or A long term (or other ratings agency equivalent);
- any corporation which has a Standard & Poor's credit rating of A1 short term or A long term (or other ratings agency equivalent).

It is subject to the following restrictions:

- maximum exposure to any issuer must not be greater than 25% of the Fund;
- Derivative counterparties to attract a credit rating of A or better from a recognised rating agency.

Global Equities and Fixed Interest

Nikko AM Global Bond Fund

The objectives of the Fund are to;

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (Barclays Capital Global Aggregate Index (hedged into NZD)) by 1.0% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with regular income with the potential for capital gain by investing primarily in global fixed income markets.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale Global Bond Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investing through the wholesale fund. We have engaged Goldman Sachs Asset Management Australia Pty Limited to manage the wholesale fund's global fixed income assets.

In particular, the wholesale fund may invest in:

- Fixed rate, variable rate or floating rate securities issued or guaranteed by sovereign issuers, government-related entities, corporations and issuers of securitised vehicles;
- Money market instruments, including deposits, treasury bonds, commercial bills, money market funds, mutual funds and repurchase agreements;
- Derivatives, including futures, swaps, spot and forward currency contracts;
- Bonds and mortgage backed-securities;

- Structured securities, including collateralised debt obligations and collateralised loan obligations;
- Private placements, emerging market debt securities and hybrid securities.

The wholesale fund follows the following guidelines:

- Long term rated securities must be rated BBB- or higher by Standard & Poor's, Moody's and/or Fitch;
- Short-term rated money market investments must be rated A2/B2/F2 or better by Standard & Poor's, Moody's and/or Fitch;
- Securities must have a weighted average modified duration within +/- 2.5 years of the benchmark's weighted average modified duration;
- Unrated securities are permitted if, in our opinion, the credit quality of the security is equal to or better than the minimum permissible credit quality;
- A maximum of 5% aggregate exposure to bonds of any one corporate issuer, excluding single-named credit defaults swap exposures.

Nikko AM Global Equity Hedged Fund

The objectives of the Fund are to;

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (MSCI All Countries World Index hedged into NZD) by 3.0% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with long term growth from an actively managed share portfolio selected from world share markets. Currency exposures will be fully hedged into NZD.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposure by investing through the Nikko AM Wholesale Global Equity Hedged Fund, a wholesale unit trust managed by Nikko AM's Multi-Manager team, which is part of Nikko AM's Portfolio Solutions Team. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in:

- Shares;
- Debentures, bonds, notes or other debt securities;
- Managed funds and other pooled investment vehicles;
- Cash, including foreign currency;
- Derivatives, including currency or interest rate swaps and options, future or forward rate agreements, foreign exchange contracts;
- Any right or option to acquire or take up any of the above.

We currently engage the following specialist investment managers:

- WCM Investment Management;
- Principal Global Investors (Australia) Limited;
- Epoch Investment Partners, Inc;
- Davis Selected Advisors, L.P.;
- Nikko AM Limited.

We may change these managers at any time without notice.

Nikko AM Global Equity Unhedged Fund

The objectives of the Fund are to;

- Construct a portfolio of authorised investments that outperform the Fund's benchmark (MSCI All Countries World Index expressed in NZD (unhedged)) by 3.0% per annum over a rolling three year period before fees, expenses and taxes; and
- Provide investors with long term growth from an actively managed share portfolio selected from world share markets. Currency exposures will be unhedged.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposure by investing through the Nikko AM Wholesale Global Equity Unhedged Fund, a wholesale unit trust managed by Nikko AM's Multi-Manager team, which is part of the Nikko AM's Portfolio Solutions Team. The Fund does not pay any fees for investing through the wholesale fund.

In particular, the wholesale fund may invest in:

- Shares;
- Debentures, bonds, notes or other debt securities;
- Managed funds and other pooled investment vehicles;
- Cash, including foreign currency;
- Derivatives, including currency or interest rate swaps and options, future or forward rate agreements, foreign exchange contracts;
- Any right or option to acquire or take up any of the above.

We currently engage the following specialist investment managers:

- WCM Investment Management;
- Principal Global Investors (Australia) Limited;
- Epoch Investment Partners, Inc;
- Davis Selected Advisors, L.P.;
- Nikko AM Limited.

We may change these managers at any time without notice.

Nikko AM Multi-Strategy Fund

The objective of the Fund is to construct a portfolio of authorised investments that generate capital appreciation over the long term for a portfolio having a diversified risk profile, relatively low volatility and a low correlation with traditional equity and fixed-income markets by outperforming the Fund's benchmark (NZX New Zealand 90-Day Bank Bill Index) by 2.5% per annum over a rolling three year period after fees and expenses, before taxes.

We may change the benchmark for the Fund from time to time.

The Fund currently obtains investment exposures by investing through the Nikko AM Wholesale Multi-Strategy Fund, a wholesale unit trust managed by us. The Fund does not pay any fees for investment through the wholesale fund.

The wholesale fund may invest in:

- NZD Class C-A Shares issued by J P Morgan Multi-Strategy Fund II, Ltd;
- Cash held by the Custodian;
- Any other investment agreed to by the Manager and Trustee.

We have engaged JPMAAM for the management of the alternative assets that the Fund invests into. JPMAAM is a New York based investment manager, specialising in non-traditional investments, including hedge funds. It is owned by JP Morgan Chase & Co, currently the largest bank in the USA.

The Fund, via the Nikko AM Wholesale Multi-Strategy Fund, invests into JPMAAM's MSF II. This is a Cayman Islands based investment vehicle which invests into approximately 40 underlying funds (many of which are known as hedge funds) that cover a range of non-traditional investments designed to produce a consistent return stream regardless of the underlying investment environment. Although each underlying fund in its own right may be regarded as relatively volatile, the funds are carefully selected and monitored to ensure that the overall risk profile of MSF II lies between the comparative risk profiles of bonds and equities.

MSF II exploits a large range of investment strategies. These include non-traditional or "exotic" strategies such as exploiting differences in commodity prices, borrowing to sell stocks whose prices are expected to fall (ie. "shorting"), hedging interest rate variations between similar issues of US Treasury Bonds and buying distressed company debt on a discounted basis. The above strategies are examples of those utilised by MSF II. MSF II may employ a wide range of other investment strategies as well.

The strategies selected do not usually depend on the level of interest rates or performance of equity markets. The strategies may actually benefit if traditional asset classes are underperforming. Conversely, the strategies may underperform at times when traditional asset classes are performing well.

The Fund invests in a New Zealand dollar class share for MSF II, developed for Nikko AM NZ. The investment into a New Zealand dollar class share means that all currency exposure created as a consequence of capital markets investment remain hedged to the New Zealand dollar.

General notes

Note that Authorised Investments under the Trust Deed are extensive. Also, in addition to investments permitted under the Trust Deed, the Trustee may permit other investments to be made.

We may amend the Investment Mandate of each Fund from time to time with the Trustee's approval with no advance notice to Unit Holders.

INVESTMENT PERFORMANCE

Where available a description of the investment performance of the Funds for the 5 financial periods prior to the date of this Prospectus is set out below.

Nikko AM Core Equity Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	17.1	18.2	-1.1
1 April 2013 to 31 March 2014	17.5	20.5	-3.0
1 April 2012 to 31 March 2013	26.8	30.7	-3.9
1 April 2011 to 31 March 2012	3.0	6.6	-3.6
5 May 2010 to 31 March 2011	2.9	8.7	-5.8

* S&P/NZX 50 Index Gross with Imputation plus 3.0% per annum

The Fund commenced on 21 December 2009, accepting its first application on 5 May 2010.

In the year of inception, the Fund Return is for the period 5 May 2010 to 31 March 2011. The Investment Objective is for the period 1 May 2010 to 31 March 2011.

Nikko AM Concentrated Equity Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	23.5	8.4	+13.3
1 April 2013 to 31 March 2014	12.5	7.5	+5.0
1 April 2012 to 31 March 2013	27.8	7.5	+20.3
1 April 2011 to 31 March 2012	-4.8	7.5	-12.3
1 April 2010 to 31 March 2011	2.9	7.8	-4.9

* RBNZ Official Cash Rate plus 5% per annum

The Fund commenced on 1 August 2006.

Nikko AM Australasian Small Companies Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	12.3	3.8	+8.5
1 April 2013 to 31 March 2014	4.6	-5.3	+9.9
1 April 2012 to 31 March 2013	24.7	5.2	+19.5
1 April 2011 to 31 March 2012	-3.2	-5.1	+1.9
1 April 2010 to 31 March 2011	9.9	18.7	-8.8

* Australasian Small Companies Composite Index plus 3% per annum (see page 12 for full details).

The Fund commenced on 30 June 2009, accepting its first application on 11 August 2009.

Nikko AM NZ Cash Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 July 2014 to 31 March 2015	3.3	2.9	+0.4

* NZX NZ 90-Day Bank Bill Index plus 0.2% per annum

The Fund commenced on 8 April 2014 and accepted its first application on 13 June 2014. In the year of inception, the Fund Return and Investment Objective are for the period 1 July 2014 to 31 March 2015.

Nikko AM NZ Bond Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	9.8	10.4	-0.6
1 April 2013 to 31 March 2014	1.6	-0.7	+2.3
1 April 2012 to 31 March 2013	8.7	7.4	+1.3
1 April 2011 to 31 March 2012	10.0	11.2	-1.2
13 January 2011 to 31 March 2011	2.0	2.5	-0.5

* S&P/NZX NZ Government Stock Index plus 1% per annum

The Fund commenced on 16 December 2010, accepting its first application on 13 January 2011.

In the year of inception the Fund Return is for the period 13 January 2011 to 31 March 2011 while the Investment Objective is for the period 1 January 2011 to 31 March 2011.

Nikko AM NZ Corporate Bond Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	9.8	10.3	-0.5
1 April 2013 to 31 March 2014	3.1	-0.2	+3.3
1 April 2012 to 31 March 2013	8.9	7.9	+1.0
1 April 2011 to 31 March 2012	8.5	11.7	-3.2
1 April 2010 to 31 March 2011	9.3	8.4	+0.9

* S&P/NZX NZ Government Stock Index plus 1.5% per annum

The Fund commenced on 30 June 2009, accepting its first application on 27 July 2009.

Nikko AM Income Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	8.6	10.0	-1.4
1 April 2013 to 31 March 2014	4.3	10.0	-5.7
1 April 2012 to 31 March 2013	9.9	10.0	-0.1
1 April 2011 to 31 March 2012	5.0	10.0	-5.0
1 April 2010 to 31 March 2011	11.8	10.0	+1.8

* 10% per annum (gross)

The Fund commenced on 23 May 2007, accepting its first application on 16 October 2007.

Nikko AM Global Equity Hedged Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	17.7	19.8	-2.1

1 April 2013 to 31 March 2014	19.8	24.0	-4.2
15 January 2013 to 31 March 2013	9.7	11.0	-1.3

*MSCI World Index (net dividends reinvested and hedged into NZD) plus 3% per annum. From 1 June 2014 the Benchmark Return for the Fund changed to MSCI All Countries World Index hedged into NZD plus 3% per annum.

The Fund commenced on 15 May 2012, accepting its first application on 15 January 2013. In the year of inception, the Fund Return and Investment Objective are for the period 1 January 2013 to 31 March 2013.

Nikko AM Global Equity Unhedged Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	22.9	24.9	-2.0
1 April 2013 to 31 March 2014	13.8	18.0	-4.2
15 January 2013 to 31 March 2013	5.2	6.8	-1.6

*MSCI World Index (net dividends reinvested) plus 3% per annum. From 1 June 2014 the Benchmark Return for the Fund changed to MSCI All Countries World Index expressed in NZD (unhedged) plus 3% per annum.

The Fund commenced on 15 May 2012, accepting its first application on 15 January 2013. In the year of inception, the Fund Return and Investment Objective are for the period 1 January 2013 to 31 March 2013.

Nikko AM Global Bond Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 April 2014 to 31 March 2015	9.4	12.4	-3.0
1 December 2013 to 31 March 2014	3.2	2.7	+0.5

*Barclays Capital Global Aggregate Index (hedged into NZD) plus 1.0% per annum.

The Fund commenced on 15 May 2012 and accepted its first application on 13 December 2013. In the year of inception, the Fund Return and Investment Objective are for the period 1 December 2013 to 31 March 2014.

Nikko AM Multi-Strategy Fund

Unaudited Performance Returns – Before Fees and Taxes			
	Fund Return (%)	Investment Objective* (%)	Relative Performance (%)
1 May 2014 to 31 March 2015	9.2	5.7	+3.5

* NZX New Zealand 90-Day Bank Bill Index plus 2.5% per annum

The Fund commenced on 10 December 2013 and accepted its first application on 22 April 2014. In the year of inception, the Fund Return and Investment Objective are for the period 1 May 2014 to 31 March 2015.

The performance of each Fund is calculated on a daily compounded rate of return basis before taxes, fees and expenses. The returns are the actual returns earned (i.e. percentage gains or losses in Fund values) and have not been annualised.

Investors who would like more up to date information on the performance of the Funds may contact the Manager (see contact information on page 28) or visit our website www.nikkoam.co.nz for the latest unit prices.

Note that past performance is not necessarily indicative of future returns.

The beneficial interest in the assets of the Fund is divided into Units, which are of equal value to each other and give an equal interest in that Fund. A Unit in the Fund does not give you any interest in any particular part of the Fund or in any particular assets of the Fund.

STATUTORY INFORMATION

The information in this section is included in accordance with the requirements of Schedule 4 of the Securities Regulations 2009.

The paragraph numbers below correspond with the clause numbers of Schedule 4 of the Securities Regulations 2009.

1 Description of the Unit Trusts

The Funds are established under the Nikko Asset Management New Zealand Limited Trust Deed for the Establishment of Unit Trusts dated 1 August 2006 (Original Trust Deed) as amended and such amendments consolidated with the Original Trust Deed on 28 September 2007 and further amended on 19 August 2014 (Trust Deed).

The Funds were established in Auckland on the following dates:

- Nikko AM Concentrated Equity Fund 1 August 2006
- Nikko AM Income Fund 23 May 2007
- Nikko AM Australasian Small Companies Fund 13 September 2007
- Nikko AM NZ Corporate Bond Fund 30 June 2009
- Nikko AM Core Equity Fund 21 December 2009
- Nikko AM NZ Bond Fund 16 December 2010
- Nikko AM Global Bond Fund 15 May 2012
- Nikko AM Global Equity Hedged Fund 15 May 2012
- Nikko AM Global Equity Unhedged Fund 15 May 2012
- Nikko AM Multi-Strategy Fund 10 December 2013
- Nikko AM NZ Cash Fund 8 April 2014

Although the Nikko AM Australasian Small Companies Fund was established in September 2007, it was only available to members of the public for subscription from 30 June 2009. Although the Nikko AM NZ Bond Fund was established on 16 December 2010, it was not made available to members of the public for subscription until 21 December 2010. Although the Nikko AM Global Bond Fund, the Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund were established on 15 May 2012, these Funds were not made available to members of the public for subscription until 26 June 2012.

The Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund were established on 15 May 2012, and commenced operations when they first received investment from members of the public on 15 January 2013. The Nikko AM Global Bond Fund was established on 15 May 2012, and commenced operations when it received investment from members of the public on 13 December 2013. The Nikko AM Multi-Strategy Fund was established on 10 December 2013 and commenced operations when it first received investment from members of the public on 22 April 2014. The Nikko AM NZ Cash Fund was established on 8 April 2014 and commenced

operations when it first received investment from members of the public on 13 June 2014.

Each Fund commenced on the date set out above, except for the Nikko AM Australasian Small Companies Fund which commenced on 30 June 2009, and will terminate upon the earlier to occur of:

- (a) the date of termination (if any) notified by the Manager to the Trustee and to each Unit Holder of the relevant Fund, being a date not earlier than three months after the date of such notice;
- (b) an extraordinary resolution being passed by Unit Holders resolving to terminate the relevant Fund; or
- (c) the expiration of a period of 80 years, less two days, from the date of the Trust Deed.

Nature of Units

The securities being offered are Units in the Funds.

The assets of each Fund are held by the Trustee on your behalf. The beneficial interest in the assets of the Fund is divided into Units, which are of equal value to each other and give an equal interest in that Fund. A Unit in a Fund does not give you any interest in any particular part of the Fund or any particular asset of the Fund.

The assets of any one Fund are not available to meet the liabilities of another Fund.

There is no maximum number or amount of Units that may be issued in a Fund.

Unit Price

Each unit is issued at the Issue Price. The Issue Price you pay for each Unit in a Fund is determined by adding to the Net Asset Value of a Fund per Unit an amount called the “buy/sell spread” (if such amount is payable for the relevant Fund). The buy/sell spread is an amount calculated to reflect the cost of acquiring investments and other administrative costs relating to the issue of Units.

As at the date of this Prospectus the Issue Price is determined on each Business Day.

Net Asset Value

The Net Asset Value of each Fund is calculated by adding the aggregate of the Market Value of the investments of Fund, at the Valuation Time, and deducting all liabilities, including contingent liabilities, of the Fund and such other provisions as we think necessary to cover such liabilities, outgoings and losses.

The Market Value of any investment on any Business Day is an amount agreed on or determined in the manner agreed on between us and the Trustee.

New Zealand equivalents to International Financial Reporting Standards require that securities be valued at the bid price for statutory reporting purposes. When calculating the Net Asset Value, we use the last sale price at which the transaction was completed on the relevant market as we believe this is most appropriate.

The Net Asset Value of each Fund is expressed in New Zealand dollars and is determined by converting foreign currency amounts into New Zealand dollars using the relevant exchange rates at the close of each Business Day.

Buy/Sell Spread

The buy/sell spread is sometimes referred to as brokerage. It reflects the costs of purchasing Authorised Investments and other administrative charges incurred when Units are issued or withdrawn. The current buy/sell spread amounts are:

- 0.40% of funds invested for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund and the Nikko AM Core Equity Fund;
- 0.07% of funds invested for the Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund.

There are currently no buy/sell spreads in respect of the Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund, the Nikko AM Multi-Strategy Fund and the Nikko AM NZ Cash Fund.

The buy/sell spread is charged when Units are issued or withdrawn, as appropriate.

Entry and Exit Fees

We are entitled to charge an entry fee of up to 4% for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core Equity Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund; and up to 1% for the Nikko AM Global Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM NZ Corporate Bond Fund and the Nikko AM NZ Cash Fund.

We are also entitled to charge an exit fee of 0.20% for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core Equity Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund.

There is no entitlement to charge either entry or exit fees on the Nikko AM Income Fund. Nor can we charge an exit fee on the Nikko AM NZ Bond Fund and the Nikko AM NZ Cash Fund. In any case, we do not currently charge entry or exit fees on any of the above mentioned Nikko AM NZ Funds.

Subject to the terms of the relevant Unit Trust Establishment Deed, we may set an entry fee or exit fee for investment in a Fund in the future on giving one month's notice to you. If an entry or exit fee is introduced, such fee would be payable at the time of entry or exit, as appropriate and would be retained by the Fund for the benefit of all Unit Holders). These fees are calculated against the amount invested, for entry fees, or the amount withdrawn, for exit fees, and charged at the time of investment or withdrawal as appropriate.

Investment advisers or investment service providers who make any of the Funds available to you may charge their own fee for this, and their other services.

There is no opening or closing date for the offer to invest in any of the Funds.

2 Managers and Promoters

The manager of each of the Funds is Nikko Asset Management New Zealand Limited (**Nikko AM NZ** or the **Manager**).

Nikko AM NZ is a wholly owned subsidiary of Nikko Asset Management Co., Limited ("Nikko AM"), a Japanese asset management group. Nikko AM is owned by Sumitomo Mitsui Trust Bank, Limited which in turn is owned by Sumitomo Mitsui Trust Holdings Inc ("Sumitomo"). Accordingly, we are ultimately owned by Sumitomo.

The directors of the Manager are:

Anthony William Harland

Roppongi Duplex Tower #1306, 3-17-10 Roppongi, Minato-ku,
Tokyo, Japan

Peter Boughton Lynn

47A Koraha Street, Remuera
Auckland 1050

David Jonathan Semaya

2-4-10, Hiroo, Shibuya-ku
Tokyo 150-0012, Japan

George William Carter (from 9 November 2015)

2 Pupuke Road, Hillcrest

Auckland 0627

Further information on our Directors is set out on page 8.

Our directors may change from time to time.

The Manager and its directors can be contacted at:

Nikko Asset Management New Zealand Limited
Level 9, Vero Centre
48 Shortland Street, Auckland 1010
PO Box 3892, Shortland Street
Auckland 1140

Telephone: 09 307 6363
Facsimile: 09 307 6399
Email: NZenquiries@nikkoam.com

At the date of this Prospectus, we also manage the following wholesale unit trusts which are not currently on offer to the public:

- Nikko AM Wholesale Option Fund
- Nikko AM Wholesale Balanced Fund
- Nikko AM Wholesale Core Equity Fund
- Nikko AM Wholesale NZ Cash Fund
- Nikko AM Wholesale NZ Bond Fund
- Nikko AM Wholesale Global Bond Fund
- Nikko AM Wholesale Concentrated Equity Fund
- Nikko AM Wholesale Multi-Strategy Fund
- Nikko AM Wholesale Global Equity Hedged Fund
- Nikko AM Wholesale Global Equity Unhedged Fund
- Nikko AM Wholesale SRI Equity Fund
- Nikko AM Wholesale Property Fund
- Nikko AM Wholesale Australasian Small Companies Fund

At the date of this Prospectus, it is proposed that a number of the above wholesale unit trusts be amalgamated with retail unit trusts which obtain exposure to investments by investing through the wholesale unit trust. The amalgamation is a proposal at this stage. We have not finalised our plans. Nor has approval been sought or obtained

from various interested parties. It is expected that if such amalgamations take place, the changes will need to be made before we register our scheme under the Financial Markets Conduct Act 2013.

The Manager is also the promoter of the Funds.

BNP Paribas Services Australasia Pty Limited (**BNP Paribas**) is the administrator of the Funds.

BNP Paribas' services include unit pricing, Portfolio Investment Entity (**PIE**) tax calculation and processing, distribution processing, fund accounting and, when required, assisting us with the preparation of annual Financial Statements for the Funds.

BNP Paribas can be contacted at:

Level 18 – State Insurance Tower
1 Willis Street, Wellington 6011
PO Box 3299, Wellington 6140

Telephone: 04 439 2100
Facsimile: 04 439 2110

Neither we, BNP Paribas, nor any of our Directors have, during the five years preceding the date of this Prospectus, been:

- Adjudged bankrupt or insolvent;
- Convicted of a crime involving dishonesty;
- Prohibited from acting as a director of a company; or
- Placed in statutory management, voluntary administration, liquidation or receivership.

3 **Registrar, custodian, auditor, advisers and experts**

The custodian of the Funds is Public Trust (**Custodian**).

In its role as trustee, Public Trust has delegated to BNP Paribas authority to undertake settlements for certain investments for the Funds upon our instruction. BNP Paribas may only follow these instructions if they comply with the Investment Mandates. BNP Paribas is also the Registrar of the Funds.

The name and address of the auditor of the Funds is:

PricewaterhouseCoopers
188 Quay Street, Auckland 1010

PricewaterhouseCoopers are the Auditors of the Funds. The Auditors are registered under the Auditor Regulation Act 2011.

The name and address of the Solicitors for the Funds is:

Glaister Ennor
Norfolk House, 18 High Street
Auckland 1140
PO Box 63, Shortland Street
Auckland 1140

There are no experts named in this Prospectus.

4 **Independence of unit trustee and any custodians**

Public Trust, as the Trustee and the Custodian, is independent of us, our directors and BNP Paribas.

5 **Unit trustee**

The Trustee of the Funds is Public Trust (**Trustee**):

The Trustee can be contacted at:

Public Trust
Level 9, 34 Shortland Street, Auckland 1010
PO Box 1598, Shortland Street
Auckland 1140

The Trustee may also be contacted at:

Telephone: 09 958 5300
Email: enquiry@trustee.co.nz

The members of the Trustee's board are:

Sarah Mary Roberts, Chair	Auckland
Fiona Ann Oliver	Auckland
Dilkush (Dinu) Harry	Auckland
Susan Mary Anna McCormack	Christchurch
Diana Marie Puketapu	Auckland
David Winiata Tapsell	Wellington
Huei Min (Lyn) Lim	Auckland

The board members may be contacted at the Trustee's address set out above.

The board members may change from time to time.

The Securities Trustees and Statutory Supervisors Act 2011 requires the Trustee to apply to the Financial Markets Authority (FMA) for a licence to act as trustee for certain financial products.

The Trustee has been granted a full licence under the Securities Trustees and Statutory Supervisors Act 2011 to act as trustee in respect of unit trusts. The licence expires on 16 January 2018 and is subject to conditions. Further information (including a copy) of the Trustee's licence is publicly available on the FMA's website, www.fma.govt.nz.

If the Trustee does not hold the appropriate licence, then we are obliged to seek and appoint another trustee.

The Trustee is a statutory corporation and Crown entity established and constituted in New Zealand on 1 March 2002 under the Public Trust Act 2001.

The Trustee is indemnified by the Funds against any expense or liability which it may incur in bringing or defending any action or suit in respect of a Fund or the provisions of the Trust Deed and against any personal liability. The Trustee remains liable in respect of wilful default or wilful breaches of trust. A breach of trust occurs where the Trustee fails to show the degree of care and diligence required as a trustee of the

Funds, having regard to the provisions of the Trust Deed, and the powers, authorities and discretions conferred on it.

The Trustee does not guarantee the repayment of Units in the Funds or the payment of any returns on any Unit in the Fund.

6 Description of the Unit Trusts and their development

Each Fund was established under the Trust Deed, by Unit Trust Establishment Deed supplemental to the Trust Deed on the dates of establishment set out on page 25.

The Trust Deed was consolidated on 28 September 2007 and was further amended and consolidated on 14 October 2014.

The Unit Trust Establishment Deed for the Tyndall Corporate Bond Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM NZ Corporate Bond Fund.

The Unit Trust Establishment Deed for the Tyndall Core NZ Equity Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM Core Equity Fund.

The Unit Trust Establishment Deed for the Tyndall Fixed Interest Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM NZ Bond Fund.

The Unit Trust Establishment Deed for the Tyndall Global Fixed Income Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM Global Bond Fund.

The Unit Trust Establishment Deed for the Global Equity Hedged Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM Global Equity Hedged Fund.

The Unit Trust Establishment Deed for the Tyndall Global Equity Unhedged Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM Global Equity Unhedged Fund.

The Unit Trust Establishment Deed for the Tyndall Cash Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM NZ Cash Fund.

The Unit Trust Establishment Deed for the Tyndall Multi Strategy Fund was amended by Deed of Amendment on 14 October 2014 to change the name of the Fund to Nikko AM Multi-Strategy Fund.

The Establishment Deed for the Tyndall Aggressive Australasian Equity Fund was amended by Deeds of Amendment on 23 May 2007, 13 September 2007, 13 November 2013 and 14 October 2014 (to change the name of the Fund to Nikko AM Concentrated Equity Fund).

The Unit Trust Establishment Deed for the Tyndall Income Fund was amended on 13 September 2007, 13 November 2013 and 14 October 2014 (to change the name of the Fund to Nikko AM Income Fund).

The Unit Trust Establishment Deed for the Tyndall Australasian Small Companies Fund was amended by Deeds of Amendment on 5 June 2008, 30 June 2009, 21 December 2009, 29 April 2014 and 14 October 2014 (to change the name of the Fund to Nikko AM Australasian Small Companies Fund).

Summary of the principal terms of the Trust Deed

The principal terms of the Trust Deed and the relevant Unit Trust Establishment Deeds, not addressed elsewhere in this Prospectus, are summarised below:

Creation of Trust

The Trustee agrees to act as trustee and hold each Fund in trust for the Unit Holders on the terms and conditions contained in the Trust Deed and the relevant Unit Trust Establishment Deed.

Issue of units

Unit Holders wishing to apply for units in a Fund are required to apply to the manager by completing the application form attached to the Investment Statement.

The minimum initial investment amount for each Ordinary Fund is \$5,000.00. The minimum initial investment for the Nikko AM Multi-Strategy Fund is \$150,000.00.

We may accept initial investments below these amounts if we wish.

Further investments in any Ordinary Fund, including regular payments, must be at least \$1,000.00. You may invest on any New Zealand Business Day. Regular payments by direct credit are accepted on a daily basis subject to the minimum amounts being provided.

Further investments in the Nikko AM Multi-Strategy Fund must be at least \$150,000.00. Regular payments are not accepted for this Fund.

Investments can only be made into the Nikko AM Multi-Strategy Fund once each month. The table below outlines the application and investment dates for the next 14 months from the date of this Prospectus.

<i>APPLICATION DATE</i> FUNDS DEPOSITED TO PUBLIC TRUST APPLICATION ACCOUNT	<i>INVESTMENT DATE</i> INVESTMENT INTO JP MORGAN MULTI STRATEGY FUND II LIMITED – C-A NZD CLASS
13 October 2015	1 November 2015
13 November 2015	1 December 2015
14 December 2015	1 January 2016
14 January 2016	1 February 2016
15 February 2016	1 March 2016
15 March 2016	1 April 2016
13 April 2016	1 May 2016
13 May 2016	1 June 2016
15 June 2016	1 July 2016
13 July 2016	1 August 2016
15 August 2016	1 September 2016
14 September 2016	1 October 2016

13 October 2016	1 November 2016
15 November 2016	1 December 2016

Funds deposited before each application date as stated above will not be invested and will be returned to the applicant bank account. Funds which are not cleared until after a relevant application date will be returned to the applicant bank account and need to be resubmitted for the next application date.

We may change the above minimum investment amounts at any time, at our discretion. Units are issued at our discretion. We may accept or reject all or part of your application. Once we receive your application money in cleared funds, we pay it less the buy/sell spread (if such charge is payable for the relevant Fund) to the Trustee. Your Units are generally allotted once your application has been accepted and cleared funds have been received.

Withdrawal of Units

You can withdraw all or some of your Units in any Ordinary Fund at any time by providing us with a withdrawal request.

A withdrawal request for an Ordinary Fund received after 4.00 pm on a Business Day will be processed on the next Business Day. Withdrawal proceeds will be sent to you as soon as possible and no later than 30 days after receipt of the withdrawal request.

A withdrawal request for the Nikko AM Multi-Strategy Fund is processed quarterly with notice required to us prior to the redemption date. The following table outlines the dates for 2015 and 2016 that your withdrawal request is required to be with us and the date on which your redemption will be processed.

<i>NOTICE DATE</i> YOU SUBMIT REDEMPTION NOTICE TO NIKKO AM NZ BY	<i>REDEMPTION DATE</i> REDEMPTION DATE FROM JP MORGAN MULTI STRATEGY FUND II LIMITED – C-A NZD CLASS
15 October 2015	31 December 2015
15 January 2016	31 March 2016
15 April 2016	30 June 2016
15 July 2016	30 September 2016
15 October 2016	31 December 2016

Notices received by us after a notice date will be treated as received prior to the next notice date.

Receipt of cleared funds in New Zealand from JPMAAM may take up to three months after the redemption notice day, which could be up to a month after the scheduled redemption date.

A withdrawal request for the Nikko AM Multi-Strategy Fund must be for no less than \$50. No Units will be withdrawn if the effect of the withdrawal would be that you hold less than \$50, unless the withdrawal is made in respect of all Units you hold in the Fund.

Unless we agree otherwise, a withdrawal request must be in writing and should be sent to the following address:

Nikko Asset Management New Zealand Limited, PO Box 3892, Shortland Street, Auckland 1140 Attn: Operations.

We will effect your withdrawal request by way of redemption of Units unless you specifically request that we re-purchase your Units. We will deduct any tax liability arising from the withdrawal, pay the tax to the Inland Revenue Department and provide you with the balance. The tax consequences of a withdrawal are set out on pages 58 to 62.

We may compulsorily withdraw your Units in an Ordinary Fund if your balance falls below \$5,000.00. We may compulsorily withdraw your Units in the Nikko AM Multi-Strategy Fund if your balance falls below \$50. If any of these events occur, we will pay the proceeds of the redemption to your nominated bank account. The clearance period of a direct credit is five Business Days.

The amount you will receive upon withdrawal is the Net Asset Value of the Fund per Unit less the buy/sell spread (if applicable). Further information on the buy/sell spread, and the Funds which it affects, is set out on pages 42 and 43.

Exit Fee

An exit fee is a percentage amount determined by us which can be charged when you withdraw Units. Our current policy is not to charge any exit fee.

Deferral

We may defer withdrawals if we receive withdrawal requests over a period of three months totalling more than 5% of the total Units on issue in a Fund and we consider it is in your interests to defer immediate withdrawal.

In this event, we will allow withdrawal by instalments over a period which we consider appropriate. The timeframe will be determined by circumstances existing on capital markets.

In addition, we may take any action we think appropriate to ensure a Fund remains eligible to be a Portfolio Investment Entity (**PIE**). These steps include to compulsorily withdraw your units and pay the proceeds to your nominated bank account.

Suspension

We may also suspend your right to withdraw Units in any Fund if we receive withdrawal requests totalling more than 20% of the Units on issue in that Fund over a three month period.

If we take this action, we must notify the Trustee of our intention to suspend redemptions and send all Unit Holders a suspension notice. If we wish to suspend redemptions for more than six months from the date of the notice, we are obliged to immediately call a Unit Holder meeting to consider winding up the relevant Fund or take action which Unit Holders consider appropriate.

In addition, we may also defer or suspend the withdrawal of any Units in a Fund where:

- There is a material adverse change in the position (financial or otherwise) of either ourselves or the Fund;
- There is a material adverse change in domestic or international financial markets;
- There is any other material adverse reason relating to the Fund, ourselves or the Trustee.

In this event, the Trustee must be notified. Again, if we wish to suspend for more than six months we must also call a meeting of Unit Holders to consider winding up the relevant Fund or take such action as Unit Holders see fit.

The Register

We keep and maintain a Register of Unit Holders for each Fund. Registers are audited annually. You may inspect the relevant register free of charge at any time during normal business hours. You should notify us of any change of address so that we can update the Register. Other persons, who are not investors, may inspect the Register provided they pay a fee which we consider reasonable.

Both ourselves and the Trustee are entitled to rely on the Register as being correct.

Transfers of units

Units in a Fund are transferrable. If you wish to transfer Units you must notify us in writing and use our transfer form, which must be signed by both you and the transferee.

We may decline to register any transfer if:

- Any applicable statutory provisions have not been complied with; or
- Registration of the transfer would result in less than \$5,000.00 (or \$50.00 for the Nikko AM Multi-Strategy Fund) remaining in the name of the transferor or standing in the name of the transferee; or
- The transfer would or could result in a Fund losing its status as a PIE

We must adjust the number of Units transferred to the transferee to reflect any tax payable up to the time of the transfer. Therefore the transferee may receive a different number of Units to those transferred by the transferor. Pages 58 to 62 explain some of the taxation related consequences of a transfer.

We may close a Register for up to 30 Business Days in aggregate for each year. If a Register is closed, the registration of transfers will be suspended.

Transmission of units

The Manager will recognise your executor or administrator as having title to your Units in the event of your death. In the case of a joint Unit holding, the survivor will be recognised as having title to the Units. We may register a transfer to which you have agreed before your death, after the date of death.

In addition, and upon instruction by an appropriately authorised person, we are also entitled to transfer Units to your manager, attorney or any other entitled person if you become of unsound mind, are mentally incapacitated, insolvent or bankrupt.

Switching

We currently permit switching from one Ordinary Fund to another. Switching is not currently permitted by us for an investment in the Nikko AM Multi-Strategy Fund.

We will not charge for the first three switches every year. However, for further switches we may charge you a fee of up to 1% of the amounts switched. A request to switch will be treated as a withdrawal request from one Fund and an application for Units in the other Fund. Accordingly, the money will be withdrawn from one Fund at the withdrawal price (described on pages 33 and 34) and purchasing Units in the new Fund in the manner set out on pages 32 and 33.

As with any withdrawal, a switch is also subject to our powers of deferral and suspension.

Management of the Funds

We manage or supervise the management of the assets of the Funds in accordance with the terms of the relevant Establishment Deed. Our responsibilities include, but are not limited to:

- Making all investment decisions;
- Issuing Units;
- Maintaining the Registers;
- Administering withdrawals, transfers and transmissions of Units;
- Receiving and banking monies;
- Reporting to you;
- Maintaining accounting and investment records;
- Directing the Trustee when a Fund should borrow.

Borrowing Powers

If directed by us, the Trustee may borrow money from any person, including a Unit Holder. For these purposes, the Trustee may enter into the relevant loan documents and securities, it may also grant a security interest over any or all of the assets of the relevant Fund as security for the moneys borrowed.

Moneys borrowed may not exceed limitations set out in the Establishment Deed for that Fund.

Financial Statements and Auditor

We are responsible for preparing Financial Statements in respect of each Fund at the end of each Financial Period. The Financial Statements are audited and we must provide copies of the audited Financial Statements to the Trustee and each Unit Holder for the relevant Fund.

We also keep accounting records which correctly record and explain the transactions and financial position of each Fund. The Trustee and ourselves agree on the appointment of the Auditor provided that such person meets any applicable statutory requirements. The Trustee must approve the remuneration to be paid to the Auditor. We may remove the Auditor, with the Trustee's approval, if we think it is in the Funds' best interest or Unit Holders instruct us to do so. The Auditor may retire upon giving us one month's notice in writing.

Investment

We only invest in Authorised Investments that satisfy the Investment Mandate of each Fund as outlined on pages 11 to 19.

The assets of the Funds are invested to maintain each Fund's eligibility as a PIE. The Trustee's approval is required if we wish to change the Investment Mandate of a Fund without providing you advance notice. If we make such changes we will advise you in writing.

Valuations

We value each Fund every Business Day. A Fund's value is calculated by adding the aggregate Market Value of the investments of the relevant Fund on that day and deducting the aggregate of accrued liabilities and such other provisions as we think fit to cover such liabilities, any outgoings and losses.

Market value is determined using one of the following means:

- the latest sale price of the asset on any stock exchange;
- the NAV (net asset value) of the relevant wholesale unit trust;
- the amount certified by an approved valuer or other suitably qualified person; or
- if no such amount has been agreed on, the cost basis determined by us.

The Net Asset Value of the Fund is calculated by reference to New Zealand dollar equivalent amounts and therefore exchange rate fluctuations between the New Zealand dollar and foreign currencies will alter the Net Asset Value of the Fund irrespective of any changes in value of the underlying securities.

We may enter into foreign currency exchange contracts to manage currency exposures including contracts to maximise the New Zealand dollar returns of the Fund. Further information on the Funds' ability to enter into foreign exchange contracts is detailed in the Investment Mandates set out on pages 11 to 19.

Income and income entitlements

We determine the amount of income and any realised capital gains available for distribution to you at the end of each Distribution Period (as outlined below) subject to any requirements of a Fund's Establishment Deed.

The Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund and the Nikko AM Core Equity Fund make distributions six-monthly. These distributions are made in the last week of March and September of each year. Distribution amounts will comprise any dividends received and any net realised gains on the sale of assets.

The Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund and the Nikko AM NZ Cash Fund currently make distributions quarterly. These distributions are made in the last week of March, June, September and December of each year. Distribution amounts will comprise all income receipts and realised net trading gains.

Unrealised gains will be retained in the Funds until realisation.

Distributions will not be made if there are no amounts available for distribution.

We currently do not make any distributions for the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund. The Establishment Deeds for these Funds permit us to make distributions if at any time in the future we decide to do so.

Unless you advise us otherwise in your application form, distributions will be automatically re-invested in the relevant Fund. Re-investments are made by purchasing further Units in that Fund.

We may also alter the distribution dates at our discretion.

The Trustee

The Trustee's general powers in respect of the Funds include:

- Holding the assets of each of the Funds on trust for you according to terms of the Trust Deed;
- Monitoring our compliance with the requirements of the Trust Deed;
- Agreeing modifications to the terms of the Trust Deed where those changes are not considered to be prejudicial to the interests of the Unit Holders;

- Borrowing on our direction (although we have resolved not to give any such direction) subject to limitations set out in the relevant Investment Mandate described on pages 11 to 19;
- Assisting us in appointing the Auditor; and
- Appointing a temporary manager if necessary.

The Trustee is not obliged to act on any direction of ours to invest, acquire or dispose of any investment if, in the Trustee's opinion, the proposed transaction is:

- manifestly not in the interest of the Unit Holders of the Fund; or
- is contrary to the provisions of the Trust Deed.

The Trustee is not liable to you for taking this position or refusing to act on any such direction.

Removal and retirement of the Manager

We can be removed as Manager:

- by the High Court on the application of the Trustee, any Unit Holder of the relevant Fund or the FMA;
- if the Trustee certifies that it is in the interests of Unit Holders of the Fund in respect of that Fund;
- by resolution passed at a Unit Holders meeting by Unit Holders of a Fund in respect of that Fund who hold at least three quarters of the value of the Units held by the Unit Holders who are present (in person or by proxy at the meeting) and hold at least one quarter of the value of all Units in that Fund.

In such a case the Trustee has power to appoint a temporary manager. The Trustee must also summon a meeting of Unit Holders to secure the appointment of the new manager or arrange for some other qualified person to be appointed.

We may retire as Manager of a Fund after giving three months' notice in writing to the Trustee. However, our retirement cannot be effective until the Trustee has appointed a replacement manager.

Removal and retirement of the Trustee

The Trustee may be removed from office by:

- the High Court on our application or by the FMA in circumstances set out in the Securities Trustees and Statutory Supervisors Act 2011; or
- the Unit Holders of that Fund by passing a resolution under section 18 of the Unit Trusts Act 1960 that the Trustee shall cease to act as a Trustee in respect of the Fund.

The FMA also has the power to vary the Trustee's licence to act as trustee and in certain circumstances may appoint a replacement trustee.

The Trustee may retire after giving us three months' notice in writing and must retire if it becomes insolvent or is unable to pay its debts as they fall due. Any retirement is subject to the appointment of the new trustee and the transfer to the new trustee of the assets of the relevant Fund.

We can appoint a new trustee or if we fail to do so, the Unit Holders of the relevant Fund may do so by Extraordinary Resolution.

Any new trustee must hold a licence to act as trustee for the Funds under the Securities Trustees and Statutory Supervisors Act 2011.

Limitation of responsibilities

Subject to limitations under the Unit Trusts Act 1960, both the Trustee and ourselves are indemnified from the relevant Fund for any costs incurred in bringing any actions on behalf of the Fund or in accordance with the Trust Deed. This indemnity applies except to the extent that the cost is caused by the failure by ourselves or the Trustee, as appropriate, to exercise the required level of care and diligence.

In this respect, incurring costs, liabilities or obligations, both ourselves and the Trustee are deemed to be acting for and on behalf of the relevant Fund and not in our own individual capacities. Neither the Trustee nor ourselves are under any personal liability, nor may resort be made against individual property for satisfaction of the obligations of a Fund.

If in the event we are held liable, then we are entitled to indemnity or reimbursement out of the relevant Fund for all reasonable costs in respect of such matter, except to the extent that either of us has been negligent.

Meetings of Unit Holders

A meeting of Unit Holders can be called:

- Whenever we consider it necessary;
- If we receive a written request from the Trustee; or
- If we receive a written request from at least 10% of the Unit Holders of a Fund or Unit Holders holding at least 10% of the total Units issued in the Fund at the date of the request.

We will convene a meeting of Unit Holders by sending a written notice to you at the address recorded on the Register at least 14 days before the meeting. The notice of meeting will specify the time, place and general nature of the business to be transacted.

Business can only be transacted at a meeting where the requisite quorum is present at the start of the meeting. In most cases, the quorum will be Unit Holders present in person or proxy holding at least 10% of the number of Units on issue in the Fund.

Amendments to the Trust Deed

We and the Trustee may amend the Trust Deed or any Establishment Deed if:

- in the opinion of the Trustee, the amendment is made to correct a manifest error or is of a formal or technical nature;
- in the opinion of the Trustee, the amendment is necessary or desirable for the more convenient, economical or advantageous working, management or administration of any of the Funds or for safeguarding or enhancing the interests of the Funds or Unit Holders and is not or not likely to become materially prejudicial to the general interests of all Unit Holders of the relevant Funds;
- in the case of a change affecting Unit Holders, the change is authorised by an Extraordinary Resolution of those Unit Holders;
- in the event of a law change or proposed law change affecting unit trusts, an amendment is necessary to make any Trust Deed or Establishment Deed provisions consistent with such law.

Termination

We may terminate a Fund by giving the Trustee and the relevant Unit Holders three months' notice in writing of such termination.

Winding up

As soon as reasonably practicable after determination of the Fund, the assets of that Fund must be realised and the proceeds that remain once all expenses and liabilities have been provided for, will be distributed to you in proportion to the number of Units you hold.

Tax on Withdrawal

Page 61 specifies how withdrawals from the Fund are to be treated for tax purposes.

By making the investment in the Fund, you agree to indemnify the Trustee and ourselves in respect of any tax we pay on your behalf.

Payments to Unit Holders

Any amounts payable by the Trustee or ourselves to you will be paid by direct credit to the bank account that you nominate.

Restrictions on investments

We must invest each Fund in accordance with the Investment Mandate.

In the five years preceding the date of this Prospectus (or from the commencement of a Fund if later), each Fund has invested in Authorised Investments in accordance with its Investment Mandate.

The Investment Mandates for each Fund are set out on pages 11 to 19.

The investment returns for the Funds for the 5 Financial Periods preceding the date of this Prospectus are set out on pages 20 to 24. This section also describes how these returns have been calculated.

No guaranteed or promised returns

Neither we nor the Trustee guarantee or provide any undertaking in relation to:

- The return of the capital invested by you in each of the Funds;
- The payment of any return on capital or provision of any distribution, or payment of any money, in relation to each of the Funds; or
- The performance of each of the Funds. See also section 10.

7 Unit Holder liability

No Unit Holder is personally liable for any debt or liability (contingent or otherwise) of a Fund nor liable to indemnify us for debts or liabilities of a Fund. Unit Holders are not partners and in acting as the Manager under the Trust Deed we are not an agent of Unit Holders, nor do we have the power to incur liabilities on behalf of Unit Holders.

Each Unit Holder indemnifies the Trustee and ourselves in respect of any taxation amount paid or payable to us or the Trustee in respect of that Unit Holder (refer to the 'Taxation' section commencing on page 58).

No liability of any nature whatsoever (including contingent liability) will be incurred by you in relation to the Funds, other than in relation to:

- The payment of the Unit Price, buy/sell spread and any applicable entry or exit fee for Units in the Fund;
- The payment of tax on income attributed to you if you have a 0% PIR (or if you notify a lower PIR than you are entitled to); or

- The reimbursement of any tax paid by us or the Trustee on your behalf or paid on income attributed to you under the PIE regime.

There are no limitations on the amount of these liabilities.

8 Summary Financial Statements

Annexure C contains summary financial statements for the Funds.

9 Minimum subscription

There is no minimum subscription required to be raised by the issue of units in any of the Funds. The minimum amounts for individual investment are outlined on page 32.

10 Guarantors

No person, including the Manager, Nikko AM, Sumitomo Mitsui Trust Holdings Inc, the Trustee, nor any of their directors, board members, shareholders or related parties guarantees the payment of any money payable from the Funds. Please also refer to the information in section 6.

11 Acquisition of business or equity securities

No Fund holds more than 20% of the applicable Fund's total asset value in any business or equity security that is not regularly priced or quoted on a securities market.

12 Options and units paid up otherwise than in cash

No options to subscribe for units have been or will be issued. Units may be issued in consideration for securities in certain circumstances, subject to our discretion. To date, no such units have been issued.

13 Interested persons

We manage each Fund and earn fees and recover expenses for doing so. The fees charged to Unit Holders in respect of each Fund are set out below:

Fund	Entry Fee	Buy/Sell Spread ¹ (% of funds invested)	Management Fee (%pa)	Trustee Fee (%pa)	Exit Fee
Nikko AM Core Equity Fund	Nil	0.4%	0.75% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Concentrated Equity Fund	Nil	0.4%	1.00% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Australasian Small Companies Fund	Nil	0.4%	1.00% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil

Nikko AM NZ Cash Fund	Nil	Nil	0.25% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM NZ Bond Fund	Nil	Nil	0.60% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM NZ Corporate Bond Fund	Nil	Nil	0.70% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Income Fund	Nil	Nil	0.80% (of the Net Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Global Bond Fund	Nil	Nil	0.65% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Global Equity Hedged Fund	Nil	0.07%	1.25% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Global Equity Unhedged Fund	Nil	0.07%	1.25% (of the Gross Asset Value of the Fund)	up to 0.06% (of the Gross Asset Value of the Fund)	Nil
Nikko AM Multi-Strategy Fund	Nil	Nil	Nil ²	up to 0.06% (of the Gross Asset Value of the Fund)	Nil

¹ Additional to the Entry or Exit Fee (if any).

² JPMAAM charge a management fee, payable monthly in arrears of 1.0% p.a. of the net asset value of funds invested in MSF II, which is directly deducted from MSF II.

Entry fee

We currently do not charge entry fees. We are entitled to charge an entry fee of up to 4% of the amount invested for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core Equity Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund; and up to 1% for the Nikko AM Global Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM NZ Corporate Bond Fund and the Nikko AM NZ Cash Fund. If we decide to charge these fees in future for a Fund, we will give you one month's notice. We are not entitled to charge an entry fee for the Nikko AM Income Fund.

In the event this fee becomes payable, part of it may be paid to your adviser or any other party through whom you make the investment, including any of our employees. This fee is also able to be waived at our discretion.

Buy/sell spread

The buy/sell spread (sometimes referred to as "brokerage") of 0.4% of funds invested for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, and the Nikko AM Core Equity Fund; and the buy/sell spread of 0.07% of funds invested for the Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund are paid to those Funds as part of the calculation of the price of units on entry or exit to cover the costs of buying and selling securities. There are currently no buy/sell spreads in respect of the Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM

Global Bond Fund, the Nikko AM Multi-Strategy Fund and the Nikko AM NZ Cash Fund.

Management fee

Management fees are payable to us annually and these fees are calculated as a percentage of the Gross Asset Value of a Fund. Net Asset Value of a Fund is used for the Nikko AM Income Fund. Fees are calculated daily, deducted from the Fund and then paid to us. We may reduce or waive management fees at our discretion. We may decide to pay some of this fee to your adviser or other intermediary.

We are entitled to increase the management fee:

- Up to 1.25% pa of the Gross Asset Value of the Fund for the Nikko AM Concentrated Equity Fund and the Nikko AM Australasian Small Companies Fund;
- Up to 1.00% pa of the Gross Asset Value of the Fund for the Nikko AM Core Equity Fund;
- Up to 0.80% pa of the Gross Asset Value of the Fund for the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund and the Nikko AM NZ Cash Fund.
- Up to 0.90% pa of the Gross Asset Value of the Fund for the Nikko AM NZ Corporate Bond Fund;
- Up to 0.90% pa of the Net Asset Value of the Fund for the Nikko AM Income Fund;
- Up to 1.50% pa of the Gross Asset Value of the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund; and

One month's written notice will be given to Unit Holders before any such increases are made.

Nikko AM NZ currently charges the management fee set out in the above table for the Ordinary Funds. It does not currently charge a management fee for the Nikko AM Multi-Strategy Fund. Nor does it charge a management fee for this Fund's investment in the Nikko AM Wholesale Multi-Strategy Fund. Instead, JPMAAM charges a management fee, payable monthly in arrears of 1.0% per annum of funds invested in MSF II. This fee is deducted directly from MSF II.

Nikko AM NZ acts as distributor for JPMAAM in New Zealand. It receives a fee for arranging for the investment of New Zealand funds in JPMAAM's investment vehicles. This fee is paid to Nikko AM NZ directly by JPMAAM and not from the Fund or MSF II. Therefore, it will not affect the returns to investors.

Performance fees

We are currently entitled to payment of performance fees for the Nikko AM Concentrated Equity Fund and the Nikko AM Australasian Small Companies Fund. These fees are payable if the Funds' returns exceed their benchmark returns (ie their investment objective, being the benchmark plus a "performance hurdle"). For the Nikko AM Multi-Strategy Fund, JPMAAM is entitled to a performance fee where MSF II outperforms an investment hurdle. Further details of how these fees are calculated follows.

• Nikko AM Concentrated Equity Fund

In the Nikko AM Concentrated Equity Fund, a performance fee is payable to us of an amount not exceeding 10% per annum of gains over and above the benchmark return

(outperformance of the Reserve Bank of New Zealand's Official Cash Rate over a 12 month period by 5.0% per annum before fees).

The performance fee is calculated after deduction of our management fee, the Trustee's fee, custodial fees and other costs and expenses recovered by the Fund. Losses for any previous periods must be recovered before the payment of any subsequent period performance fee. The performance fee for each 12 month period is accrued and adjusted on a daily basis and paid annually in arrears based on the actual performance of the Fund for that 12 month period.

- **Nikko AM Australasian Small Companies Fund**

In the Nikko AM Australasian Small Companies Fund, a performance fee is also payable to us. The amount of this fee is 10% per annum of gains over and above the benchmark return for the Fund (Australasian Small Companies Composite Index plus 3.00% per annum).

The performance fee is calculated after allowance for our management fee, the Trustee's fee, custodial fees and costs and expenses recovered from the Fund for the relevant Financial Period.

The cumulative performance fee for each Financial Period is accrued and adjusted on a daily basis and paid annually in arrears based on the actual performance of the Fund for that Financial Period. Any amount by which the Fund underperforms the Australasian Small Companies Composite Index (or any other index against which the benchmark return is measured) for any previous Financial Periods must be recovered before the performance fee is payable for a Financial Period. Under-performance is calculated before allowance for the management fee, the Trustee's fee, custodial fees and costs and expenses recovered from the Fund for any such previous periods.

- **Nikko AM Multi-Strategy Fund**

In the Nikko AM Multi-Strategy Fund, a performance fee is payable to JPMAAM. The amount of this fee is 10% per annum of gains above the three months US Treasury Bill Yield Hurdle. This fee is calculated monthly on the gross return of MSF II, less all expenses including the JPMAAM management fee of 1.0% pa. This fee is deducted from MSF II.

Such performance fee is subject to loss carry-forward provisions. This means that if during any fiscal year there is a profit, there will be no performance fee payable until the amount of loss previously allocated to MSF II has been recovered.

- **Other Funds**

The Nikko AM Income Fund invests in the Nikko AM Wholesale Option Fund. A performance fee is payable by Unit Holders in the Nikko AM Wholesale Option Fund under normal circumstances. However, this fee is waived for the Nikko AM Income Fund.

At present, there are no performance fees payable in respect of any of the other Funds.

Expenses

Both ourselves and the Trustee are entitled to be reimbursed by a Fund for expenses properly and reasonably incurred by us in carrying out our respective roles. These expenses include:

- Any costs incurred establishing a Fund;

- Costs of investigating and negotiating the acquisition of any assets which comes within the definition of a Fund's Authorised Investments, whether or not such assets are acquired;
- Costs of acquiring, holding or dispensing of any of the Funds' assets;
- Auditors' fees or expenses;
- Any taxes, duties and statutory levies payable by the Trustee or us in respect of a Fund or its investments;
- Interest, fees and other expenses in relation to borrowings relating to each of the Funds;
- The costs of convening and holding Unit Holder meetings;
- Postage for cheques, financial statements, distribution statements, other notices and reports sent to Unit Holders;
- Fees and expenses of any lawyers, valuers, accountants or other professionals engaged by us in connection with the Funds;
- Costs of preparing and printing certificates, financial statements, distribution statements, cheques and other documents for a Fund;
- Expenses in keeping accounting records and maintaining Registers;
- The costs of preparing, registering and distributing prospectuses and investment statements for the Funds;
- Any costs incurred in preparing and lodging any statutory returns; and
- Costs of carrying out any other duties required under the Trust Deed.

Under the Trust Deed there is no limit on the amount which can be deducted from a Fund to recover expenses. However, we apply a self-imposed "expenses cap" on expense payments from the Funds. Further details follow.

Expenses Cap

Expenses (exclusive of management fees, capital markets transactional costs and any performance fees) will be recognised on an accrual basis as being due up to the end of each accounting period. In keeping the expense ratio of the Funds at a competitive level, we will limit expenses for each Fund (except the Nikko AM NZ Cash Fund) to a **maximum of 0.25%** per annum of the Net Asset Value of each respective Fund measured daily (**Expenses Cap**).

The Nikko AM NZ Cash Fund has an Expenses Cap of 0.15% per annum.

We will meet expenses incurred by a Fund in excess of the Expenses Cap. For the purposes of calculating the Expenses Cap, "expenses" include trustee fees, custodian fees, audit fees, legal fees, bank charges, expenses incurred by the Trustee, regulatory charges (including any levies) and other expenses allowed by the Trust Deed.

The Expenses Cap does not apply to any expenses incurred directly by MSF II in respect of the Nikko AM Multi-Strategy Fund.

Trustee's fees

The Trustee is paid a fee of up to 0.06% per annum of the Gross Asset Value for each Fund.

As noted above, the Trustee is also entitled to reimbursement for any of the expenses listed above which have been properly and reasonably incurred in carrying out its role as Trustee.

The Trustee is also entitled to charge a special fee in respect of each Fund. The amount of this fee must be agreed with us on a time, costs and disbursements basis. It would usually be incurred where, due to unusual circumstances, the Trustee is required to undertake work additional to its usual Trustee duties.

Switching fees

Currently the first three switches between any of the Ordinary Funds in any one year are free. We may charge a fee of 1% of the amount switched for any further switch between these Funds. Switching is not currently permitted by us for investments in the Nikko AM Multi-Strategy Fund.

Exit fees

Currently, we do not charge exit fees for withdrawals from a Fund even though we are entitled to charge an exit fee of up to 0.20% of the amount withdrawn for the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core Equity Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund and the Nikko AM Multi-Strategy Fund. However, we may impose these fees in future by giving Unit Holders one month's prior notice. Such fees may be reduced or waived at our discretion.

We are not entitled to charge exit fees on the Nikko AM Income Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund or the Nikko AM NZ Cash Fund.

Goods and Services Tax

All fees, and expense recoveries, are stated on a GST exclusive basis unless otherwise stated. Under current agreements with Inland Revenue and industry guidelines GST is charged on 10% of a Fund's annual management fee and 100% of the Trustee's fee.

General

Details of any management, Trustee or other fees deducted from a Fund will be included in the annual Financial Statements for that Fund.

With the Trustee's approval, we may increase fees or impose new fees in addition to those stated above and in addition to the increases stated above. One month's written notice must be given to Unit Holders before any fees are increased.

There are no limits on the amount of increases. We are currently not planning to increase fees.

Material Interests in the Funds

The Manager was a Unit Holder in the Nikko AM Core Equity Fund from 5 May 2010 until 23 March 2011. The number of units held during this period was 506,157.

The Manager was a Unit Holder in the Nikko AM Australasian Small Companies Fund from 11 August 2009 until 5 May 2010. The number of units held by the Manager during this period was 506,158.

The Nikko AM Concentrated Equity Fund invests in the Nikko AM Wholesale Concentrated Equity Fund, for which the Manager is the issuer. The number of units held by the Nikko AM Concentrated Equity Fund in the Nikko AM Wholesale Concentrated Equity Fund at 18 September 2015 was 1,530,615.

The Nikko AM Wholesale Concentrated Equity Fund in turn used to hold units in the Nikko AM Income Fund. The maximum number of units held by the Nikko AM Wholesale Concentrated Equity Fund in the Nikko AM Income Fund was 3,648,132 units on 10 October 2011. As at 18 September 2015 the Nikko AM Concentrated Equity Fund held no units in the Nikko AM Income Fund.

The Nikko AM Income Fund invests in the Nikko AM NZ Corporate Bond Fund, for which the Manager is the issuer. The number of units held by the Nikko AM Income Fund in the Nikko AM NZ Corporate Bond Fund at 18 September 2015 was 3,368,802.

The Nikko AM Income Fund also invests in the Nikko AM Wholesale Option Fund, for which the Manager is the issuer. The number of units held by the Nikko AM Income Fund in the Nikko AM Wholesale Option Fund at 18 September 2015 was 823,954.

The Nikko AM Core Equity Fund currently invests wholly in the Nikko AM Wholesale Core Equity Fund, for which the Manager is the issuer. The number of units held by the Nikko AM Core Equity Fund in the Nikko AM Wholesale Core Equity Fund at 18 September 2015 was 14,284,901.

The Nikko AM NZ Bond Fund currently invests wholly in the Nikko AM Wholesale NZ Bond Fund, for which the Manager is the issuer. The number of units held by the Nikko AM NZ Bond Fund in the Nikko AM Wholesale NZ Bond Fund at 18 September 2015 was 26,271,252.

The Nikko AM Global Equity Hedged Fund currently invests wholly in the Nikko AM Wholesale Global Equity Hedged Fund, for which the Manager is the issuer. The number of Units held by the Nikko AM Global Equity Hedged Fund in the Nikko AM Wholesale Global Equity Hedged Fund at 18 September 2015 was 82,843,558.

The Nikko AM Global Equity Unhedged Fund currently invests wholly in the Nikko AM Wholesale Global Equity Unhedged Fund for which the Manager is the issuer. The number of Units held by the Nikko AM Global Equity Unhedged Fund in the Nikko AM Wholesale Global Equity Unhedged Fund at 18 September 2015 was 68,858,132.

The Nikko AM Global Bond Fund currently invests wholly in the Nikko AM Wholesale Global Bond Fund for which the Manager is the issuer. The number of Units held by the Nikko AM Global Bond Fund in the Nikko AM Wholesale Global Bond Fund at 18 September 2015 was 28,852,055.

The Nikko AM Australasian Small Companies Fund currently invests wholly in the Nikko AM Wholesale Australasian Small Companies Fund for which the Manager is the issuer. The number of Units held by the Nikko AM Australasian Small Companies Fund in the Nikko AM Wholesale Australasian Small Companies Fund at 18 September 2015 was 733,204.

The Nikko AM Multi-Strategy Fund currently invests wholly in the Nikko AM Wholesale Multi-Strategy Fund for which the Manager is the issuer. The number of Units held by the Nikko AM Multi-Strategy Fund in the Nikko AM Wholesale Multi-Strategy Fund at 18 September 2015 was 55,792,921.

The Nikko AM NZ Cash Fund currently invests wholly in the Nikko AM Wholesale NZ Cash Fund for which the Manager is the issuer. The number of Units held by the Nikko AM NZ Cash Fund in the Nikko AM Wholesale NZ Cash Fund at 18 September 2015 was 115,606,375.

There are no other material interests of the type described in section 13(2) of Schedule 4 of the Securities Regulations 2009 in relation to any of the Funds.

Except as noted above none of the Trustee, Manager nor the Custodian has had any interest, either directly or indirectly, in any of the assets of any of the Funds during the period from their establishment to the date of this Prospectus.

From time to time, the directors of these interested parties may be Unit Holders in the Funds.

Investment in securities of the Manager, Trustee or Administrator

From time to time the Funds may invest in other funds managed by us or our related companies or funds for which the Trustee is trustee.

As at 18 September 2015, approximately 68.2% of the total value of the assets of the Nikko AM Income Fund was invested in the Nikko AM NZ Corporate Bond Fund.

As at 18 September 2015, approximately 31.8% of the total value of the assets of the Nikko AM Income Fund was invested in the Nikko AM Wholesale Option Fund.

Since 31 January 2008, the Nikko AM Concentrated Equity Fund has invested wholly in the Nikko AM Wholesale Concentrated Equity Fund. The indirect interest of the Nikko AM Concentrated Equity Fund in the Nikko AM Income Fund, arising as a result of this investment, is described in “Material Interests in the Funds” section.

Since 5 May 2010, the Nikko AM Core Equity Fund has invested wholly in the Nikko AM Wholesale Core Equity Fund.

Since 13 January 2011, the Nikko AM NZ Bond Fund has invested wholly in the Nikko AM Wholesale NZ Bond Fund.

Since 18 June 2012, the Nikko AM Australasian Small Companies Fund has invested wholly in the Nikko AM Wholesale Australasian Small Companies Fund.

Since 15 January 2013, the Nikko AM Global Equity Hedged Fund has invested wholly in the Nikko AM Wholesale Global Equity Hedged Fund.

Since 15 January 2013, the Nikko AM Global Equity Unhedged Fund has invested wholly in the Nikko AM Wholesale Global Equity Unhedged Fund.

Since 13 December 2013, the Nikko AM Global Bond Fund has invested wholly in the Nikko AM Wholesale Global Bond Fund.

Since 22 April 2014, the Nikko AM Multi-Strategy Fund has invested wholly in the Nikko AM Wholesale Multi-Strategy Fund.

Since 13 June 2014, the Nikko AM NZ Cash Fund has invested wholly in the Nikko AM Wholesale NZ Cash Fund.

14 Material contracts

The following material contracts have been entered into in respect of the Funds in the two years preceding the date of registration of this Prospectus:

- On 30 April 2014, the Manager and the Trustee entered into a Deed of Amendment to the Unit Trust Establishment Deed for the Tyndall Australasian Small Companies Fund, changing the name of the Fund from the “Tyndall Small Companies Fund” to the “Tyndall Australasian Small Companies Fund”. On 14 October 2014, the Manager and Trustee entered into a Deed of Amendment to change the name of the Fund to Nikko AM Australasian Small Companies Fund and to consolidate previous amendments.
- On 8 April 2014, the Manager and the Trustee entered into a Unit Trust Establishment Deed for the Tyndall Cash Fund. On 14 October 2014, the Manager and Trustee entered into a Deed of Amendment to change the name of the Fund to Nikko AM NZ Cash Fund.
- On 10 December 2013, the Manager and the Trustee entered into a Unit Trust Establishment Deed for the Tyndall Multi Strategy Fund. On 14 October 2014, the Manager and Trustee entered into a Deed of Amendment to change the name of the Fund to Nikko AM Multi-Strategy Fund.

- On 13 November 2013 the Manager and the Trustee entered into a Deed of Amendment to the Unit Trust Establishment Deed for the Tyndall Income Fund which allows the Manager to determine distribution periods and distribution dates for the Fund. On 14 October 2014, the Manager and Trustee entered into a Deed of Amendment to change the name of the Fund to Nikko AM Income Fund and to consolidate previous amendments.
- On 13 November 2013 the Manager and the Trustee entered into a Deed of Amendment to the Unit Trust Establishment Deed for the Tyndall Aggressive Australasian Equity Fund which allows the Manager to determine distribution periods and distribution dates for the Fund. On 14 October 2014, the Manager and Trustee entered into a Deed of Amendment to change the name of the Fund to Nikko AM Concentrated Equity Fund and to consolidate previous amendments.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Corporate Bond Fund to the Nikko AM NZ Corporate Bond Fund.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Core NZ Equity Fund to the Nikko AM Core Equity Fund.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Fixed Interest Fund to the Nikko AM NZ Bond Fund.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Global Fixed Income Fund to the Nikko AM Global Bond Fund.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Global Equity Hedged Fund to the Nikko AM Global Equity Hedged Fund.
- On 14 October 2014 the Manager and Trustee entered into a Deed of Amendment to change the name of the Tyndall Global Equity Unhedged Fund to the Nikko AM Global Equity Unhedged Fund.
- On 19 August 2014, the Manager and Trustee entered into a Deed of Amendment to the Trust Deed to agree the form of report provided by the Auditor and record changes to the form of Manager's Certificate to the Trustee required under the Trust Deed.

15 Pending proceedings

There are no legal proceedings or arbitrations in relation to the Funds as at the date of this Prospectus.

16 Issue expenses

Issue expenses, including legal fees, are estimated to be approximately \$14,000. We will charge these expenses to the Funds if such charge will not breach the Expense Cap mentioned in section 13 above. Any amount which is in excess of the Expense Cap will be met by us.

We may pay commission to independent financial advisers who introduce Unit Holders to a Fund. Commission is not charged to a Fund but is paid out of any entry fee

received from Unit Holders. There are currently no entry fees charged on any of the Funds. Details of the amounts payable are set out in section 13 above.

17 Other terms of offer and units

All terms of the offer are set out in this Prospectus.

Securities Markets

The units offered under this Prospectus are not tradable on a registered market. Nor has any application been made or any approval granted for trading on any registered market.

18 Financial Statements and auditor's report

The Financial Statements for the Funds for the Financial Period ended 31 March 2015 comply with and have been registered under the Financial Reporting Act 2013. They were registered on 23 July 2015 and contain an auditor's unqualified and unmodified report dated 23 July 2015. The audit report does not contain any fundamental uncertainty.

A summary of the Funds' Financial Statements is contained in **Annexure C**.

The independent auditor's report on the summary of the Funds' Financial Statements is dated 22 September 2015 and was unqualified and unmodified. The report is attached as **Annexure B**.

19 Places of inspection of documents

Copies of this Prospectus, the Trust Deed, the Establishment Deeds for the Funds, all amendments to these Deeds, material contracts, the latest Financial Statements for the Funds registered under the Financial Reporting Act and the latest annual report for the Funds, may be inspected, without fee during normal business hours, at:

Nikko Asset Management New Zealand Limited
Level 9
Vero Centre
48 Shortland Street
Auckland 1010

Copies of these documents can be viewed (if available) on the Companies Office website at www.companies.govt.nz, under the Manager's file reference (606057). Copies can be obtained on payment of the relevant fee by telephoning the Ministry of Business, Innovation and Employment Business Services Centre on 0508 266 726.

20 Other material matters

Key Risks

General Investment Risks

All investments carry some level of risk. Past performance is not necessarily an indication of future returns.

The main types of risks that Unit Holders face are that they may not receive the returns they expect, that the capital value of their investments may end up less than they originally invested, or that they may be unable to get back their money when they need it.

There is a link between the risk of an investment and the likely return the investment will provide. Generally, the higher the risk, the greater the potential return will be for Unit Holders. The converse also applies: the lower the risk, the lower the expected return. However, returns offered on investments are also affected by fees and expenses charged in connection with the investment, which should be taken into account when comparing returns.

Each type of investment has its own characteristic mix of risk and return. However, the particular risks and returns for any type of investment at any time depend on fluctuating market conditions, as well as the soundness and risk management practices of the investment manager.

There is a risk particularly in the short to medium term that if any of the risks eventuate, you may receive less than the amount you paid for your Units.

Types of Risk

Specific risks relevant to all Funds

Variable capital value and income

Because of possible decreases in the value of the underlying assets of a Fund, it is possible that the capital value of your investment may at any particular time be less than the amount originally invested. The various factors that could cause a decrease in the value of a Fund's assets are described in more detail in this section.

The income for a Fund may be affected by market conditions and the other risks described in this section. If the expenses of a Fund exceed the income for any distribution period, no distribution would be payable.

A summary of the types of risk applicable to each Fund is set out in the following table. These risks can affect your returns and cause the value of your investment to decline or fluctuate.

Type of Risk	Solvency Risk	Management Risk	Liquidity Risk	Market Risk	Short selling Risk	Interest rate Risk	Company's specific Risk	Currency Risk	Key Person Risk	General business Risk	PIE tax Risk	Derivative Risk	Counterparty Risk	Borrowing	Hedge Fund Risks
Nikko AM Concentrated Equity Fund	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	✓	N/A	N/A
Nikko AM Income Fund	✓	✓	✓	✓	N/A	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Nikko AM Australasian Small Companies Fund	✓	✓	✓	✓	N/A	N/A	✓	✓	✓	✓	✓	N/A	✓	N/A	N/A
Nikko AM NZ Corporate Bond Fund	✓	✓	✓	✓	N/A	✓	✓	N/A	✓	✓	✓	✓	✓	N/A	N/A
Nikko AM Core Equity Fund	✓	✓	✓	✓	N/A	N/A	✓	✓	✓	✓	✓	N/A	✓	N/A	N/A
Nikko AM NZ Bond Fund	✓	✓	✓	✓	N/A	✓	✓	N/A	✓	✓	✓	✓	✓	N/A	N/A
Nikko AM Global Bond Fund	✓	✓	✓	✓	N/A	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Nikko AM Global Equity Hedged Fund	✓	✓	✓	✓	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	N/A	N/A
Nikko AM Global Equity Unhedged Fund	✓	✓	✓	✓	N/A	N/A	✓	✓	✓	✓	✓	N/A	✓	N/A	N/A
Nikko AM Multi-Strategy Fund	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nikko AM NZ Cash Fund	✓	✓	✓	✓	N/A	✓	✓	N/A	✓	✓	✓	✓	✓	N/A	N/A

The risks most likely to have a significant impact on the Funds are market risk, interest rate risk, company specific risk and derivative risk. A description of the nature of these risks follows.

Market risk

Market risk applies to all types of investments. It refers to general changes that may adversely impact on the value of an investment, for example economic issues, political events, natural disasters, legislative changes (including increased regulatory costs), and other general business risks affecting financial performance.

Some market risks cannot be controlled or predicted (such as natural disasters). Other risks are more capable of being monitored through the media or via information published by the Government, industry regulators and market commentators. We carefully select securities to mitigate market risk as much as possible.

The Nikko AM Income Fund is subject to market risk particularly due to its investment in the Nikko AM Wholesale Option Fund to gain exposure to option strategies. These strategies can be speculative in nature and carry a potential material risk of loss. A maximum of 40% of the Nikko AM Income Fund will be invested into the Nikko AM

Wholesale Option Fund. Further information on these option strategies is set out on page 15.

The Nikko AM Multi-Strategy Fund is also subject to market risk due to its investment in a large number of underlying hedge funds. The diversification and styles of managers in this Fund mitigates this risk as much as possible, although some market risk (particularly natural disasters) cannot generally be predicted.

Interest rate risk

This is a particular type of market risk - the risk that changes in interest rates will affect an investment. It means that, as interest rates go down, the income return will also go down. However, when interest rates go up, the income return will go up.

It is also possible in some Funds that the capital value of fixed interest securities may change. Depending on interest rate movements, a fixed interest investment may become more valuable or less valuable. If market interest rates rise, the value of interest rate sensitive investments will reduce in value. The opposite occurs when market interest rates fall.

Interest rate risk is relevant to investments in assets such as cash, mortgages, bonds and other securities where the return offered by the investment is linked to prevailing or floating interest rates.

The value of equity securities, such as shares, can also be affected by interest rate risk because changes in interest rates can affect the relative attractiveness of equity investments in comparison to debt investments and can also affect a company's performance.

Interest rates are influenced by national and international economic factors such as exchange rates, consumer spending, employment levels, other inflationary pressures, and (in New Zealand) the Official Cash Rate set by the Reserve Bank of New Zealand to control domestic interest rates. The Reserve Bank of New Zealand and the main trading banks in New Zealand regularly publish statistics and commentary on interest rate movements.

Company Specific risk

When an investment is made in shares or other securities issued by a company, there is some risk exposure to factors affecting that company's performance. Although income and capital gains from investments in shares issued by a company may be significant, they can also be reduced (even to nil in the event of the company's failure). As well as the general market risk discussed above, a specific company's business outlook may deteriorate because of (for instance) management changes, strategy decisions, competitor activities or declining demand for its products or services. The Funds are potentially affected by this risk.

Derivative Risk

We will enter into foreign currency exchange contracts to manage currency exposures. We may also enter into other derivative contracts to manage interest rate and credit exposures. Certain risks arise out of the use of derivatives, including significant gains or losses.

A description of other risks which could affect your return from the Funds follows.

Solvency risk

There are three key solvency risks that may affect the returns on investments:

- Solvency of underlying investments

Different factors affect a specific investment's performance. Each of the Funds invests in some, or all, of cash, fixed interest, equities or other funds. The issuer of a security in which a Fund invests may become insolvent or the assets backing a security may decline significantly in value or even become worthless. These circumstances could result in the security decreasing in value or becoming worthless itself. If so, this would adversely affect the value of the relevant Fund.

- **Solvency of a Fund**

In the event of a Fund being wound up, all costs and expenses of the Fund (including our fees), any claims given priority by law (e.g. taxes) and the claims of any creditors of the Fund will be paid first. The Trustee will then distribute any remaining money to Unit Holders in proportion to the Units they held in the Fund. All Unit Holders of the Fund will rank equally in the event of any such distribution. A Unit Holder could lose any expected returns and/or their investment capital if there was not sufficient money remaining to pay all of the Unit Holders in full. However, a Unit Holder would not be liable to pay money to any person as a result of the insolvency or winding up of a Fund, and nor would a Unit Holder be required to make additional payments in the event of decreases in the capital value of their investment.

- **Solvency of the Manager**

Money invested in a Fund is held in trust separately to our assets and would be unaffected by our insolvency. This means that your investment is protected from risks related to our business generally (such as the failure of any of our other investment funds).

Management risk

Any investment in a Fund is subject to some risk in relation to our performance. In addition, the investment is also subject to risk in respect of the performance of other fund managers to whom we delegate investment management functions.

Liquidity risk

This is the risk that you cannot get your money back when you need it. With any investment, this can occur because of the nature of the particular asset class in which the investment is made. For instance, selling securities, such as equities, to provide funds to repay withdrawals may be delayed through the suspension of trading in those securities. For other securities, including certain debt securities, these delays are more likely to occur when markets are negatively affected due to certain adverse events occurring.

In particular, an investment in the Nikko AM Multi-Strategy Fund provides limited liquidity since the underlying portfolio interests held by MSF II are not freely transferrable. Investor capital is generally accessible for redemption only on a quarterly basis. Investment/divestment of Units in this Fund requires notice and a "pause and wait" period. Investors will experience delays of up to three months to receive cash once redemptions have been initiated.

Additionally, we may suspend redemptions of units of a Fund if material adverse circumstances eventuate. This has occurred only once in the history of the Manager and was for a period of two days following the terrorism events of 11 September 2001. Further information on our ability to suspend redemptions is set out on page 34.

Short selling risk

The Nikko AM Wholesale Concentrated Equity Fund has the ability to use short selling investment strategies. This is the practice of selling financial securities the seller does not own (i.e. borrowing the security from a broker), with the understanding that it must later be repurchased and returned to the broker. Short selling activity is one of the

many strategies employed by the investment managers as a valid tool to benefit from falling stock prices. If this strategy is implemented there is the additional risk that the price of the security increases and a loss is incurred. The maximum limit on the value of securities that can be short sold is 20% of the Fund's Gross Asset Value prior to the implementation.

For the Nikko AM Multi-Strategy Fund, underlying investment managers may also use short selling investment strategies, which creates the same risk. This risk is mitigated by MSF II's diversification across a wide range of strategies and investment managers.

Currency risk

Currency risk is relevant whenever a Fund invests in offshore markets. It occurs where there is a possibility that the New Zealand currency may appreciate or depreciate relative to the currency of the country in which a Fund invests. The return on or value of an investment may be reduced where the New Zealand dollar rises relative to other currencies.

The Reserve Bank of New Zealand and the main trading banks in New Zealand regularly publish statistics and commentary on foreign currency exchange rates.

For the Nikko AM Multi-Strategy Fund, a portion of MSF II's assets may be invested by underlying investment managers in debt and equity securities denominated in various currencies and in other financial instruments, the price of which is determined with reference to such currencies. JPMAAM will, however, value MSF II's investments and other assets in US dollars, and fully hedge this US dollar exposure to New Zealand dollars to mitigate any reduction in the return or value of your investment where the New Zealand dollar rises relative to other currencies.

Key person risk

Each Fund is professionally managed by investment professionals. Our ability to continue to provide investment management services to the Funds is linked to these professionals whose departure could negatively affect the performance of the Funds, at least in the short term.

General business risks

Security of power supply, the retention of competent management and staff, destruction of business premises due to fire or other causes, loss of computer data and the introduction of new legislation or amendment to existing legislation are some of the general risks which could affect our business. Our board maintains an active policy of identifying and monitoring general business risks and where a specific risk has been identified it will develop and implement a risk management plan to mitigate the risk, including appropriate insurance.

PIE Tax risks

If you provide us with the wrong prescribed tax rate (PIR) or fail to advise us of a change in that rate, we may either overpay or underpay tax within a Fund. You will be personally liable for any shortfall or any overpayment of tax in this situation, including any relevant penalties and interest. You may also be required to file a tax return. You will also be liable for any PIE tax on income allocated to you which has not been satisfied by redeeming Units or by deduction from moneys paid to you.

In addition, the loss of PIE status as a result of failing to meet the requirements of the Income Tax Act 2007 would negatively impact upon a Fund. If PIE status is lost, a Fund would be taxed at 28% rather than at your PIR. Distributions from the Fund would also be taxable with an imputation credit provided for tax paid.

Counterparty Risk

There is a risk that a party to a contract (including derivative contract) defaults or a third party fails to properly provide services in respect of the Funds or fails to complete transactions or becomes insolvent, a dispute arises or the counterparty is otherwise unable to meet its financial obligations. If this occurs, you may not recover the full amount of your investment in the Funds.

Fund Borrowing

Whilst the Funds may borrow and provide security over the assets for such borrowings, Nikko AM has adopted a general principle of no borrowing. The Funds purchase and hold securities to create market exposures to pursue their respective investment objectives. Returns are provided by income entitlements and from changes in value of securities held for resale and/or to maturity.

The Nikko AM Income Fund invests into Nikko AM Wholesale Option Fund which leverages its assets through the use of derivative instruments as part of its investment strategy.

For the Nikko AM Multi-Strategy Fund, MSF II has the power to borrow and may do so when deemed appropriate by JPMAAM, including without limitation, to meet withdrawals that would otherwise result in the premature liquidation of investments. MSF II may pledge or grant security over its assets to secure such borrowing. In addition, MSF II may leverage its assets through the use of derivative instruments.

The other Funds currently do not borrow for the purposes of investment, but may use bank overdrafts to facilitate settlements.

Specific risks relevant to the Nikko AM Income Fund

The Nikko AM Income Fund may invest up to a maximum of 40% of the Fund's Gross Asset Value in the Nikko AM Wholesale Option Fund. The Nikko AM Wholesale Option Fund purchases short term bank debt to generate regular income, then uses these assets as collateral (ie. security) for the simultaneous writing of out-of-the-money call and put options (known as "short strangles") on 10-year US Treasury Bonds.

As a consequence of this investment strategy, a relatively small movement in the 10-year US Treasury bond yield may result in a disproportionately large profit or loss to the Nikko AM Wholesale Option Fund. This volatility has the potential to also negatively impact the performance of the Nikko AM Income Fund. The Nikko AM Wholesale Option Fund is regarded as a specialist investment strategy and is not offered to the public by Nikko AM NZ. We recommend that you consult with your financial adviser prior to making an investment in the Nikko AM Income Fund.

Specific Risks relevant to the Nikko AM Multi-Strategy Fund

The Nikko AM Multi-Strategy Fund is subject to a number of additional risks, largely due to its non-traditional investment approach. A summary of the key risks particular to this Fund follows. These risks are described as "Hedge Fund Risks" in the above table.

Dependence on the Investment Manager and Portfolio Managers

JPMAAM invests assets of MSF II through a range of selected investment managers (**Portfolio Managers**). The success of MSF II depends upon the ability of JPMAAM and Portfolio Managers to develop and implement investment strategies that achieve the stated investment objectives. Subjective decisions made by JPMAAM and/or the Portfolio Managers may cause MSF II to incur losses or to miss profit opportunities on which it would otherwise have capitalised.

The performance of the Fund is also subject to the risk of poor performance by ourselves and our delegated investment manager. We mitigate this risk by following sound business practices, employing and retaining highly skilled staff and selecting quality external investment managers.

Manager selection risk

The success of the Fund depends to a significant extent upon JPMAM's manager selection process.

Limits on Information

JPMAM selects Portfolio Managers and requests certain information from each Portfolio Manager regarding the Portfolio Manager's historical performance (if any) and investment strategy. However, JPMAM may not be provided with information regarding all the investments made by the Portfolio Managers because certain of this information may be considered proprietary information by Portfolio Managers.

Variable capital value

A decrease in the value of the Fund's investments could reduce the original capital amount of a Unit Holder's investment.

Investment and Trading Risks in General

All investments made by the Fund risk the loss of capital. Portfolio Managers may invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the equity markets, the risks of short sales, the risks of leverage associated with trading in futures and options on futures markets, the potential illiquidity of derivative instruments, the risk of loss from counterparty defaults and the risk of borrowing to meet redemption requests. Portfolio Managers may utilise such investment techniques as margin transactions, short sales, option transactions and forward and futures contracts, which practices can, in certain circumstances, maximise the adverse impact to which the Fund may be subject.

Highly Volatile Markets

The prices of commodities contracts and all derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts in which the Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Portfolio Managers also are subject to the risk of the failure of any of the exchanges on which their positions trade or of clearinghouses which settle these trades.

Investments are Leveraged

The underlying Portfolio Managers of MSF II may buy and sell securities on margin (ie. using borrowed funds, also known as "leverage"), increasing the volatility of the Fund's investments. Trading securities on margin, unlike trading in futures (which also involves margin), will result in interest charges and, depending on the amount of trading activity, such charges could be substantial. The low margin deposits normally required in futures and forward trading permit a high degree of leverage. Accordingly, relatively

small price movement in a futures contract may result in immediate and substantial losses to the investor. Irrespective of the risk control objectives of the Investment Manager's multi-asset, multi-manager approach, such a high degree of leverage necessarily entails a high degree of risk.

General Market Developments

The months of August - October 1998 saw extraordinary events in the fixed-income markets generally and in the investment fund area specifically. These events included the default by Russia on certain of its debt, a flight to quality (e.g., to U.S. Treasuries) by investors worldwide, extreme volatility in emerging market and other credit-sensitive debt, insolvencies of and large losses at numerous investment funds and the U.S. government-arranged bailout of a prominent hedge fund. These events led to speculation that banks and dealers would decrease lending to hedge funds on a permanent basis, that U.S. and non-U.S. governments would increase the regulation of hedge funds and that hedge funds would experience large redemptions and an inability to raise new capital. While there can be no certainty on any of these points, these events illustrate the impact of market speculation on hedge funds in particular. As such, more recent market developments which are similar in nature may, consequently, have a material adverse impact on the Fund.

Taxation

This section briefly summarises the New Zealand taxation regime, under current enactments, as it applies to the Funds at the date of this Prospectus. It is intended as a general guide only. All Unit Holders have different taxation positions and should seek their own tax advice prior to investing.

Portfolio Investment Entities

Each Fund has elected to be a Portfolio Investment Entity (**PIE**).

Under the PIE tax regime, each Fund will attribute income to its Unit Holders and, where applicable, pay tax on attributed income on behalf of Unit Holders with a Notified Investor Rate (**NIR**) of greater than zero.

Each Fund will pay the PIE tax deducted from a Unit Holder to Inland Revenue (IRD). The amount of tax payable by a Fund will be the total of the PIE tax liability of all Unit Holders in that Fund collectively.

The PIE tax liability paid by a Fund on your behalf will be a final tax as long as you have provided your correct Prescribed Investor Rate (**PIR**) to us. A PIR once notified becomes an NIR. If you do not notify your PIR at all then the NIR applied will be the default maximum rate (see 'Individuals' and 'Non-Individuals' below).

Individuals

If you are an individual, the PIR will be 10.5%, 17.5% or 28% (see also the final paragraph under 'Additional PIR Information' below).

To qualify for a 10.5% or 17.5% PIR, you must be a New Zealand tax resident, provide us with a valid IRD number and meet the following criteria in either of the two immediately prior tax years⁵:

If the taxable income is:	And taxable income plus PIE income of:	Then the PIR rate that applies is:
------------------------------	--	--

⁵ A tax year is the 12 month period from 1 April to 31 March.

\$0 – \$14,000	\$0 – \$48,000	10.5%
\$0 – \$14,000	\$48,001 – \$70,000	17.5%
\$14,001 – \$48,000	\$14,001 – \$70,000	17.5%
\$48,001 and over	N/A	28%
Any	\$70,001 and over	28%

(Note that, if for the previous two tax years, you qualify for two rates, your PIR is the lowest rate)

If you do not qualify for the 10.5% or 17.5% PIR, then your PIR will be 28%. The maximum tax rate for an individual in a Fund is 28%, notwithstanding that their marginal tax rate is 30% or 33%.

You must advise us of your PIR and valid IRD number when you apply to invest in a Fund. You must also notify us if your PIR changes at any time. If you do not provide your PIR to us you will automatically be taxed at the default maximum rate of 28% on your attributed income from a Fund.

If you have provided your correct PIR you will not be required to file an income tax return in relation to the taxable income from a Fund. As such, the income will have no effect on any student loan payments or child support payments you may receive.

Income attributed by the Fund or certain other trusts to you will be included as family scheme income for the determination of Working for Families tax credits.

If you have provided us with the wrong PIR or failed to advise a change of PIR, then we may either overpay or underpay tax on your behalf. Where you are eligible for a lower PIR than that notified to us and an overpayment of PIE tax occurs, the IRD will not refund any overpayment. Where you notify a PIR lower than the correct rate to us and an underpayment of PIE tax occurs, you will be personally liable for additional income tax as well as any relevant penalties and interest which may apply.

Non-individuals

Non-individual Unit Holders (e.g. a company, a charity or a portfolio investor proxy) who provide us with a valid IRD number will have a PIR of 0%. If you are investing on behalf of one of these entities and you do not provide us with a valid IRD number, the default PIR of 28% will apply. If the entity has a PIR of 0% you must account for tax on its attributed taxable income from the Fund in its own income tax return unless it is tax exempt.

If a non-individual Unit Holder is a trust their PIR will be 0% unless the trustees of the trust elect to apply a 28% PIR, a 17.5% PIR or a 10.5% PIR (which is only available to certain testamentary trusts). However, if you do not provide a valid IRD number for the trust, the PIR will be the default PIR of 28%. If the 0%, 10.5% or 17.5% PIR applies, the trust must account for any attributed taxable income from a Fund within its own income tax return (at the appropriate tax rate) or distribute it as beneficiary income. PIE tax paid is available as a credit against tax payable by either the trust or the beneficiaries. If a trust chooses a 28% PIR, we will pay tax at the 28% rate and that will be a final tax.

Custodial Investors

Special provisions apply for custodians who hold legal title to Units on behalf of underlying investors who have provided funds for the Units held by the custodian. Such custodian may give notice to the Fund that the custodian is a Proxy. If you invest through a custodian who has elected to be a Proxy, then neither ourselves nor the Trustee will undertake the following responsibilities, which will instead be undertaken by the custodian:

- Calculating and organising payment of tax liability on income attributed to the Proxy by applying the PIRs of the underlying investors;
- Making adjustments to the Units held on behalf of underlying investors (by redeeming Units) or the distributions (if any) made to underlying investors or requiring payments to be made by the underlying investors which reflect the tax liability on income attributed to the underlying investors;
- Organising the provision of returns and other information to the IRD;
- Providing us any information concerning the underlying investors that may be relevant to whether the Fund continues to meet PIE eligibility requirements.

We may require Proxies to enter into contractual arrangements with us regarding compliance by Proxies with tax requirements.

Foreign residents

If you are not a New Zealand resident your attributed income from a Fund will be taxed at 28%. We will account to the IRD directly for tax on your attributed income from a Fund, so any income distributed to you will be net income.

Funds known as “foreign investment zero rate PIEs” and “foreign investment variable rate PIEs” are intended to reduce taxation of foreign investors’ investment in PIEs. We do not currently offer these types of funds as most of our investors are New Zealand residents.

We recommend non-New Zealand residents seek their own independent professional taxation advice.

Additional PIR information

For joint Unit Holders the PIR applied to the attributed income allocated to your PIE holding will be the highest PIR applicable to any of you.

Please note that the IRD may notify us to disregard a Unit Holder’s notified PIR and instead apply a different PIR.

General

Investments not subject to Foreign Investment Fund (FIF) Regime

As long as any of the Ordinary Funds remains a PIE, that Fund will not be subject (where applicable) to tax on any capital gains made on the disposition of shares held in New Zealand resident companies or certain Australian resident companies listed on an approved Australian Stock Exchange index.

Investments subject to FIF Regime (FDR applies)

Certain foreign equities (where applicable) will in most instances be taxed under the fair dividend rate (FDR) method. For the Nikko AM Multi-Strategy Fund, MSF II will be taxable under FDR. Under this method, a Fund will calculate FDR based on 5% of the market values of offshore equities, calculated on a daily basis. Any dividends (or profits from sale of shares) will not be taxed separately. However, a Fund will still be

entitled to a credit for foreign withholding tax paid on dividends received on equities, subject to certain limits.

Under FDR, any losses in respect of holdings in overseas shares are not deductible to a Fund for tax purposes.

Other Non-Equity Investments

Other income of a Fund will be subject to the relevant normal tax rules. Tax may be imposed in overseas jurisdictions in relation to overseas investments (although this may give rise to a tax credit in New Zealand).

Tax Credits

If there is a tax loss or there are excess tax credits attributed to unit holders who have notified a PIR of greater than zero for a period, these will generally be available to you in the form of a tax credit. Upon receipt of the monies from Inland Revenue, a Fund will either re-invest this tax credit by purchasing units in that Fund on your behalf in respect of annual attributions (as at 31 March) or include it in the net proceeds payable to you or applied on your behalf as a result of a full withdrawal. For non-individuals with a 0% PIR, the tax loss may be available for offset in that Unit Holder's tax return against other income, with any excess available to carry forward.

Switches

A switch is regarded as a withdrawal from an investment and an acquisition of a new investment. If you make an application to withdraw or switch, the Manager will deduct any PIE tax required from the amount that is withdrawn or switched between the Funds and pay such PIE tax to Inland Revenue.

Distributions and Withdrawals

Distributions are not subject to any tax. The amount paid on the withdrawal of Units is not subject to any tax, unless you have a PIR greater than 0%, in which case we may cancel Units to meet the relevant tax liability at the time of withdrawal.

Sale of Units

The tax treatment of sales of Units in the Funds depends on your tax status. Generally the profit on sales will be taxable if you:

- Acquired Units with the purposes of disposing of them;
- Are a dealer in investments of the same kind as the Units and acquire the Units for the purpose of that business;
- Are engaged in a business, an ordinary occurrence of which is the sale of investments of the same kind as the Units.

Returns and Payment of Tax to IRD

The Funds will return Unit Holders' PIE tax to the IRD annually.

The Funds will pay tax on behalf of Unit Holders at different rates and may receive tax credits which are only attributable to certain Unit Holders. Accordingly, to maintain equity between Unit Holders, we will either:

- adjust the units held by Unit Holders (by redeeming units equal in value to the tax paid by a Fund in respect of them, or by issuing additional units equal in value to their share of any credits); or
- adjust the withdrawal entitlement of tax paid by Unit Holders (by deducting the amount of PIE tax paid in respect of them).

If your account balance is insufficient to meet the PIE tax liability, then the Trustee and ourselves are indemnified by the Unit Holder for the shortfall.

There may always be future changes to the taxation legislation and tax rates which may impact each Unit Holder differently. You should always seek independent professional tax advice suitable to your individual circumstances.

Transactions with Related Parties

We may direct the Trustee to:

- Cause any part of the Fund to be invested and/or lodged with us or any related party of ours;
- Sell, purchase or otherwise dispose of or acquire any assets or investments to or from us, any related party of ours, or to or from any unit trust or scheme managed by us or by a related party;
- Enter into any other arrangement with any related party of ours to provide management, consultancy or other service that we consider desirable, provided such arrangements are on reasonable commercial terms.

Neither we nor any related party of ours is liable to account to the Trustee or to use any profits arising from such transaction. However, we must at all times adhere to the relevant Investment Mandate and our obligations to show the degree of care and diligence required by the Trustee. Currently, the Funds may be invested into wholesale Funds which we manage. Further information on these investments is set out in pages 46 to 48. In particular, details of material investments are set out under the headings “Material Interests in the Funds” and “Investment in Securities of the Manager, Trustee or Administrator”. We have also invested in the Funds on behalf of ourselves and other funds which we manage. Further information on material investments of this nature is set out under the heading “Material Interests in the Funds”.

In addition, we may contract other members of the Nikko AM group to provide investment management services, in addition to other external investment managers. In particular, Nikko AM Limited is contracted to provide investment management services for the Nikko AM Global Equity Hedged Fund and the Nikko AM Global Equity Unhedged Fund.

No additional management fee is paid if Funds invest in other funds managed by us or one of our related parties.

Complaints

If you have a problem, concern or complaint about any part of our service, in the first instance please contact:

The Managing Director
Nikko Asset Management New Zealand Limited
PO Box 3892
Shortland Street
Auckland 1140
Email: NZenquiries@nikkoam.com
Telephone: 09 307-6363.

If you are not satisfied with our response you can contact the Trustee:

Public Trust
Level 9, 34 Shortland Street, Auckland 1010
PO Box 1598, Shortland Street, Auckland 1140
Telephone: 09 958-5300.

We are also a member of an independent dispute resolution scheme approved by the Ministry of Consumer Affairs and operated by:

Financial Services Complaints Limited
PO Box 5967
Lambton Quay
Wellington 6145
Email: info@fscl.org.nz
Freephone: 0800 347-257 or alternatively 04 472-FSCL
Web address: www.fscl.org.nz.

There is no cost to you to use the services of FSCL if you wish to make a complaint about us.

Anti-Money Laundering and Countering Financing of Terrorism

We are subject to the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (**AML/CFT Act**). The AML/CFT Act requires us to verify your identity and address before we issue Units in a Fund to you (and at certain times after that), monitor your transactions, report any suspicious transactions to the Police and keep identity, address and transaction records about you. We may not issue Units in a Fund until your identity and address have been verified. We may also delay or refuse to process transactions or suspend the operation of your accounts with us.

21 Manager's statement

It is the opinion of the Directors of the Manager after due enquiry by them in respect of the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core Equity Fund, the Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund, the Nikko AM Global Bond Fund, the Nikko AM Multi-Strategy Fund and the Nikko AM NZ Cash Fund, that:

- the value of each Fund's assets relative to its liabilities (including contingent liabilities); and
- the ability of each Fund to pay its debts as they become due in the normal course of business,

has not materially and adversely changed during the period between the date of the latest financial statements referred to in this Prospectus and the date this Prospectus is delivered for registration.

22 Unit Trustee's statement

Refer to the attached **Annexure A** in respect of the Nikko AM Concentrated Equity Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM Core NZ Equity Fund, the Nikko AM Income Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund, the Nikko AM Global Bond Fund, the Nikko AM Multi-Strategy Fund and the Nikko AM NZ Cash Fund.


STATUTORY INDEX REQUIRED BY THE SECURITIES REGULATIONS

For the purposes of regulation 16 of the Securities Regulations 2009, matters required to be disclosed in this Prospectus in accordance with Schedule 4 of the Securities Regulations 2009 are contained on the following pages:


1	Description of the Unit Trusts	4-6, 25-27
2	Managers and Promoters	4, 7-10, 27-29, 68
3	Registrar, custodian, auditors, advisers and experts	29, 68
4	Independence of unit trustee and any custodians.....	29
5	Unit trustee.....	4, 30, 68
6	Description of the Unit Trusts and their development	11-19, 31-40
7	Unit Holder liability	40-41
8	Summary Financial Statements.....	41, 70-93
9	Minimum subscription	32, 41
10	Guarantors	7, 41
11	Acquisition of business or equity securities.....	41
12	Options and units paid up otherwise than in cash.....	41
13	Interested persons	41-48
14	Material contracts	48-49
15	Pending proceedings	49
16	Issue expenses.....	49-50
17	Other terms of offer and units.....	4-6, 50
18	Financial Statements and auditor's report.....	58, 70-93
19	Places of inspection of documents	50
20	Other material matters	50-63
21	Manager's statement	63
22	Unit Trustee's statement.....	63, 69

Execution

This Prospectus has been signed for and on behalf of Nikko Asset Management New Zealand Limited and its directors namely Peter Boughton Lynn, David Jonathan Semaya and Anthony William Harland, as the Manager of the Funds, by:

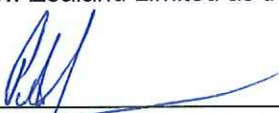


Peter Boughton Lynn

David Jonathan Semaya by his duly authorised agent Peter Boughton Lynn

Anthony William Harland by his duly authorised agent Peter Boughton Lynn

This Prospectus has been signed for and on behalf of Nikko Asset Management New Zealand Limited as the Promoter of the Funds by:



its duly authorised agent Peter Boughton Lynn

Definitions

Authorised Investments means, in respect of each Fund, the Investments which may be included in the relevant Fund as specified in the relevant Unit Trust Establishment Deed.

Business Day means any day on which banks are open for business in both Auckland and Wellington, excluding Saturday and Sunday, or such other day the Manager determines.

Extraordinary Resolution means the resolution passed at a meeting duly convened and held in accordance with the provisions of the Trust Deed and carried by a majority of not less than three-fourths of the persons voting at such meeting upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes given under such poll.

Financial Period means, in respect of each Fund, a period of 12 months ending on 31 March (or such other date as the Manager determines) in each year (or the date of termination of the relevant Fund, if earlier) and includes the period commencing on the date on which a Fund is established and ending on the following 31 March.

Financial Reporting Act means the Financial Reporting Act 2013.

Financial Statements has the same meaning as defined in section 6 of the Financial Reporting Act.

FMA means the Financial Markets Authority.

Fund means any or all of the Nikko AM Concentrated Equity Fund, the Nikko AM Income Fund, the Nikko AM Australasian Small Companies Fund, the Nikko AM NZ Corporate Bond Fund, the Nikko AM Core Equity Fund, the Nikko AM NZ Bond Fund, the Nikko AM Global Bond Fund, the Nikko AM Global Equity Hedged Fund, the Nikko AM Global Equity Unhedged Fund, the Nikko AM Multi-Strategy Fund, the Nikko AM NZ Cash Fund.

Gross Asset Value means, in respect of a Fund and in respect of each Business Day, such sum as is ascertained and fixed by the Manager being the aggregate of:

- The Market Value of the investments of that Fund; and
- Any income accrued or payable in respect of that Fund but not included in such Market Value.

Investment means, in respect of each Fund, each asset or right (including, for the avoidance of doubt, any income accrued or payable in respect of the Fund to the extent considered appropriate by the Manager) held on trust by the Trustee in respect of such Fund.

Market Value means the market value of any Investment determined in accordance with clauses 5.4 to 5.6 of the Trust Deed and the procedure (if any) set out in the relevant Unit Trust Establishment Deed.

Manager, we, our and us means Nikko Asset Management New Zealand Limited.

Net Asset Value means, in respect of each Valuation Time for each Fund and any time (if any) set out in the relevant Unit Trust Establishment Deed, the value of the relevant Fund as at that time and day and will be calculated by adding the aggregate of the Market Value of the investments of the relevant Fund on the relevant Valuation Time and deducting the aggregate of:

- all liabilities, excluding net assets attributable to Unit Holders, of the relevant Fund determined on an accruals basis up to the time of the day (if any) set out in the relevant Unit Trust Establishment Deed or the relevant Valuation Time; and
- such other provisions as the Manager thinks necessary or desirable for accrued or contingent outgoings, liabilities or losses.

PIE or Portfolio Investment Entity means an entity that has chosen to become a PIE under the relevant provisions of the Income Tax Act 2007 and the Tax Administration Act 1994.

PIR or Prescribed Investor Rate has the same meaning as in section YA1 of the Income Tax Act 2007.

Proxy means a proxy referred to in section HM33 of the Income Tax Act 2007.

Register means the register of Unit Holders of a Fund maintained pursuant to the Trust Deed.

Trust Deed includes the Establishment Deed relating to a Fund, and any supplemental deeds to the Trust Deed (as modified and supplemented by the Establishment Deeds or supplemental deeds).

Unit means an undivided part or share in the beneficial interest in the investments relating to a Fund.

Unit Holder means each person for the time being registered on the Register for a Fund as a holder of a Unit in that Fund and includes persons jointly registered.

Valuation Time means, in respect of each Fund, each time on which the Net Asset Value is periodically calculated being:

- such days specified in the relevant Unit Trust Establishment Deed;
- each day for which a special valuation is made pursuant to clause 5.2 of the Trust Deed; and
- each other day or time of day as the Manager decides (being additional to or in substitution for the days referred to above).

Directory

Manager

Nikko Asset Management New Zealand Limited
Level 9, Vero Centre
48 Shortland Street, Auckland 1010
PO Box 3892, Shortland Street
Auckland 1140

Registrar

BNP Paribas Fund Services Australasia Pty Limited
Level 18, State Insurance Tower
1 Willis Street, Wellington 6011
PO Box 3299, Wellington 6140

Administrator

BNP Paribas Fund Services Australasia Pty Limited
Level 18, State Insurance Tower
1 Willis Street, Wellington 6011
PO Box 3299, Wellington 6140

Trustee and Custodian

Public Trust
Level 9, 34 Shortland Street, Auckland 1010
PO Box 1598, Shortland Street
Auckland 1140

Auditor

PricewaterhouseCoopers
188 Quay Street, Auckland 1010
Private Bag 92162, Auckland 1142

Solicitors

Glaister Ennor
Norfolk House, 18 High Street
Auckland 1140
PO Box 63, Shortland Street
Auckland 1140

Annexure A - Trustee Statement

(attached)

Dated: 22 September 2015

Trustee's Statement

Directors
Nikko Asset Management New Zealand Limited
Level 9, Vero Centre
48 Shortland Street
Auckland

Prospectus dated 22 September 2015 ("*Prospectus*") in respect of units ("*Units*") in the Nikko AM Concentrated Equity Fund, Nikko AM Australasian Small Companies Fund, Nikko AM Core Equity Fund, Nikko AM Income Fund, Nikko AM NZ Corporate Bond Fund, Nikko AM NZ Bond Fund, Nikko AM Global Bond Fund, Nikko AM Global Equity Hedged Fund, Nikko AM Global Equity Unhedged Fund (the "*Established Funds*") and Nikko AM Multi-Strategy Fund and Nikko AM NZ Cash Fund (the "*Additional Funds*") (collectively the "*Funds*")

In accordance with the requirements of clause 22 of Schedule 4 to the Securities Regulations 2009 we confirm that in the Trustee's opinion, in respect of the year ended 31 March 2015, Nikko Asset Management New Zealand Limited (the "*Manager*") has managed the Funds during that period in accordance with the provisions of the Trust Deed for the Funds and of the offer of units.

In connection with this opinion note that:

1. The Manager is responsible for managing the Funds and issuing the Prospectus.
2. Our responsibility is to express an opinion on the management of the Funds based on our supervisory role under the Unit Trusts Act 1960 (the "*Act*") and the Trust Deed. Our supervisory role involves supervision of the Manager's performance of its statutory functions under the Act and any other functions set out in the Funds' Trust Deed. We do not provide any guarantees or assurances about the offer of units in the Funds.
3. We have obtained sufficient assurance from undertaking our supervisory activities to provide a basis for our opinion. However, there are inherent limitations in performing a supervisory role and we cannot provide an absolute assurance regarding the management of the Funds.
4. We have disregarded any matter which we consider to be immaterial to unit holders.
5. The inclusion of this Trustee's Statement in the Prospectus should not be taken to imply that the Trustee has responsibility for the material in this Prospectus other than the Trustee's Statement.
6. The Manager did not register a certificate in accordance with section 37A(1A) of the Securities Act 1978 on 31 December 2014 to enable the extension of the Prospectus in respect of the Established Funds. Also, the Manager did not renew the prospectus on 15 April 2015 in respect of the Additional Funds. This resulted in voidable irregular allotments due to the expiry of the previous prospectus dated 15 October 2014 on 31 December 2014 (in respect of the Established Funds) and 15 April 2015 (in respect of the Additional Funds). The registration of Prospectus on 25 May 2015 allowed for the allotment of units in the Funds from that date.


Kathy Brennan
Manager Client Services
Corporate Trustee Services

Annexure B - Auditor's Report

(attached)



The Directors
Nikko Asset Management New Zealand Limited
PO Box 3892
Shortland Street
Auckland 1140

22 September 2015

Dear Directors

Report of the Independent Auditors' for Inclusion in the Prospectus

As auditors of the Nikko Retail Funds, comprising the Funds named in Appendix A (the "Funds") we have prepared this report pursuant to clause 18(4) of Schedule 4 of the Securities Regulations 2009 for inclusion in the prospectus to be dated 22 September 2015 ("the Prospectus").

The summary financial statements of the Funds on pages 73 to 95 which comprise the summary balance sheets as at 31 March 2015, 2014, 2013, 2012, and 2011, the summary statements of comprehensive income, the summary statements of changes in unit holders' funds and the summary statements of cash flows for the periods then ended and related notes, are derived from the audited financial statements of the Funds for the periods ended 31 March 2015, 2014, 2013, 2012 and 2011.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore is not a substitute for reading the audited financial statements of the Funds.

Our audit of the financial statements for the year ended 31 March 2015 was completed on 23 July 2015 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures in relation to those financial statements from the date of the completion of our audit and those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to our report on those financial statements.

This report is made solely to the Directors of the Manager, for the purpose of clause 18(4) of Schedule 4 of the Securities Regulations 2009. Our work has been undertaken so that we might state those matters we are required to state to the Manager in a report from the auditor and for no other purpose. To the fullest extent permitted by law and subject to the Securities Act 1978 and Securities Regulations 2009, we do not accept or assume responsibility to anyone other than the Manager. In addition, we take no responsibility for, nor do we report on, any part of the prospectus not specifically mentioned in this report.

Manager's Responsibilities

The Manager is responsible for the preparation and presentation of:

- (a) the financial statements referred to under clause 18(1) of Schedule 4 of the Securities Regulations 2009, that comply with and have been registered under the Financial Reporting Act, and which comply with generally accepted accounting practice in New Zealand and give a true and fair view of the matters to which they relate and for such internal controls as the Manager determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;



- (b) the summary financial statements of the Funds for the periods ended 31 March 2015, 2014, 2013, 2012, and 2011 as required under clause 8 of Schedule 4 of the Securities Regulations 2009; and
- (c) disclosure of acquisitions of business or equity securities as required under clause 11 of Schedule 4 of the Securities Regulations 2009.

Auditors' Responsibilities

Our responsibility is to provide a report on the summary financial statements of the Funds under clause 18(4) of Schedule 4 of the Securities Regulations 2009 stating whether:

- (a) the amounts stated in the summary financial statements of the Funds for the periods ended 31 March 2015, 2014, 2013, 2012, and 2011 and presented in accordance with clause 8 of Schedule 4 of the Securities Regulations 2009, have been correctly taken from the audited financial statements of the Funds, in all material respects; and
- (b) the disclosures made in accordance with clauses 11(2) and (3) of Schedule 4 of the Securities Regulations 2009, have been correctly taken from the audited financial statements of the Funds, in all material respects.

We have undertaken procedures pursuant to clause 18(4) of Schedule 4 of the Securities Regulations 2009.

Other than in our capacity as auditors, we have no relationships with, or interests in, the Funds.

Opinion on the Summary Financial Statements

In our opinion, the summary financial statements of the Funds for the periods ended 31 March 2015, 2014, 2013, 2012, and 2011 on pages 73 to 95 (Annexure C) of this Prospectus as required by clause 18(4) of Schedule 4 of the Securities Regulations 2009, have been correctly taken from the audited financial statements of the Funds for those periods then ended, in all material respects.

Other Matters

There are no matters to report on in respect of the summary financial statements of the Funds pursuant to clauses 11(2) and 11(3) of Schedule 4 of the Securities Regulations 2009.

Restriction on Use of our Report

This report has been prepared for inclusion in the prospectus under clause 18(4) of Schedule 4 of the Securities Regulations 2009. We disclaim any responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared.

Yours faithfully

PricewaterhouseCoopers

Chartered Accountants
22 September 2015

Auckland



Appendix A - Trusts covered by this report

The Nikko Asset Management Retail Trusts comprise of;

- Nikko AM Concentrated Equity Fund
- Nikko AM Australasian Small Companies Fund
- Nikko AM Core Equity Fund
- Nikko AM Income Fund
- Nikko AM NZ Corporate Bond Fund
- Nikko AM NZ Bond Fund
- Nikko AM Global Bond Fund
- Nikko AM Global Equity Hedged Fund
- Nikko AM Global Equity Unhedged Fund
- Nikko AM Multi-Strategy Fund
- Nikko AM NZ Cash Fund



The Directors
Nikko Asset Management New Zealand Limited
PO Box 3892
Shortland Street
Auckland 1140

22 September 2015

***Nikko Asset Management New Zealand Limited Unit Trusts
Prospectus dated 22 September 2015***

Dear Directors

In terms of Regulation 18(1)(c)(ii) of the Securities Regulations 2009, we hereby give consent to the inclusion in your prospectus to be dated 22 September 2015 of our auditors' report dated 22 September 2015 in the form in which it appears.

We have not made or purported to have made any statement in the prospectus other than in our audit report and we expressly disclaim responsibility for any other statements in the prospectus.

We have not been involved in the preparation of any part of the prospectus other than our auditors' report, and we have not authorised or caused the issue of the prospectus.

Yours faithfully

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive, flowing script.

Chartered Accountants

Annexure C – Summary Financial Statements for Nikko AM NZ Retail Unit Trusts

Nikko AM Concentrated Equity Fund

Summary Financial Statements	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
	\$	\$	\$	\$	\$
Summary Statements of Comprehensive Income					
Income					
Investment income/(loss)	276,951	21,790	1,848,829	(588,357)	287,928
Other income	-	-	-	58	-
Net investment income/(loss)	276,951	21,790	1,848,829	(588,299)	287,928
Expenses					
Management and Performance fees	27,848	28,410	74,175	96,506	85,657
Other expenses	3,496	(16,543)	129,756	20,547	(22,475)
Total expenses	31,344	11,867	203,931	117,053	63,182
Net profit/(loss) before tax	245,607	9,923	1,644,898	(705,352)	224,746
Taxation expense	-	-	-	-	-
Profit/(loss) after tax	245,607	9,923	1,644,898	(705,352)	224,746
Total comprehensive income/(loss)	245,607	9,923	1,644,898	(705,352)	224,746
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	1,472,648	8,359,999	8,107,865	9,399,123	6,974,540
Total comprehensive income/(loss)	245,607	9,923	1,644,898	(705,352)	224,746
Contributions from Unit Holders	228,223	763,604	1,696,576	2,002,743	3,699,663
Repayments to Unit Holders	(488,777)	(7,632,036)	(3,048,099)	(2,400,057)	(1,310,651)
Distribution to Unit Holders	(7,078)	(28,842)	(41,241)	(188,592)	(189,175)
Total transactions with Unit Holders	(267,632)	(6,897,274)	(1,392,764)	(585,906)	2,199,837
Unit Holders' funds at end of the period	1,450,623	1,472,648	8,359,999	8,107,865	9,399,123

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	-	-	-	-	63
PIE tax receivable	-	-	-	-	6
Receivables	1	1	-	-	75,453
Financial assets at fair value through profit or loss	1,466,223	1,474,414	8,461,104	8,124,274	9,443,377
Total assets	1,466,224	1,474,415	8,461,104	8,124,274	9,518,899
Distribution payable to Unit Holders	-	-	-	-	104,005
PIE tax liability	-	-	-	-	-
Payables	15,601	1,767	101,105	16,409	15,771
Current tax liability	-	-	-	-	-
Total liabilities	15,601	1,767	101,105	16,409	119,776
Net assets attributable to Unit Holders	1,450,623	1,472,648	8,359,999	8,107,865	9,399,123
Unit Holders' funds	1,450,623	1,472,648	8,359,999	8,107,865	9,399,123
Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
Net cash flows from/(used in) operating activities	267,632	6,897,274	1,392,764	689,842	(2,208,371)
Net cash flows (used in)/from financing activities	(267,632)	(6,897,274)	(1,392,764)	(689,905)	2,208,360
Net (decrease)/ increase in cash and cash equivalents held	-	-	-	(63)	(11)
Cash and cash equivalents at beginning of the period	-	-	-	63	74
Effect of exchange rate fluctuations on cash and cash equivalents	-	-	-	-	-
Cash and cash equivalents at end of period	-	-	-	-	63

Nikko AM Core Equity Fund

Summary Financial Statements	Year ended 31.03.15 \$	Year ended 31.03.14 \$	Year ended 31.03.13 \$	Year ended 31.03.12 \$	Period ended 31.03.11 \$
Summary Statements of Comprehensive Income					
Income					
Investment income	2,263,637	1,197,583	909,819	52,959	52,906
Net investment income	2,263,637	1,197,583	909,819	52,959	52,906
Expenses					
Management fees	116,379	57,810	26,427	19,685	6,028
Other expenses	39,338	16,616	9,294	5,962	2,030
Total expenses	155,717	74,426	35,721	25,647	8,058
Profit after tax	2,107,920	1,123,112	874,098	27,312	44,848
Total comprehensive income	2,107,920	1,123,112	874,098	27,312	44,848
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	11,229,739	4,580,830	2,862,064	1,790,595	-
Total comprehensive income	2,107,920	1,123,112	874,098	27,312	44,848
Contributions from Unit Holders	10,046,823	7,233,956	2,306,452	1,549,440	2,591,155
Repayments to Unit Holders	(4,422,220)	(1,563,878)	(1,376,831)	(433,695)	(802,887)
Distribution to Unit Holders	(177,508)	(144,281)	(84,953)	(71,588)	(42,521)
Total transactions with Unit Holders	5,447,095	5,525,797	844,668	1,044,157	1,745,747
Unit Holders' funds at end of the period	18,784,754	11,229,739	4,580,830	2,862,064	1,790,595

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	-	-	-	-	81
Receivables	585	15	-	-	23,704
Financial assets at fair value through profit or loss	18,802,688	11,239,348	4,588,261	2,867,108	1,800,018
Total assets	18,803,273	11,239,363	4,588,261	2,867,108	1,823,803
Distribution payable to Unit Holders	-	-	-	-	30,943
Payables	18,519	9,624	7,431	5,044	2,265
Total liabilities	18,519	9,624	7,431	5,044	33,208
Net assets attributable to Unit Holders	18,784,754	11,229,739	4,580,830	2,862,064	1,790,595
Unit Holders' funds	18,784,754	11,229,739	4,580,830	2,862,064	1,790,595
Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Period ended 31.03.11
Net cash flows (used in)/from operating activities	(5,447,095)	(5,525,797)	(844,668)	(1,013,295)	(1,776,609)
Net cash flows from financing activities	5,447,095	5,525,797	844,668	1,013,214	1,776,690
Net (decrease)/ increase in cash and cash equivalents held	-	-	-	(81)	81
Cash and cash equivalents at beginning of the period	-	-	-	81	-
Cash and cash equivalents at end of period	-	-	-	-	81

Nikko AM Australasian Small Companies Fund

Summary Financial Statements	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
	\$	\$	\$	\$	\$
Summary Statements of Comprehensive Income					
Income					
Investment income/(loss)	65,754	24,836	(82,157)	(222,055)	377,391
Other income	-	-	1,824	6,256	3,401
Net investment income/(loss)	65,754	24,836	(80,333)	(215,799)	380,792
Expenses					
Management and Performance fees	7,804	6,609	16,133	52,213	39,641
Other expenses	1,612	7,407	13,301	7,291	6,677
Total expenses	9,416	14,016	29,434	59,504	46,318
Profit/(loss) after tax	56,338	10,820	(109,767)	(275,303)	334,474
Total comprehensive income/(loss)	56,338	10,820	(109,767)	(275,303)	334,474
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	628,925	776,891	5,011,493	4,907,096	4,113,580
Total comprehensive income/(loss)	56,338	10,820	(109,767)	(275,303)	334,474
Contributions from Unit Holders	275,878	133,531	234,580	642,047	1,207,234
Repayments to Unit Holders	(130,364)	(287,954)	(4,359,415)	(164,638)	(640,260)
Distribution to Unit Holders	(4,513)	(4,363)	-	(97,709)	(107,932)
Total transactions with Unit Holders	141,001	(158,786)	(4,124,835)	379,700	459,042
Unit Holders' funds at end of the period	826,264	628,925	776,891	5,011,493	4,907,096

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	-	-	-	213,122	388,958
PIE tax receivable	-	-	-	-	-
Receivables	1	4	-	83,707	21,659
Financial assets at fair value through profit or loss	830,461	635,864	788,990	4,723,517	4,633,474
Total assets	830,462	635,868	788,990	5,020,346	5,044,091
Bank Overdraft	-	-	-	-	17,140
Financial liabilities at fair value through Income Statement	-	-	-	-	53,127
Distribution payable to Unit Holders	-	-	-	-	61,749
PIE tax liability	-	-	-	-	-
Payables	4,198	6,943	12,099	8,853	4,979
Total liabilities	4,198	6,943	12,099	8,853	136,995
Net assets attributable to Unit Holders	826,264	628,925	776,891	5,011,493	4,907,096
Unit Holders' funds	826,264	628,925	776,891	5,011,493	4,907,096
Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
Net cash flows from/(used in) operating activities	(141,001)	158,786	3,904,042	(548,120)	(269,526)
Net cash flows (used in)/from financing activities	141,001	(158,786)	(4,124,835)	317,951	501,607
Net (decrease)/increase in cash and cash equivalents held	-	-	(220,793)	(230,169)	232,081
Cash and cash equivalents at beginning of the period	-	-	213,122	371,818	201,170
Effect of exchange rate fluctuations on cash and cash equivalents	-	-	7,671	71,473	(61,433)
Cash and cash equivalents at end of period	-	-	-	213,122	371,818

Nikko AM NZ Corporate Bond Fund

Summary Financial Statements

	Year ended 31.03.15 \$	Year ended 31.03.14 \$	Year ended 31.03.13 \$	Year ended 31.03.12 \$	Year ended 31.03.11 \$
Summary Statements of Comprehensive Income					
Income					
Investment income	8,174,850	3,201,190	6,053,660	4,033,206	2,313,628
Other income	-	7,500	25	29,198	3,375
Net investment income	8,174,850	3,208,690	6,053,685	4,062,404	2,317,003
Expenses					
Management fees	609,327	722,693	466,084	421,979	191,109
Other expenses	117,757	122,845	80,717	83,649	37,610
Total expenses	727,084	848,538	546,801	505,628	228,719
Profit after tax	7,447,766	2,360,152	5,506,884	3,556,776	2,088,284
Total comprehensive income	7,447,766	2,360,152	5,506,884	3,556,776	2,088,284
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	80,314,078	76,801,891	68,592,978	34,880,622	19,249,749
Total comprehensive income	7,447,766	2,360,152	5,506,884	3,556,776	2,088,284
Contributions from Unit Holders	41,763,684	123,498,463	18,017,221	51,432,763	15,796,670
Repayments to Unit Holders	(29,100,647)	(118,019,953)	(11,353,664)	(18,314,354)	(673,122)
Distribution to Unit Holders	(3,730,126)	(4,326,475)	(3,961,528)	(2,962,829)	(1,580,959)
PIE tax payable	(35,091)	-	-	-	-
Total transactions with Unit Holders	8,897,820	1,152,035	2,702,029	30,155,580	13,542,589
Unit Holders' funds at end of the period	96,659,664	80,314,078	76,801,891	68,592,978	34,880,622

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	60,772	2,553,445	420,936	22,293	807,946
Receivables	1,165,892	979,495	1,398,889	1,068,566	536,168
Financial assets at fair value through profit or loss	95,547,832	76,849,662	75,043,696	67,599,827	34,010,836
Total assets	96,774,496	80,382,602	76,863,521	68,690,686	35,354,950
PIE tax payable	35,091				
Distribution payable to Unit Holders	-	-	-	-	437,984
Payables	79,741	68,524	61,630	97,708	36,344
Total liabilities	114,832	68,524	61,630	97,708	474,328
Net assets attributable to Unit Holders	96,659,664	80,314,078	76,801,891	68,592,978	34,880,622
Unit Holders' funds	96,659,664	80,314,078	76,801,891	68,592,978	34,880,622
Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
Net cash flows from/(used in) operating activities	(11,425,582)	980,474	(2,303,386)	(30,503,249)	(13,038,498)
Net cash flows from financing activities	8,932,911	1,152,035	2,702,029	29,717,596	13,700,990
Net increase/(decrease) in cash and cash equivalents held	(2,492,673)	2,132,509	398,643	(785,653)	662,492
Cash and cash equivalents at beginning of the period	2,553,445	420,936	22,293	807,946	145,454
Cash and cash equivalents at end of period	60,772	2,553,445	420,936	22,293	807,946

Nikko AM Income Fund

Summary Financial Statements	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
	\$	\$	\$	\$	\$
Summary Statements of Comprehensive Income					
Income					
Investment income	353,126	183,692	405,246	201,401	446,304
Other income	22,384	22,331	20,394	33,380	2,275
Net investment income	375,510	206,023	425,640	234,781	448,579
Expenses					
Management fees	36,840	36,286	30,108	65,770	31,953
Other expenses	11,674	8,497	10,294	17,209	10,942
Total expenses	48,514	44,783	40,402	82,979	42,895
Profit after tax	326,996	161,240	385,238	151,802	405,684
Total comprehensive income	326,996	161,240	385,238	151,802	405,684
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	4,221,416	4,125,429	4,485,770	6,790,868	3,036,563
Total comprehensive income	326,996	161,240	385,238	151,802	405,684
Contributions from Unit Holders	1,296,400	2,195,692	811,023	4,012,227	4,877,549
Repayments to Unit Holders	(889,033)	(2,031,883)	(1,377,958)	(6,089,938)	(1,394,574)
Distribution to Unit Holders	(175,547)	(229,062)	(178,644)	(379,189)	(134,354)
Total transactions with Unit Holders	231,820	(65,253)	(745,579)	(2,456,900)	3,348,621
Unit Holders' funds at end of the period	4,780,232	4,221,416	4,125,429	4,485,770	6,790,868

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	-	-	-	-	27,417
Receivables	5,579	5,336	4,982	7,354	71,124
Financial assets at fair value through profit or loss	4,779,518	4,220,453	4,129,169	4,489,594	6,767,375
Total assets	4,785,097	4,225,789	4,134,151	4,496,948	6,865,916
Distribution payable to Unit Holders		-	-	-	63,658
Payables	4,865	4,373	8,722	11,178	11,390
Total liabilities	4,865	4,373	8,722	11,178	75,048
Net assets attributable to Unit Holders	4,780,232	4,221,416	4,125,429	4,485,770	6,790,868
Unit Holders' funds	4,780,232	4,221,416	4,125,429	4,485,770	6,790,868
Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
Net cash flows from/(used in) operating activities	(231,820)	65,253	745,579	2,493,141	(3,236,172)
Net cash flows (used in)/from financing activities	231,820	(65,253)	(745,579)	(2,520,558)	3,254,226
Net (decrease)/ increase in cash and cash equivalents held	-	-	-	(27,417)	18,054
Cash and cash equivalents at beginning of the period	-	-	-	27,417	9,363
Cash and cash equivalents at end of period	-	-	-	-	27,417

Nikko AM NZ Bond Fund

Summary Financial Statements	Year ended 31.03.15 \$	Year ended 31.03.14 \$	Year ended 31.03.13 \$	Year ended 31.03.12 \$	Period ended 31.03.11 \$
Summary Statements of Comprehensive Income					
Income					
Investment income	1,095,460	125,230	383,947	270,851	36,717
Net investment income	1,095,460	125,230	383,947	270,851	36,717
Expenses					
Management fees	69,198	48,606	29,589	18,731	2,637
Other expenses	29,237	20,318	12,793	6,742	964
Total expenses	98,435	68,924	42,382	25,473	3,601
Profit after tax	997,025	56,306	341,565	245,378	33,116
Total comprehensive income	997,025	56,306	341,565	245,378	33,116
Summary Statements of Changes in Unit Holders' funds					
Net assets attributable to Unit Holders at start of the period	6,081,222	7,920,752	2,683,807	2,686,567	-
Total comprehensive income	997,025	56,306	341,565	245,378	33,116
Contributions from Unit Holders	17,592,055	2,456,625	6,515,513	252,900	2,754,500
Repayments to Unit Holders	(3,937,910)	(3,987,049)	(1,284,944)	(294,459)	(3,004)
Distribution to Unit Holders	(419,313)	(365,412)	(335,189)	(206,579)	(98,045)
PIE tax payable	(1,323)	-	-	-	-
Total transactions with Unit Holders	13,233,509	(1,895,836)	4,895,380	(248,138)	2,653,451
Unit Holders' funds at end of the period	20,311,756	6,081,222	7,920,752	2,683,807	2,686,567

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13	As at 31.03.12	As at 31.03.11
Cash and cash equivalents	1	-	-	67,032	101
Receivables	1,331	13	3	14	101,554
Financial assets at fair value through profit or loss	20,327,174	6,086,567	7,926,540	2,620,295	2,684,940
Total assets	20,328,506	6,086,580	7,926,543	2,687,341	2,786,595
PIE tax payable	1,323	-	-	-	-
Distribution payable to Unit Holders	-	-	-	-	98,045
Payables	15,427	5,358	5,791	3,534	1,983
Total liabilities	16,750	5,358	5,791	3,534	100,028
Net assets attributable to Unit Holders	20,311,756	6,081,222	7,920,752	2,683,807	2,686,567
Unit Holders' funds	20,311,756	6,081,222	7,920,752	2,683,807	2,686,567

Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Period ended 31.03.11
Net cash flows from/(used in) operating activities	(13,234,831)	1,895,836	(4,962,412)	413,114	(2,751,395)
Net cash flows (used in)/from financing activities	13,234,832	(1,895,836)	4,895,380	(346,183)	2,751,496
Net (decrease)/increase in cash and cash equivalents held	1	-	(67,032)	66,931	101
Cash and cash equivalents at beginning of the period	0	-	67,032	101	-
Cash and cash equivalents at end of period	1	-	-	67,032	101

Nikko AM Global Equity Unhedged Fund

Summary Financial Statements	Year ended 31.03.15 \$	Year ended 31.03.14 \$	Period ended 31.03.13 \$
Summary Statements of Comprehensive Income			
Income			
Investment income	23,250,642	(179,056)	339
Net investment (loss)/income	23,250,642	(179,056)	339
Expenses			
Management fees	1,386,630	18,893	60
Other expenses	267,579	3,890	11
Total expenses	1,654,209	22,783	71
(Loss)/Profit after tax	21,596,433	(201,839)	268
Total comprehensive (loss)/income	21,596,433	(201,839)	268
Summary Statements of Changes in Unit Holders' funds			
Net assets attributable to Unit Holders at start of the period	7,809,859	54,206	-
Total comprehensive (loss)/income	21,596,433	(201,839)	268
Contributions from Unit Holders	147,742,732	8,064,772	53,938
Repayments to Unit Holders	(52,108,025)	(107,280)	
Total transactions with Unit Holders	95,634,707	7,957,492	53,938
Unit Holders' funds at end of the period	125,040,999	7,809,859	54,206

Summary Balance Sheets	As at 31.03.15	As at 31.03.14	As at 31.03.13
Cash and cash equivalents	-	-	-
Receivables	568	-	-
Financial assets at fair value through profit or loss	125,203,836	7,818,075	54,253
Total assets	125,204,404	7,818,075	54,253
Payables	163,405	8,216	47
Total liabilities	163,405	8,216	47
Net assets attributable to Unit Holders	125,040,999	7,809,859	54,206
Unit Holders' funds	125,040,999	7,809,859	54,206

Summary Statements of Cash Flows	Year ended 31.03.15	Year ended 31.03.14	Period ended 31.03.13
Net cash flows (used in)/from operating activities	(95,634,707)	(7,957,492)	(53,938)
Net cash flows from financing activities	95,634,707	7,957,492	53,938
Net increase/(decrease) in cash and cash equivalents held	-	-	-
Cash and cash equivalents at beginning of the period	-	-	-
Cash and cash equivalents at end of period	-	-	-

Nikko AM Global Equity Hedged Fund

Summary Financial Statements	Year ended 31.3.15 \$	Year ended 31.03.14 \$	Period ended 31.03.13 \$
Summary Statements of Comprehensive Income			
Income			
Investment income	23,950,417	12,460,473	67,820
Net investment income	23,950,417	12,460,473	67,820
Expenses			
Management fees	1,851,607	1,014,388	4,296
Other expenses	181,457	137,829	915
Total expenses	2,033,064	1,152,217	5,211
Profit after tax	21,917,353	11,308,256	62,609
Total comprehensive income	21,917,353	11,308,256	62,609
Summary Statements of Changes in Unit Holders' funds			
Net assets attributable to Unit Holders at start of the period	98,798,421	5,020,658	-
Total comprehensive income	21,917,353	11,308,256	62,609
Contributions from Unit Holders	78,044,290	89,777,152	4,958,049
Repayment to Unit Holders	(27,990,087)	(7,307,645)	-
Distribution to Unit Holders	-	-	-
Total transactions with Unit Holders	50,054,203	82,469,507	4,958,049
Unit Holders' funds at end of the period	170,769,977	98,798,421	5,020,658

Summary Balance Sheets	As at 31.3.15	As at 31.03.14	As at 31.03.13
Cash and cash equivalents	-	-	-
Receivables	953	-	-
Financial assets at fair value through profit or loss	170,983,776	98,914,302	5,024,660
Total assets	170,984,729	98,914,302	5,024,660
Payables	214,752	115,881	4,002
Total liabilities	214,752	115,881	4,002
Net assets attributable to Unit Holders	170,769,977	98,798,421	5,020,658
Unit Holders' funds	170,769,977	98,798,421	5,020,658

Summary Statements of Cash Flows	Year ended 31.3.15	Year ended 31.03.14	Period ended 31.03.13
Net cash flows used in operating activities	(50,054,203)	(82,469,507)	(4,958,049)
Net cash flows from financing activities	50,054,203	82,469,507	4,958,049
Net increase/(decrease) in cash and cash equivalents held	-	-	-
Cash and cash equivalents at beginning of the period	-	-	-
Cash and cash equivalents at end of period	-	-	-

Nikko AM Global Bond Fund

Summary Financial Statements	Year ended 31.03.15 \$	Period ended 31.03.14 \$
Summary Statements of Comprehensive Income		
Income		
Investment income	2,031,128	325,745
Net investment income	2,031,128	324,745
Expenses		
Management fees	152,168	19,860
Other expenses	59,347	7,776
Total expenses	211,515	27,636
Profit after tax	1,819,613	298,109
Total comprehensive income	1,819,613	298,109
Summary Statements of Changes in Unit Holders' funds		
Net assets attributable to Unit Holders at start of the period	12,257,756	-
Total comprehensive income	1,819,613	298,109
Contributions from Unit Holders	26,852,282	12,372,804
Repayments to Unit Holders	(4,102,121)	(353,853)
Distribution to Unit holders	(479,380)	(59,304)
Total transactions with Unit Holders	22,270,781	11,959,647
Unit Holders' funds at end of the period	36,348,150	12,257,756

Summary Balance Sheets	As at 31.03.15	As at 31.03.14
Cash and cash equivalents	-	-
Receivables	1,355	-
Financial assets at fair value through profit or loss	36,377,370	12,267,368
Total assets	36,378,725	12,267,368
Payables	30,575	9,612
Total liabilities	30,575	9,612
Net assets attributable to Unit Holders	36,348,150	12,257,756
Unit Holders' funds	36,348,150	12,257,756

Summary Statements of Cash Flows	Year ended 31.03.15	Period ended 31.03.14
Net cash flows from operating activities	(22,270,781)	(11,959,647)
Net cash flows from financing activities	22,270,781	11,959,647
Net (decrease)/increase/ in cash and cash equivalents held	-	-
Cash and cash equivalents at beginning of the period	-	-
Cash and cash equivalents at end of period	-	-

Nikko AM Multi-Strategy Fund

Summary Financial Statements Period ended
31.03.15
\$

Summary Statements of Comprehensive Income

Income

Investment income	3,912,281
Net investment income	3,912,281

Expenses

Other expenses	131,501
Total expenses	131,501

Profit after tax	3,780,780
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Total comprehensive income	3,780,780
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Summary Statements of Changes in Unit Holders' funds

Net assets attributable to Unit Holders at start of the period	-
Total comprehensive income	3,780,780

Contributions from Unit Holders	71,952,893
Repayments to Unit Holders	(3,849,091)
Total transactions with Unit Holders	68,103,802

Unit Holders' funds at end of the period	71,884,582
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Summary Balance Sheets	As at 31.03.15
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Cash and cash equivalents	122,852
Receivables	647
Financial assets at fair value through profit or loss	71,784,220
Total assets	71,907,719

Payables	23,137
Total liabilities	23,137

Net assets attributable to Unit Holders	71,884,582
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Unit Holders' funds	71,884,582
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Summary Statements of Cash Flows	Period ended 31.03.15
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Net cash flows from operating activities	(67,980,950)
Net cash flows from financing activities	68,103,802

Net (decrease)/increase/ in cash and cash equivalents held	122,852
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Cash and cash equivalents at beginning of the period	-
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Cash and cash equivalents at end of period	122,852
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Nikko AM NZ Cash Fund

Summary Financial Statements	Period ended 31.03.15 \$
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Summary Statements of Comprehensive Income	
Income	
Investment income	289,944
Net investment income	289,944
Expenses	
Management fees	6,608
Other expenses	10,488
Total expenses	17,096
Profit after tax	272,848
Total comprehensive income	272,848
Summary Statements of Changes in Unit Holders' funds	
Net assets attributable to Unit Holders at start of the period	-
Total comprehensive income	272,848
Contributions from Unit Holders	19,317,544
Repayments to Unit Holders	(6,794,293)
Distribution to Unit Holders	(197,729)
Total transactions with Unit Holders	12,325,522
Unit Holders' funds at end of the period	12,598,370

Summary Balance Sheets	As at 31.03.15
Cash and cash equivalents	-
Receivables	569
Financial assets at fair value through profit or loss	12,604,005
Total assets	12,604,574
Payables	6,204
Total liabilities	6,204
Net assets attributable to Unit Holders	12,598,370
Unit Holders' funds	12,598,370

Summary Statements of Cash Flows	Period ended 31.03.15
Net cash flows from operating activities	(12,325,522)
Net cash flows from financing activities	12,325,522
Net (decrease)/increase/ in cash and cash equivalents held	-
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of period	-

Nikko AM Multi-Strategy Fund

The Fund commenced on 10 December 2013 and only accepted its first application on 22 April 2014. Accordingly, as at the date of this Prospectus, the period reported is from 22 April 2014 to 31 March 2015. No comparatives are available for the year ended 31 March 2014.

Nikko AM NZ Cash Fund

The Fund commenced on 8 April 2014 and only accepted its first application on 13 June 2014. Accordingly, as at the date of this Prospectus, the period reported is from 13 June 2014 to 31 March 2015. No comparatives are available for the year ended 31 March 2014.

Notes to the summary of Financial Statements for the Nikko AM NZ Retail Unit Trusts

The summary Financial Statements have all amounts presented in New Zealand dollars, which is each Fund's functional and presentation currency. All amounts are rounded to the nearest dollar.

The financial information for the periods ended 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and 31 March 2015 has been extracted from the audited Financial Statements of the Nikko AM NZ Retail Unit Trusts. The full Financial Statements were authorised for issue by the directors on the following dates: for 31 March 2011 on 9 June 2011, for 31 March 2012 on 25 June 2012, for 31 March 2013 on 17 June 2013, for 31 March 2014 on 17 June 2014 and for 31 March 2015 on 23 July 2015. In regard to the above summary financial statements an extraction report has been provided by PricewaterhouseCoopers and a copy of the Independent Auditor's Report is attached under **Annexure B**.

None of the Independent Auditor's Reports in respect of the full Financial Statements for the above periods were qualified or modified.

The full Financial Statements were prepared in accordance with the New Zealand equivalents to International Financial Reporting Standards, "NZ IFRS" as appropriate for a profit-oriented entity.

The Funds have made an explicit and unreserved statement of compliance with NZ IFRS and International Financial Reporting Standards in their full Financial Statements.

The above Summary Financial Statements are in compliance with FRS-43: Summary Financial Statements, but cannot be expected to provide as complete an understanding as provided by the full Financial Statements. A copy of the full Financial Statements can be obtained at the places listed under section 19 of this Prospectus.

PIEs are not subject to tax at the fund level, they must instead calculate and deduct tax at the individual investor level at the Prescribed Investor Rate (PIR).