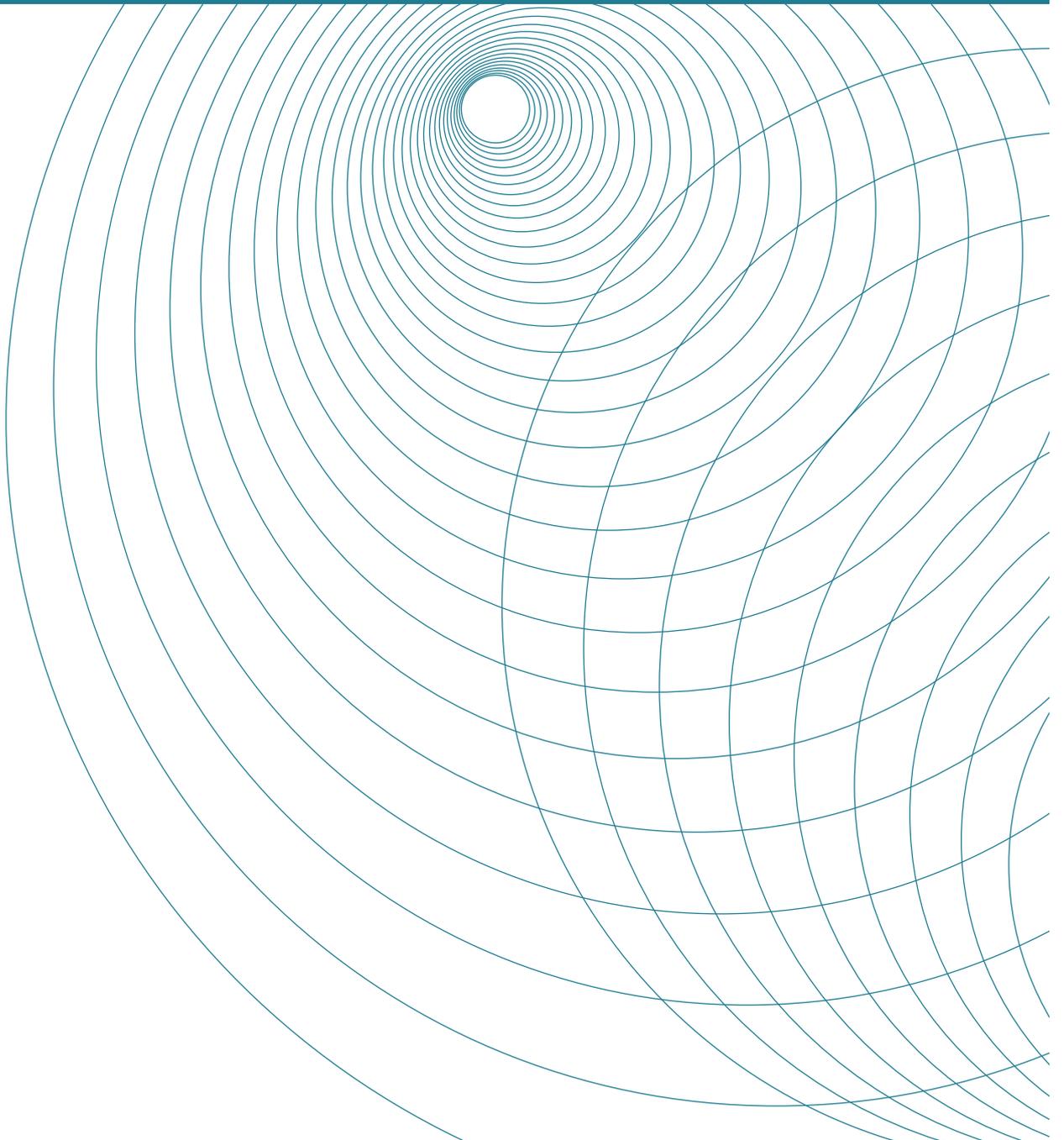

ANNUAL REPORT

Nikko AM Shenton Horizon Investment Funds

Nikko AM Multi Sector Credit Fund • Horizon Singapore Fixed Income Enhanced Fund

Nikko AM Global Dividend Equity Fund • Singapore Dividend Equity Fund

Financial year ended 31 December 2023



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PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	4.28	5.42	10.55	-2.61	1.04	1.61	2.03
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	7.16	2.75	3.36	1.02	6.09	3.70	1.87
Horizon Singapore Fixed Income Enhanced Fund	5.21	2.05	4.32	-1.76	1.10	1.65	1.93
Markit iBoxx ALBI Singapore Government Bond Index	4.99	2.11	3.49	-2.17	1.09	1.97	2.29
Singapore Dividend Equity Fund - SGD Class	1.29	1.46	5.13	5.20	4.82	3.93	3.99

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Multi Sector Credit Fund - SGD (Acc) Class	-0.94	0.15	5.03	-4.26	0.00	1.09	1.82
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	1.80	-2.39	-1.81	-0.69	5.01	3.17	1.65
Horizon Singapore Fixed Income Enhanced Fund	-0.05	-3.05	-0.90	-3.42	0.07	1.13	1.71
Markit iBoxx ALBI Singapore Government Bond Index	4.99	2.11	3.49	-2.17	1.09	1.97	2.29
Singapore Dividend Equity Fund - SGD Class	-3.78	-3.61	-0.13	3.41	3.75	3.40	3.77

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	7.78	3.66	4.88	1.92	7.00	3.69	3.23
Singapore Dividend Equity Fund - USD Class	4.78	4.16	6.89	5.24	5.52	3.47	5.22

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - USD (Acc) Class	2.39	-1.53	-0.37	0.19	5.91	3.16	3.01
Singapore Dividend Equity Fund - USD Class	-0.46	-1.04	1.54	3.46	4.45	2.95	5.00

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 2 August 1999

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - MYR Class	2.48	2.57	11.53	10.04	7.81	N/A	7.95

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, MYR, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - MYR Class	-2.64	-2.56	5.96	8.17	6.71	N/A	7.23

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, MYR, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 29 March 2016

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	7.11	2.68	3.46	1.07	6.10	N/A	3.89

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - SGD Hedged (Dist) Class	1.76	-2.45	-1.71	-0.64	5.02	N/A	3.35

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 17 March 2014

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	7.11	2.36	2.30	2.02	7.34	N/A	4.30

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, CNH, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Nikko AM Global Dividend Equity Fund - CNH Hedged (Dist) Class	1.75	-2.76	-2.81	0.29	6.24	N/A	3.75

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, CNH, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 1 April 2014

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - SGD (Acc) Class	1.25	1.54	5.39	N/A	N/A	N/A	3.77

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - SGD (Acc) Class	-3.81	-3.54	0.12	N/A	N/A	N/A	0.16

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, SGD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - USD (Acc) Class	4.81	4.22	7.03	N/A	N/A	N/A	7.61

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - USD (Acc) Class	-0.43	-0.99	1.67	N/A	N/A	N/A	3.86

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, USD, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - MYR (Acc) Class	2.59	2.50	11.65	N/A	N/A	N/A	10.13

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, MYR, and based on the assumption that all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - MYR (Acc) Class	-2.54	-2.63	6.07	N/A	N/A	N/A	6.30

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2023. Returns are calculated on a NAV-NAV basis, MYR, and based on the assumption that all dividends and distributions are reinvested, if any, and take into account of maximum initial sales charge and a realisation charge, currently nil, as and where applicable. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Inception date: 21 July 2022

Note:

- (1) With effect from 17 October 2011, the umbrella unit trust (formerly known as "Horizon Investment Funds") has been renamed **Nikko AM Shenton Horizon Investment Funds**.
- (2) With effect from 1 November 2017, the benchmark for the **Singapore Dividend Equity Fund** (i.e. Straits Times Index) was removed and there will no longer be any benchmark for the Fund. This is because pursuant to the investment objective of this Fund, this Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark.

With effect from 20 February 2012, "Horizon Singapore Equity Fund" has been renamed "**Singapore Dividend Equity Fund**".

Until 30 June 2001, the DBS 50 Index was used as the benchmark of Horizon Singapore Equity Fund instead of the Straits Times Index (STI) and the switch was made due to the discontinuation of the DBS 50 Index.

- (3) For **Nikko AM Global Dividend Equity Fund**, the following changes were made with effect from 1 December 2016:
 - a. the appointment of Kleinwort Benson Investors Dublin Ltd ("Kleinwort Benson") as the sub-managers was terminated and Nikko Asset Management Europe Ltd ("NAM Europe") has been appointed as the sub-manager.
 - b. the benchmark (i.e. MSCI All Country World Index, USD base) has been removed and there is no benchmark for this Fund. This is because pursuant to the investment objective of the Fund, the Fund is managed on a total return basis and as such, it does not seek to outperform any benchmark.

With effect from 16 December 2013, "Horizon Global Equity Fund" was reshaped to "Nikko AM Global Dividend Equity Fund". The benchmark of the Nikko AM Global Dividend Equity Fund was changed from the composite benchmark of Russell 1000® Net 30% Index, FTSE All Share Index, TOPIX Dividend Included Index, Russell Developed Europe ex-UK Large Cap Index (net) and Russell Asia Pacific ex Japan (All cap) Index, according to their regional weights from time to time, to the MSCI All Country World Index, USD base in order to better reflect the new investment objective, focus and approach of the Nikko AM Global Dividend Equity Fund.

The portion of the benchmark of the Nikko AM Global Dividend Equity Fund allocated to the MSCI All Country Pacific Basin ex-Japan Free Index was changed to the MSCI All Country Asia Pacific ex-Japan Index with effect from 1 August 2006 and was changed to the Russell Asia Pacific ex Japan (All cap) Index with effect from 1 April 2011. The portion of the benchmark for the Nikko AM Global Dividend Equity Fund allocated to the FTSE World Europe ex-UK Index was changed to the Russell Developed Europe ex-UK Large Cap Index (net) with effect from 1 April 2011.

Until 1 May 2003, the TOPIX Index was used as a component of the composite benchmark for the Nikko AM Global Dividend Equity Fund instead of the TOPIX Dividend Included Index and the switch was done as the Managers believe it is more appropriate to use the TOPIX Dividend Included Index which takes into account the dividends of the component stocks.

- (4) For **Nikko AM Multi Sector Credit Fund**, the following changes were made with effect from 31 March 2022:
- a. "Horizon Global Bond Fund (S\$ Hedged)" was renamed to "Nikko AM Multi Sector Credit Fund".
 - b. no longer invested in the shares of the Russell Investments Global Bond Fund (the "Underlying Fund") and the appointment of Carne Global Fund Managers (Ireland) Limited ("Carne") has been terminated. The Nikko Asset Management Europe Ltd ("NAM Europe") has been appointed as the sub-manager.
 - c. the benchmark (i.e. Bloomberg Barclays Global Aggregate Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. This is because pursuant to the investment objective of the Nikko AM Multi Sector Credit Fund, the Nikko AM Multi Sector Credit Fund is managed on a total return basis and as such, it may not seek to outperform any benchmark.

With effect from 1 October 2021, the current appointment of Russell Investments Ireland Limited, as the manager of the Russell Investment Company plc ("RIC") has been terminated and Carne has been appointed as the manager of the RIC. With effect from 24 August 2021, the benchmark for Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Global Aggregate Index Total Return Index SGD Hedged. With effect from August 2016, the benchmark for the Horizon Global Bond Fund (S\$ Hedged) was renamed as Bloomberg Barclays Global Aggregate Total Return Index SGD Hedged. With effect from November 2008, it was renamed as Barclays Capital ("Barcap") Global Aggregate Index, S\$ Hedged. Prior to November 2008, it was known as Lehman Brothers' Global Aggregate (SGD Hedged) Index.

Until 30 September 2001, the benchmark was SSB World Government Bond Index instead of the Lehman Brothers' Global Aggregate Index and the switch was done as the Managers believe it provides a broader coverage of the investments of Horizon Global Bond Fund (S\$ Hedged) compared to the SSB World Government Bond Index.

- (5) With effect from 1 June 2017, the benchmark for the **Horizon Singapore Fixed Income Enhanced Fund** was changed to Markit iBoxx ALBI Singapore Government Bond Index. Prior to 1 June 2017, the benchmark was UOB Singapore Government Bond All Index was changed because the UOB Singapore Government Bond All Index was discontinued and the Managers had assessed the Markit iBoxx ALBI Singapore Government Bond Index to be representative of the Horizon Singapore Fixed Income Enhanced Fund's investment strategy and hence to be a suitable replacement benchmark for the Horizon Singapore Fixed Income Enhanced Fund. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

The benchmark of the **Horizon Singapore Fixed Income Enhanced Fund** was changed from the 3-month SIBID rate to the UOB Singapore Government Bond All Index with effect from 1 August 2006. This allows the Managers further flexibility to invest along the duration curve in order to better meet the investment objectives of the Fund.

The Markit iBoxx ALBI Singapore Government Bond Index referenced herein is the property of Markit Indices Limited and is used under license. The Horizon Singapore Fixed Income Enhanced Fund - SGD Class is not sponsored, endorsed, or promoted by Markit Indices Limited.

- (6) Below is the list of fund terminations:
- (i) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
 - (ii) With effect from 28 October 2015, the appointment of Russell Investment Group Private Limited as the investment adviser for the Horizon Global Bond Fund (S\$ Hedged); Horizon European Equity Fund; Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund was terminated.
 - (iii) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
 - (iv) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.

Nikko AM Global Dividend Equity Fund

Portfolio Review

Fund returned +3.36% in SGD hedged terms in 2023

For the 12-month period ended 31 December 2023, the Nikko AM Global Dividend Equity Fund (the “Fund”) posted a return of +3.36% (in SGD hedged terms, on a NAV-NAV basis).

Main contributors to performance in 2023 included Schneider Electric SE, Accenture PLC, Microsoft Corporation, Assa Abloy AB and Linde PLC. Schneider Electric delivered both top line and profit growth ahead of market consensus and importantly lifted their mid-term revenue growth expectations (7–10% organic growth from 2023–2027) and margin objectives (50-basis-point improvement). It was not all clear sailing over the year, as the long-standing and well-regarded CEO decided to move into the role of Chairman and was replaced by the head of the automation division from within the business. Despite these changes, the company has continued to exceed expectations and given their exposure to artificial intelligence (AI), with data centre energy management expertise or their expertise in electrical efficiency and grid management, the company looks well positioned to continue to perform well. Accenture delivered strong results over the year as digital transformation continued and project work geared at delivering AI solutions for clients accelerated. The company along with the whole information technology (IT) sector enjoyed a strong 2023 and as a beneficiary of AI, Accenture was able to participate in the gains. Microsoft shares climbed following better-than-expected results throughout the year, delivering strong performance in both Cloud and Professional businesses. Management is confident about the outlook on earnings and demand for AI infrastructure is already proving to be a growth tailwind. The main highlight in the results was the re-accelerating growth in Azure revenues, attributable to a better-than-anticipated benefit from AI workloads. The results mark the first time in five quarters that Azure’s constant currency growth has not decelerated. The company also added a longer duration to its Azure guidance. Assa Abloy outperformed against a backdrop of a more optimistic economic environment as expected inflation levels peaked, and markets started to anticipate global central banks reducing rates in early 2024. The management team sounded confident that the buildings’ downturn is now bottoming out. The company’s defensive earnings profile, steady business and compelling valuation make it an attractive name to hold today. Industrial gas company Linde has outperformed this year as it has consistently delivered strong earnings updates—with profit margins highlighting the pricing power enjoyed by this company. Ongoing investments in energy transition and security of energy supply have also continued to present companies such as this with expanding investment opportunities.

Conversely, the portfolio’s exposure to oil-related stocks—Neste Corporation, Schlumberger and to a degree Emerson Electric—had a negative impact on performance over the year. Despite significant and elevated

geopolitical risk in the Middle East and Ukraine, oil prices fell to below USD 80 for Brent by the year-end. Consequently, investors questioned the earnings power for each company given their reliance on rising cashflows and expenditures among their customer base. Neste also suffered from falling global refining margins and delays within their new sustainable aviation fuel Singapore plant and maintenance work across their portfolio. We took the decision to sell out of both Emerson and Neste during the year. Coca-Cola also struggled to perform, in-line with the broader consumer staples sector in 2023, as cyclical parts of the market were favoured over more defensive areas. Despite this, we continue to believe that the transformation of the wider Coca-Cola System, undertaken by management in recent years, has positioned Coca-Cola to be a more structurally attractive business over the medium-to-long term. The market is yet to fully appreciate the positive impact that divesting the bottling businesses is having on the company's profitability. Furthermore, Coca-Cola's total beverages strategy, pioneered by its CEO James Quincey, is providing a clear runway for the business to deliver organic sales growth ahead of the sector average. Diageo PLC and AIA Group were among the other key detractors from performance in 2023. Diageo, alongside its alcoholic spirits peers, underperformed on the back of normalisation in US demand after a boom during the COVID-19 pandemic. In November, Diageo issued an unexpected profit warning, pointing to slower growth in 1H24 versus 2H23 and an operating profit decline, largely driven by weaker-than-anticipated consumption in Latin America. Diageo also downgraded its mid-term operating profit guidance due to persistent input cost inflation. We feel that Diageo has taken the lead in resetting investor expectations in a challenged economic environment and peers are now starting to follow. While the near-term outlook is less clear, we remain confident in the long-term thesis for Diageo: the company's brand strength, broad geographic footprint and clean execution illustrate its superior franchise quality to beverages peers. AIA has underperformed as fears have increased over the health of the Chinese economy this year. The shares had enjoyed a very strong rally in the fourth quarter of 2022 as investors grew excited about the likely recovery in demand as China eased its COVID-19 restrictions. Although AIA has seen a 20%-plus recovery in new business in the first half of the year, concerns have grown over the sustainability of this recovery as China's economy has struggled to overcome the effects of Central Government's regulatory clampdown on the all-important real estate sector during 2022. These measures continue to depress consumer confidence in the country.

Market Review

2023 characterized by a strong market environment

What a difference a year makes. In sharp contrast to last year, 2023 delivered a strong market environment with an added Christmas bonus of strong fourth-quarter returns amid growing excitement that central banks will cut interest rates sooner than previously expected. The MSCI ACWI High Dividend Yield index delivered over 9% gains over the year.

Simplistically, returns for the year were dominated by the rise and shape of the US ten-year yields and the acceleration in AI, which drove returns for the largest seven stocks in the market—otherwise known as the “Magnificent Seven”.

Unsurprisingly IT was the best performing sector, delivering 40% returns over the year. The sector started the year strongly, reversing 4Q22 losses as investors recognised some of the more defensive attributes offered by the large-cap technology names, such as strength in balance sheet. Share price performance was then supercharged in late March, when Open AI launched GPT-4 and then in 2Q23 when Nvidia confirmed a ramp-up in sales caused by significant interest in AI. That momentum spread beyond IT into the communication services sector which gained 8% and consumer discretionary sector which gained 29% over the year.

The other major force driving returns in 2023 was interest rates. As Warren Buffet is famed for saying, “only when the tide goes out do you find out who was swimming naked”, and hence the speed and scale of rising interest rates had its first major casualty in March 2023, when there was a run on US regional banks, leading to the fall of Silicon Valley Bank and the takeover of Credit Suisse First Boston by UBS. There was a fear that this might filter into other parts of the market, but it would appear that central banks and authorities managed to control any potential contagion.

An interesting repercussion of rising interest rates was the impact on money flows out of the defensive sectors. Each of utilities, consumer staples and healthcare, all significantly underperformed the index (5.3%, 0.5% & -5.1% returns respectively). The main reason for this was the reversal of money flows away from these bond proxy sectors and into other asset classes which for the first time in a while offered more secure and elevated yields.

A further casualty of rising interest rates was the continued underperformance of loss-making companies and in particular clean tech. This was despite the hottest day ever on record being recorded in July, orange smoke from Canadian wildfires seen in New York and wildfires in Hawaii, among other catastrophes. Central banks may have a semblance of control over markets but have nothing on mother nature. Fiscal authorities have stepped up in the last few years, and 2023 was no exception with further guidelines being set for the Inflation Reduction Act. While records for the global production of coal have been broken, so have government debt levels, with the US deficit passing its USD 31.4 trillion ceiling in July.

The fourth quarter started with the horrific attack by Hamas on Israel and the realisation that tensions in the Middle East would escalate and likely stay raised for some time. Despite elevated risks that things might spill over into other oil-producing regions and impacts on crude flows through the Red Sea, energy was a poor performer, losing 2% over the year.

Finally, the year started with the end of China's zero-COVID policy and reinstatement of Xi Jinping as president for an unprecedented third term, yet the initial expectation for a China recovery that mirrored the West did not materialise. The scale of the debt-fuelled property sector has weighed on sentiment and confidence in China, which led to Hong Kong being the worst performing region falling by 1.3%.

Market Outlook and Strategy

The four guiding principles of our Future Quality philosophy remain our investment compass

Scotland is famous for whisky and golf. At this time of year, with New Year's Eve celebrations just passed, there is more whisky drinking than golf played, though a few hardy souls can be seen playing "Links" courses whatever the weather.

Links courses are built on sandy soil near the sea. The term Links comes from an Old Scots word for "ridge" and represents the barren, unproductive ground between the rough seas and the agricultural heartlands. The first such course was built in Scotland in the early 1600s, and if you know your golf, you will be well aware of famous Scottish Links courses such as St Andrews Old Course or Royal Troon, where this year's Open will be played.

2023's returns have largely been formed by two phenomena—the shape of interest rates and concentration in markets and in particular AI. In short, the goldilocks scenario—tamed inflation and resilient growth—appears to be upon us. However, it is easy to be tricked while standing on the first tee. The investment climate can change quickly—sometimes predictably like a storm sweeping in from the sea. Sometimes it is simply out of the blue. Our investment outlook is important as it provides a chance to reflect and then refocus on finding investments that can prosper with uncertainty—whatever the weather. As active fund managers we do not have the luxury of being just fair-weather golfers which is why having a focus such as Future Quality is crucial.

2023's concentration of returns in equity markets may "feel" unusual but is not unprecedented and has been supported with pricing power, healthy balance sheets and strong cashflow margins. However, perhaps in 2024, we will see a divergence within that cohort as some continue to deliver upgrades, while others falter. AI is likely to continue to dominate markets, and we have made significant changes to the portfolio to reflect what we believe remains the early stage of a major adoption cycle in AI. Major new use cases of AI innovation may be hard to identify but the "picks and shovels" beneficiaries such as Nvidia, Broadcom and Synopsys, should continue to deliver high and improving returns for some time.

2024 will also be dominated by politics, with over 40% of the world's population going to the polls—8 of the top 10 most populous countries—such as Bangladesh, Brazil, Indonesia, India, Mexico, Russia and of course the

US. These election results will undoubtedly have an impact on the future investment environment. Will the fiscal largesse continue, or shall we see a shift to greater protectionism? What will happen in Taiwan, Middle East or Ukraine?

Climate change does not stop for war or ballot box. Security of energy has been the primary goal for most regions, and particularly those emerging markets, which rightfully look at developed market living standards with envy. Despite the COP28 United Nations Climate Change Conference, emerging market consumption of coal continues to grow while developed markets transition. An increasing focus on energy security is unlikely to be disrupted while the globe continues its split into regional trading blocs while policies to strengthen reshoring will undoubtedly continue.

At the other end of the 2023 performance spectrum, healthcare has suffered from bond proxy outflows and an inventory overhang caused by COVID. We believe these headwinds are largely behind us and are becoming increasingly more confident that our patience will be rewarded as investors return to the sector as they begin to appreciate a combination of strong growth and low valuations.

In prior years we have talked about opportunities in energy transition and travel, and although they should continue to deliver outsized returns, many of our companies do not sit neatly into such themes. However, they do display similar characteristics, such as market share gainers, like Progressive or underappreciated growth companies like Haleon. These companies form the backbone of the portfolio, each displaying future quality characteristics on their own right.

So we stand at the first tee and the sky above is clear and yet there are clouds on the horizon. The four guiding principles of our Future Quality philosophy will remain our investment compass in these challenging conditions. Our focus on franchise quality and management quality allows us to look forward with optimism, whilst balance sheet quality and valuation discipline provide something of a safety net, in case the environment changes.

Links courses are also famous for “pot bunkers”—areas of deep sand or in equity parlance profit warnings—which are famously difficult to get out of and can ruin a round of golf. Fund management, like golf, can teach you humility, and 2023 was indeed one of those years, when we hit too many pot bunkers. As a result, we have learned a lot and increased our guard against finding more this year. We therefore tee off 2024 with confidence as we apply our Future Quality philosophy with even more rigour.

“The greatest thing about tomorrow is I’ll be better than I am today”—Tiger Woods.

Singapore Dividend Equity Fund

Portfolio Review

Fund rose by 5.13% in SGD terms in 2023

For the 12-month period ended 31 December 2023, the Nikko AM Singapore Dividend Equity Fund (the “Fund”) returned 5.13% (SGD terms, on a NAV-NAV basis). The Fund’s holdings in Sembcorp Industries, Keppel Corporation and Oversea-Chinese Banking Corporation were the key contributors to absolute returns over the year. Conversely, holdings in Jardine Matheson, Seatrium and CapitaLand Investment were among the key detractors from absolute performance.

Market Review

The Straits Times Index (STI) saw gains in 2023

Singapore stocks, as measured by the STI, rose 4.74% on a total return basis in SGD terms in 2023. At the start of the year, the banking meltdown in the US and Europe sparked short-lived concerns of a credit crunch. Global equities were broadly higher over the second quarter—as fears of a global downturn further receded behind a resilient global economy, and an artificial intelligence frenzy propelled technology stocks higher. Markets were in

the red from August to October, weighed down by rising government bond yields amid the prospect of higher-for-longer rates again. The narrative changed course in November and December as the US Federal Reserve signalled that it was ready to cut interest rates in 2024.

Market Outlook and Strategy

2024 likely to offer strong potential for stock-picking alpha

We continue to expect economic growth in Singapore to accelerate modestly in 2024 to about 2%. We expect the US economy to remain broadly resilient, but are now more cautious on China, due to the continued problems facing its property sector. We remain positive on the manufacturing sector on a recovery in tech demand, and we also continue to see a modest improvement in tourism.

We foresee a milder expansion in corporate earnings in 2024, after two strong years in 2022–23. In particular, bank lending margins are likely to stay elevated in a higher-for-longer interest rate scenario, while credit costs are likely to remain contained. Against this backdrop, valuations for Singapore stocks are attractive at around 10x price/earnings ratio, against a historical average of about 14x.

2024 is likely to offer strong potential for stock-picking alpha, in our opinion. We are overweight in the tech sector, which should see a more convincing recovery this year. We continue to like “New Singapore” stocks, which represent the future economy of Singapore, in areas such as renewable energy, tech, data, healthcare, food and logistics. We are also cautiously adding to REITs which feature strong balance sheets and benefit from sound underlying demand.

Horizon Singapore Fixed Income Enhanced Fund

Portfolio Review

Fund outperformed the benchmark in 2023

The Horizon Singapore Fixed Income Enhanced Fund (the “Fund”) posted a return of 4.32% (in SGD terms, on a NAV-NAV basis) in 2023, outperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned 3.49% (SGD terms) during the period. Contributions from carry, spread, income and duration effects were all positive, offset partly by marginally negative contributions from selection and allocation effects.

Market Review

Singapore government securities (SGS) outperformed most of their UST counterparts over 2023

US Treasuries (USTs) experienced a volatile period in 2023, in contrast to the consensus view of lower yields when the year opened. Throughout 2023, investors eagerly watched US jobs data and inflationary readings, debating the timing of the last rate hike. The resilience of major economies, particularly the US, prompted markets to embrace the “higher for longer” narrative for interest rates, prompting a significant increase in bond yields, with the 10-year point on the UST curve touching a 16-year high of 5.02% in October. However, concerns about high inflation and rising interest rates subsided in the last two months of the year, with the subsequent shift in tone from US Federal Reserve (Fed) officials who are among the most hawkish policymakers triggering a substantial leg down in UST yields.

The Fed raised interest rates four times in 2023. The US central bank messaged a pivot at its final policy meeting of the year. It acknowledged that growth and inflation were slowing and suggested that the policy rate was at or close to its peak level. The dot plot also showed that members now expect 75 basis points (bps) worth of rate cuts over 2024, 100 bps over 2025 and an additional 75 bps over 2026. This dovish pivot, together with increased expectations of a US economic slowdown prompted UST yields to continue their sharp descent. At the end of 2023, the benchmark 2-year and 10-year UST yields settled at 4.25% and 3.88% respectively, 18 bps lower and 0.3 bps higher compared to end-December 2022.

In Singapore, the Monetary Authority of Singapore (MAS) left its monetary policy unchanged for the year after taking aggressive measures to curb inflation by strengthening the Singapore dollar at an unprecedented pace of five times since October 2021. The central bank shifted to a quarterly (from semi-annual) monetary policy schedule in 2024 to enhance communication and provide greater flexibility in responding to changes in economic conditions.

According to advance estimates, Singapore's economy expanded by 2.8% year-on-year (YoY) in the fourth quarter of 2023, surpassing the downwardly revised 1.0% growth in the July to September period. For the whole of 2023, the economy grew by 1.2%, slower than the 3.6% growth in 2022. The Ministry of Trade and Industry expects growth in 2024 to range between 1.0% and 3.0%.

Throughout 2023, high-frequency data remained weak, with some improvement towards the end of the year. Non-oil domestic exports and industrial production, which had contracted for months, expanded briefly but contracted again in December. Price pressures moderated but remained relatively elevated, with the headline Consumer Price Index easing to 4.8% YoY in 2023 from 6.1% in 2022. The MAS' preferred core inflation measure, which excludes private transport and accommodation inflation, averaged 4.2% in 2023, surpassing the 4.1% recorded in 2022. The MAS projects core inflation to average between 2.5–3.5% in 2024. However, it highlighted potential upward risks to this from factors including geopolitical conflicts, adverse weather events and prolonged tightness in the domestic labour market, while acknowledging that an unforeseen global economic downturn could alleviate cost and price pressures more rapidly.

SGS outperformed most of their UST counterparts over the 12-month period. Intermediate bonds along the SGS yield curve outperformed, while long-tenor SGS underperformed due in part to unfavourable supply technicals. Notable issuance included MAS' 50-year inaugural green bond offering in August and the reopening of the 30-year SGS (Infrastructure) bond offering in September. In November, the MAS released its 2024 SGS issuance calendar, revealing a total of 9 issuances, down from 10 in 2023. There will be 7 scheduled re-openings, including the 50-year Green SGS (Infrastructure) in September and new 5-year and 10-year issues. According to MAS, "subject to market conditions", an additional new 30-year Green SGS (Infrastructure) may be issued "around mid-2024." At the end of 2023, 2-year and 10-year SGS were at 3.26% and 2.69% respectively, about 16 bps higher and 39 bps lower compared to end-December 2022.

Market Outlook and Strategy

After moving aggressively to dampen inflation by strengthening the Singapore dollar at an unprecedented pace of five times since October 2021, the MAS left its monetary policy unchanged in 2023. The central bank will be shifting to a quarterly monetary policy schedule in 2024 as part of continuing efforts to enhance communications. This will also afford greater flexibility to react nimbly to changes in economic conditions. With the current appreciating policy band sufficient to help dampen still-elevated inflation, the MAS is likely to stay on hold through 2024, barring a significant weakening of global growth which would warrant policy easing. The current estimated Singapore dollar nominal effective exchange rate (SGDNEER) policy band slope of 1.5% will likely keep the Singapore dollar resilient versus the US dollar and firm against the trade-weighted basket of currencies going into 2024, supported by Singapore's strong external balance.

On the rates front, we expect SGS to continue outperforming against USTs, particularly in the long end of the curve. Unlike the US, which has ramped up issuances to fund its deficit, Singapore has not had to resort to such means. Meanwhile, the issuance of sovereign and statutory board green bonds is likely to increase as the nation aims to achieve net zero by 2050. We remain positive on duration in the medium term. We continue to view SGD-corporate bonds favourably as issuers largely have good access to funding, while fundamentals should remain robust enough to prevent meaningful credit spread widening. The attractiveness of Singapore as a safe haven and limited primary market supply will continue to support demand for SGD-denominated assets.

Nikko AM Multi Sector Credit Fund

Portfolio Review

The Fund generated returns of 10.55% in 2023

The Nikko AM Multi Sector Credit Fund (the "Fund") posted a return of 10.55% (in SGD terms, on a NAV-NAV basis) for the 12 months ended 31 December 2023.

The Fund reported a positive performance for 2023, massively benefitting from our investments in short-term bonds and floating rates notes as the yield curve remained inverted. Our asset allocation offered diversification and stability with investments in investment grade bonds, collateralised loan obligations as well as secured and unsecured high yield bonds across the globe. Banking and healthcare were our preferred sectors while the US was our preferred region.

Market Review

The global credit market had to face several volatility spikes in 2023, with the first one in March after several failure of regional US banks and the last one in autumn as investors got concerned about high interest rates. However, as the US Federal Reserve as well as the European Central Bank moved to a hold position after a strong hiking cycle, credit markets started to recover strongly at the end of the fourth quarter, in-line with interest rate markets. Beside the banking crisis and central bank policies, geopolitical risk presented another challenge in 2023. The war in the Ukraine continued and in addition, the situation in the Gaza strip impacted financial markets as well.

Market Outlook and Strategy

After a strong year for the Fund in 2023, with a double-digit return, we also expect in the coming months that the Fund will perform in line with its performance target range of 4-6%. The optimism is driven by the current portfolio yield which we expect to earn in 2024, plus some capital appreciation driven by lower interest rates while we expect that credit markets will be stable. The Fund is currently mostly invested at the short end of the yield curve with a portfolio duration of just below two years. We hope to benefit from the inverse yield curve but also limited duration risk and therefore portfolio volatility. While we think that default rates might go up slightly in 2024, we do not forecast a massive deterioration of credit quality, even as economic activities are slowing down globally.

This document is purely for informational purposes only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. It should not be relied upon as financial advice. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. **You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.** Investments in funds are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited (“Nikko AM Asia”).

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

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(Where relevant – for funds included under CPFIS) The Central Provident Fund (“CPF”) Ordinary Account (“OA”) interest rate is the legislated minimum 2.5% per annum, or the 3-month average of major local banks’ interest rates, whichever is higher, reviewed quarterly. The interest rate for Special Account (“SA”) is currently 4% per annum or the 12-month average yield of 10-year Singapore Government Securities plus 1%, whichever is higher, reviewed quarterly. Only monies in excess of \$20,000 in OA and \$40,000 in SA can be invested under the CPF Investment Scheme (“CPFIS”). Please refer to the website of the CPF Board for further information. Investors should note that the applicable interest rates for the CPF accounts and the terms of CPFIS may be varied by the CPF Board from time to time.

For Hong Kong Investors

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

Nikko Asset Management Asia Limited. Registration Number 198202562H

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT OF THE TRUSTEE

For the financial year ended 31 December 2023

The Trustee is under a duty to take into custody and hold the assets of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund, Singapore Dividend Equity Fund, and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the “Sub-Funds”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Funds during the financial year covered by these financial statements, set out on pages 20 to 83, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
BNP Paribas Trust Services Singapore Limited

Authorised signatory
27 March 2024

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT BY THE MANAGER

For the financial year ended 31 December 2023

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 20 to 83, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund, Singapore Dividend Equity Fund, and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") as at 31 December 2023, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Sub-Funds will be able to meet its financial obligations as and when they materialise.

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

Authorised signatory
27 March 2024

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

Our Opinion

In our opinion, the accompanying financial statements of the sub-funds of Nikko AM Shenton Horizon Investment Funds, namely Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund, Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the financial positions and portfolio holdings of the Sub-Funds as at 31 December 2023, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Sub-Funds comprise:

- the Statements of Total Return for the financial year ended 31 December 2023;
- the Statements of Financial Position as at 31 December 2023;
- the Statements of Movements of Unitholders' Funds for the financial year then ended;
- the Statements of Portfolio as at 31 December 2023; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Sub-Funds in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Sub-Funds' Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM SHENTON HORIZON INVESTMENT FUNDS**
(Constituted under a Trust Deed registered in the Republic of Singapore)

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Funds to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 27 March 2024

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2023

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund		
	Note	2023 US\$	2022 US\$	2023 S\$	2022 S\$
Income					
Dividends		1,424,285	1,500,137	-	-
Interest on cash and cash equivalents		26,684	8,449	12,882	3,230
Other income		-	-	3	203
		1,450,969	1,508,586	12,885	3,433
Less: Expenses					
Management fee		748,582	802,797	223,944	232,793
Management fee rebate		-	-	-	(30,842)
Transfer agent fee		28,696	31,942	17,548	18,779
Trustee fee		15,724	16,777	5,627	5,903
Custody fee		7,405	6,660	2,159	1,702
Audit fee		10,812	9,408	8,952	8,261
Valuation fee		25,039	26,468	8,963	9,309
Transaction costs		31,121	43,283	8,208	13,409
Other expenses*		26,897	9,109	15,341	52,562
		894,276	946,444	290,742	311,876
Net income/(losses)		556,693	562,142	(277,857)	(308,443)
Net gains or losses on value of investments and financial derivatives					
Net gains/(losses) on investments		2,055,052	(7,824,596)	1,844,378	(2,830,376)
Net foreign exchange losses		(26,930)	(58,317)	(22,277)	(104,629)
Net gains/(losses) on financial derivatives		50,671	(247,154)	263,223	230,617
		2,078,793	(8,130,067)	2,085,324	(2,704,388)
Total return/(deficit) for the financial year before income tax		2,635,486	(7,567,925)	1,807,467	(3,012,831)
Less: Income tax	3	(252,283)	(299,386)	(2,035)	(1,343)
Total return/(deficit) for the financial year after income tax		2,383,203	(7,867,311)	1,805,432	(3,014,174)

* The balances include non-audit related fees paid to a network firm of the Nikko AM Global Dividend Equity Fund's Auditor which amounted to Nil for 2023 (2022: USD 1,300).

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2023

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
Note	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Income				
Dividends	27,966,171	18,331,405	-	-
Interest on cash and cash equivalents	1,066,007	326,701	13,465	6,261
Other income	-	-	-	2,500
	29,032,178	18,658,106	13,465	8,761
Less: Expenses				
Management fee	7,621,339	6,020,962	190,866	222,548
Management fee rebate	(321)	(1,262)	-	-
Transfer agent fee	144,974	140,097	16,778	17,103
Trustee fee	191,400	152,941	6,000	7,051
Custody fee	125,000	86,873	3,458	3,601
Audit fee	22,545	20,602	9,563	8,667
Valuation fee	305,841	240,784	9,543	11,124
Transaction costs	934,774	766,851	6,200	8,815
Other expenses	349,672	196,705	14,404	8,090
	9,695,224	7,624,553	256,812	286,999
Net income/(losses)	19,336,954	11,033,553	(243,347)	(278,238)
Net gains or losses on value of investments				
Net gains/(losses) on investments	12,854,147	386,663	969,609	(1,020,604)
Net foreign exchange losses	(177,543)	(191,189)	-	-
	12,676,604	195,474	969,609	(1,020,604)
Total return/(deficit) for the financial year before income tax	32,013,558	11,229,027	726,262	(1,298,842)
Less: Income tax	(264,039)	(317,294)	(626)	-
Total return/(deficit) for the financial year after income tax	31,749,519	10,911,733	725,636	(1,298,842)

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
		2023 US\$	2022 US\$	2023 S\$	2022 S\$
ASSETS					
Portfolio of investments		48,485,973	51,732,613	18,484,431	17,126,265
Receivables	4	53,438	109,502	15,045	9,347
Cash and cash equivalents		394,331	1,535,421	370,891	163,677
Financial derivatives at fair value	6	842,069	180,093	393,656	-
Total assets		49,775,811	53,557,629	19,264,023	17,299,289
LIABILITIES					
Payables	5	265,438	285,881	103,708	75,491
Distribution payable	8	43,498	49,773	-	-
Financial derivatives at fair value	6	-	-	68,053	-
Total liabilities		308,936	335,654	171,761	75,491
EQUITY					
Net assets attributable to unitholders	7	49,466,875	53,221,975	19,092,262	17,223,798

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2023 S\$	2022 S\$	2023 S\$	2022 S\$
ASSETS					
Portfolio of investments		678,300,773	507,693,319	18,575,053	21,477,630
Receivables	4	2,515,288	2,136,513	22,892	27,599
Cash and cash equivalents		44,600,013	26,265,615	117,074	499,255
Total assets		725,416,074	536,095,447	18,715,019	22,004,484
LIABILITIES					
Payables	5	5,257,646	4,199,945	97,548	77,645
Distribution payable	8	3,457,538	2,237,268	-	-
Total liabilities		8,715,184	6,437,213	97,548	77,645
EQUITY					
Net assets attributable to unitholders	7	716,700,890	529,658,234	18,617,471	21,926,839

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2023

	Note	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
		2023 US\$	2022 US\$	2023 S\$	2022 S\$
Net assets attributable to unitholders at the beginning of the financial year		53,221,975	60,718,621	17,223,798	22,166,213
Operations					
Change in net assets attributable to unitholders resulting from operations		2,383,203	(7,867,311)	1,805,432	(3,014,174)
Unitholders' contributions/ (withdrawals)					
Creation of units		1,821,550	7,603,608	452,967	693,634
Cancellation of units		(7,402,027)	(6,480,776)	(389,935)	(2,621,875)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(5,580,477)	1,122,832	63,032	(1,928,241)
Distributions	8	(557,826)	(752,167)	-	-
Total (decreases)/increases in net assets attributable to unitholders		(3,755,100)	(7,496,646)	1,868,464	(4,942,415)
Net assets attributable to unitholders at the end of the financial year	7	49,466,875	53,221,975	19,092,262	17,223,798

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS
For the financial year ended 31 December 2023

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2023 S\$	2022 S\$	2023 S\$	2022 S\$
Net assets attributable to unitholders at the beginning of the financial year		529,658,234	425,250,092	21,926,839	24,521,044
Operations					
Change in net assets attributable to unitholders resulting from operations		31,749,519	10,911,733	725,636	(1,298,842)
Unitholders' contributions/ (withdrawals)					
Creation of units		315,965,500	232,701,021	2,422,305	322,488
Cancellation of units		(129,273,472)	(114,924,076)	(6,457,309)	(1,617,851)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		186,692,028	117,776,945	(4,035,004)	(1,295,363)
Distributions	8	(31,398,891)	(24,280,536)	-	-
Total increases/(decreases) in net assets attributable to unitholders		187,042,656	104,408,142	(3,309,368)	(2,594,205)
Net assets attributable to unitholders at the end of the financial year	7	716,700,890	529,658,234	18,617,471	21,926,839

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Global Dividend Equity Fund

By Geography (Primary)

	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities			
AUSTRALIA			
Macquarie Group Limited	8,132	1,018,933	2.06
Worley Limited	148,054	1,763,880	3.57
Total AUSTRALIA		2,782,813	5.63
BRITAIN			
Astrazeneca Public Listed Company	7,769	1,049,789	2.12
Compass Group Public Listed Company	63,941	1,749,202	3.54
Diageo Public Listed Company	39,047	1,421,598	2.87
Haleon Public Listed Company	275,888	1,131,220	2.29
Linde Public Listed Company	2,556	1,049,903	2.12
Total BRITAIN		6,401,712	12.94
CANADA			
Intact Financial Corporation	9,030	1,396,060	2.82
Total CANADA		1,396,060	2.82
FRANCE			
Air Liquide SA	6,744	1,312,052	2.65
Schneider Electric SE	7,488	1,503,615	3.04
Total FRANCE		2,815,667	5.69
GERMANY			
Deutsche Telekom AG	37,310	893,736	1.81
Siemens Healthineers AG	16,895	984,290	1.99
Total GERMANY		1,878,026	3.80
HONG KONG SAR			
AIA Group Limited	68,000	592,604	1.20
Total HONG KONG SAR		592,604	1.20
INDONESIA			
Bank Mandiri Persero TBK PT	4,465,600	1,754,685	3.55
Total Indonesia		1,754,685	3.55
IRELAND			
Accenture Public Listed Company	3,678	1,291,346	2.61
Total IRELAND		1,291,346	2.61
JAPAN			
Technopro Holdings Incorporated	30,700	808,984	1.64
Total Japan		808,984	1.64
NETHERLANDS			
Euronext NV	13,851	1,203,385	2.43
Total NETHERLANDS		1,203,385	2.43
SINGAPORE			
DBS Group Holdings Limited	63,200	1,600,714	3.24
Total SINGAPORE		1,600,714	3.24

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2023	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities (continued)			
SWEDEN			
Assa Abloy AB	34,918	1,003,760	2.03
Total SWEDEN		1,003,760	2.03
SWITZERLAND			
Nestle SA	21,227	2,459,346	4.97
Roche Holding AG	5,812	1,688,443	3.41
Total SWITZERLAND		4,147,789	8.38
TAIWAN			
Taiwan Semiconductor Manufacturing Company Limited	78,000	1,507,112	3.05
Total TAIWAN		1,507,112	3.05
UNITED STATES OF AMERICA			
Abbott Laboratories	9,799	1,078,772	2.18
AbbVie Incorporated	13,836	2,144,442	4.34
Baker Hughes Company	33,429	1,142,603	2.31
Broadcom Incorporated	2,159	2,410,264	4.87
Coca-Cola Company	44,623	2,629,633	5.32
Encompass Health Corporation	11,657	777,755	1.57
Flowserve Corporation	24,416	1,006,428	2.03
Microsoft Corporation	2,081	782,269	1.58
Pfizer Incorporated	37,009	1,065,489	2.15
Philip Morris International Incorporated	13,359	1,256,948	2.54
The Progressive Corporation	8,466	1,349,057	2.73
Schlumberger Limited	23,900	1,243,756	2.51
Total UNITED STATES OF AMERICA		16,887,416	34.13
Total Quoted Equities		46,072,073	93.14
Quoted Real Estate Investment Trusts			
SPAIN			
Merlin Properties Socimi SA	112,187	1,246,709	2.52
Total SPAIN		1,246,709	2.52
UNITED STATES OF AMERICA			
NNN REIT Incorporated	27,081	1,167,191	2.36
Total UNITED STATES OF AMERICA		1,167,191	2.36
Total Quoted Real Estate Investment Trusts		2,413,900	4.88
Portfolio of investments		48,485,973	98.02
Other net assets		980,902	1.98
Net assets attributable to unitholders		49,466,875	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Global Dividend Equity Fund

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities		
Australia	5.63	5.49
Britain	12.94	11.16
Canada	2.82	2.49
Finland	-	1.99
France	5.69	4.21
Germany	3.80	3.04
Hong Kong SAR	1.20	2.21
Indonesia	3.55	-
Ireland	2.61	1.60
Japan	1.64	1.57
Netherlands	2.43	2.63
Singapore	3.24	3.69
Sweden	2.03	1.44
Switzerland	8.38	8.22
Taiwan	3.05	2.17
United States of America	34.13	37.41
Total Quoted Equities	93.14	89.32
Quoted Real Estate Investment Trusts		
Spain	2.52	2.44
United States of America	2.36	5.44
Total Quoted Real Estate Investment Trusts	4.88	7.88
Portfolio of investments	98.02	97.20
Other net assets	1.98	2.80
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

By Industry (Secondary)	Nikko AM Global Dividend Equity Fund		
	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Agriculture	1,256,948	2.54	3.10
Banks	4,374,332	8.84	5.45
Beverages	4,051,231	8.19	8.74
Chemicals	2,361,955	4.77	4.21
Commercial Services	808,984	1.64	5.29
Computers	1,291,346	2.61	1.60
Cosmetics/Personal Care	1,131,220	2.29	-
Diversified Financial Services	1,203,385	2.43	1.96
Electrical Component & Equipment	1,503,615	3.04	5.75
Electronics	1,003,760	2.03	1.44
Engineering and Construction	1,763,880	3.57	-
Food	2,459,346	4.97	4.72
Food Service	1,749,202	3.54	3.47
Healthcare-Products	2,063,062	4.17	4.35
Healthcare-Services	777,755	1.57	1.34
Insurance	3,337,721	6.75	7.27
Machinery-Diversified	1,006,428	2.03	2.63
Oil and Gas	-	-	1.99
Oil and Gas Services	2,386,359	4.82	4.35
Pharmaceuticals	5,948,163	12.03	13.45
Real Estate Investment Trusts (REITS)	2,413,900	4.88	7.88
Retail	-	-	1.98
Semiconductors	3,917,376	7.92	3.84
Software	782,269	1.58	0.96
Telecommunications	893,736	1.81	1.43
Portfolio of investments	48,485,973	98.02	97.20
Other net assets	980,902	1.98	2.80
Net assets attributable to unitholders	49,466,875	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Multi Sector Credit Fund			
By Geography (Primary)	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities			
AUSTRIA			
AMS-Osram AG 12.25% due 30/03/2029	150,000	220,290	1.15
Total AUSTRIA		220,290	1.15
BRITAIN			
Allwyn Entertainment Financing UK Public Listed Company 7.875% due 30/04/2029	200,000	273,339	1.43
Barclays Public Listed Company 8% due 31/12/2049	200,000	262,684	1.38
British Telecommunications Public Listed Company 8.375% due 20/12/2083	200,000	356,008	1.86
Total BRITAIN		892,031	4.67
BRITISH VIRGIN ISLANDS			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	267,272	1.40
Total BRITISH VIRGIN ISLANDS		267,272	1.40
CAYMAN ISLANDS			
Barings CLO Limited 2020-I 8.85548% due 15/10/2036	500,000	652,702	3.42
Greywolf CLO VI Limited 8.5896% due 26/04/2031	250,000	320,531	1.68
Madison Park Funding XXVII Limited 8.27743% due 20/04/2030	500,000	647,934	3.39
Neuberger Berman Loan Advisers CLO 26 Limited 8.30665% due 18/10/2030	500,000	648,442	3.40
Total CAYMAN ISLANDS		2,269,609	11.89
FRANCE			
Altice France SA 2.125% due 15/02/2025	200,000	281,750	1.48
AXA SA 3.375% due 06/07/2047	100,000	142,765	0.75
Banjay Entertainment SASU 8.125% due 01/05/2029	200,000	272,224	1.43
BNP Paribas SA 2.219% due 09/06/2026	200,000	252,024	1.32
Forvia SE 2.75% due 15/02/2027	100,000	139,771	0.73
Iliad Holding SASU 6.5% due 15/10/2026	200,000	263,494	1.38
Loxam SAS 2.875% due 15/04/2026	200,000	283,324	1.48
Total FRANCE		1,635,352	8.57
GERMANY			
Bayer AG 2.375% due 12/11/2079	100,000	140,127	0.73
Cheplapharm Arzneimittel GmbH 8.752% due 15/05/2030	100,000	149,706	0.78
CT Investment GmbH 5.5% due 15/04/2026	100,000	145,068	0.76
Deutsche Bank AG 4.625% due 31/12/2061	200,000	239,796	1.26
ZF Finance GmbH 5.75% due 03/08/2026	100,000	150,783	0.79
Total GERMANY		825,480	4.32
INDONESIA			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	260,936	1.37
Total INDONESIA		260,936	1.37

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities (continued)			
IRELAND			
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	260,458	1.36
Sculptor European CLO I DAC 7.475% due 18/04/2034	400,000	551,446	2.89
St Paul's CLO VIII DAC 6.435% due 17/07/2030	500,000	669,834	3.51
Tikehau CLO II BV 7.358% due 07/09/2035	500,000	683,938	3.58
Total IRELAND		2,165,676	11.34
ITALY			
Kedrion SPA 6.5% due 01/09/2029	200,000	241,396	1.26
Telecom Italia SPA 7.875% due 31/07/2028	100,000	162,441	0.86
Total ITALY		403,837	2.12
JAPAN			
Rakuten Group Incorporation 10.25% due 30/11/2024	200,000	271,076	1.42
Total JAPAN		271,076	1.42
LUXEMBOURG			
Aroundtown SA 0% due 16/07/2026	100,000	122,671	0.65
Raizen Fuels Finance SA 5.3% due 20/01/2027	200,000	262,252	1.37
Total LUXEMBOURG		384,923	2.02
NETHERLANDS			
Alcoa Nederland Holding BV 5.5% due 15/12/2027	200,000	257,433	1.35
Enel Finance International NV 6.8% due 14/10/2025	200,000	270,647	1.42
Greenko Dutch BV 3.85% due 29/03/2026	185,000	228,477	1.20
OCI NV 4.625% due 15/10/2025	200,000	257,222	1.35
Prosus NV 1.539% due 03/08/2028	200,000	252,816	1.32
Q-Park Holding I BV 2% due 01/03/2027	100,000	135,224	0.71
Telefonica Europe BV 4.375% due 31/12/2049	100,000	144,991	0.76
Teva Pharmaceutical Finance Netherlands II BV 7.375% due 15/09/2029	200,000	319,760	1.67
United Group BV 7.252% due 15/02/2026	100,000	145,770	0.76
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	141,965	0.74
Total NETHERLANDS		2,154,305	11.28
POLAND			
mBank SA 0.966% due 21/09/2027	100,000	126,629	0.66
Total POLAND		126,629	0.66
SINGAPORE			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	250,741	1.31
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	254,823	1.34
Total SINGAPORE		505,564	2.65

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Multi Sector Credit Fund

By Geography (Primary) (continued)

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities (continued)			
SOUTH KOREA			
Kookmin Bank 4.5% due 01/02/2029	200,000	253,721	1.33
Total SOUTH KOREA		253,721	1.33
SPAIN			
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	200,000	302,669	1.59
CaixaBank SA 5.25% due 31/12/2049	200,000	271,530	1.42
Cellnex Finance Company SA 1.5% due 08/06/2028	100,000	133,765	0.70
Grifols SA 3.875% due 15/10/2028	100,000	133,742	0.70
Total SPAIN		841,706	4.41
SWEDEN			
Intrum AB 3.5% due 15/07/2026	100,000	124,167	0.65
Verisure Holding AB 3.875% due 15/07/2026	200,000	287,100	1.50
Total SWEDEN		411,267	2.15
UNITED STATES OF AMERICA			
Abercrombie & Fitch Management Company 8.75% due 15/07/2025	100,000	134,043	0.70
Paramount Global 3.375% due 15/02/2028	100,000	120,529	0.63
CCO Holdings LLC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	63,689	0.33
Cheniere Corpus Christi Holdings LLC 5.125% due 30/06/2027	100,000	132,735	0.70
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	257,399	1.35
Cheniere Energy Partners LP 4.5% due 01/10/2029	150,000	189,108	0.99
CNH Industrial Capital LLC 3.95% due 23/05/2025	100,000	129,713	0.68
Concentrix Corporation 6.6% due 02/08/2028	100,000	135,900	0.71
Crown Americas LLC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	65,373	0.34
Danske Bank A/S 0.976% due 10/09/2025	200,000	255,233	1.34
DISH DBS Corporation 5.25% due 01/12/2026	50,000	56,631	0.30
DISH DBS Corporation 5.875% due 15/11/2024	50,000	61,902	0.33
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	65,806	0.34
EnLink Midstream Partners LP 4.85% due 15/07/2026	50,000	64,697	0.34
EQT Corporation 6.125% due 01/02/2025	56,000	74,245	0.39
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	61,392	0.32
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	244,563	1.28
IQVIA Incorporation 5.7% due 15/05/2028	200,000	268,168	1.41
Lennar Corporation 4.75% due 29/11/2027	50,000	65,956	0.35
Mattel Incorporation 3.375% due 01/04/2026	100,000	125,577	0.66
MGM Resorts International 5.75% due 15/06/2025	50,000	65,746	0.34
The Mosaic Company 4.05% due 15/11/2027	100,000	128,860	0.68
Navient Corporation 4.875% due 15/03/2028	100,000	122,702	0.64
NextEra Energy Operating Partners LP 4.5% due 15/09/2027	50,000	63,532	0.33
NRG Energy Incorporation 3.375% due 15/02/2029	50,000	58,365	0.31
OneMain Finance Corporation 6.875% due 15/03/2025	50,000	66,818	0.35

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NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities (continued)			
UNITED STATES OF AMERICA (continued)			
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	60,900	0.32
Santander Holdings USA Incorporation 4.26% due 09/06/2025	150,000	195,554	1.02
Sealed Air Corporation 4% due 01/12/2027	50,000	61,945	0.32
Southwestern Energy Company 5.7% due 23/01/2025	50,000	65,721	0.34
Star Parent Incorporation 9% due 01/10/2030	100,000	139,191	0.73
Tapestry Incorporation 5.375% due 27/11/2027	100,000	151,041	0.79
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	50,000	65,256	0.34
T-Mobile USA Incorporation 4.75% due 01/02/2028	50,000	65,767	0.35
Travel + Leisure Company 6.625% due 31/07/2026	200,000	266,707	1.40
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	50,000	65,769	0.34
Warnermedia Holdings Incorporation 6.412% due 15/03/2026	100,000	131,975	0.69
Total UNITED STATES OF AMERICA		4,348,508	22.78
Accrued interest receivable on Quoted Fixed Income Securities		246,249	1.29
Total Quoted Fixed Income Securities		18,484,431	96.82
Portfolio of investments		18,484,431	96.82
Other net assets		607,831	3.18
Net assets attributable to unitholders		19,092,262	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

By Geography (Summary)	Nikko AM Multi Sector Credit Fund	
	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities		
Austria	1.15	-
Britain	4.67	3.94
British Virgin Islands	1.40	1.54
Cayman Islands	11.89	14.18
Finland	-	0.53
France	8.57	5.87
Germany	4.32	4.31
Indonesia	1.37	1.53
Ireland	11.34	13.25
Italy	2.12	-
Japan	1.42	1.58
Luxembourg	2.02	4.54
Mauritius	-	1.26
Netherlands	11.28	6.89
Poland	0.66	0.64
Singapore	2.65	3.67
South Korea	1.33	1.45
Spain	4.41	3.09
Sweden	2.15	2.21
United States of America	22.78	27.71
Accrued interest receivable on quoted fixed income securities	1.29	1.24
Total Quoted Fixed Income Securities	96.82	99.43
Portfolio of investments	96.82	99.43
Other net assets	3.18	0.57
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Nikko AM Multi Sector Credit Fund			
By Industry (Secondary)	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Agriculture	-	-	0.75
Apparel	296,109	1.55	0.74
Auto Manufacturers	386,528	2.02	2.13
Auto Parts & Equipment	290,554	1.52	1.47
Banks	2,414,663	12.65	10.86
Chemicals	386,082	2.02	2.21
Commercial Services	972,920	5.10	5.63
Computers	-	-	0.80
Diversified Financial Services	691,134	3.62	6.02
Electric	453,936	2.38	2.64
Electronics	-	-	0.78
Energy-Alternate Sources	228,477	1.20	1.26
Engineering and Construction	133,765	0.70	0.77
Entertainment	677,538	3.55	0.79
Healthcare-Services	648,755	3.40	0.72
Home Builders	65,956	0.35	0.38
Insurance	403,223	2.11	2.30
Internet	669,662	3.51	3.49
Lodging	332,453	1.74	1.91
Machinery-Diversified	129,713	0.68	1.13
Media	302,751	1.59	5.35
Mining	518,369	2.71	1.53
Office/Business Equipment	-	-	0.76
Oil and Gas	402,218	2.11	2.68
Other Asset Backed Securities	4,174,827	21.87	22.79
Packaging & Containers	127,318	0.67	1.11
Pharmaceuticals	743,335	3.89	3.76
Pipelines	709,195	3.71	4.10
Real Estate	122,671	0.65	0.53
Real Estate Investment Trusts (REITS)	65,769	0.34	1.49
Retail	134,043	0.70	2.04
Semiconductors	220,290	1.15	-
Sovereign	-	-	1.54
Software	135,900	0.71	-
Telecommunications	1,274,451	6.67	2.65
Toys/Games/Hobbies	125,577	0.66	1.08
Accrued interest receivable on quoted fixed income securities	246,249	1.29	1.24
Portfolio of investments	18,484,431	96.82	99.43
Other net assets	607,831	3.18	0.57
Net assets attributable to unitholders	19,092,262	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Singapore Dividend Equity Fund			
By Geography (Primary)	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Equities			
CHINA			
Yangzijiang Shipbuilding Holdings Limited	10,060,600	14,990,294	2.09
Total CHINA		14,990,294	2.09
HONG KONG SAR			
DFI Retail Group Holdings Limited	457,700	1,449,012	0.20
Hongkong Land Holdings Limited	834,100	3,828,928	0.54
Jardine Matheson Holdings Limited	329,800	17,928,051	2.50
Total HONG KONG SAR		23,205,991	3.24
SINGAPORE			
BRC Asia Limited	1,742,200	3,118,538	0.44
CapitaLand Investment Limited	7,912,100	25,002,236	3.49
ComfortDelGro Corporation Limited	5,077,800	7,108,920	0.99
CSE Global Limited	8,829,820	3,796,823	0.53
DBS Group Holdings Limited	1,887,889	63,074,371	8.80
First Resources Limited	5,716,500	8,174,595	1.14
Genting Singapore Limited	19,324,500	19,324,500	2.70
Hyphens Pharma International Limited	4,000,400	1,140,114	0.16
Jardine Cycle & Carriage Limited	72,100	2,145,696	0.30
Keppel Limited	5,063,500	35,798,945	4.99
Oversea-Chinese Banking Corporation Limited	4,769,582	62,004,566	8.65
SATS Limited	5,154,179	14,173,992	1.98
Seatrium Limited	267,513,485	31,566,591	4.40
Sembcorp Industries Limited	7,610,200	40,410,162	5.64
Singapore Exchange Limited	1,059,700	10,416,851	1.45
Singapore Post Limited	8,911,900	4,233,152	0.59
Singapore Technologies Engineering Limited	6,080,800	23,654,312	3.30
Singapore Telecommunications Limited	4,265,734	10,536,363	1.47
UMS Holdings Limited	13,431,700	17,998,478	2.51
United Overseas Bank Limited	2,160,670	61,471,062	8.58
Venture Corporation Limited	935,500	12,732,155	1.78
Wilmar International Limited	4,596,200	16,408,434	2.29
Total SINGAPORE		474,290,856	66.18
THAILAND			
Thai Beverage Public Company Limited	18,345,000	9,631,125	1.34
Total THAILAND		9,631,125	1.34
Total Quoted Equities		522,118,266	72.85

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Investment Funds			
SINGAPORE			
CapitaLand India Trust	8,467,029	9,652,413	1.35
Keppel Infrastructure Trust	38,624,261	19,312,130	2.69
NetLink NBN Trust	7,026,500	5,902,260	0.82
Total SINGAPORE		34,866,803	4.86
Total Quoted Investment Funds		34,866,803	4.86
Quoted Real Estate Investment Trusts			
PHILIPPINES			
Citicore Energy REIT Corporation	74,861,000	4,565,216	0.64
Total Philippines		4,565,216	0.64
SINGAPORE			
CapitaLand Ascendas REIT	4,912,600	14,885,178	2.08
CapitaLand Ascott Trust	9,407,999	9,313,919	1.30
CapitaLand China Trust	9,060,400	8,426,172	1.18
CapitaLand Integrated Commercial Trust	5,206,205	10,724,782	1.50
Digital Core REIT Management Pte Limited	17,721,800	15,078,125	2.10
Frasers Centrepoint Trust	2,709,000	6,122,340	0.84
Frasers Logistics & Commercial Trust	18,753,440	21,566,456	3.01
Lendlease Global Commercial REIT	9,544,518	6,156,214	0.86
Mapletree Logistics Trust	8,433,100	14,673,594	2.05
Mapletree Pan Asia Commercial Trust	6,244,400	9,803,708	1.37
Total SINGAPORE		116,750,488	16.29
Total Quoted Real Estate Investment Trusts		121,315,704	16.93
Portfolio of investments		678,300,773	94.64
Other net assets		38,400,117	5.36
Net assets attributable to unitholders		716,700,890	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

By Geography (Summary)	Singapore Dividend Equity Fund	
	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities		
China	2.09	1.34
Hong Kong SAR	3.24	3.68
Malaysia	-	1.08
Singapore	66.18	68.04
Thailand	1.34	2.03
Total Quoted Equities	72.85	76.17
Quoted Investment Funds		
Singapore	4.86	3.43
Total Quoted Investment Funds	4.86	3.43
Quoted Real Estate Investment Trusts		
Hong Kong SAR	-	2.02
Philippines	0.64	0.78
Singapore	16.29	13.45
Total Quoted Real Estate Investment Trusts	16.93	16.25
Portfolio of investments	94.64	95.85
Other net assets	5.36	4.15
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

By Industry (Secondary)	Singapore Dividend Equity Fund		
	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Aerospace/Defense	23,654,312	3.30	2.60
Agriculture	24,583,029	3.43	6.77
Banks	186,549,999	26.03	27.11
Beverages	9,631,125	1.35	2.03
Computers	3,796,823	0.53	0.68
Diversified Financial Services	10,416,851	1.45	1.79
Electric	59,722,292	8.33	7.10
Electrical Component & Equipment	-	-	1.08
Electronics	12,732,155	1.78	1.53
Engineering and Construction	49,972,937	6.97	8.86
Entertainment	19,324,500	2.70	1.04
Food	1,449,012	0.20	0.21
Holding Companies-Diversified	17,928,051	2.50	2.71
Insurance	-	-	0.75
Iron/Steel	3,118,538	0.44	0.60
Oil and Gas Services	31,566,591	4.40	-
Pharmaceuticals	1,140,114	0.16	0.25
Private Equity	25,002,236	3.49	4.10
Real Estate	13,481,341	1.88	1.99
Real Estate Investment Trusts (REITS)	121,315,704	16.93	16.25
Retail	2,145,696	0.30	2.96
Semiconductors	17,998,478	2.51	1.80
Shipbuilding	14,990,294	2.09	1.12
Telecommunications	16,438,623	2.29	1.61
Transportation	11,342,072	1.58	0.87
Portfolio of investments	678,300,773	94.64	95.85
Other net assets	38,400,117	5.36	4.15
Net assets attributable to unitholders	716,700,890	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Horizon Singapore Fixed Income Enhanced Fund

By Geography (Primary)

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities			
BRITAIN			
Lloyds Banking Group Public Listed Company 5.25% due 22/08/2033	250,000	253,407	1.36
Total BRITAIN		253,407	1.36
BRITISH VIRGIN ISLANDS			
Panther Ventures Limited 3.38% due 30/03/2171	500,000	343,589	1.85
Total BRITISH VIRGIN ISLANDS		343,589	1.85
CANADA			
Manulife Financial Corporation 3% due 21/11/2029	250,000	245,160	1.32
Total CANADA		245,160	1.32
GERMANY			
Commerzbank AG 6.5% due 24/04/2034	750,000	783,634	4.21
Total GERMANY		783,634	4.21
HONG KONG SAR			
AIA Group Limited 5.1% due 12/03/2172	500,000	514,109	2.76
Total HONG KONG SAR		514,109	2.76
SINGAPORE			
ESR-Logos REIT 5.5% due 09/12/2170	500,000	467,394	2.51
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	248,107	1.33
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	489,125	2.63
Mapletree Logistics Trust 5.2074% due 31/12/2049	500,000	500,032	2.69
Mapletree North Asia Commercial Trust 3.5% due 31/12/2061	250,000	238,924	1.28
Monetary Authority of Singapore Bill 0% due 26/01/2024	300,000	299,210	1.61
OUE CT Treasury Private Limited 3.95% due 02/06/2026	250,000	247,500	1.33
OUE CT Treasury Private Limited 4% due 24/06/2025	500,000	496,606	2.67
Singapore Government Bond 1.625% due 01/07/2031	1,120,000	1,037,232	5.57
Singapore Government Bond 1.875% due 01/03/2050	1,130,000	953,155	5.12
Singapore Government Bond 1.875% due 01/10/2051	800,000	673,200	3.62
Singapore Government Bond 2.25% due 01/08/2036	1,150,000	1,092,500	5.87
Singapore Government Bond 2.375% due 01/07/2039	700,000	666,610	3.58
Singapore Government Bond 2.625% due 01/05/2028	350,000	349,545	1.88
Singapore Government Bond 2.625% due 01/08/2032	1,400,000	1,391,180	7.47
Singapore Government Bond 2.75% due 01/04/2042	1,040,000	1,040,728	5.59
Singapore Government Bond 2.75% due 01/03/2046	1,000,000	1,000,000	5.37
Singapore Government Bond 2.875% due 01/09/2030	1,900,000	1,916,150	10.29
Singapore Government Bond 2.875% due 01/07/2029	100,000	100,820	0.54
Singapore Government Bond 2.875% due 01/09/2027	250,000	251,425	1.35
Singapore Government Bond 3% due 01/08/2072	980,000	1,052,030	5.65
Singapore Government Bond 3.375% due 01/09/2033	1,206,000	1,275,104	6.85

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Horizon Singapore Fixed Income Enhanced Fund

By Geography (Primary) (continued)

	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Quoted Fixed Income Securities (continued)			
SINGAPORE (continued)			
Singapore Technologies Telemedia Private Limited 5.5% due 11/01/2172	250,000	257,881	1.38
Starhub Limited 3.95% due 31/12/2049	250,000	240,985	1.29
Total SINGAPORE		16,285,443	87.47
Accrued interest receivable on Quoted Fixed Income Securities		149,711	0.80
Total Quoted Fixed Income Securities		18,575,053	99.77
Portfolio of investments		18,575,053	99.77
Other net assets		42,418	0.23
Net assets attributable to unitholders		18,617,471	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

Horizon Singapore Fixed Income Enhanced Fund

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities		
Australia	-	3.39
Britain	1.36	1.16
British Virgin Islands	1.85	0.73
Canada	1.32	1.09
Germany	4.21	1.09
Hong Kong SAR	2.76	-
Malaysia	-	2.27
Singapore	87.47	85.20
South Korea	-	2.25
Accrued interest receivable on quoted fixed income securities	0.80	0.77
Total Quoted Fixed Income Securities	99.77	97.95
Portfolio of investments	99.77	97.95
Other net assets	0.23	2.05
Net assets attributable to unitholders	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

STATEMENT OF PORTFOLIO

As at 31 December 2023

By Industry (Secondary)	Horizon Singapore Fixed Income Enhanced Fund		
	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Airlines	-	-	1.08
Banks	1,336,251	7.18	9.71
Diversified Financial Services	-	-	2.27
Engineering and Construction	-	-	3.12
Food	248,107	1.33	1.08
Insurance	759,269	4.08	1.09
Investment Companies	257,881	1.38	2.25
Iron/Steel	-	-	2.27
Real Estate	1,826,651	9.82	0.73
Real Estate Investment Trusts (REITS)	956,519	5.14	7.30
Sovereign	12,799,679	68.75	66.28
Telecommunications	240,985	1.29	-
Accrued interest receivable on quoted fixed income securities	149,711	0.80	0.77
Portfolio of investments	18,575,053	99.77	97.95
Other net assets	42,418	0.23	2.05
Net assets attributable to unitholders	18,617,471	100.00	100.00

The accompanying notes form an integral part of these financial statements

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

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

1. General

Nikko AM Shenton Horizon Investment Funds comprising of Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund, Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund (individually referred to as the "Sub-Fund" and collectively referred to as the "Sub-Funds") is constituted as unit trusts in Singapore under a Trust Deed dated 25 June 1999 as amended by Supplemental Deeds and Amended and Restated Deeds (collectively referred to as the "Deeds"). The Deeds are governed by the laws of the Republic of Singapore. The Trustee of the Sub-Funds is BNP Paribas Trust Services Singapore Limited (the "Trustee"). The Manager of the Sub-Funds is Nikko Asset Management Asia Limited (the "Manager").

Nikko AM Global Dividend Equity Fund

The Sub-Manager of the Sub-Fund is Nikko Asset Management Europe Ltd (the "Sub-Manager"). The Sub-Manager has further appointed Nikko Asset Management Americas, Inc ("NAM Americas") to carry out global equities trading for the Sub-Fund during business contingencies.

There are seven classes of units established within the Sub-Fund, namely the SGD Class, the SGD Hedged (Acc) Class, the SGD Hedged (Dist) Class, the USD (Acc) Class, the USD (Dist) Class, the CNH Class and the CNH Hedged (Dist) Class.

There are no material differences between the SGD Class Units, SGD Hedged (Acc) Class Units, the USD (Acc) Class Units, the SGD Hedged (Dist) Class Units, the USD (Dist) Class Units, CNH Class Units and the CNH Hedged (Dist) Class Units of the Sub-Fund save for (i) the currency of denomination, minimum initial investment amount and minimum subsequent investment amount; (ii) the hedging features of the SGD Hedged (Acc) Class, the SGD Hedged (Dist) Class and the CNH Hedged (Dist) Class; and (iii) the distribution policies applicable to the classes.

As of 31 December 2023 and 2022, only units in SGD Hedged (Acc) Class, the SGD Hedged (Dist) Class, the USD (Acc) Class, and the CNH Hedged (Dist) Class have been issued.

Nikko AM Multi Sector Credit Fund

The Sub-Manager of the Sub-Fund is Nikko Asset Management Europe Ltd (the "Sub-Manager").

There are five classes of units established within the Sub-Fund, namely the SGD (Acc) Class, the SGD (Dist) Class, the USD Hedged (Acc) Class, the USD Hedged (Dist) Class and the RMB Class.

There are no material differences between the SGD (Acc) Class Units, SGD (Dist) Class Units, USD Hedged (Acc) Class Units, USD Hedged (Dist) Class Units and RMB Class Units save for (i) the currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum realization amount and initial sales charge; and (ii) the distribution policies applicable to the classes.

As of 31 December 2023 and 2022, only units in SGD (Acc) Class has been issued.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

1. General (continued)

Singapore Dividend Equity Fund

There are eight classes of units established within the Sub-Fund, namely the SGD Class, the SGD (Acc) Class, the USD Class, the USD (Acc) Class, the JPY Class, the RMB Class, the MYR Class and the MYR (Acc) Class.

There are no material differences between the SGD Class Units, SGD (Acc) Class Units, USD Class Units and USD (Acc) Class Units of the Sub-Fund save for (i) the currency of denomination and (ii) the distribution policies applicable to the classes. However, the JPY Class Units, RMB Class Units, MYR Class Units and MYR (Acc) Class Units of the Sub-Fund differ from the SGD Class Units, SGD (Acc) Class Units, USD Class Units and USD (Acc) Class Units in terms of the currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum holding, minimum realisation amount, initial sales charge, current annual management participation and distribution policy. The JPY Class Units are only available for subscription by institutional investors (as defined in section 4A(1)(c) of the Securities and Futures Act 2001). The MYR Class Units and MYR (Acc) Class Units are only available for subscription in Malaysia.

The Sub-Fund has been assessed by the Monetary Authority of Singapore as suitable to apply to the Securities Commission Malaysia to be offered to the public in Malaysia pursuant to the ASEAN CIS Framework. The SGD Class Units, USD Class Units and MYR Class Units are launched in Malaysia on 8 March 2016. The SGD (Acc) Class Units, USD (Acc) Class Units and MYR (Acc) Class Units are launched in Malaysia on 14 June 2022.

As of 31 December 2023 and 2022, only units in SGD Class, SGD (Acc) Class, USD Class, USD (Acc) Class, JPY Class, MYR Class and MYR (Acc) Class have been issued. The JPY Class was fully redeemed on 6 June 2023.

Horizon Singapore Fixed Income Enhanced Fund

There are three classes of units established within the Sub-Fund, namely the SGD Class, the USD Class and the RMB Class.

There are no material differences between the SGD Class Units and the USD Class Units save for the currency of denomination. The RMB Class Units differ from the SGD Class Units and the USD Class Units in terms of their currency of denomination, minimum initial investment amount, minimum subsequent investment amount, minimum realisation amount and initial sales charge.

As of 31 December 2023 and 2022, only units in SGD Class has been issued.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

1. General (continued)

The Sub-Funds are single priced and the NAV of the Sub-Funds may fall as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such Investments caused by subscriptions, redemptions, switches and/or exchanges of units in the Sub-Funds. To protect unitholders' interests, the Manager shall, in consultation with the Trustee, have the discretion to apply dilution adjustment or swing pricing in certain circumstances which the Manager deem appropriate. Swing Pricing involves making upwards or downwards adjustments in the calculation of the NAV per unit of the Sub-Fund or Class on a particular Dealing Day so that such transaction costs and dealing spreads in respect of the underlying investments are, as far as practicable, passed on to the investors who are subscribing, realising, switching and/or exchanging units on that Dealing Day.

The NAV is adjusted if the net subscription or realisation (including switches and/or exchanges) on a particular Dealing Day reaches or exceeds a certain percentage (the "Swing Threshold") of the size of the Fund as of such relevant Dealing Day.

Any dilution adjustment as at the last dealing day of the year will be disclosed under Units in issue.

During the financial year ended 31 December 2023 and 2022, the Sub-Funds did not reach the swing threshold and no swing pricing has been applied, except for Horizon Singapore Fixed Income Enhanced Fund whereby swing pricing has been applied on some Dealing Day during the financial year ended 2023.

2. Material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared under the historical-cost convention, as modified by the revaluation of financial instruments at fair value, and in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP 7") issued and revised by the Institute of Singapore Chartered Accountants in August 2023 for the financial year beginning on or after 1 January 2023.

The adoption of the revised RAP 7 did not result in substantial changes to the accounting policies of the Fund and had no material effect on the amounts reported for the current or prior years.

(b) Recognition of income

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

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

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(c) Expenses charged to the Sub-Funds

Expenses are recognised in the Statements of Total Return as the related services are performed. All direct expenses are charged directly to the Statements of Total Return of each Sub-Fund. Common expenses shared by the Sub-Funds are allocated to each Sub-Fund in the ratio of the respective net asset values of each Sub-Fund.

(d) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) *Initial recognition*

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) *Subsequent measurement*

Investments are subsequently carried at fair value. Net changes in fair value on investments are included in the Statements of Total Return in the year in which they arise.

(iii) *Derecognition*

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statements of Total Return.

(e) Basis of valuation of investments

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for equities securities held by the Sub-Funds is the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value. The quoted market price used for fixed income securities held by the Sub-Funds is the mid-market price for both financial assets and financial liabilities. Accrued interest or discount or premium on fixed income securities at financial year end date is included in the fair value of fixed income securities. Interest income on fixed income securities is presented within "Net gains/(losses) on investments" in the Statements of Total Return.

(f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(g) Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

(i) Payables

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(j) Foreign currency translation

(i) *Functional and presentation currency*

The Sub-Funds qualify as an authorised scheme under the Securities and Futures Act 2001 ("SFA") of Singapore and is offered to retail investors in Singapore. The Sub-Funds activities are substantially based in Singapore, with subscriptions and redemptions of the units of the Sub-Funds denominated in Singapore Dollar ("SGD"), United States Dollar ("USD"), Japanese Yen ("JPY"), Malaysian Ringgit ("MYR") and Chinese Yuan ("CNY") for the respective SGD, USD, JPY, MYR and CNH class.

The performance of the Sub-Funds are measured and reported to the investors in the respective class currency of each of the class. The financial statements of the Sub-Funds are expressed in the respective Sub-Fund's functional and presentation currency, which most faithfully represents the economic effects of the underlying transactions, events and conditions.

Nikko AM Global Dividend Equity Fund

United States Dollar

Nikko AM Multi Sector Credit Fund, Singapore Dividend Equity Fund and Horizon Singapore Fixed Income Enhanced Fund

Singapore Dollar

(ii) *Transactions and balances*

Foreign currency monetary assets and liabilities are translated into Singapore Dollar and United States Dollar, depending on the functional and presentation currency of the Sub-Fund, at the rates of exchange prevailing at the date of the Statement of Financial Position. The net unrealised gain or loss is taken to the Statements of Total Return within the net foreign exchange gain or loss. Transactions during the year are recorded in Singapore Dollar and United States Dollar at the rates of exchange ruling on transaction dates. All realised gains or losses are recognised in the Statements of Total Return.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policy information (continued)

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Funds or the counterparty.

(l) Financial derivatives

Financial derivatives are entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Deeds.

Financial derivatives outstanding at the end of the financial year are valued at forward rates or at current market prices using the “mark-to-market” method, as applicable, and the resultant gains and losses are taken up in the Statements of Total Return.

When a financial derivative expires, or is sold or terminated, the gains or losses are taken up in the Statement of Total Return

(m) Management fee

Management fee expense is recognised on an accrual basis and in accordance with the Prospectus. Management fee is recognised as an expense over the period for which the service is provided. The management fee charged on any investment in other unit trusts managed by the Manager is rebated back to the Sub-Fund, where applicable.

(n) Creation and cancellation of units

Units are issued and redeemed at the prices based on the Sub-Funds’ net asset value per unit at the time of issue or redemption for each respective class. The Sub-Funds’ net asset value per unit is calculated by dividing the net asset attributable to the unitholders of each class of units.

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2. Material accounting policy information (continued)

(o) Distributions

The Manager has the absolute discretion to determine whether a distribution is to be made. In such an event, an appropriate amount will be transferred to a distribution account to be paid on the distribution date. This amount shall not be treated as part of the property of the Sub-Funds. Distributions are accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

3. Income tax

Nikko AM Global Dividend Equity Fund and Singapore Dividend Equity Fund have been approved by the Monetary Authority of Singapore ("MAS") under the Enhanced-Tier Fund ("ETF") Scheme (Section 13U of the Income Tax Act and the relevant Regulations). Subject to certain conditions being met on an annual basis, the Sub-Funds may enjoy Singapore corporate income tax exemption on "specified income" derived from "designated investments" for the life of the Sub-Funds. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from "designated investments" are correspondingly disregarded. The terms "specified income" and "designated investments" are defined in the relevant income tax Regulations. The Manager and Trustee of the Sub-Funds will ensure that the Sub-Funds fulfill its reporting obligations under the ETF Scheme.

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3. Income tax (continued)

The Manager and Trustee of the Sub-Funds have assessed and are satisfied that Nikko AM Multi Sector Credit Fund and Horizon Singapore Fixed Income Enhanced Fund, have met the requisite conditions under the Designated Unit Trust (DUT) scheme for the current financial year. The Manager and Trustee of the Sub-Funds will ensure that the Sub-Funds fulfill its reporting obligations under the DUT Scheme.

Under the DUT Scheme, certain income of the DUT fund is not taxable in accordance to Section 35(12) and 35(12A) of the Income Tax Act 1947. Such income includes:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act 1947);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in future contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index;
- (e) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

Income tax for the financial year ended 31 December 2023 and 2022 comprises:

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	2023	2022	2023	2022
	US\$	US\$	S\$	S\$
Overseas income tax	252,283	299,386	1,972	1,343
Singapore income tax	-	-	63	-
	252,283	299,386	2,035	-

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Overseas income tax	76,262	86,113	-	-
Singapore income tax	187,777	231,181	626	-
	264,039	317,294	626	-

The Singapore income tax represents tax charged on other income received, tax charged on distribution from Singapore REITS and tax deducted at source for Singapore sourced income.

The overseas income tax represents tax deducted at source on dividends derived from outside Singapore.

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4. Receivables

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	2023 US\$	2022 US\$	2023 S\$	2022 S\$
Receivable from unitholders for creation of units	20,030	60,942	375	-
Dividends receivable	33,408	48,560	-	-
Accrued interest receivable	-	-	14,670	9,347
	53,438	109,502	15,045	9,347

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2023 S\$	2022 S\$	2023 S\$	2022 S\$
Receivable from unitholders for creation of units	2,436,645	2,065,166	3,967	-
Dividends receivable	78,643	71,347	-	-
Accrued interest receivable	-	-	18,925	27,599
	2,515,288	2,136,513	22,892	27,599

5. Payables

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	2023 US\$	2022 US\$	2023 S\$	2022 S\$
Payable to unitholders for cancellation of units	11,198	56,014	5,476	203
Amount due to the Manager	191,896	202,045	63,527	58,432
Amount due to the Trustee	12,493	4,260	4,615	1,478
Transfer agent fee payable	14,810	4,766	12,613	4,180
Provision for audit fee	10,622	9,550	8,747	8,240
Valuation fee payable	19,916	6,757	7,363	2,338
Custody fee payable	4,503	2,489	1,330	620
Provision for tax liabilities	-	-	37	-
	265,438	285,881	103,708	75,491

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2023 S\$	2022 S\$	2023 S\$	2022 S\$
Payable to unitholders for cancellation of units	2,399,637	2,283,065	10,334	-
Amount due to the Manager	2,295,332	1,718,533	49,749	57,814
Amount due to the Trustee	160,856	20,923	4,744	1,828
Transfer agent fee payable	27,259	12,474	12,613	4,180
Provision for audit fee	23,166	21,187	9,396	8,666
Valuation fee payable	256,549	91,234	7,561	2,892
Custody fee payable	74,125	28,937	1,802	1,070
Provision for tax liabilities	-	-	313	-
Other payables	20,722	23,592	1,036	1,195
	5,257,646	4,199,945	97,548	77,645

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5. Payables (continued)

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee is payable to BNP Paribas Trust Services Singapore Limited. Valuation fee and custody fee are payable to BNP Paribas, acting through its Singapore Branch. Transfer agent fee is payable to BNP Paribas, acting through its Singapore Branch with effect from 1 April 2023.

6. Financial derivatives at fair value

Financial derivatives comprise forward foreign exchange contracts for purchases and sales of foreign currencies. The year-end positive and negative fair values represent the unrealised gains and losses respectively on revaluation of foreign exchange contracts at the reporting date. The contract or underlying principal amounts of these foreign exchange contracts and their corresponding gross positive or negative fair values at the reporting date are analysed below.

Nikko AM Global Dividend Equity Fund						
	Contract or Underlying Principal Amount		Year-End Positive Fair Value		Year-End Negative Fair Value	
	2023	2022	2023	2022	2023	2022
	US\$	US\$	US\$	US\$	US\$	US\$
Forward foreign exchange contracts	48,537,882	54,458,970	842,069	180,093	-	-
Nikko AM Multi Sector Credit Fund						
	Contract or Underlying Principal Amount		Year-End Positive Fair Value		Year-End Negative Fair Value	
	2023	2022	2023	2022	2023	2022
	S\$	S\$	S\$	S\$	S\$	S\$
Forward foreign exchange contracts	18,226,509	-	393,656	-	(68,053)	-

The Sub-Funds also restrict its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with approved brokers with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of statement of financial position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Sub-Funds' overall exposure to credit risk on derivative instruments, subject to a master netting arrangement, can change substantially within a short period as it is affected by each transaction subject to the arrangement.

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6. Financial derivatives at fair value (continued)

Financial assets and financial liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2023 and 2022 are detailed in the following table:

Nikko AM Global Dividend Equity Fund

The Sub-Fund has no financial assets and liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2023 and 2022.

Nikko AM Multi Sector Credit Fund

The Sub-Fund has no financial assets and liabilities which are subject to enforceable master netting agreements or similar agreements for the year ended 31 December 2022.

(i) **Offsetting financial assets**

	Gross amounts of recognised financial assets	Gross liabilities set off in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments	Cash collateral	Net exposure
2023	S\$	S\$	S\$	S\$	S\$	S\$
Forward foreign exchange contracts	393,656	-	393,656	68,053	-	325,603

(ii) **Offsetting financial liabilities**

	Gross amounts of recognised financial liabilities	Gross assets set off in the Statement of Financial Position	Net amounts of financial liabilities presented in the Statement of Financial Position	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments	Cash collateral	Net exposure
2023	S\$	S\$	S\$	S\$	S\$	S\$
Forward foreign exchange contracts	68,053	-	68,053	68,053	-	-

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7. Units in issue

During the financial year ended 31 December 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

Nikko AM Global Dividend Equity Fund

	2023	2022
SGD Hedged (Acc) Class		
Units at beginning of the financial year	36,294,412	38,873,327
Units created	351,483	713,075
Units cancelled	(4,589,982)	(3,291,990)
Units at end of the financial year	<u>32,055,913</u>	<u>36,294,412</u>
Net assets attributable to unitholders - US\$	38,170,886	41,130,381
Net asset value per unit - US\$	<u>1.1908</u>	<u>1.1332</u>

	2023	2022
USD (Acc) Class		
Units at beginning of the financial year	354,294	407,289
Units created	16,747	37,738
Units cancelled	(49,205)	(90,733)
Units at end of the financial year	<u>321,836</u>	<u>354,294</u>
Net assets attributable to unitholders - US\$	401,376	421,144
Net asset value per unit - US\$	<u>1.2471</u>	<u>1.1887</u>

	2023	2022
CNH Hedged (Dist) Class		
Units at beginning of the financial year	187,315	129,644
Units created	2,900	63,469
Units cancelled	(5,199)	(5,798)
Units at end of the financial year	<u>185,016</u>	<u>187,315</u>
Net assets attributable to unitholders - US\$	240,603	257,835
Net asset value per unit - US\$	<u>1.3004</u>	<u>1.3765</u>

	2023	2022
SGD Hedged (Dist) Class		
Units at beginning of the financial year	16,769,373	11,470,583
Units created	2,105,597	9,146,400
Units cancelled	(3,207,659)	(3,847,610)
Units at end of the financial year	<u>15,667,311</u>	<u>16,769,373</u>
Net assets attributable to unitholders - US\$	10,654,010	11,412,615
Net asset value per unit - US\$	<u>0.6800</u>	<u>0.6806</u>

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

	2023 US\$	2022 US\$
SGD Hedged (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.1908	1.1332
Effect of adjustment of bid-ask prices per unit	-	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	_#	_#
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.1908</u>	<u>1.1331</u>

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7. Units in issue (continued)

Nikko AM Global Dividend Equity Fund (continued)

	2023	2022
	US\$	US\$
USD (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.2471	1.1887
Effect of adjustment of bid-ask prices per unit	-	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	_#	_#
Net assets attributable to unitholders for issuing/redeeming per unit	1.2471	1.1886

	2023	2022
	US\$	US\$
CNH Hedged (Dist) Class		
Net assets attributable to unitholders as per financial statements per unit	1.3004	1.3765
Effect of distribution	0.0052	0.0059
Effect of adjustment of bid-ask prices per unit	-	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	_#	_#
Net assets attributable to unitholders for issuing/redeeming per unit	1.3056	1.3823

	2023	2022
	US\$	US\$
SGD Hedged (Dist) Class		
Net assets attributable to unitholders as per financial statements per unit	0.6800	0.6806
Effect of distribution	0.0027	0.0029
Effect of adjustment of bid-ask prices per unit	-	(0.0001)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	_#	_#
Net assets attributable to unitholders for issuing/redeeming per unit	0.6827	0.6834

Nikko AM Multi Sector Credit Fund

	2023	2022
SGD (Acc) Class		
Units at beginning of the financial year	11,649,035	12,817,107
Units created	291,060	431,080
Units cancelled	(255,122)	(1,599,152)
Units at end of the financial year	11,684,973	11,649,035
Net assets attributable to unitholders - S\$	19,092,262	17,223,798
Net asset value per unit - S\$	1.6339	1.4786

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

	2023	2022
	S\$	S\$
SGD (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.6339	1.4786
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	(0.0002)	(0.0001)
Net assets attributable to unitholders for issuing/redeeming per unit	1.6337	1.4785

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7. Units in issue (continued)

Singapore Dividend Equity Fund

	2023	2022
SGD Class		
Units at beginning of the financial year	360,633,890	285,267,979
Units created	214,017,976	145,332,160
Units cancelled	(84,983,773)	(69,966,249)
Units at end of the financial year	<u>489,668,093</u>	<u>360,633,890</u>
Net assets attributable to unitholders - S\$	678,807,010	500,082,481
Net asset value per unit - S\$	<u>1.386</u>	<u>1.387</u>

	2023	2022
SGD Class (Acc)		
Units at beginning of the financial year	1,000	-
Units created	1,446,664	1,000
Units cancelled	(626,612)	-
Units at end of the financial year	<u>821,052</u>	<u>1,000</u>
Net assets attributable to unitholders - S\$	865,925	1,001
Net asset value per unit - S\$	<u>1.055</u>	<u>1.001</u>

	2023	2022
USD Class		
Units at beginning of the financial year	8,095,559	7,782,772
Units created	2,947,115	3,656,428
Units cancelled	(2,399,694)	(3,343,641)
Units at end of the financial year	<u>8,642,980</u>	<u>8,095,559</u>
Net assets attributable to unitholders - S\$	11,981,697	11,230,174
Net asset value per unit - S\$	<u>1.386</u>	<u>1.387</u>

	2023	2022
USD Class (Acc)		
Units at beginning of the financial year	1,000	-
Units created	8,206	1,000
Units cancelled	(8,206)	-
Units at end of the financial year	<u>1,000</u>	<u>1,000</u>
Net assets attributable to unitholders - S\$	1,467	1,393
Net asset value per unit - S\$	<u>1.467</u>	<u>1.393</u>

	2023	2022
JPY Class		
Units at beginning of the financial year	266,642,798	86,043,392
Units created	23,812,718	624,970,917
Units cancelled	(290,455,516)	(444,371,511)
Units at end of the financial year	<u>-</u>	<u>266,642,798</u>
Net assets attributable to unitholders - S\$	-	3,399,304
Net asset value per unit - S\$	<u>-</u>	<u>0.013</u>

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7. Units in issue (continued)

Singapore Dividend Equity Fund (continued)

	2023	2022
MYR Class		
Units at beginning of the financial year	85,734,570	46,411,580
Units created	77,469,893	55,510,855
Units cancelled	(20,239,702)	(16,187,865)
Units at end of the financial year	<u>142,964,761</u>	<u>85,734,570</u>
Net assets attributable to unitholders – S\$	24,913,008	14,943,256
Net asset value per unit – S\$	<u>0.174</u>	<u>0.174</u>

	2023	2022
MYR Class (Acc)		
Units at beginning of the financial year	1,993	-
Units created	418,377	11,978
Units cancelled	(21,127)	(9,985)
Units at end of the financial year	<u>399,243</u>	<u>1,993</u>
Net assets attributable to unitholders – S\$	131,783	625
Net asset value per unit – S\$	<u>0.330</u>	<u>0.314</u>

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

	2023 S\$	2022 S\$
SGD Class		
Net assets attributable to unitholders as per financial statements per unit	1.386	1.387
Effect of distribution	0.007	0.006
Effect for movement in the net asset value between the last dealing date and the end of the reporting period ^A	-*	-*
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.393</u>	<u>1.393</u>

	2023 S\$	2022 S\$
SGD (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.055	1.001
Effect for movement in the net asset value between the last dealing date and the end of the reporting period ^A	-*	-*
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.055</u>	<u>1.001</u>

	2023 S\$	2022 S\$
USD Class		
Net assets attributable to unitholders as per financial statements per unit	1.386	1.387
Effect of distribution	0.007	0.006
Effect for movement in the net asset value between the last dealing date and the end of the reporting period ^A	-*	-*
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.393</u>	<u>1.393</u>

	2023 S\$	2022 S\$
USD (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.467	1.393
Effect for movement in the net asset value between the last dealing date and the end of the reporting period	-*	-*
Net assets attributable to unitholders for issuing/redeeming	<u>1.467</u>	<u>1.393</u>

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7. Units in issue (continued)

Singapore Dividend Equity Fund (continued)

	2023	2022
	S\$	S\$
JPY Class		
Net assets attributable to unitholders as per financial statements per unit	-	0.013
Effect of movement in the net asset value between the last dealing date and the end of the reporting period	-	-*
Net assets attributable to unitholders for issuing/redeeming	<u>-</u>	<u>0.013</u>
	2023	2022
	S\$	S\$
MYR Class		
Net assets attributable to unitholders as per financial statements per unit	0.174	0.174
Effect of distribution	0.001	0.001
Effect of movement in the net asset value between the last dealing date and the end of the reporting period	-*	-*
Net assets attributable to unitholders for issuing/redeeming	<u>0.175</u>	<u>0.175</u>
	2023	2022
	S\$	S\$
MYR Class (Acc)		
Net assets attributable to unitholders as per financial statements per unit	0.330	0.314
Effect of movement in the net asset value between the last dealing date and the end of the reporting period	-*	-*
Net assets attributable to unitholders for issuing/redeeming	<u>0.330</u>	<u>0.314</u>

Horizon Singapore Fixed Income Enhanced Fund

	2023	2022
SGD Class		
Units at beginning of the financial year	14,347,823	15,170,417
Units created	1,557,467	210,392
Units cancelled	(4,229,761)	(1,032,986)
Units at end of the financial year	<u>11,675,529</u>	<u>14,347,823</u>
Net assets attributable to unitholders - S\$	18,617,471	21,926,843
Net asset value per unit - S\$	<u>1.595</u>	<u>1.528</u>

A reconciliation of the net asset value as reported in the Statement of Financial Position to the net asset value as determined for the purpose of processing unit subscription and redemption is provided below:

	2023	2022
	S\$	S\$
SGD Class		
Net assets attributable to unitholders as per financial statements per unit	1.595	1.528
Effect of movement in the net asset value between the last dealing date and the end of the reporting period [^]	<u>(0.001)</u>	<u>-*</u>
Net assets attributable to unitholders for issuing/redeeming per unit	<u>1.594</u>	<u>1.528</u>

[^] The net asset value for the purpose of processing unit subscription and redemption was established in accordance with the methodology indicated in the Sub-Fund's prospectus. This item reflects the movement in net asset value between the last dealing date and the end of reporting date due to accrual of operating expenses.

* Effect is less than 0.001.

Effect is less than 0.0001.

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8. Distributions

Nikko AM Global Dividend Equity Fund

	2023	2022
	US\$	US\$
January interim distribution of (SGD Hedged (Dist) Class) S\$ 0.39 per 100 units and (CNH Hedged (Dist) Class) CNH 4.11 per 100 units in respect of the financial year ended 31 December 2023	50,576	-
February interim distribution of (SGD Hedged (Dist) Class) S\$ 0.39 per 100 units and (CNH Hedged (Dist) Class) CNH 4.02 per 100 units in respect of the financial year ended 31 December 2023	49,366	-
March interim distribution of (SGD Hedged (Dist) Class) S\$ 0.36 per 100 units and (CNH Hedged (Dist) Class) CNH 3.74 per 100 units in respect of the financial year ended 31 December 2023	46,026	-
April interim distribution of (SGD Hedged (Dist) Class) S\$ 0.38 per 100 units and (CNH Hedged (Dist) Class) CNH 3.98 per 100 units in respect of the financial year ended 31 December 2023	48,328	-
May interim distribution of (SGD Hedged (Dist) Class) S\$ 0.38 per 100 units and (CNH Hedged (Dist) Class) CNH 3.90 per 100 units in respect of the financial year ended 31 December 2023	48,334	-
June interim distribution of (SGD Hedged (Dist) Class) S\$ 0.38 per 100 units and (CNH Hedged (Dist) Class) CNH 3.91 per 100 units in respect of the financial year ended 31 December 2023	48,159	-
July interim distribution of (SGD Hedged (Dist) Class) S\$ 0.38 per 100 units and (CNH Hedged (Dist) Class) CNH 3.95 per 100 units in respect of the financial year ended 31 December 2023	47,069	-
August interim distribution of (SGD Hedged (Dist) Class) S\$ 0.37 per 100 units and (CNH Hedged (Dist) Class) CNH 3.83 per 100 units in respect of the financial year ended 31 December 2023	45,198	-
September interim distribution of (SGD Hedged (Dist) Class) S\$ 0.37 per 100 units and (CNH Hedged (Dist) Class) CNH 3.77 per 100 units in respect of the financial year ended 31 December 2023	44,687	-
October interim distribution of (SGD Hedged (Dist) Class) S\$ 0.35 per 100 units and (CNH Hedged (Dist) Class) CNH 3.63 per 100 units in respect of the financial year ended 31 December 2023	42,484	-
November interim distribution of (SGD Hedged (Dist) Class) S\$ 0.36 per 100 units and (CNH Hedged (Dist) Class) CNH 3.69 per 100 units in respect of the financial year ended 31 December 2023	44,101	-
December final distribution of (SGD Hedged (Dist) Class) S\$ 0.36 per 100 units and (CNH Hedged (Dist) Class) CNH 3.73 per 100 units in respect of the financial year ended 31 December 2023	43,498	-

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8. Distribution (continued)

Nikko AM Global Dividend Equity Fund (continued)

	2023	2022
	US\$	US\$
January interim distribution of (SGD Hedged (Dist) Class) S\$ 0.65 per 100 units and (CNH Hedged (Dist) Class) CNH 6.69 per 100 units in respect of the financial year ended 31 December 2022	-	60,195
February interim distribution of (SGD Hedged (Dist) Class) S\$ 0.62 per 100 units and (CNH Hedged (Dist) Class) CNH 6.43 per 100 units in respect of the financial year ended 31 December 2022	-	58,180
March interim distribution of (SGD Hedged (Dist) Class) S\$ 0.59 per 100 units and (CNH Hedged (Dist) Class) CNH 6.11 per 100 units in respect of the financial year ended 31 December 2022	-	62,595
April interim distribution of (SGD Hedged (Dist) Class) S\$ 0.61 per 100 units and (CNH Hedged (Dist) Class) CNH 6.38 per 100 units in respect of the financial year ended 31 December 2022	-	69,528
May interim distribution of (SGD Hedged (Dist) Class) S\$ 0.56 per 100 units and (CNH Hedged (Dist) Class) CNH 5.83 per 100 units in respect of the financial year ended 31 December 2022	-	63,736
June interim distribution of (SGD Hedged (Dist) Class) S\$ 0.53 per 100 units and (CNH Hedged (Dist) Class) CNH 5.53 per 100 units in respect of the financial year ended 31 December 2022	-	62,594
July interim distribution of (SGD Hedged (Dist) Class) S\$ 0.53 per 100 units and (CNH Hedged (Dist) Class) CNH 5.55 per 100 units in respect of the financial year ended 31 December 2022	-	65,371
August interim distribution of (SGD Hedged (Dist) Class) S\$ 0.56 per 100 units and (CNH Hedged (Dist) Class) CNH 5.87 per 100 units in respect of the financial year ended 31 December 2022	-	68,848
September interim distribution of (SGD Hedged (Dist) Class) S\$ 0.52 per 100 units and (CNH Hedged (Dist) Class) CNH 5.41 per 100 units in respect of the financial year ended 31 December 2022	-	62,793
October interim distribution of (SGD Hedged (Dist) Class) S\$ 0.47 per 100 units and (CNH Hedged (Dist) Class) CNH 4.97 per 100 units in respect of the financial year ended 31 December 2022	-	58,788
November interim distribution of (SGD Hedged (Dist) Class) S\$ 0.54 per 100 units and (CNH Hedged (Dist) Class) CNH 5.61 per 100 units in respect of the financial year ended 31 December 2022	-	69,766
December final distribution of (SGD Hedged (Dist) Class) S\$ 0.39 per 100 units and (CNH Hedged (Dist) Class) CNH 4.07 per 100 units in respect of the financial year ended 31 December 2022	-	49,773
	557,826	752,167

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8. Distribution (continued)

Singapore Dividend Equity Fund

	2023	2022
	S\$	S\$
December 2022 final distribution of (JPY Class) ¥ 4 per 1000 units in respect of the financial year ended 31 December 2023	10,571	-
January interim distribution of (SGD class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2023	2,246,526	-
February interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2023	2,271,520	-
March interim distribution of (SGD Class) S\$ 0.56 per 100 units, (USD Class) US\$ 0.42 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2023	2,258,558	-
April interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2023	2,415,178	-
May interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2023	2,440,278	-
June interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units and (MYR Class) MYR 0.26 per 100 units in respect of the financial year ended 31 December 2023	2,560,891	-
July interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.45 per 100 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2023	2,625,184	-
August interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2023	2,711,213	-
September interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.44 per 100 units and (MYR Class) MYR 0.26 per 100 units in respect of the financial year ended 31 December 2023	2,787,512	-
October interim distribution of (SGD Class) S\$ 0.57 per 100 units, (USD Class) US\$ 0.42 per 100 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2023	2,787,391	-
November interim distribution of (SGD Class) S\$ 0.56 per 100 units, (USD Class) US\$ 0.42 per 100 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2023	2,826,531	-
December final distribution of (SGD Class) S\$ 0.67 per 100 units, (USD Class) US\$ 0.50 per 100 units and (MYR Class) MYR 0.29 per 100 units in respect of the financial year ended 31 December 2023	3,457,538	-

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8. Distribution (continued)

Singapore Dividend Equity Fund (continued)

	2023	2022
	S\$	S\$
December 2021 final distribution of (JPY Class) ¥ 4 per 1000 units in respect of the financial year ended 31 December 2022	-	4,037
January interim distribution of (SGD class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	-	1,869,930
February interim distribution of (SGD Class) S\$ 0.63 per 100 units, (USD Class) US\$ 0.47 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	-	1,891,554
March interim distribution of (SGD Class) S\$ 0.60 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	-	1,844,638
April interim distribution of (SGD Class) S\$ 0.63 per 100 units, (USD Class) US\$ 0.46 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	-	1,976,636
May interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.44 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	-	1,979,117
June interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	-	1,956,585
July interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.42 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	-	1,976,116
August interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.45 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	-	2,139,042
September interim distribution of (SGD Class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.25 per 100 units in respect of the financial year ended 31 December 2022	-	2,188,196
October interim distribution of (SGD Class) S\$ 0.55 per 100 units, (USD Class) US\$ 0.39 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2022	-	2,029,597
November interim distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.43 per 100 units, (JPY Class) ¥ 4 per 1000 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	-	2,187,820
December final distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.43 per 100 units and (MYR Class) MYR 0.24 per 100 units in respect of the financial year ended 31 December 2022	-	2,237,268
	31,398,891	24,280,536

NOTES TO THE FINANCIAL STATEMENTS
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9. Financial risk management

The Sub-Funds' activities expose them to a variety of risks, including but not limited to market risk (including price risk, interest rate risk and currency risk), liquidity risk and credit risk. The Manager is responsible for implementation of overall risk management programme, which seeks to minimise potential adverse effects on the Sub-Funds' financial performance. Specific guidelines on exposures to individual securities and certain industries and/or countries are in place for the individual Sub-Fund as part of the overall financial risk management to reduce the Sub-Funds' exposure to these risks.

The investment objectives and focuses of the Sub-Funds are as follows:

- (i) Nikko AM Global Dividend Equity Fund's primary objective is to provide a total return of capital growth and income over the medium to long term by investing in shares or securities equivalent to shares listed on stock exchanges globally in developed markets and emerging markets. The Sub-Fund is managed on a total return basis and as such, may not seek to outperform any benchmark. As the Sub-Fund invests mainly in global equities, the Manager is of the view that the price risk of the Sub-Fund is best reflected by movements in the MSCI AC World Net Total Return Index (USD) (the "Index");
- (ii) Nikko AM Multi Sector Credit Fund seek to maximise total returns over a full market cycle by investing in credit-related debt securities globally. The Sub-Fund will invest in credit-related debt securities such as emerging market debt, high-yield debt and investment-grade corporate debt. The Sub-Fund may also invest in other assets such as convertible bonds, asset-backed securities, mortgage-backed securities, debt securities of governments and their agencies and cash and cash equivalents;
- (iii) Singapore Dividend Equity Fund's primary objective is to achieve medium to long-term capital appreciation by investing primarily in Singapore listed equities which offer attractive and sustainable dividend payments with the potential for long term capital appreciation. The Managers may also invest in non-Straits Times Index component stocks as well as stocks listed outside of Singapore with these characteristics. All the stocks are selected on the basis of a mixture of top-down and bottom-up analysis. The Sub-Fund is managed on a total return basis and as such, may not seek to outperform any benchmark. As the Sub-Fund mainly invests in Singapore listed equities, the Manager is of the view that price risk of the Sub-Fund is best reflected by movements in the FTSE Straits Times Net Index (the "Index"); and
- (iv) Horizon Singapore Fixed Income Enhanced Fund's primary objective is to achieve medium to long term capital appreciation by investing primarily in money market and fixed income instruments in Singapore which provide income (which shall be reinvested at the present moment) and capital growth. In addition, the Sub-Fund may also invest in money market and fixed income instruments outside of Singapore. The benchmark against which the performance of the Sub-Fund is measured is Markit iBoxx ALBI Singapore Government Bond Index (the "Benchmark").

The Sub-Funds' investments are held in accordance with the published investment policies of the Sub-Funds and managed accordingly to achieve the investment objectives.

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9. Financial risk management (continued)

(a) Market risk - Price risk

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

The Sub-Funds' investments are substantially dependent on the changes in market prices. The Sub-Funds' overall market positions are monitored regularly so as to assess deviation from the Sub-Funds' investment objective. However, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Sub-Funds.

The Sub-Funds' market price risk is managed through diversification of the investment portfolio across various geographies and industries in accordance with the investment objectives disclosed above.

Horizon Singapore Fixed Income Enhanced Fund and Nikko AM Multi Sector Credit Fund

The market prices of financial assets held by the Sub-Fund are dependent on prevailing market interest rates as it invests in money market and fixed income instruments in Singapore. Hence, no separate price risk sensitivity analysis is prepared as it is covered as part of interest rate risk sensitivity analysis.

Singapore Dividend Equity Fund and Nikko Global Dividend Equity Fund

The table below summarises the impact of an increase/decrease of the index components within the associated Index, with all other variables held constant, on the net asset attributable to unitholders as at 31 December 2023 and 2022. The analysis was based on the assumptions that the index components within the associated Index increased/decreased by a reasonable possible shift, with all other variables held constant and that the fair value of Sub-Funds' investments moved according to the beta. Reasonable possible changes in market index percentage are revised annually depending on the Manager's current view on market volatility and other relevant factors.

Sub-Fund	Index	Increase/Decrease in index components (%)		Increase/Decrease in net assets attributable to unitholders (%)	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Nikko AM Global Dividend Equity Fund	MSCI AC World Net Total Return Index	12	14	11	13
Singapore Dividend Equity Fund	FTSE Straits Times Net Index	12	14	11	12

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9. Financial risk management (continued)

(b) **Market risk - Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates (fair value risk).

Singapore Dividend Equity Fund and Nikko AM Global Dividend Equity Fund

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

Changes in interest rates may also have an impact on the value of investment portfolios that consist of fixed income components within the underlying funds. The impact of a change in interest rates on the net assets attributable to unitholders is analysed in Note 9(a), where such a change has an impact on the benchmarked indices used in the price risk sensitivity analysis. Hence, no separate interest rate risk sensitivity analysis is presented.

Nikko AM Multi Sector Credit Fund and Horizon Singapore Fixed Income Enhanced Fund

The Manager will regularly assess the economic condition, monitor changes in interest rates outlook and take appropriate measures accordingly to control the impact of interest rate risk. The Sub-Fund's overall market positions are monitored frequently and are reviewed formally on a quarterly basis by the Manager.

The tables below summarise the Sub-Funds' exposure to interest rate risks. They include the Sub-Funds' assets and liabilities at fair value, categorised by the earlier of contractual repricing or maturity dates.

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9. Financial risk management (continued)

(b) Market risk - Interest rate risk (continued)

Nikko AM Multi Sector Credit Fund

As at 31 December 2023

	Fixed rate				Non-interest bearing	Total
	Floating rate					
	Up to 1 year	1-5 years	Over 5 years	S\$		
	S\$	S\$	S\$	S\$	S\$	
Assets						
Portfolio of investments	7,817,559	398,747	8,054,482	1,967,394	246,249	18,484,431
Receivables	-	-	-	-	15,045	15,045
Cash and cash equivalents	370,891	-	-	-	-	370,891
Financial derivatives at fair value	-	-	-	-	393,656	393,656
Total Assets	8,188,450	398,747	8,054,482	1,967,394	654,950	19,264,023
Liabilities						
Payables	-	-	-	-	103,708	103,708
Financial derivatives at fair value	-	-	-	-	68,053	68,053
Total Liabilities	-	-	-	-	171,761	171,761

As at 31 December 2022

	Fixed rate				Non-interest bearing	Total
	Floating rate					
	Up to 1 year	1-5 years	Over 5 years	S\$		
	S\$	S\$	S\$	S\$	S\$	
Assets						
Portfolio of investments	6,211,290	399,659	8,413,736	1,887,353	214,227	17,126,265
Receivables	-	-	-	-	9,347	9,347
Cash and cash equivalents	163,677	-	-	-	-	163,677
Total Assets	6,374,967	399,659	8,413,736	1,887,353	223,574	17,299,289
Liabilities						
Payables	-	-	-	-	75,491	75,491
Total Liabilities	-	-	-	-	75,491	75,491

As at 31 December 2023 and 2022 an increase/decrease of interest rates 1% (2022: 1%), with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 2% (2022: 2%). Reasonable possible changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

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9. Financial risk management (continued)

(b) Market risk - Interest rate risk (continued)

Horizon Singapore Fixed Income Enhanced Fund

As at 31 December 2023

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
		<u>Up to 1 year</u>	<u>1-5 years</u>	<u>Over 5 years</u>		
	S\$	S\$	S\$	S\$	S\$	S\$
Assets						
Portfolio of investments	3,501,526	299,210	2,082,308	12,542,298	149,711	18,575,053
Receivables	-	-	-	-	22,892	22,892
Cash and cash equivalents	117,074	-	-	-	-	117,074
Total assets	3,618,600	299,210	2,082,308	12,542,298	172,603	18,715,019
Liabilities						
Payables	-	-	-	-	97,548	97,548
Total liabilities	-	-	-	-	97,548	97,548

As at 31 December 2022

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
		<u>Up to 1 year</u>	<u>1-5 years</u>	<u>Over 5 years</u>		
	S\$	S\$	S\$	S\$	S\$	S\$
Assets						
Portfolio of investments	3,778,858	1,889,080	2,203,085	13,438,676	167,931	21,477,630
Receivables	-	-	-	-	27,599	27,599
Cash and cash equivalents	499,255	-	-	-	-	499,255
Total assets	4,278,113	1,889,080	2,203,085	13,438,676	195,530	22,004,484
Liabilities						
Payables	-	-	-	-	77,645	77,645
Total liabilities	-	-	-	-	77,645	77,645

As at 31 December 2023 and 2022 an increase/decrease of interest rates 1% (2022: 1%), with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 9% (2022: 8%). Reasonable possible changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

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9. Financial risk management (continued)

(c) **Market risk - Currency risk**

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

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

Nikko AM Global Dividend Equity Fund

As at 31 December 2023	USD US\$	EUR US\$	SEK US\$	GBP US\$	JPY US\$	AUD US\$	TWD US\$	SGD US\$	Others US\$	Total US\$
Assets										
Portfolio of investments	20,395,856	7,143,787	1,003,760	5,351,809	808,984	2,782,813	1,507,112	1,600,714	7,891,138	48,485,973
Receivables	22,775	-	-	-	4,610	-	6,023	20,030	-	53,438
Cash and cash equivalents	307,143	6,296	196	3,417	253	3,568	-	57,970	15,488	394,331
Total assets	20,725,774	7,150,083	1,003,956	5,355,226	813,847	2,786,381	1,513,135	1,678,714	7,906,626	48,933,742
Liabilities										
Payables	191,896	-	-	-	-	-	-	73,542	-	265,438
Distributions payable	-	-	-	-	-	-	-	42,533	965	43,498
Total liabilities	191,896	-	-	-	-	-	-	116,075	965	308,936
Net off-balance sheet derivative financial instruments	(47,834,912)	-	-	-	-	-	-	48,439,007	237,974	
Net currency exposure	(27,301,034)	7,150,083	1,003,956	5,355,226	813,847	2,786,381	1,513,135	50,001,646	8,143,635	

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9. Financial risk management (continued)

(c) **Market risk - Currency risk** (continued)

Nikko AM Global Dividend Equity Fund (continued)

As at 31 December 2022	USD US\$	EUR US\$	SEK US\$	GBP US\$	JPY US\$	AUD US\$	TWD US\$	SGD US\$	Others US\$	Total US\$
Assets										
Portfolio of investments	24,927,728	7,617,550	766,901	4,668,411	836,201	2,921,537	1,152,788	1,962,559	6,878,938	51,732,613
Receivables	37,954	-	-	-	5,022	-	5,584	60,942	-	109,502
Cash and cash equivalents	1,345,086	5,891	186	3,101	270	3,434	-	117,061	60,392	1,535,421
Total assets	26,310,768	7,623,441	767,087	4,671,512	841,493	2,924,971	1,158,372	2,140,562	6,939,330	53,377,536
Liabilities										
Payables	229,867	-	-	-	-	-	-	56,014	-	285,881
Distributions payable	-	-	-	-	-	-	-	48,672	1,101	49,773
Total liabilities	229,867	-	-	-	-	-	-	104,686	1,101	335,654
Net off-balance sheet derivative financial instruments	(54,257,921)	-	-	-	-	-	-	54,170,769	267,245	
Net currency exposure	(28,177,020)	7,623,441	767,087	4,671,512	841,493	2,924,971	1,158,372	56,206,645	7,205,474	

Portfolio of investments, which is a significant item in the Statement of Financial Position is exposed to currency risk and other price risk. The Manager has considered the impact of currency risk sensitivity on non-monetary assets, which include listed equities and real estate investment funds, as part of the price risk sensitivity analysis.

As of 31 December 2023 and 2022, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

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9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

Nikko AM Multi Sector Credit Fund

As at 31 December 2023	SGD S\$	USD S\$	GBP S\$	EUR S\$	Total S\$
Assets					
Portfolio of investments	-	11,508,262	356,855	6,619,314	18,484,431
Receivables	375	14,670	-	-	15,045
Cash and cash equivalents	137,748	14,433	198,659	20,051	370,891
Total assets	138,123	11,537,365	555,514	6,639,365	18,870,367
Liabilities					
Payables	103,708	-	-	-	103,708
Total liabilities	103,708	-	-	-	103,708
Net off-balance sheet derivative financial instruments	18,231,509	(11,243,960)	(300,998)	(6,360,948)	
Net currency exposure	18,265,924	293,405	254,516	278,417	
As at 31 December 2022					
	SGD S\$	USD S\$	GBP S\$	EUR S\$	Total S\$
Assets					
Portfolio of investments	-	11,551,081	291,308	5,283,876	17,126,265
Receivables	-	9,347	-	-	9,347
Cash and cash equivalents	52,518	91,811	8,535	10,813	163,677
Total assets	52,518	11,652,239	299,843	5,294,689	17,299,289
Liabilities					
Payables	75,491	-	-	-	75,491
Total liabilities	75,491	-	-	-	75,491
Net currency exposure	(22,973)	11,652,239	299,843	5,294,689	

Portfolio of investments, which is a significant item in the Statement of Financial Position is exposed to currency risk and other price risk. The Manager has considered the impact of currency risk sensitivity on non-monetary assets as part of the price risk sensitivity analysis.

The following table shows the Sub-Fund's sensitivity to major foreign currencies exposure, with respect to monetary assets and liabilities, with all other variables held constant. Changes in foreign currency rates are revised annually depending on the Manager's current view of market volatility and other relevant factors.

	Increase/(Decrease) in foreign exchange rate (%)		(Decrease)/Increase in net assets attributable to unitholders (%)	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
EUR	5	6	-*	2
USD	5	6	-*	4

* Less than 1

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9. Financial risk management (continued)

(c) **Market risk - Currency risk** (continued)

Singapore Dividend Equity Fund

As at 31 December 2023	SGD S\$	USD S\$	JPY S\$	MYR S\$	PHP S\$	Total S\$
Assets						
Portfolio of investments	635,451,441	38,284,116	-	-	4,565,216	678,300,773
Receivables	2,233,215	-	-	203,430	78,643	2,515,288
Cash and cash equivalents	42,454,607	1,100,164	963,902	81,340	-	44,600,013
Total assets	680,139,263	39,384,280	963,902	284,770	4,643,859	725,416,074
Liabilities						
Payables	5,224,457	-	-	33,189	-	5,257,646
Distributions payable	3,280,776	57,307	-	119,455	-	3,457,538
Total liabilities	8,505,233	57,307	-	152,644	-	8,715,184
Net currency exposure	671,634,030	39,326,973	963,902	132,126	4,643,859	

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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9. Financial risk management (continued)

(c) **Market risk - Currency risk** (continued)

Singapore Dividend Equity Fund (continued)

As at 31 December 2022	SGD S\$	USD S\$	JPY S\$	HKD S\$	MYR S\$	PHP S\$	Total S\$
Assets							
Portfolio of investments	464,991,613	26,742,833	-	11,832,997	-	4,125,876	507,693,319
Receivables	1,435,043	-	535,452	-	94,671	71,347	2,136,513
Cash and cash equivalents	24,084,952	1,070,128	1,050,184	-	60,351	-	26,265,615
Total assets	490,511,608	27,812,961	1,585,636	11,832,997	155,022	4,197,223	536,095,447
Liabilities							
Payables	4,157,593	36,980	-	-	5,372	-	4,199,945
Distributions payable	2,127,740	46,776	-	-	62,752	-	2,237,268
Total liabilities	6,285,333	83,756	-	-	68,124	-	6,437,213
Net currency exposure	484,226,275	27,729,205	1,585,636	11,832,997	86,898	4,197,223	

Portfolio of investments, which is a significant item in the Statement of Financial Position is exposed to currency risk and other price risk. The Manager has considered the impact of currency risk sensitivity on non-monetary assets, which include listed equities, listed investment funds and real estate investment funds, as part of the price risk sensitivity analysis.

As of 31 December 2023 and 2022, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result in a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

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9. Financial risk management (continued)

(c) **Market risk - Currency risk** (continued)

Horizon Singapore Fixed Income Enhanced Fund

The Manager does not consider currency risk to be significant as all of the financial assets and financial liabilities of the Sub-Fund are denominated in Singapore Dollar, which is the functional currency of the Sub-Fund.

(d) **Liquidity risk**

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

The Sub-Funds are exposed to daily cash redemptions from unitholders. However, in accordance with the Sub-Funds' prospectus, minimum holdings and minimum redemption size are set.

To manage the liquidity risk, a cash buffer is maintained in the Sub-Funds and monitored for minimum cash balances so as to prevent any extensive disposition of assets which may occur at lower prices and overdraft situations to meet trade settlements and obligations.

The Sub-Funds' securities are considered readily realisable as majority of the securities are listed on recognised stock exchanges.

The Sub-Funds' financial liabilities are analysed using contractual undiscounted cash flows for maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. As at 31 December 2023 and 2022, all liabilities are either payable on demand or due in less than 3 months. The impact of discounting is not significant.

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	Less than 3 months		Less than 3 months	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	US\$	US\$	S\$	S\$
Payables	265,438	285,881	103,708	75,491
Distribution payable	43,498	49,773	-	-
Contractual cash outflows (excluding gross settled derivatives)	308,936	335,654	103,708	75,491

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9. Financial risk management (continued)

(d) **Liquidity risk** (continued)

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	Less than 3 months		Less than 3 months	
	As at 31 December 2023 S\$	As at 31 December 2022 S\$	As at 31 December 2023 S\$	As at 31 December 2022 S\$
Payables	5,257,646	4,199,945	97,548	77,645
Distribution payable	3,457,538	2,237,268	-	-
Contractual cash outflows	8,715,184	6,437,213	97,548	77,645

The tables below analyse the Sub-Funds' derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

Nikko AM Multi Sector Credit Fund

Less than 3 months	As at 31 December 2023 S\$	As at 31 December 2022 S\$
Currency forward		
- Outflow	(6,477,850)	-
- Inflow	6,409,797	-
Net outflow	(68,053)	-

(e) **Credit risk**

Credit risk is the risk that a counterparty will be unable to fulfil its obligations to the Sub-Funds in part or in full as and when they fall due.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties as well as the respective credit limits are approved;
- ensuring there are controls in place to identify and assess the creditworthiness of counterparties and review such controls on a semi-annual basis; and
- ensuring that transactions are undertaken with a large number of counterparties.

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9. Financial risk management (continued)

(e) **Credit risk** (continued)

The Sub-Funds are also exposed to counterparty credit risk on its financial assets held at amortised cost. As at 31 December 2023 and 2022, the Sub-Funds' financial assets held at amortised cost as disclosed in the Statements of Financial Position are realised within three months. The Manager considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. Hence, no loss allowance has been recognized based on the 12-month expected credit losses as any such impairment would be insignificant to the Sub-Funds.

The table below analyses the Sub-Fund's investments by credit ratings. The credit ratings are reviewed regularly.

Nikko AM Multi Sector Credit Fund

	Fair value at 31 December 2023		Fair value at 31 December 2022	
	Floating rate securities	Fixed rate securities	Floating rate securities	Fixed rate securities
	S\$	S\$	S\$	S\$
A1	-	-	-	261,649
A2	403,223	-	396,102	-
A3	255,233	-	-	-
B1	-	963,174	-	840,904
B2	295,476	1,091,400	-	446,015
B3	-	241,396	-	333,390
B1*+	-	162,441	-	-
Ba1	758,819	839,352	-	1,150,414
Ba2	384,787	1,140,273	355,230	1,475,386
Ba3	-	389,409	-	1,199,579
Ba1*+	-	61,392	-	-
Ba2*+	-	-	261,295	-
Ba3u	271,530	-	248,601	-
Baa1	506,847	791,640	498,069	792,042
Baa2	1,007,353	783,967	768,544	918,047
Baa3	2,190,755	2,017,356	2,015,833	1,625,164
Baa2*-	-	151,041	-	-
Baa3*-	-	257,222	-	132,604
Caa1	-	133,742	-	62,534
Caa2	-	61,902	-	-
Not rated**	1,743,536	1,334,916	1,667,616	1,463,020
Accrued interest receivable on quoted fixed income securities	105,662	140,587	83,330	130,897
	7,923,221	10,561,210	6,294,620	10,831,645

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9. Financial risk management (continued)

(e) **Credit risk** (continued)

Horizon Singapore Fixed Income Enhanced Fund

	Fair value as at 31 December 2023		Fair value as at 31 December 2022	
	Floating rate securities S\$	Fixed rate securities S\$	Floating rate securities S\$	Fixed rate securities S\$
Aaa*	-	13,098,889	-	14,437,976
A2	514,109	343,589	491,973	159,237
A3	-	-	-	497,739
Aa2	-	-	-	494,418
Ba2*+	-	-	254,601	-
Baa1	253,407	-	743,974	-
Baa3	783,634	-	238,375	-
Not rated**	1,950,376	1,481,338	2,049,935	1,941,471
Accrued interest receivable on quoted fixed income securities	38,137	111,574	32,963	134,968
	3,539,663	15,035,390	3,811,821	17,665,809

* The balance includes securities that are issued by government agencies of governments that have a Aaa rating as rated by Moody's.

** Not rated securities are supported by internal and other rating agencies credit ratings but are not disclosed due to licencing restrictions.

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9. Financial risk management (continued)

(e) **Credit risk** (continued)

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

Credit risk arises from cash and cash equivalents and outstanding and committed transactions with brokers. The table below summarises the credit rating of banks and custodian in which the Sub-Funds' assets are held as at 31 December 2023 and 2022.

Nikko AM Global Dividend Equity Fund

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	Aa3	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- ANZ Bank	Aa3	Aa3	Moody's

Nikko AM Multi Sector Credit Fund

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	Aa3	Aa3	Moody's
Counterparties of forward foreign exchange contracts			
- Goldman Sachs International London	A1	N.A.	Moody's

Singapore Dividend Equity Fund

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	Aa3	Aa3	Moody's

Horizon Singapore Fixed Income Enhanced Fund

	Credit rating as at 31 December 2023	Credit rating as at 31 December 2022	Source of credit rating
Bank and custodian			
- BNP Paribas, acting through its Singapore Branch	Aa3	Aa3	Moody's

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

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

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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9. Financial risk management (continued)

(f) **Capital management**

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

(g) **Fair value estimation**

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

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

The following table analyses within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value at 31 December 2023 and 2022:

Nikko AM Global Dividend Equity Fund

As at 31 December 2023

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Portfolio of investments:				
- Quoted equities	46,072,073	-	-	46,072,073
- Quoted real estate investment trusts	2,413,900	-	-	2,413,900
Financial derivatives at fair value	-	842,069	-	842,069
	48,485,973	842,069	-	49,328,042

As at 31 December 2022

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Portfolio of investments:				
- Quoted equities	47,537,520	-	-	47,537,520
- Quoted real estate investment trusts	4,195,093	-	-	4,195,093
Financial derivatives at fair value	-	180,093	-	180,093
	51,732,613	180,093	-	51,912,706

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9. Financial risk management (continued)

(g) **Fair value estimation** (continued)

Nikko AM Multi Sector Credit Fund

As at 31 December 2023

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Portfolio of investments:				
- Quoted fixed income securities	-	18,484,431	-	18,484,431
Financial derivatives at fair value	-	393,656	-	393,656
	-	18,878,087	-	18,878,087
Liabilities				
Financial derivatives at fair value	-	68,053		68,053

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Portfolio of investments:				
- Quoted fixed income securities	-	17,126,265	-	17,126,265

Singapore Dividend Equity Fund

As at 31 December 2023

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Portfolio of investments:				
- Quoted equities	522,118,266	-	-	522,118,266
- Quoted investment funds	34,866,803	-	-	34,866,803
- Quoted real estate investment trusts	121,315,704	-	-	121,315,704
	678,300,773	-	-	678,300,773

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9. Financial risk management (continued)

(g) **Fair value estimation** (continued)

Singapore Dividend Equity Fund (continued)

As at 31 December 2022

Assets	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Portfolio of investments:				
- Quoted equities	403,427,822	-	-	403,427,822
- Quoted investment funds	18,169,677	-	-	18,169,677
- Quoted real estate investment trusts	86,095,820	-	-	86,095,820
	507,693,319	-	-	507,693,319

Horizon Singapore Fixed Income Enhanced Fund

As at 31 December 2023

Assets	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Portfolio of investments:				
- Quoted fixed income securities	13,199,492	5,375,561	-	18,575,053
	13,199,492	5,375,561	-	18,575,053

As at 31 December 2022

Assets	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Portfolio of investments:				
- Quoted fixed income securities	14,546,276	6,931,354	-	21,477,630
	14,546,276	6,931,354	-	21,477,630

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, real estate investment trusts, investment funds and Singapore government bonds and treasury bills. The Sub-Funds do not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include global corporate bonds and over-the-counter derivatives.

The assets and liabilities included in the Statements of Financial Position except portfolio of investments and financial derivatives are carried at amortised cost; their carrying values are reasonable approximation of fair value.

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10. Related party transactions

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

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	2023 US\$	2022 US\$	2023 S\$	2022 S\$
Bank balances held with related party of the trustee	394,331	1,535,421	370,891	163,677
	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2023 S\$	2022 S\$	2023 S\$	2022 S\$
Bank balances held with related party of the trustee	44,600,013	26,265,615	117,074	499,255

11. Financial ratios

Expense ratio

Nikko AM Global Dividend Equity Fund

SGD Hedged (Acc) Class		2023	2022
Total operating expenses	US\$	663,276	712,389
Average daily net asset value	US\$	38,323,603	42,167,701
Total expense ratio¹	%	1.73	1.69
SGD Hedged (Dist) Class		2023	2022
Total operating expenses	US\$	188,363	180,199
Average daily net asset value	US\$	10,887,605	10,638,939
Total expense ratio¹	%	1.73	1.69
USD (Acc) Class		2023	2022
Total operating expenses	US\$	7,343	6,998
Average daily net asset value	US\$	425,387	414,567
Total expense ratio¹	%	1.73	1.69
CNH Hedged (Dist) Class		2023	2022
Total operating expenses	US\$	4,156	3,523
Average daily net asset value	US\$	240,071	207,688
Total expense ratio¹	%	1.73	1.70

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11. Financial ratios (continued)

Expense ratio (continued)

Nikko AM Multi Sector Credit Fund

SGD (Acc) Class		2023	2022
Total operating expenses	S\$	282,518	297,037
Average daily net asset value	S\$	17,923,228	18,626,988
Total expense ratio¹ (including Underlying Fund's expense ratio)	%	1.58	1.75
Weighted average of the Underlying Fund's unaudited expense ratio	%	-	0.16

Singapore Dividend Equity Fund

SGD class		2023	2022
Total operating expenses	S\$	8,298,809	6,515,087
Average daily net asset value	S\$	578,029,380	457,975,633
Total expense ratio¹	%	1.44	1.42

SGD (Acc) Class		2023	2022
Total operating expenses	S\$	8,503	6
Average daily net asset value	S\$	598,992	1,003
Total expense ratio¹ (annualised)	%	1.42	1.23

USD Class		2023	2022
Total operating expenses	S\$	164,073	156,410
Average daily net asset value	S\$	11,446,970	10,992,145
Total expense ratio¹	%	1.43	1.42

USD (Acc) Class		2023	2022
Total operating expenses	S\$	38	8
Average daily net asset value	S\$	3,097	1,395
Total expense ratio¹ (annualised)	%	1.23	1.29

JPY Class		2023	2022
Total operating expenses	S\$	5,334	16,396
Average daily net asset value	S\$	2,254,228	2,982,427
Total expense ratio^{1,2} (annualised)	%	0.55	0.55

MYR Class		2023	2022
Total operating expenses	S\$	276,481	167,302
Average daily net asset value	S\$	19,298,596	11,771,409
Total expense ratio¹	%	1.43	1.42

MYR (Acc) Class		2023	2022
Total operating expenses	S\$	1,245	3
Average daily net asset value	S\$	88,065	606
Total expense ratio¹ (annualised)	%	1.41	1.18

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11. Financial ratios (continued)

Expense ratio (continued)

Horizon Singapore Fixed Income Enhanced Fund

SGD Class		2023	2022
Total operating expenses	S\$	250,551	278,183
Average daily net asset value	S\$	19,058,931	22,237,543
Total expense ratio¹	%	1.31	1.25

¹ The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial year end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Funds do not pay any performance fee. The average net asset value is based on the daily balances.

² The JPY Class was fully redeemed on 6 June 2023.

Turnover ratio

Nikko AM Global Dividend Equity Fund

		2023	2022
Lower of total value of purchases or sales	US\$	7,381,503	12,503,315
Average daily net asset value	US\$	49,876,666	53,428,895
Total turnover ratio³	%	14.80	23.40

Nikko AM Multi Sector Credit Fund

		2023	2022
Lower of total value of purchases or sales	S\$	6,938,633	23,884,621
Average daily net asset value	S\$	17,923,228	18,626,988
Total turnover ratio³	%	38.71	128.23

Singapore Dividend Equity Fund

		2023	2022
Lower of total value of purchases or sales	S\$	103,848,479	81,080,920
Average daily net asset value	S\$	610,420,892	483,724,619
Total turnover ratio³	%	17.01	16.76

Horizon Singapore Fixed Income Enhanced Fund

		2023	2022
Lower of total value of purchases or sales	S\$	15,885,787	27,651,011
Average daily net asset value	S\$	19,058,931	22,237,543
Total turnover ratio³	%	83.35	124.34

³ The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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REPORT TO UNITHOLDERS
For the financial year ended 31 December 2023

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

1. Distribution of investments

Please refer to the Statements of Portfolio on pages 25 to 42.

2. Credit rating of debt securities

Nikko AM Multi Sector Credit Fund

	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
A2	403,223	2.11
A3	255,233	1.34
B1	963,174	5.04
B1 *+	162,441	0.86
B2	1,386,876	7.26
B3	241,396	1.26
Ba1	1,598,171	8.36
Ba1 *+	61,392	0.32
Ba2	1,525,060	7.98
Ba3	389,409	2.04
Ba3u	271,530	1.42
Baa1	1,298,487	6.81
Baa2	1,791,320	9.40
Baa2 *-	151,041	0.79
Baa3	4,208,111	22.04
Baa3 *-	257,222	1.35
Caa1	133,742	0.70
Caa2	61,902	0.33
Not rated	3,078,452	16.12
Accrued interest receivable on quoted fixed income securities	246,249	1.29
Total	18,484,431	96.82

Horizon Singapore Fixed Income Enhanced Fund

	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %
Aaa	13,098,889	70.36
A2	857,698	4.60
Baa1	253,407	1.36
Baa3	783,634	4.21
Not rated	3,431,714	18.44
Accrued interest receivable on quoted fixed income securities	149,711	0.80
Total	18,575,053	99.77

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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REPORT TO UNITHOLDERS
For the financial year ended 31 December 2023

3. Top 10 holdings

Nikko AM Global Dividend Equity Fund

10 largest holdings at 31 December 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,629,633	5.32
Nestle SA	2,459,346	4.97
Broadcom Incorporated	2,410,264	4.87
AbbVie Incorporated	2,144,442	4.34
Worley Limited	1,763,880	3.57
Bank Mandiri Persero TBK PT	1,754,685	3.55
Compass Group Public Listed Company	1,749,202	3.54
Roche Holding AG	1,688,443	3.41
DBS Group Holdings Limited	1,600,714	3.24
Taiwan Semiconductor Manufacturing Company Limited	1,507,112	3.05

10 largest holdings at 31 December 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,899,789	5.45
Nestle SA	2,511,206	4.72
AbbVie Incorporated	2,284,640	4.29
Worley Limited	1,980,976	3.72
DBS Group Holdings Limited	1,962,559	3.69
Pfizer Incorporated	1,937,711	3.64
Roche Holding AG	1,864,079	3.50
Compass Group Public Listed Company	1,845,994	3.47
Emerson Electric Company	1,791,807	3.37
Diageo Public Listed Company	1,751,411	3.29

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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

3. Top 10 holdings (continued)

Nikko AM Multi Sector Credit Fund

10 largest holdings at 31 December 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Tikehau CLO II BV 7.358% due 07/09/2035	683,938	3.58
St Paul's CLO VIII DAC 6.435% due 17/07/2030	669,834	3.51
Barings CLO Limited 2020-I 8.85548% due 15/10/2036	652,702	3.42
Neuberger Berman Loan Advisers CLO 26 Limited 8.30665% due 18/10/2030	648,442	3.40
Madison Park Funding XXVII Limited 8.27743% due 20/04/2030	647,934	3.39
Sculptor European CLO I DAC 7.475% due 18/04/2034	551,446	2.89
British Telecommunications Public Listed Company 8.375% due 20/12/2083	356,008	1.86
Greywolf CLO VI Limited 8.5896% due 26/04/2031	320,531	1.68
Teva Pharmaceutical Finance Netherlands II BV 7.375% due 15/09/2029	319,760	1.67
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	302,669	1.59

10 largest holdings at 31 December 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
St Paul's CLO VIII DAC 3.828% due 17/07/2030	635,831	3.69
Neuberger Berman Loan Advisers CLO 26 Limited 6.84371% due 18/10/2030	630,076	3.66
Madison Park Funding XXVII Limited 6.84257% due 20/04/2030	625,164	3.63
Barings CLO Limited 2020-I 7.27914% due 15/10/2036	623,452	3.62
Tikehau CLO II BV 5.375% due 07/09/2035	608,479	3.54
Sculptor European CLO I DAC 4.903% due 18/04/2034	499,888	2.90
Greywolf CLO VI Limited 7.2555% due 26/04/2031	301,883	1.75
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	287,947	1.67
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	284,014	1.65
Enel Finance International NV 6.8% due 14/10/2025	275,994	1.60

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

3. Top 10 holdings (continued)

Singapore Dividend Equity Fund

10 largest holdings at 31 December 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	63,074,371	8.80
Oversea-Chinese Banking Corporation Limited	62,004,566	8.65
United Overseas Bank Limited	61,471,062	8.58
Sembcorp Industries Limited	40,410,162	5.64
Keppel Limited	35,798,945	4.99
Seatrium Limited	31,566,591	4.40
CapitaLand Investment Limited	25,002,236	3.49
Singapore Technologies Engineering Limited	23,654,312	3.30
Frasers Logistics & Commercial Trust	21,566,456	3.01
Genting Singapore Limited	19,324,500	2.70

10 largest holdings at 31 December 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
United Overseas Bank Limited	50,414,619	9.52
DBS Group Holdings Limited	47,033,099	8.88
Oversea-Chinese Banking Corporation Limited	46,375,131	8.76
Keppel Corporation Limited	39,902,412	7.53
Wilmar International Limited	27,876,033	5.26
Sembcorp Industries Limited	26,576,264	5.02
CapitaLand Investment Limited	21,709,010	4.10
Jardine Cycle & Carriage Limited	15,649,920	2.95
Jardine Matheson Holdings Limited	14,342,951	2.71
Singapore Technologies Engineering Limited	13,762,805	2.60

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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

3. Top 10 holdings (continued)

Horizon Singapore Fixed Income Enhanced Fund

10 largest holdings at 31 December 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.875% due 01/09/2030	1,916,150	10.29
Singapore Government Bond 2.625% due 01/08/2032	1,391,180	7.47
Singapore Government Bond 3.375% due 01/09/2033	1,275,104	6.85
Singapore Government Bond 2.25% due 01/08/2036	1,092,500	5.87
Singapore Government Bond 3% due 01/08/2072	1,052,030	5.65
Singapore Government Bond 2.75% due 01/04/2042	1,040,728	5.59
Singapore Government Bond 1.625% due 01/07/2031	1,037,232	5.57
Singapore Government Bond 2.75% due 01/03/2046	1,000,000	5.37
Singapore Government Bond 1.875% due 01/03/2050	953,155	5.12
Commerzbank AG 6.5% due 24/04/2034	783,634	4.21

10 largest holdings at 31 December 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.875% due 01/09/2030	2,117,750	9.66
Singapore Government Bond 2.625% due 01/08/2032	1,937,053	8.83
Singapore Government Bond 2.75% due 01/03/2046	1,898,260	8.66
Singapore Government Bond 2.25% due 01/08/2036	1,639,926	7.48
Singapore Government Bond 2.75% due 01/04/2042	1,453,143	6.63
Singapore Government Bond 2.875% due 01/07/2029	891,450	4.07
Singapore Government Bond 1.625% due 01/07/2031	820,401	3.74
Westpac Banking Corporation 4.65% due 07/09/2032	743,974	3.39
Singapore Government Bond 3% due 01/08/2072	708,688	3.23
Keppel Corporation Limited 2.9% due 16/03/2170	684,607	3.12

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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REPORT TO UNITHOLDERS
For the financial year ended 31 December 2023

4. Exposure to financial derivatives

Nikko AM Global Dividend Equity Fund

	Fair value at 31 December 2023 US\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Forward foreign exchange contracts	842,069	1.70	842,069	(791,398)

Nikko AM Multi Sector Credit Fund

	Fair value at 31 December 2023 S\$	Percentage of total net assets attributable to unitholders at 31 December 2023 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	325,603	1.71	325,603	(62,380)

5. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c. the sum of the values of cash collateral received pursuant to:
 - i. the reduction of exposure to counterparties of OTC financial derivatives; and
 - ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS
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REPORT TO UNITHOLDERS

For the financial year ended 31 December 2023

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

Nikko AM Global Dividend Equity Fund

Please refer to the Statements of Portfolio on page 25 to 28.

Singapore Dividend Equity Fund

Please refer to the Statements of Portfolio on page 35 to 38.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 31 December 2023

	Nikko AM Global Dividend Equity Fund US\$	Nikko AM Multi Sector Credit Fund S\$
Units created	1,821,550	452,967
Units cancelled	(7,402,027)	(389,935)

	Singapore Dividend Equity Fund S\$	Horizon Singapore Fixed Income Enhanced Fund S\$
Units created	315,965,500	2,422,305
Units cancelled	(129,273,472)	(6,457,309)

11. Turnover ratio

Please refer to Note 11 of the Notes to the Financial Statements on page 83.

12. Expense ratio

Please refer to Note 11 of the Notes to the Financial Statements on pages 81 to 83.

13. Related party transactions

Please refer to Note 10 of the Notes to the Financial Statements on page 81.

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

Nil.

15. Soft dollar commissions/arrangements

In their management of the Sub-Funds, the Managers currently do not receive or enter into any soft dollar commissions or arrangements.

The Sub-Managers do not receive or intend to receive any soft dollars in their management of the Nikko AM Global Dividend Equity Fund and Nikko AM Multi Sector Credit Fund. NAM Americas, Inc also does not receive or intend to receive soft dollars in respect of the global equities trading that it carries out for the Nikko AM Global Dividend Equity Fund.

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