

Annual Report

NIKKO AM NZ INVESTMENT SCHEME

31 March 2023

Prepared on 31 July 2023

Issued by Nikko Asset Management
New Zealand Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.business.govt.nz/disclose. Nikko Asset Management New Zealand Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

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Image: Abstract aerial view of river bed, Canterbury Plains, Christchurch, NZ.

Details of scheme

Scheme name

Nikko AM NZ Investment Scheme

Scheme type

Managed Investment Scheme

Manager:

Nikko Asset Management New Zealand Limited

Supervisor:

Public Trust

Latest PDS:

Fund Name	Latest PDS (as at 31 March 2023)
Nikko AM Cash and Fixed Interest Funds	3 March 2023 – Open for applications
- Nikko AM NZ Cash Fund	
- Nikko AM NZ Corporate Bond Fund	
- Nikko AM NZ Bond Fund	
- Nikko AM Global Bond Fund	
Nikko AM Domestic Equity Funds	11 January 2022 – Open for applications
- Nikko AM Core Equity Fund	
- Nikko AM Concentrated Equity Fund	
- Nikko AM SRI Equity Fund	
Nikko AM Global Equity Funds	15 December 2022 – Open for applications
- Nikko AM Global Equity Hedged Fund	
- Nikko AM Global Equity Unhedged Fund	
- Nikko AM Global Shares Fund	
- Nikko AM Global Shares Hedged Fund	
Nikko AM Diversified Funds	15 December 2022 – Open for applications
- Nikko AM Growth Fund	
- Nikko AM Balanced Fund	
- Nikko AM Conservative Fund	
Nikko AM Income Fund	31 March 2021 – Open for applications
Nikko AM ARK Disruptive Innovation Fund	4 February 2022 – Open for applications
Nikko AM Freedom Fund	3 September 2021 – Open for applications

Latest fund updates:

Fund Name	Latest fund Update
Nikko AM ARK Disruptive Innovation Fund	Quarter ended 31 March 2023
Nikko AM Balanced Fund	Quarter ended 31 March 2023
Nikko AM Concentrated Equity Fund	Quarter ended 31 March 2023
Nikko AM Conservative Fund	Quarter ended 31 March 2023
Nikko AM Core Equity Fund	Quarter ended 31 March 2023
Nikko AM Freedom Fund	Quarter ended 31 March 2023
Nikko AM Global Bond Fund	Quarter ended 31 March 2023
Nikko AM Global Equity Hedged Fund	Quarter ended 31 March 2023
Nikko AM Global Equity Unhedged Fund	Quarter ended 31 March 2023
Nikko AM Global Shares Fund	Quarter ended 31 March 2023
Nikko AM Global Shares Hedged Fund	Quarter ended 31 March 2023
Nikko AM Growth Fund	Quarter ended 31 March 2023
Nikko AM Income Fund	Quarter ended 31 March 2023
Nikko AM NZ Cash Fund	Quarter ended 31 March 2023
Nikko AM NZ Bond Fund	Quarter ended 31 March 2023
Nikko AM NZ Corporate Bond Fund	Quarter ended 31 March 2023
Nikko AM SRI Equity Fund	Quarter ended 31 March 2023

Each fund's 31 March 2023 financial statements and auditor's report have been lodged with the Registrar.

Information on contributions and scheme participants

The number of managed investment products on issue was 17 at 1 April 2022 and 17 at 31 March 2023. The units for each of the managed investment products are:

Fund Name	Units on Issue as of 31 March 2022	Units on Issue as of 31 March 2023
Nikko AM ARK Disruptive Innovation Fund	17,590,059	22,411,808
Nikko AM Balanced Fund	27,632,950	24,905,939
Nikko AM Concentrated Equity Fund	11,423,984	10,246,364
Nikko AM Conservative Fund	13,372,236	9,755,823
Nikko AM Core Equity Fund	11,591,919	11,515,555
Nikko AM Freedom Fund	418,326	404,999
Nikko AM Global Bond Fund	81,638,581	88,926,973
Nikko AM Global Equity Hedged Fund	8,670,076	6,567,667
Nikko AM Global Equity Unhedged Fund	10,721,963	9,931,418
Nikko AM Global Shares Fund	25,036,331	27,300,895
Nikko AM Global Shares Hedged Fund	98,600,751	131,612,093
Nikko AM Growth Fund	10,534,414	10,479,593
Nikko AM Income Fund	4,570,500	4,076,188
Nikko AM NZ Cash Fund	304,256,772	220,670,842
Nikko AM NZ Bond Fund	79,003,661	93,410,668
Nikko AM NZ Corporate Bond Fund	437,715,514	358,920,370
Nikko AM SRI Equity Fund	1,237	4,079,678

Changes relating to the scheme

On 1 July 2022, a replacement PDS was issued for the Nikko AM Diversified Funds to capture the following changes:

- Updated Strategic Asset Allocations of each of the funds, Conservative, Balanced and Growth.
- The fee on the Conservative Fund was updated as were the buy/sell spreads for each of the funds.
- Performance fees are no longer charged to the funds.

An updated SIPO and OMI for the Scheme were issued on the same date to also reflect these changes.

On 15 December 2022 replacement PDS' were issued for:

- Nikko AM Diversified Funds to clarify that the fees are estimated, as the underlying fund fee that the Nikko AM Wholesale Multi-Strategy Fund invest in is estimated.
- Nikko AM Cash and Fixed Interest Funds with the additional of further clarity regarding the use of currency hedging with regards to leverage in the Nikko AM Wholesale Global Bond Fund that the Nikko AM Global Bond Fund invest in.
- Nikko AM Global Equity Funds to provide further clarity regarding the use of currency hedging and leverage in the Nikko AM Wholesale Global Equity Hedged and Global Shares Hedged Funds that the Nikko AM Global Equity Hedged and Global Shares Hedged Funds invest in.

An updated SIPO was also issued to reflect these changes.

MMC Limited changed their name to Apex Investment Administration (NZ) Limited after being acquired by Apex Group in April 2022.

On 3 March 2023, a replacement PDS' was issued for the Nikko AM Cash and Fixed Interest Funds as the risk indicator for the Nikko AM Global Bond Fund was raised to a 4.

We confirm that there were no related party transactions entered into during the accounting period that were not on arm's-length terms.

Other information for particular types of managed funds

Fund Name	Unit Price as of 31 March 2022	Unit Price as of 31 March 2023
Nikko AM ARK Disruptive Innovation Fund	1.3749	0.8971
Nikko AM Balanced Fund	1.2337	1.1487
Nikko AM Concentrated Equity Fund	2.8547	2.6410
Nikko AM Conservative Fund	1.1657	1.1289
Nikko AM Core Equity Fund	2.8653	2.7841
Nikko AM Freedom Fund	0.9930	1.0000
Nikko AM Global Bond Fund	1.1975	1.1001
Nikko AM Global Equity Hedged Fund	2.9117	2.5418
Nikko AM Global Equity Unhedged Fund	3.1924	3.2487
Nikko AM Global Shares Fund	1.9345	1.8927
Nikko AM Global Shares Hedged Fund	1.4909	1.2521
Nikko AM Growth Fund	1.2747	1.1692
Nikko AM Income Fund	1.1150	1.0300
Nikko AM NZ Cash Fund	1.0338	1.0407
Nikko AM NZ Bond Fund	1.0099	0.9675
Nikko AM NZ Corporate Bond Fund	1.1612	1.1298
Nikko AM SRI Equity Fund	0.9465	0.9264

Changes to persons involved in the scheme

There were no reportable changes (for example to the Manager, our directors or key personnel) during the accounting period.

Relating to Public Trust (the supervisor), in the year ending 31 March 2023
Former Board Member – Vicki Ann Sykes – resigned 31 October 2022

How to find further information

Further information relating to the scheme and the managed investment products (including the trust deed, financial statements, SIPOs, the PDS and quarterly fund updates) is available on:

- the Disclose register www.business.govt.nz/disclose
- www.nikkoam.co.nz
- www.goalsgetter.co.nz

Other information we will provide

Information	How to obtain
Latest unit price	The latest unit price is available on our website www.nikkoam.co.nz .
Fund information relevant to you	You can inspect documents we hold that are relevant to you and other documents that are legally required to be provided to you, at our office during normal business hours or request an extract of those documents, by writing to us.
Fund updates	Once available, the fund updates for the Fund will be publicly available from our website – https://www.nikkoam.co.nz/invest/retail – and can be requested from us.

You will not be charged any fee to access this information.

You can find more information about us and the Funds on our website www.nikkoam.co.nz.

Contact details and complaints

Nikko Asset Management New Zealand Limited

Level 17, Vero Centre, 48 Shortland Street, Auckland 1010, New Zealand
PO Box 3892, Shortland Street, Auckland 1140
09 307 6363

NZenquiries@nikkoam.com

www.nikkoam.co.nz

Please direct any enquiries to the "the Managing Director" at the address above.

Public Trust

Manager Client Services
Level 16, SAP Tower
151 Queen Street, Auckland 1010
Private Bag 5902, Wellington 6140
0800 371 471

CTS.enquiry@publictrust.co.nz

www.publictrust.co.nz/corporate-trustee-services

Apex Investment Administration (NZ) Limited (as unit registry provider)

Level 25, QBE Centre
125 Queen Street, Auckland 1010
PO Box 106 039, Auckland City, Auckland 1143
09 309 8926

nikkoregistry@apexfs.co.nz

How to complain

Any complaints about a fund or the Scheme may be referred to the Manager, the Supervisor or Financial Services Complaints Limited.

The Manager and the Supervisor are both members of the Financial Services Complaints Limited independent dispute resolution scheme which is a scheme approved by the Ministry of Consumer Affairs.

If you have made a complaint to us and it has not been resolved within 40 days or if you are dissatisfied with the proposed resolution, you can refer it to:

Financial Services Complaints Limited

Level 4, 101 Lambton Quay, Wellington 6011
PO Box 5967, Wellington 6145
Freephone 0800 347 257 or 04 472-FSCL

www.fscl.org.nz

Financial Services Complaints Limited will not charge a fee to any complainant to investigate or resolve a complaint. Further information about referring a complaint to Financial Services Complaints Limited can be found at www.fscl.org.nz.