

Annual Report

# NIKKO AM NZ INVESTMENT SCHEME

31 March 2021

Prepared on 29 July 2021

Issued by Nikko Asset Management  
New Zealand Limited

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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](http://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 2021)
Nikko AM Cash and Fixed Interest Funds	31 March 2021 – Open for applications
- Nikko AM NZ Cash Fund	
- Nikko AM NZ Corporate Bond Fund	
- Nikko AM NZ Bond Fund	
- Nikko AM Income Fund	
- Nikko AM Global Bond Fund	
Nikko AM Domestic Equity Funds	31 March 2021 – Open for applications
- Nikko AM Core Equity Fund	
- Nikko AM Concentrated Equity Fund	
Nikko AM Global Equity Funds	31 March 2021 – 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	31 March 2021 – Open for applications
- Nikko AM Growth Fund	
- Nikko AM Balanced Fund	
- Nikko AM Conservative Fund	
Nikko AM ARK Disruptive Innovation Fund	31 March 2021 – Open for applications
Nikko AM Option Fund	17 March 2020 – closed to all investors

## Latest fund updates:

Fund Name	Latest fund Update
Nikko AM ARK Disruptive Innovation Fund	Quarter ended 31 March 2021
Nikko AM Balanced Fund	Quarter ended 31 March 2021
Nikko AM Concentrated Equity Fund	Quarter ended 31 March 2021
Nikko AM Conservative Fund	Quarter ended 31 March 2021
Nikko AM Core Equity Fund	Quarter ended 31 March 2021
Nikko AM Global Bond Fund	Quarter ended 31 March 2021
Nikko AM Global Equity Hedged Fund	Quarter ended 31 March 2021
Nikko AM Global Equity Unhedged Fund	Quarter ended 31 March 2021
Nikko AM Global Shares Fund	Quarter ended 31 March 2021
Nikko AM Global Shares Hedged Fund	Quarter ended 31 March 2021
Nikko AM Growth Fund	Quarter ended 31 March 2021
Nikko AM Income Fund	Quarter ended 31 March 2021
Nikko AM NZ Cash Fund	Quarter ended 31 March 2021
Nikko AM NZ Bond Fund	Quarter ended 31 March 2021
Nikko AM NZ Corporate Bond Fund	Quarter ended 31 March 2021
Nikko AM Option Fund	Quarter ended 31 March 2021 – the fund was closed during the March 2021 quarter.

Each fund's 31 March 2021 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 16 at 1 April 2020 and 15 at 31 March 2021. The units for each of the managed investment products are:

Fund Name	Units on Issue as of 31 March 2020	Units on Issue as of 31 March 2021
Nikko AM ARK Disruptive Innovation Fund	256,365	15,775,906
Nikko AM Balanced Fund	10,340,819	18,535,677
Nikko AM Concentrated Equity Fund	18,058,618	17,798,437
Nikko AM Conservative Fund	5,829,936	8,490,525
Nikko AM Core Equity Fund	12,218,817	13,522,746
Nikko AM Global Bond Fund	28,856,005	46,970,114
Nikko AM Global Equity Hedged Fund	22,155,331	15,694,420
Nikko AM Global Equity Unhedged Fund	49,982,142	31,309,006
Nikko AM Global Shares Fund	5,694,966	9,863,944
Nikko AM Global Shares Hedged Fund	7,228,452	51,800,720
Nikko AM Growth Fund	1,960,974	5,634,614
Nikko AM Income Fund	3,803,710	3,545,781
Nikko AM NZ Cash Fund	205,094,758	171,585,289
Nikko AM NZ Bond Fund	84,543,842	107,484,502
Nikko AM NZ Corporate Bond Fund	148,554,952	235,879,283
Nikko AM Option Fund	26,223	-

## Changes relating to the scheme

On 1 June 2020 the SIPO was updated to reflect the new Strategic Asset Allcations (SAAs) for the Nikko AM Growth, Balanced and Conservative Funds and a change of composite benchmark for the Balanced and Growth Funds.

On 2 June 2020, the Nikko AM Diversified Funds PDS was updated for new SAAs for the Growth, Balanced and Conservative funds.

On 1 July 2020, the SIPO was updated with a new SAA and benchmark for the Income Fund. The SIPO was also updated to include SRI restrictions for the NZ Cash, Corporate Bond and NZ Bond Fund and a Manager change for Global Equity and Global Equity Hedged Funds.

On 3 July 2020, a new PDS was issued for the Nikko AM Income Fund.

On 22 October 2020, the Nikko AM Diversified Funds PDS was updated for new SAAs and a reduction in fees for the Growth, Balanced and Conservative funds.

On 22 October 2020, the SIPO was updated for new SAAs and composite benchmarks for the Growth, Balanced and Conservative funds. The SIPO was also updated to reflect that the Nikko AM ARK Disruptive Innovation Fund now invests in the Nikko AM Wholesale ARK Disruptive Innovation Fund, rather than direct in UCITS.

On 26 November 2020, an Investor Notice was issued to investors in the Nikko AM Option Fund to notify them of the closure of the fund in February 2021. The fund was closed to new investors on the Disclose register at this time also and the final investors exited the fund in February 2021.

On 31 March 2021, all PDS' were updated to reflect fee updates.

On 25 June 2021, the Trust Deed for the Nikko AM NZ Investment Scheme and Nikko AM Wholesale Investment Scheme was updated to; respond to changes to the Trusts Act 2021, to consolidate previous amendments and to introduce some commercial terms that are not relevant to retail customers.

On 31 May 2021 the SIPO was updated to reflect the change of benchmark for the Nikko AM Wholsale Multi-Strategy Fund, that the Nikko AM Conservative, Balanced and Growth Funds now invest in the Nikko AM Wholsale Multi-Strategy Fund rather than direct in the JPMAAM UCITS fund.

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 2020	Unit Price as of 31 March 2021
Nikko AM ARK Disruptive Innovation Fund	1.0877	2.2973
Nikko AM Balanced Fund	1.0022	1.2506
Nikko AM Concentrated Equity Fund	2.2261	2.8428
Nikko AM Conservative Fund	1.0539	1.1899
Nikko AM Core Equity Fund	2.3435	2.9100
Nikko AM Global Bond Fund	1.2268	1.2759
Nikko AM Global Equity Hedged Fund	1.6205	2.6602
Nikko AM Global Equity Unhedged Fund	2.1537	2.9458
Nikko AM Global Shares Fund	1.3484	1.8600
Nikko AM Global Shares Hedged Fund	0.8685	1.4186
Nikko AM Growth Fund	0.9660	1.2888
Nikko AM Income Fund	1.0578	1.1487
Nikko AM NZ Cash Fund	1.0291	1.0369
Nikko AM NZ Bond Fund	1.0791	1.0951
Nikko AM NZ Corporate Bond Fund	1.2052	1.2453
Nikko AM Option Fund	0.5812	-



## 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 2021 there were no changes in relation to the board.

## 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](http://www.business.govt.nz/disclose)
- [www.nikkoam.co.nz](http://www.nikkoam.co.nz)
- [www.goalsgetter.co.nz](http://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 <a href="http://www.nikkoam.co.nz">www.nikkoam.co.nz</a> .
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 – <a href="https://www.nikkoam.co.nz/invest/retail">https://www.nikkoam.co.nz/invest/retail</a> – 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](http://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](mailto:NZenquiries@nikkoam.com)

[www.nikkoam.co.nz](http://www.nikkoam.co.nz)

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

### **Public Trust**

Manager Client Services

Level 9, 34 Shortland Street, Auckland 1010

Private Bag 5902, Wellington 6140

0800 371 471

[CTS.enquiry@publictrust.co.nz](mailto:CTS.enquiry@publictrust.co.nz)

[www.publictrust.co.nz/corporate-trustee-services](http://www.publictrust.co.nz/corporate-trustee-services)

### **MMC Ltd** (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@mmcnz.co.nz](mailto:nikkoregistry@mmcnz.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 6140

Freephone 0800 347 257 or 04 472-FSCL

[www.fscl.org.nz](http://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](http://www.fscl.org.nz).