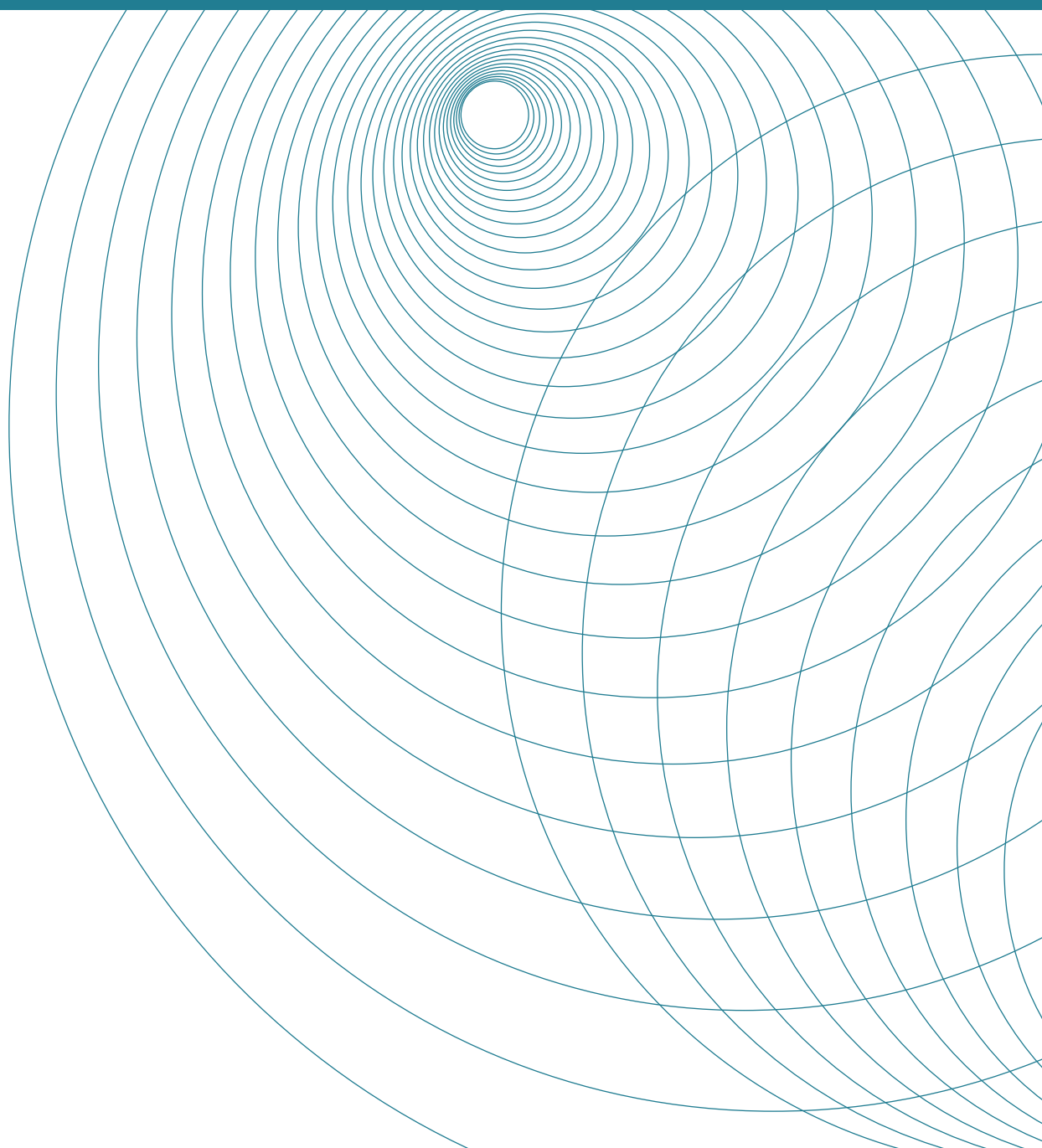

ANNUAL REPORT

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



MANAGERS

Nikko Asset Management Asia Limited
12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Company Registration No. 198202562H

DIRECTORS OF THE MANAGERS

Seet Oon Hui Eleanor
Yutaka Nishida
Hiroshi Yoh
Allen Yan

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12,
Singapore 018936

CUSTODIAN

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

This report is also available on our website (www.nikkoam.com.sg)

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, 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 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, 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 - 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:
- "Horizon Global Bond Fund (S\$ Hedged)" was renamed to "Nikko AM Multi Sector Credit Fund".
 - 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.
 - 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.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

(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	(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	2022	2023	2022
		US\$	US\$	S\$	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	2022	2023	2022
		S\$	S\$	S\$	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 2023 S\$	2022 S\$	Horizon Singapore Fixed Income Enhanced Fund 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

Nikko AM Global Dividend Equity Fund			
By Industry (Secondary)	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)			Percentage of total net assets attributable to unitholders at 31 December 2023 %
	Holdings at 31 December 2023	Fair value at 31 December 2023 S\$	
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

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)			
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

		Nikko AM Multi Sector Credit 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			
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

Singapore Dividend Equity 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 %
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

Horizon Singapore Fixed Income Enhanced 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 %
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.

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.

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.

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.

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.

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)

(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.

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

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.

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

4. Receivables

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	2023	2022	2023	2022
	US\$	US\$	S\$	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	2022	2023	2022
	S\$	S\$	S\$	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	2022	2023	2022
	US\$	US\$	S\$	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	2022	2023	2022
	S\$	S\$	S\$	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

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

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
	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
	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.

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

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	32,055,913	36,294,412
Net assets attributable to unitholders - US\$	38,170,886	41,130,381
Net asset value per unit - US\$	1.1908	1.1332

	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	321,836	354,294
Net assets attributable to unitholders - US\$	401,376	421,144
Net asset value per unit - US\$	1.2471	1.1887

	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	185,016	187,315
Net assets attributable to unitholders - US\$	240,603	257,835
Net asset value per unit - US\$	1.3004	1.3765

	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	15,667,311	16,769,373
Net assets attributable to unitholders - US\$	10,654,010	11,412,615
Net asset value per unit - US\$	0.6800	0.6806

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	1.1908	1.1331

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

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

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

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>

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

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^	-*	-*
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^	-*	-*
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^	-*	-*
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 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>1.467</u>	<u>1.393</u>

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

7. Units in issue (continued)

Singapore Dividend Equity Fund (continued)

	2023 S\$	2022 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 S\$	2022 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 S\$	2022 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 S\$	2022 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 [^]	(0.001)	-*
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.

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

8. Distributions

Nikko AM Global Dividend Equity Fund

	2023 US\$	2022 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	-

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

8. Distribution (continued)

Nikko AM Global Dividend Equity Fund (continued)

	2023 US\$	2022 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

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

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	-

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

8. Distribution (continued)

Singapore Dividend Equity Fund (continued)

	2023 S\$	2022 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
For the financial year ended 31 December 2023

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.

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

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

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

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.

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

9. Financial risk management (continued)

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

Nikko AM Multi Sector Credit Fund

As at 31 December 2023

	<u>Floating rate</u>		<u>Fixed rate</u>		<u>Non-interest bearing</u>	Total
	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

	<u>Floating rate</u>		<u>Fixed rate</u>		<u>Non-interest bearing</u>	Total
	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.

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

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>
		Up to 1 year	1-5 years	Over 5 years		
	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>
		Up to 1 year	1-5 years	Over 5 years		
	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.

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

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	

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

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.

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

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

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***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*(Constituted under a Trust Deed registered in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***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.

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

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 31 December 2023 US\$	As at 31 December 2022 US\$	As at 31 December 2023 S\$	As at 31 December 2022 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

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

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.

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

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

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

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.

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

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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

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

Assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
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

Assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
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

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

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

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

9. Financial risk management (continued)

(g) Fair value estimation (continued)

Singapore Dividend Equity Fund (continued)

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
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
	<u>507,693,319</u>	<u>-</u>	<u>-</u>	<u>507,693,319</u>

Horizon Singapore Fixed Income Enhanced 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	13,199,492	5,375,561	-	18,575,053

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Portfolio of investments:				
- Quoted fixed income securities	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.

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

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	2022	2023	2022
	US\$	US\$	S\$	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	2022	2023	2022
	S\$	S\$	S\$	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

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

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

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

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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

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

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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

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

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

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.

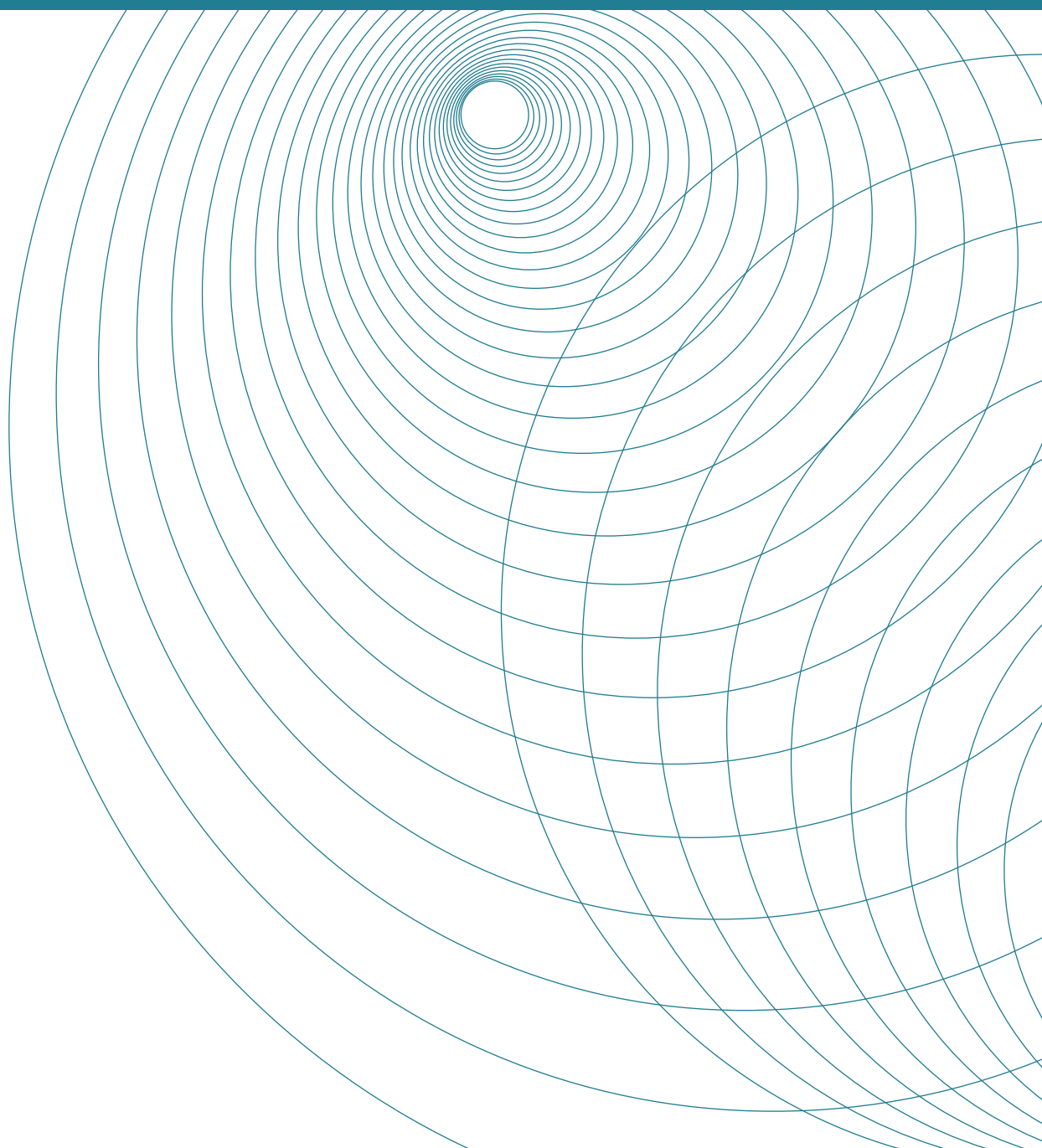
Intentionally left blank.

Intentionally left blank.

SEMI-ANNUAL REPORT

Nikko AM Shenton Horizon Investment Funds

Financial period ending 30 June 2023



MANAGERS

Nikko Asset Management Asia Limited
12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Company Registration No. 198202562H

DIRECTORS OF THE MANAGERS

Kiyotaka Ryu
Seet Oon Hui Eleanor

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12,
Singapore 018936

CUSTODIAN

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

This report is also available on our website (www.nikkoam.com.sg)

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	3.75	4.87	2.92	-3.48	-0.08	1.13	1.85
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	0.00	0.59	3.52	7.18	3.38	5.01	1.79
Horizon Singapore Fixed Income Enhanced Fund	0.77	2.23	3.31	-1.47	1.28	1.52	1.88
Markit iBoxx ALBI Singapore Government Bond Index	0.57	1.35	4.32	-2.51	1.51	1.80	2.25
Singapore Dividend Equity Fund - SGD Class	1.75	3.61	4.66	9.12	3.40	3.91	4.01

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 30 June 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	-1.44	-0.37	-2.22	-5.12	-1.10	0.61	1.63
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	-5.00	-4.44	-1.66	5.36	2.32	4.47	1.57
Horizon Singapore Fixed Income Enhanced Fund	-4.26	-2.89	-1.86	-3.14	0.24	1.00	1.66
Markit iBoxx ALBI Singapore Government Bond Index	0.57	1.35	4.32	-2.51	1.51	1.80	2.25
Singapore Dividend Equity Fund - SGD Class	-3.34	-1.57	-0.58	7.27	2.34	3.37	3.79

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 30 June 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	0.50	1.18	5.07	7.89	4.08	4.98	3.14
Singapore Dividend Equity Fund - USD Class	-0.10	2.61	7.51	10.22	3.54	3.23	5.16

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-4.52	-3.88	-0.19	6.06	3.02	4.44	2.92
Singapore Dividend Equity Fund - USD Class	-5.09	-2.52	2.14	8.35	2.49	2.70	4.93

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	5.75	8.74	13.89	13.43	6.57	N/A	8.14

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	0.46	3.30	8.19	11.51	5.49	N/A	7.38

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	0.03	0.76	3.78	7.25	3.41	N/A	3.81

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-4.97	-4.28	-1.41	5.44	2.35	N/A	3.24

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-0.14	-0.05	2.87	8.82	4.42	N/A	4.28

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-5.13	-5.05	-2.27	6.98	3.35	N/A	3.70

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	1.66	3.80	N/A	N/A	N/A	N/A	3.90

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-3.42	-1.39	N/A	N/A	N/A	N/A	-1.30

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	0.00	2.69	N/A	N/A	N/A	N/A	6.70

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	-5.00	-2.44	N/A	N/A	N/A	N/A	1.36

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	5.75	8.93	N/A	N/A	N/A	N/A	12.20

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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	0.46	3.49	N/A	N/A	N/A	N/A	6.59

Source: Nikko Asset Management Asia Limited, returns as at 30 June 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 20 February 2012, Horizon Singapore Equity Fund has been renamed Singapore Dividend Equity Fund.
- (3) With effect from 16 December 2013, Horizon Global Equity Fund was reshaped to Nikko AM Global Dividend Equity Fund.
- (4) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.
- (5) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
- (6) 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.
- (7) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
- (8) With effect from 1 December 2016, the appointment of Kleinwort Benson Investors Dublin Ltd (“Kleinwort Benson”) as the sub-managers for the Nikko AM Global Dividend Equity Fund was terminated and Nikko Asset Management Europe Ltd (“NAM Europe”) has been appointed as the sub-managers for the Nikko AM Global Dividend Equity Fund.
- (9) With effect from 31 March 2022, the fund name has been changed from “Horizon Global Bond Fund (S\$ Hedged)” to “Nikko AM Multi Sector Credit Fund”. The existing SGD Class and USD Class of the Fund has been re-designated to “SGD (Acc) Class” and “USD Hedged (Acc) Class” respectively.

With effect from 31 March 2022, the benchmark for Nikko AM Multi Sector Credit Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. 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.

With effect from 1 December 2016, the benchmark for the Nikko AM Global Dividend Equity Fund (i.e. MSCI All Country World Index, USD base) has been removed and there will be 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. Prior to 16 December 2013, the reference benchmark was a composite 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.

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. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

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. Prior to 1 July 2001, the benchmark was DBS 50 Index.

With effect from 31 March 2022, the Fund 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. 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. Carne was incorporated on 10 November 2003 under the laws of Ireland as a limited liability company and has been managing collective investment schemes or discretionary funds worldwide since 2004. The financial supervisory authority of Carne is the Central Bank of Ireland. The Horizon Global Bond Fund (S\$ Hedged) invests all or substantially all of its assets in the shares of the Underlying Fund, a sub-fund within the RIC.

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.

Nikko AM Global Dividend Equity Fund

Portfolio Review

Fund returned +0.59% in SGD hedged terms in first half of 2023 (1H23)

For the six-month period ended 30 June 2023, the Nikko AM Global Dividend Equity Fund (the "Fund") posted a return of +0.59% (in SGD hedged terms, on a NAV-NAV basis).

The main contributors to performance in 1H23 included Compass Group Plc, Schneider Electric SE Koninklijke Philips NV, Microsoft Corporation and Encompass Health Corporation. Compass Group continued to perform very strongly following better-than-expected financial results in May. Organic revenue growth came in at almost 25% as the contract catering business continued its recovery from the disruption caused by COVID-19.

Importantly, margins were also better than expected, illustrating the company's ability to cope with high food price inflation. Schneider Electric outperformed after posting strong first quarter (1Q) financial results and lifting its profit guidance for the year. Management also noted that order run rates were actually improving through the quarter and that its order backlog at the end of March increased over the December 2022 levels. Ahead of the update, investors had been more concerned about a potential slowdown in growth, if problems in US regional banks fed into slower construction activity and as China's economy continued to struggle. Koninklijke Philips shares continued their recovery in 2Q, following an encouraging set of quarterly results. The company delivered double-digit earnings before interest and taxes or EBIT margin and double-digit growth in Diagnosis & Treatment, countering investor concerns that Philips was losing share in all business units. Additionally, some of the uncertainty regarding financial damages related to the CPAP product recall has now been removed, and the company confirmed that any cash payments will be mostly covered by insurance. Microsoft Corporation shares climbed following better-than-expected quarterly results, delivering strong performance in both Cloud and Professional businesses. Management sounded confident about the outlook on the earnings call and demand for artificial intelligence (AI) infrastructure is already proving to be a growth tailwind. Encompass Health Corporation shares climbed sharply in April after the US Government Agency responsible for healthcare reimbursement (CMS) confirmed that it was not going to pursue reforms that would have curtailed the allowable length of stay at Encompass's Inpatient Rehabilitation Facilities. The fear of this potential reform had seen the stock underperform earlier in the year, despite robust trading conditions.

Conversely, Pfizer Inc, Neste Corporation, TechnoPro Holdings, Inc Schlumberger and Emerson Electric Co were among the key detractors from performance in 1H23. Pfizer has underperformed this year, partly due to the fact that Big Cap Pharma as a subsector has failed to keep up with the market (with investor preferring IT and other, more cyclical sectors). On a more stock specific basis, the stock has also struggled as sales of its products used to treat COVID-19 (including Paxlovid) have fallen off more quickly than expected, and this shortfall in revenue has not been compensated for by the performance of the company's other drugs. Neste Corporation underperformed after Sweden reduced its commitment towards renewable fuel consumption. The country is a major global buyer of renewable diesel (which is a profitable product for Neste). With lower global demand for the product (in the short term, at least), this could lead to lower profits for Neste. TechnoPro Holdings fell after announcing a slight drop in the monthly utilisation of its engineering workforce. The fall was very moderate, however, and attributable to the company's decision to keep hiring graduates and less experienced engineers. Although these hires require training and drag on short-term utilisation, they will help drive faster growth once fully trained. Energy stocks have underperformed this year after their exceptionally strong performance in 2022 and with mean reversion taking place in equity markets. Fears over the demand impact of a marked slowdown in US economic activity in 2H23 (as a result of the combined impact of interest rate hikes and the stress in the regional banking sector) have not helped our holding in Schlumberger either. Emerson Electric failed to keep pace with markets after announcing a hostile approach for National Instruments. Although investors had been expecting mergers and acquisitions from the company (following disposals made last year), this was not necessarily the deal that markets were hoping for, with limited overlap with the existing Emerson business and the potential for an auction process to develop with other interested parties, driving the acquisition price higher.

Market Review

Global equity markets rebounded in 1H23

Equity markets around the world have enjoyed a strong first half, posting gains of almost 14% (in USD terms). More than half of this move higher has been attributable to the fear of missing out on the artificial intelligence (AI) revolution, which has seen the information technology (IT) sector consistently leading the market. The other half has come mostly from other cyclical sectors, as US economic data has cooled in a relatively controlled manner, fuelling hopes that the Federal Reserve (Fed) may yet engineer a soft landing in the world's biggest economy.

Investors have reacted positively to resilient economic data in the US. For now, at least, economic good news is being treated as such, rather than as a harbinger of further monetary tightening, which could lead to a drop off in economic activity in time. This future tightening has sounded ever more likely as we move towards the end of

the second quarter (2Q23), despite the Fed's pause in rate hikes in June, as policy committee members continued to sound relatively hawkish during the month.

Gauges of US consumer confidence came in comfortably ahead of economists' expectations towards the end of 2Q23. The resilience of the US labour market and the continued drop off in inflation are clearly making US consumers feel better about life at present. Better-than-expected retail sales (excluding autos and gas) and home sales both evidenced this positivity.

Having cooled somewhat earlier in the year, US bond yields have risen again recently, with the yield on the much-watched 10-year Treasury bond closing June back up at 3.8%. Credit spreads, however, have remained under control, and this has mattered more for sentiment in the market. The USD has also had a relatively quiet month, not appreciating much, against the currencies of its major trading partners.

This is despite the economic picture continuing to look less encouraging in other parts of the world. China has continued to deliver weaker-than-expected economic performance, and expectations (or hopes) for material economic stimulus from the Central Government have yet to be delivered. It is difficult to see how consumer confidence in the country will be quickly restored without this, after the real estate market policy tightening last year, especially with so much of the country's wealth closely tied to developments in this part of the economy.

Recent developments in Europe have not been particularly positive either. Germany's IFO Business Expectations survey have come in weaker than expected so far this year as have the country's factory orders and retail sales. Economic performance in France continues to look better than the Eurozone's other big economy but is not strong enough to offset the weakness in its larger neighbour.

As noted above, IT has been the standout performer this year. The sector was already performing well before Nvidia posted exceptionally strong numbers at the end of May, adding fresh impetus to building excitement about the potential returns from AI. The renaissance of many of the last decade's leaders was also evident in the improved performance of consumer discretionary index heavyweights, such as Tesla and Amazon, as well as the digital advertising industry (most notably Google and Meta). Defensive sectors have all underperformed, with utilities, consumer staples and healthcare all failing to keep pace with the market. Commodity sectors (energy and materials) also underperformed, on concerns over economic growth in China.

The economic performance noted above was broadly reflected in regional equity market performance, with the US leading the way and GEM Asia underperforming. Japan also marginally underperformed over 1H23, driven by profit taking in June after a strong start to the year.

Market Outlook and Strategy

Aiming to turn opportunities into better performance

Whilst the second quarter of 2023 has seen our portfolios deliver returns close to the benchmark, it has not felt much more comfortable than the first quarter (1Q), where the portfolio substantially underperformed. Many of the themes that shaped 1Q have persisted, notably the perceived relative defensiveness of Big Tech and the fear of missing out on the boom in spending on artificial intelligence (AI).

Whilst you could be forgiven for thinking that AI only came into existence this year, research started in this area in the 1950s. The proverb "honesty is the best policy" was first used somewhat earlier, in the seventeenth century. We have always valued honesty and transparency in our relationships with our clients, and this is more important than ever during periods of challenging performance, such as the one that we are enduring at present. It is little comfort to us that we have faced relatively few difficult performance spells over the 12 years that the team has been investing together.

Rather than blaming bad luck or clinging blindly to the belief that the market is wrong, and we are right, we have continued to have a self-critical review of what we could (or should) have done differently year to date.

It's not as if we haven't made mistakes before. We have; it's just that the consequences of our mistakes have been unusually severe this year. Part of this is due to the sheer size of the companies that we haven't owned. More than two thirds of the index gains delivered this year have come from just seven companies. If you have not owned enough of these seven, it has been much more difficult to outperform the benchmark.

We are in no way happy with the performance that we are delivering at present, but we would be more worried if we weren't asking the right questions to ourselves. As a team, we are just not getting all the answers right at the moment. To use a football (soccer) analogy, it feels like we are like a centre forward who is continually getting into the right place on the pitch to score a goal but misses when shooting.

For instance, we have considered in the past whether Apple could come to be viewed as more of a consumer staple, given the relative maturity of many of its products and ubiquity within our day-to-day lives. This analysis could now be extended across some other tech titans, where sales growth is slowing but cash generation is underpinned by their historical successes and market position. Similarly, we did consider what might happen if Nvidia were to grow more quickly than the market expected, and its cost base proved relatively fixed (as has been the case so successfully in the case of our investment in Microsoft Corporation). In each case, we concluded that these potential outcomes were already largely captured by the existing valuation.

Whilst we are regretful for the performance consequences of these decisions, we are not feeling sorry for ourselves. Instead, we are continually re-reviewing our research models to see where something may have changed and is not reflected in a company's valuation, in either a positive or a negative fashion. Recent portfolio activity has been shaped by this discipline. We are not being blindly drawn towards the light created by the buzz of AI, like a suicidal moth. We have, however, added to somewhat related areas, where we are confident that AI (and other, related structural shifts) will underpin stronger-than-expected long-term demand and where our companies' market positions are exceptionally strong.

We have funded these additions to the portfolio by exiting positions where we have become concerned that the expected increase in cash return on investment has been delayed significantly. This can be because of management errors (as is the case at AdaptHealth Corporation) or because of developments beyond management's control. Management of Carlisle Companies Incorporated were likely no better placed than anyone else to predict the developments at Silicon Valley Bank, but the repercussions of those events will have a significant impact upon non-residential construction activity in the US for some time, and we are not convinced that we have seen the last of the pain in US regional banks.

In conclusion, the first half of 2023 has been as difficult a period for our strategy as we have seen, having invested together for more than a decade. Success stories like Tenet Healthcare Corporation and our holdings in the travel sector have been nowhere near enough to offset the twin impact of being on the wrong side of some index heavyweights and a couple of stock specific issues.

To return to the football analogy above, we are not going to blame the condition of the pitch (or unusually high concentration of equity market returns) for our problems but will focus instead on playing our own game as well as we possibly can. We remain confident that our Future Quality philosophy and our investment process will keep creating opportunities for us to perform, and history suggests that we will soon start to turn these opportunities into better performance for our clients.

Singapore Dividend Equity Fund

Portfolio Review

Fund rose by 3.61% in SGD terms in 1H23

For the six-month period ended 30 June 2023 (1H23), the Nikko AM Singapore Dividend Equity Fund (the "Fund") returned 3.61% (in SGD terms, on a NAV-NAV basis). The Fund's holdings in Sembcorp Industries, Keppel Corporation and Jardine Cycle & Carriage were key contributors to returns over the period, while holdings in United Overseas Bank, Thai Beverage and Venture Corporation were among the key detractors.

Market Review

The Straits Times Index (STI) rose 1.16% in 1H23

Singapore stocks, as measured by the STI, wrapped up 1H23 with a 1.16% gain on a total return basis in SGD terms. Global markets powered through a host of concerns including the banking meltdown in the US and Europe, the US debt ceiling drama and geopolitical uncertainty. Investors continued to keep tabs on the US Federal Reserve's (Fed) interest rate hiking cycle, which eventually saw the Fed forgo a rate increase in June. In Singapore, inflation edged down over the period but remained elevated, while the Monetary Authority of Singapore kept its monetary policy settings unchanged in April. High-frequency growth data printed weak over 1H23, with exports and manufacturing output showing no signs of picking up yet.

Market Outlook and Strategy

Remain convinced of our bottom-up driven strategy and continue to like "New Singapore" stocks

The Singapore economy continues to undergo a period of slower growth, with industrial production continuing to shrink along with manufacturing activity. Tourist arrivals continue to recover, to around 70% of pre-COVID levels as at April–May 2023, supporting retail and F&B sales. However, this was moderated by a concurrent recovery in outbound tourism as well. We expect further recovery in inbound tourism, driven by rising seat capacity for flights from China.

We see Singapore's economic growth bottoming out in the second half of 2023, with a nascent recovery potentially taking shape in the technology sector. We continue to monitor new trends like AI, which drives demand for high-end processors and memory chips, as well as network bandwidth. We now think that GDP growth could come in at about 1% for 2023, slightly dampened from our previous view.

In an environment of dampened growth, we remain convinced of our bottom-up driven strategy, which emphasises quality franchises, strong sustainable returns and positive fundamental change. We continue to like "New Singapore" stocks in areas such as renewable energy, technology, data, healthcare, food and logistics, which represent the future economy of Singapore.

Including recent additions, the portfolio now features a number of beneficiaries of energy transition among its key overweights, including renewable power producers and providers of engineering solutions for renewable energy. Beneficiaries of corporate restructuring and the continued recovery in tourism also feature prominently.

Horizon Singapore Fixed Income Enhanced Fund

Portfolio Review

Fund outperformed the benchmark in 1H23

The Horizon Singapore Fixed Income Enhanced Fund (the “Fund”) posted a return of 2.23% (in SGD terms, on a NAV-NAV basis) in the first six months of 2023, outperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned 1.35% (SGD terms) during the period. Contribution from carry, spread, income, duration and selection effect were all positive, offset partly by a marginally negative contribution from allocation effect.

Market Review

The Singapore Government Securities (SGS) yield curve flattened in 1H23

US Treasuries (USTs) experienced a volatile period in the first six months of the year. The Fed continued tightening monetary policy, hiking the Federal Funds Rate by a total of 75 basis points (bps) during the period. UST yields initially trended higher after a strong January jobs report, and a slower-than-expected pace of disinflation in the US stoked worries that the Fed could maintain its restrictive monetary policy for longer than initially expected. The swift collapse of Silicon Valley Bank (SVB) in early March prompted an abrupt drop in UST yields. As investors scoured for signs of contagion in the global banking industry, shares and bonds of global banks, including Credit Suisse (CS), plunged. To avert a sudden and disorderly collapse of the Swiss lender, the Swiss government raced to broker a takeover of CS by UBS. The complete write-down of CS’ Additional Tier 1 (AT1s) bonds initially triggered an outsized negative reaction in the financial community. A semblance of calm was subsequently restored in markets, following assurances by major banking regulators that AT1 securities are placed above common equity instruments in their jurisdictions. Separately, US policymakers moved to reassure markets worried over uninsured bank deposits. Towards end-March, news that First Citizens Bank agreed to acquire SVB’s assets eased stress across markets.

UST yields stayed largely range-bound from April to mid-May. Developments on US debt ceiling negotiations were at the forefront of investor attention during this time, with yields rising as US debt ceiling negotiations moved closer to an agreement. The US central bank kept interest rates unchanged in June but communicated it was retaining a tightening bias. In particular, the central bank signalled that two more increases are likely this year as inflation remains elevated. Although the pause was widely anticipated, the upward revision to the terminal rate estimate was largely unexpected. Besides the Fed, other major global central banks including the Bank of England, Bank of Canada and European Central Bank—all of which delivered rate hikes—were likewise hawkish. Meanwhile, key US economic data released towards the end of the period remained largely above the Fed’s comfort zone. First-quarter GDP growth was revised higher, May nonfarm payrolls increased by a bigger-than-expected 339,000, and May core CPI remained sticky. Overall, the benchmark 2-year UST yield ended the period at 4.90%, up 47 bps, while the benchmark 10-year UST yield was at 3.84%, down by about 4 bps compared to end-December 2022.

In Singapore, the Monetary Authority of Singapore (MAS) left its FX policy unchanged in April— its first time to do so in two years. In its annual review released in July 2023, the MAS said inflation has been on a “broad moderating path.” It lowered its headline inflation forecast for 2023 to between 4.5% to 5.5% (from 5.5% to 6.5%). Meanwhile, the MAS maintained its core inflation forecast unchanged, projecting core CPI to average between 3.5–4.5% in the year. On growth, MAS Managing Director Ravi Menon said that near-term growth will “remain weak”, and that “a material slowdown in global economic activity in the later part of this year looks increasingly likely.”

Price pressures in Singapore moderated but remained high over the period. Core inflation eased to 4.7% on a year-on-year (YoY) basis in May, down from 5.0% in April, prompted mainly by falling inflation for services and food. Overall inflation rose 5.1% YoY in May, lower than the 5.7% increase in the previous month, reflecting lower core inflation as well as a fall in private transport inflation. According to policymakers, core inflation is

seen to moderate further in the latter half of 2023, on the back of lower imported costs and as tightness in the domestic labour market ease.

Singapore recorded first-quarter GDP growth of 0.40% YoY, with the Ministry of Trade and Industry noting that the “electronics downcycle is likely to be deeper and more prolonged than earlier projected.” Meanwhile, high-frequency data continued to print weak over the period. Non-oil domestic exports (NODX) contracted for the eighth straight month in May, shrinking by a bigger-than-expected 14.7% YoY, from a 9.8% drop in April. This prompted policymakers to downgrade their projection for NODX growth to fall 8–10% this year from an earlier forecast of between zero growth and a contraction of 2%. Manufacturing output similarly undershot expectations, decreasing by 10.8% YoY in May, from an upwardly revised 6.5% drop in the prior month. This also marked the eighth straight month of contraction and was driven mainly by weakness in electronics output. Meanwhile, the purchasing managers’ index eased 0.2 points in May to 49.5, remaining in contraction territory.

SGS underperformed most of their UST counterparts over the period. Softer SGS demand was prompted in part by increasing expectations that the MAS is set to leave its FX policy unchanged for the remainder of the year. That said, favourable supply technical together with pessimism about Singapore’s growth outlook provided some offset. At the end of the quarter, the benchmark 2-year and 10-year SGS yields were at 3.58% and 3.06% respectively, 48bps higher and about 2bps lower compared to end-December 2022. Government securities underperformed non-government bonds, with the Markit iBoxx ALBI Singapore Govt TRI Index gaining 1.35%, compared to gains of 3.92% for the Markit iBoxx ALBI Singapore Non-Govt TRI Index.

Market Outlook and Strategy

SGS yields moved higher in June 2023 and more inverted alongside global bonds as a string of European rate hikes, a “hawkish pause” from the Federal Open Market Committee, and heavy supply post suspension of the US debt ceiling overshadowed some signs of moderating global inflation. 10-year SGS underperformed toward the end of the period as the auction towards end-June 2023 was not well-received. Nevertheless, we see the 10-year part of the curve as attractive and see 3% as a good level to add to duration. With no additional 10-year SGS supply going into year-end, near-term technicals are likely to be supportive. Overall, we remain positive on Singapore government bonds in the medium term and expect rates to stabilise as the Fed approaches the end of its hiking cycle amid an economic slowdown. We continue to view SGD corporate bonds favourably as Singapore corporate fundamentals will remain robust enough to prevent meaningful credit spread widening. The attractiveness of Singapore as a safe haven will continue to support demand for SGD-denominated assets.

The USD/SGD exchange rate ended June 2023 at 1.3524 versus 1.3516 at end-May. The SGD nominal effective exchange rate ended the period at 158 bps above the mid-point, increasing from 137 bps at the start of June, as SGD remained more resilient versus the basket of currencies. USD/SGD is more likely to be driven by US dollar strength in the near term, as the market gradually prices in an increased probability of an upcoming Fed rate hike in July 2023. Thus, we revise our SGD view to slightly underweight on a tactical basis against the US dollar.

Nikko AM Multi Sector Credit Fund

Portfolio Review

Fund generates returns of 4.87% in 1H23

The Nikko AM Multi Sector Credit Fund (the “Fund”) posted a return of 4.87% (in SGD terms, on a NAV-NAV basis) for the six months ended 30 June 2023.

We increased risk over the reporting period while continuing to keep the fund duration low. Healthcare as well as service were the top performing sectors while collateralised loan obligations (CLO) also had a significant positive contribution to the fund performance.

Market Review

The global credit market was driven in recent months by the movement in interest rates. As inflation rates did not decline as quickly as expected and central banks remained longer restrictive with their monetary policies as initially expected. Nevertheless, credit assets were able to perform positively as demand for spread products continued to be strong. Even as economic growth was mixed, fundamental data for most corporate bond issuers remains strong. The US banking crisis did not have too much of an impact on corporate bonds.

Market Outlook and Strategy

We expect the positive performance trend from the first half of the year to continue in the coming months. The Fund will benefit from inverse yield curves as we are mostly invested in short-dated bonds and floating-rate notes. In addition, credit spreads should support the fund performance as rates volatility will continue to decline. We expect credit fundamentals to remain stable even as we might see a slowdown in economic growth. Furthermore, we also expect the fundamentals of our CLO holdings to be resilient over the coming month. Our top sector pick for the near future remains banks, given its stable profitability as well as capital base.

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.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

(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)

STATEMENTS OF TOTAL RETURN

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	US\$	US\$	S\$	S\$
Income				
Dividends	941,457	877,463	-	-
Interest on cash and cash equivalents	13,024	845	6,833	282
Other Income	-	-	3	203
	954,481	878,308	6,836	485
Less: Expenses				
Management fee	387,248	420,956	108,618	121,926
Management fee rebate	-	-	-	(30,842)
Transfer agent fee	18,255	14,812	9,183	9,205
Trustee fee	8,174	8,805	2,737	3,097
Custody fee	3,814	3,523	1,050	800
Audit fee	5,541	4,953	4,671	4,378
Valuation fee	12,982	13,861	4,347	4,874
Transaction costs	12,437	23,750	3,859	7,750
Other expenses	13,194	(2,044)	5,025	49,612
	461,645	488,616	139,490	170,800
Net income/(losses)	492,836	389,692	(132,654)	(170,315)
Net gains or losses on value of investments and financial derivatives				
Net gains/(losses) on investments	283,889	(9,601,771)	955,432	(2,668,957)
Net foreign exchange (losses)/gain	(16,974)	(39,655)	7,473	(83,899)
Net (losses)/gain on financial derivatives	(699,239)	(1,824,297)	20	230,618
	(432,324)	(11,465,723)	962,925	(2,522,238)
Total return/(deficit) for the financial period before income tax	60,512	(11,076,031)	830,271	(2,692,553)
Less: Income tax	(174,378)	(185,984)	-	432
Total (deficit)/return for the financial period after income tax	(113,866)	(11,262,015)	830,271	(2,692,121)

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

STATEMENTS OF TOTAL RETURN

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	S\$	S\$	S\$	S\$
Income				
Dividends	15,069,470	9,795,326	-	-
Interest on cash and cash equivalents	449,151	9,876	7,998	557
Other Income	-	-	-	2,500
	15,518,621	9,805,202	7,998	3,057
Less: Expenses				
Management fee	3,497,495	2,845,133	99,475	113,822
Management fee rebate	(321)	(576)	-	-
Transfer agent fee	93,908	61,116	8,649	8,399
Trustee fee	88,196	72,393	3,136	3,612
Custody fee	57,511	42,035	1,793	1,851
Audit fee	10,914	10,621	4,879	4,584
Valuation fee	140,886	121,447	4,974	5,687
Transaction costs	496,015	355,705	3,302	3,994
Other expenses	159,845	66,136	4,954	2,421
	4,544,449	3,574,010	131,162	144,370
Net income/(losses)	10,974,172	6,231,192	(123,164)	(141,313)
Net gains or losses on value of investments				
Net gains/(losses) on investments	9,645,039	555,964	474,175	(1,386,892)
Net foreign exchange losses	(107,216)	(119,556)	-	-
	9,537,823	436,408	474,175	(1,386,892)
Total return/(deficit) for the financial period before income tax	20,511,995	6,667,600	351,011	(1,528,205)
Less: Income tax	(175,287)	(155,540)	-	-
Total return/(deficit) for the financial period after income tax	20,336,708	6,512,060	351,011	(1,528,205)

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2023 (unaudited)

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	US\$	US\$	S\$	S\$
ASSETS				
Portfolio of investments	50,325,715	51,732,613	17,680,338	17,126,265
Receivables	96,541	109,502	375	9,347
Cash and cash equivalents	298,665	1,535,421	357,966	163,677
Financial derivatives at fair value	-	180,093	-	-
Total assets	50,720,921	53,557,629	18,038,679	17,299,289
LIABILITIES				
Payables	291,006	285,881	73,030	75,491
Distribution payable	47,186	49,773	-	-
Financial derivatives at fair value	472,766	-	-	-
Total liabilities	810,958	335,654	73,030	75,491
EQUITY				
Net assets attributable to unitholders	49,909,963	53,221,975	17,965,649	17,223,798

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	S\$	S\$	S\$	S\$
ASSETS				
Portfolio of investments	572,863,360	507,693,319	19,104,454	21,477,630
Receivables	7,874,180	2,136,513	29,286	27,599
Cash and cash equivalents	34,630,813	26,265,615	100,753	499,255
Total assets	615,368,353	536,095,447	19,234,493	22,004,484
LIABILITIES				
Payables	3,796,624	4,199,945	70,306	77,645
Purchases awaiting settlement	-	-	6,237	-
Distribution payable	2,561,447	2,237,268	-	-
Total liabilities	6,358,071	6,437,213	76,543	77,645
EQUITY				
Net assets attributable to unitholders	609,010,282	529,658,234	19,157,950	21,926,839

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 period from 01 January 2023 to 30 June 2023 (unaudited)

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	US\$	US\$	S\$	S\$
Net assets attributable to unitholders at the beginning of the financial period/year	53,221,975	60,718,621	17,223,798	22,166,213
Operations				
Change in net assets attributable to unitholders resulting from operations	(113,866)	(7,867,311)	830,271	(3,014,174)
Unitholders' contributions/ (withdrawals)				
Creation of units	953,452	7,603,608	163,727	693,634
Cancellation of units	(3,861,782)	(6,480,776)	(252,147)	(2,621,875)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(2,908,330)	1,122,832	(88,420)	(1,928,241)
Distributions	(289,816)	(752,167)	-	-
Total increases/(decreases) in net assets attributable to unitholders	(3,312,012)	(7,496,646)	741,851	(4,942,415)
Net assets attributable to unitholders at the end of the financial period/year	49,909,963	53,221,975	17,965,649	17,223,798

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 period from 01 January 2023 to 30 June 2023 (unaudited)

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	S\$	S\$	S\$	S\$
Net assets attributable to unitholders at the beginning of the financial period/year	529,658,234	425,250,092	21,926,839	24,521,044
Operations				
Change in net assets attributable to unitholders resulting from operations	20,336,708	10,911,733	351,011	(1,298,842)
Unitholders' contributions/ (withdrawals)				
Creation of units	135,563,428	232,701,021	2,246,996	322,488
Cancellation of units	(62,344,011)	(114,924,076)	(5,366,896)	(1,617,851)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	73,219,417	117,776,945	(3,119,900)	(1,295,363)
Distributions	(14,204,077)	(24,280,536)	-	-
Total increases/(decreases) in net assets attributable to unitholders	79,352,048	104,408,142	(2,768,889)	(2,594,205)
Net assets attributable to unitholders at the end of the financial period/year	609,010,282	529,658,234	19,157,950	21,926,839

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Global Dividend Equity Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities			
AUSTRALIA			
Macquarie Group Limited	8,307	982,159	1.97
Worley Limited	194,741	2,046,847	4.10
Total AUSTRALIA		3,029,006	6.07
BRITAIN			
AstraZeneca Public Listed Company	7,937	1,137,818	2.28
Compass Group Public Listed Company	65,323	1,828,710	3.66
Diageo Public Listed Company	39,891	1,713,660	3.43
Linde Public Listed Company	3,889	1,480,387	2.97
Total BRITAIN		6,160,575	12.34
CANADA			
Intact Financial Corporation	9,225	1,425,911	2.86
Total CANADA		1,425,911	2.86
FINLAND			
Neste OYJ	22,978	885,187	1.77
Total FINLAND		885,187	1.77
FRANCE			
Air Liquide SA	6,889	1,234,111	2.47
Schneider Electric SE	9,089	1,650,634	3.31
Total FRANCE		2,884,745	5.78
GERMANY			
Deutsche Telekom AG	38,116	831,026	1.66
Siemens Healthineers AG	17,260	977,688	1.96
Total GERMANY		1,808,714	3.62
HONG KONG SAR			
AIA Group Limited	129,400	1,306,125	2.62
Total HONG KONG SAR		1,306,125	2.62
INDONESIA			
Bank Mandiri Persero Tbk PT	3,882,700	1,346,676	2.70
Total INDONESIA		1,346,676	2.70
IRELAND			
Accenture Public Listed Company	4,501	1,387,793	2.78
Total IRELAND		1,387,793	2.78
JAPAN			
Technopro Holdings Incorporated	31,300	671,975	1.35
Total JAPAN		671,975	1.35
LUXEMBOURG			
Tenaris SA	45,733	684,306	1.37
Total LUXEMBOURG		684,306	1.37

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Equities (continued)			
NETHERLANDS			
Euronext NV	14,150	961,766	1.93
Koninklijke Philips NV	33,319	720,041	1.44
Total NETHERLANDS		1,681,807	3.37
SINGAPORE			
DBS Group Holdings Limited	77,600	1,806,763	3.62
Total SINGAPORE		1,806,763	3.62
SWEDEN			
Assa Abloy AB	35,673	856,707	1.72
Total SWEDEN		856,707	1.72
SWITZERLAND			
Nestle SA	21,686	2,608,221	5.23
Roche Holding AG	5,937	1,815,002	3.63
Total SWITZERLAND		4,423,223	8.86
TAIWAN			
Taiwan Semiconductor Manufacturing Company Limited	79,000	1,461,061	2.93
Total TAIWAN		1,461,061	2.93
UNITED STATES OF AMERICA			
Abbott Laboratories	10,010	1,091,090	2.19
AbbVie Incorporated	14,135	1,903,560	3.81
Baker Hughes Company	34,151	1,079,513	2.16
Coca-Cola Company	45,587	2,745,249	5.50
Deere & Company	1,660	672,300	1.35
Encompass Health Corporation	11,909	806,358	1.62
Genuine Parts Company	6,068	1,026,584	2.06
Microsoft Corporation	2,126	723,457	1.45
Pfizer Incorporated	37,809	1,386,834	2.78
Philip Morris International Incorporated	16,285	1,589,742	3.18
The Progressive Corporation	8,649	1,144,868	2.29
Schlumberger Limited	24,416	1,199,314	2.40
Texas Instruments Incorporated	5,400	972,108	1.95
Total UNITED STATES OF AMERICA		16,340,977	32.74
Total Quoted Equities		48,161,551	96.50

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Real Estate Investment Trusts			
SPAIN			
Merlin Properties Socimi SA	114,613	980,336	1.96
Total SPAIN		980,336	1.96
UNITED STATES OF AMERICA			
NNN REIT Incorporated	27,666	1,183,828	2.37
Total UNITED STATES OF AMERICA		1,183,828	2.37
Total Quoted Real Estate Investment Trusts		2,164,164	4.33
Portfolio of investments		50,325,715	100.83
Other net liabilities		(415,752)	(0.83)
Net assets attributable to unitholders		49,909,963	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Global Dividend Equity Fund		
By Geography (Summary)	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities		
Australia	6.07	5.49
Britain	12.34	11.16
Canada	2.86	2.49
Finland	1.77	1.99
France	5.78	4.21
Germany	3.62	3.04
Hong Kong SAR	2.62	2.21
Indonesia	2.70	-
Ireland	2.78	1.60
Japan	1.35	1.57
Luxembourg	1.37	-
Netherlands	3.37	2.63
Singapore	3.62	3.69
Sweden	1.72	1.44
Switzerland	8.86	8.22
Taiwan	2.93	2.17
United States of America	32.74	37.41
Total Quoted Equities	96.50	89.32
Quoted Real Estate Investment Trusts		
Spain	1.96	2.44
United States of America	2.37	5.44
Total Quoted Real Estate Investment Trusts	4.33	7.88
Portfolio of investments	100.83	97.20
Other net (liabilities)/assets	(0.83)	2.80
Net assets attributable to unitholders	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Global Dividend Equity Fund			
By Industry (Secondary)	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Agriculture	1,589,742	3.18	3.10
Banks	4,135,598	8.29	5.45
Beverages	4,458,909	8.93	8.74
Chemicals	2,714,498	5.44	4.21
Commercial Services	671,975	1.35	5.29
Computers	1,387,793	2.78	1.60
Diversified Financial Services	961,766	1.93	1.96
Electrical Component & Equipment	1,650,634	3.31	5.75
Electronics	856,707	1.72	1.44
Engineering and Construction	2,046,847	4.10	-
Food	2,608,221	5.23	4.72
Food Service	1,828,710	3.66	3.47
Healthcare-Products	2,788,819	5.59	4.35
Healthcare-Services	806,358	1.62	1.34
Insurance	3,876,904	7.77	7.27
Machinery-Diversified	672,300	1.35	2.63
Metal Fabricate/Hardware	684,306	1.37	-
Oil and Gas	885,187	1.76	1.99
Oil and Gas Services	2,278,827	4.57	4.35
Pharmaceuticals	6,243,214	12.51	13.45
Real Estate Investment Trusts (REITS)	2,164,164	4.33	7.88
Retail	1,026,584	2.06	1.98
Semiconductors	2,433,169	4.87	3.84
Software	723,457	1.45	0.96
Telecommunications	831,026	1.66	1.43
Portfolio of investments	50,325,715	100.83	97.20
Other net (liabilities)/assets	(415,752)	(0.83)	2.80
Net assets attributable to unitholders	49,909,963	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Multi Sector Credit Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities			
BRITAIN			
Allwyn Entertainment Financing UK Public Listed Company 7.875% due 30/04/2029	200,000	275,847	1.53
Barclays Public Listed Company 8% due 31/12/2049	200,000	256,432	1.43
Bat International Finance Public Listed Company 3.95% due 15/06/2025	100,000	130,271	0.72
British Telecommunications Public Listed Company 8.375% due 20/12/2083	200,000	338,808	1.89
Total BRITAIN		1,001,358	5.57
BRITISH VIRGIN ISLANDS			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	270,444	1.51
Total BRITISH VIRGIN ISLANDS		270,444	1.51
CAYMAN ISLANDS			
Barings CLO Limited 2020-I 8.46029% due 15/10/2036	500,000	641,019	3.57
Greywolf CLO VI Limited 8.27803% due 26/04/2031	250,000	314,571	1.75
Madison Park Funding XXVII Limited 7.85043% due 20/04/2030	500,000	641,496	3.57
Neuberger Berman Loan Advisers CLO 26 Limited 7.91171% due 18/10/2030	500,000	642,990	3.58
Total CAYMAN ISLANDS		2,240,076	12.47
FINLAND			
SBB Treasury OYJ 0.75% due 14/12/2028	100,000	90,099	0.50
Total FINLAND		90,099	0.50
FRANCE			
Altice France SA 2.125% due 15/02/2025	200,000	271,676	1.51
AXA SA 3.375% due 06/07/2047	100,000	138,090	0.77
BNP Paribas SA 2.219% due 09/06/2026	200,000	250,425	1.39
Forvia 2.75% due 15/02/2027	100,000	133,935	0.75
Loxam SAS 2.875% due 15/04/2026	200,000	274,859	1.53
Total FRANCE		1,068,985	5.95
GERMANY			
Cheplapharm Arzneimittel GMBH 8.062% due 15/05/2030	100,000	148,623	0.83
CT Investment GMBH 5.5% due 15/04/2026	100,000	138,053	0.77
Deutsche Bank AG 4.625% due 31/12/2061	200,000	204,003	1.14
Gruenthal GMBH 4.125% due 15/05/2028	100,000	137,469	0.76
ZF Finance GMBH 5.75% due 03/08/2026	100,000	148,395	0.82
Total GERMANY		776,543	4.32
INDONESIA			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	264,410	1.47
Total INDONESIA		264,410	1.47

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities (continued)			
IRELAND			
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	266,333	1.48
Sculptor European CLO I DAC 6.675% due 18/04/2034	400,000	541,272	3.01
St Paul's CLO VIII DAC 5.627% due 17/07/2030	500,000	664,777	3.70
Tikehau CLO II BV 6.893% due 07/09/2035	500,000	665,311	3.70
Total IRELAND		2,137,693	11.89
ITALY			
Banca Monte dei Paschi di Siena S.p.A 6.75% due 02/03/2026	100,000	147,844	0.83
Kevlar S.p.A 6.5% due 01/09/2029	200,000	232,099	1.29
Telecom Italia S.P.A 6.875% due 15/02/2028	100,000	147,408	0.82
Total ITALY		527,351	2.94
JAPAN			
Rakuten Group Incorporation 10.25% due 30/11/2024	200,000	268,636	1.50
Total JAPAN		268,636	1.50
LUXEMBOURG			
Aroundtown SA 0% due 16/07/2026	100,000	113,250	0.63
Cirsa Finance International S.a.r.l 4.75% due 22/05/2025	100,000	145,622	0.81
Raizen Fuels Finance SA 5.3% due 20/01/2027	200,000	264,967	1.47
Telenet Finance Luxembourg Notes S.a.r.l 5.5% due 01/03/2028	200,000	250,541	1.40
Total LUXEMBOURG		774,380	4.31
NETHERLANDS			
Alcoa Nederland Holding BV 5.5% due 15/12/2027	200,000	262,053	1.46
Enel Finance International NV 6.8% due 14/10/2025	200,000	275,770	1.53
OCI NV 4.625% due 15/10/2025	200,000	258,188	1.44
Prosus NV 3.257% due 19/01/2027	200,000	245,356	1.37
Q-Park Holding I BV 2% due 01/03/2027	100,000	126,504	0.70
Telefonica Europe BV 4.375% due 31/12/2049	100,000	144,439	0.80
Teva Pharmaceutical Finance Netherlands III BV 7.875% due 15/09/2029	200,000	279,393	1.56
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	138,913	0.77
Total NETHERLANDS		1,730,616	9.63
POLAND			
mBank SA 0.966% due 21/09/2027	100,000	115,485	0.64
Total POLAND		115,485	0.64
SINGAPORE			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	253,232	1.41
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	256,527	1.43
Total SINGAPORE		509,759	2.84

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities (continued)			
SOUTH KOREA			
Kookmin Bank 4.5% due 01/02/2029	200,000	254,427	1.41
SK Hynix Incorporation 6.25% due 17/01/2026	200,000	270,559	1.51
Total SOUTH KOREA		524,986	2.92
SPAIN			
Abanca Corporacion Bancaria SA 5.25% due 14/09/2028	200,000	290,117	1.61
CaixaBank SA 5.25% due 31/12/2049	200,000	250,315	1.39
Grifols Escrow Issuer SA 3.875% due 15/10/2028	100,000	126,807	0.71
Total SPAIN		667,239	3.71
SWEDEN			
Intrum AB 3.5% due 15/07/2026	100,000	110,466	0.61
Verisure Holding AB 3.875% due 15/07/2026	200,000	277,840	1.55
Total SWEDEN		388,306	2.16
UNITED STATES OF AMERICA			
Abercrombie & Fitch Management Company 8.75% due 15/07/2025	100,000	137,506	0.77
American Tower Corporation 2.4% due 15/03/2025	70,000	89,239	0.50
CCO Holdings LLC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	63,086	0.35
Charter Communications Operating LLC / Charter Communications Operating Capital 4.908% due 23/07/2025	100,000	132,703	0.74
Cheniere Corpus Christi Holdings LLC 5.125% due 30/06/2027	100,000	133,116	0.74
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	253,026	1.41
Cheniere Energy Partners LP 4.5% due 01/10/2029	150,000	186,452	1.04
CNH Industrial Capital LLC 3.95% due 23/05/2025	150,000	196,495	1.09
Crown Americas LLC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	65,728	0.37
DISH DBS Corporation 5.875% due 15/11/2024	50,000	59,271	0.33
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	66,545	0.37
EnLink Midstream Partners, LP 4.85% due 15/07/2026	50,000	65,360	0.36
EQT Corporation 6.125% due 01/02/2025	56,000	75,430	0.42
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	61,442	0.34
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	242,083	1.35
IQVIA Incorporation 5.7% due 15/05/2028	200,000	268,301	1.49
Lennar Corporation 4.75% due 29/11/2027	50,000	65,680	0.37
Mattel Incorporation 3.375% due 01/04/2026	150,000	186,996	1.04
MGM Resorts International 5.75% due 15/06/2025	50,000	67,045	0.37
The Mosaic Company 4.05% due 15/11/2027	100,000	128,945	0.72
Navient Corporation 4.875% due 15/03/2028	100,000	116,036	0.65
NextEra Energy Operating Partners LP 4.5% due 15/09/2027	50,000	62,924	0.35
NRG Energy Incorporation 3.375% due 15/02/2029	50,000	55,406	0.31
OneMain Finance Corporation 6.875% due 15/03/2025	50,000	67,070	0.37
Pitney Bowes Incorporation 4.625% due 15/03/2024	100,000	133,312	0.74
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	59,957	0.33

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Multi Sector Credit Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities (continued)			
UNITED STATES OF AMERICA (continued)			
Santander Holdings USA Incorporation 4.26% due 09/06/2025	150,000	194,895	1.08
Sealed Air Corporation 4% due 01/12/2027	50,000	61,577	0.34
Southwestern Energy Company 5.7% due 23/01/2025	50,000	67,371	0.37
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	50,000	64,639	0.36
T-Mobile USA Incorporation 4.75% due 01/02/2028	50,000	65,897	0.38
Travel + Leisure Company 6.625% due 31/07/2026	200,000	268,855	1.50
Utah Acquisition Sub Incorporation 3.95% due 15/06/2026	100,000	128,557	0.72
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	50,000	67,303	0.38
WarnerMedia Holdings Incorporation 6.412% due 15/03/2026	100,000	135,439	0.75
Total UNITED STATES OF AMERICA		4,093,687	22.80
Accrued interest receivable on quoted fixed income securities		230,285	1.28
Total Quoted Fixed Income Securities		17,680,338	98.41
Portfolio of investments		17,680,338	98.41
Other net assets		285,311	1.59
Net assets attributable to unitholders		17,965,649	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

By Geography (Summary)	Nikko AM Multi Sector Credit Fund	
	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities		
Britain	5.57	3.94
British Virgin Islands	1.51	1.54
Cayman Islands	12.47	14.18
Finland	0.50	0.53
France	5.95	5.87
Germany	4.32	4.31
Indonesia	1.47	1.53
Ireland	11.89	13.25
Italy	2.94	-
Japan	1.50	1.58
Luxembourg	4.31	4.54
Mauritius	-	1.26
Netherlands	9.63	6.89
Poland	0.64	0.64
Singapore	2.84	3.67
South Korea	2.92	1.45
Spain	3.71	3.09
Sweden	2.16	2.21
United States of America	22.80	27.71
Accrued Interest receivable on quoted fixed income securities	1.28	1.24
Total Quoted Fixed Income Securities	98.41	99.43
Portfolio of investments	98.41	99.43
Other net assets	1.59	0.57
Net assets attributable to unitholders	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Nikko AM Multi Sector Credit Fund			
By Industry (Secondary)	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Agriculture	130,271	0.72	0.75
Apparel	138,053	0.77	0.74
Auto Manufacturers	380,996	2.12	2.13
Auto Parts & Equipment	282,330	1.57	1.47
Banks	2,220,470	12.36	10.86
Biotechnology	126,807	0.71	-
Chemicals	387,133	2.15	2.21
Commercial Services	949,647	5.29	5.63
Computers	-	-	0.80
Diversified Financial Services	673,306	3.75	6.02
Electric	455,542	2.54	2.64
Electronics	-	-	0.78
Energy-Alternate Sources	-	-	1.26
Engineering and Construction	-	-	0.77
Entertainment	556,908	3.10	0.79
Healthcare-Services	268,301	1.49	0.72
Home Builders	65,680	0.37	0.38
Insurance	404,423	2.25	2.30
Internet	513,992	2.86	3.49
Lodging	335,900	1.87	1.91
Machinery-Diversified	196,495	1.09	1.13
Media	505,601	2.81	5.35
Mining	526,463	2.93	1.53
Office/Business Equipment	133,312	0.74	0.76
Oil and Gas	407,768	2.27	2.68
Other ABS	4,111,436	22.88	22.79
Packaging & Containers	127,305	0.71	1.11
Pharmaceuticals	926,141	5.16	3.76
Pipelines	702,593	3.91	4.10
Real Estate	359,891	2.00	0.53
Real Estate Investment Trusts (REITS)	-	-	1.49
Retail	137,506	0.77	2.04
Semiconductors	270,559	1.51	-
Sovereign	-	-	1.54
Telecommunications	968,228	5.39	2.65
Toys/Games/Hobbies	186,996	1.04	1.08
Accrued interest receivable on quoted fixed income securities	230,285	1.28	1.24
Portfolio of investments	17,680,338	98.41	99.43
Other net assets	285,311	1.59	0.57
Net assets attributable to unitholders	17,965,649	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Singapore Dividend Equity Fund			
By Geography (Primary)			Percentage of
	Holdings at	Fair value at	total net assets
	30 June 2023	30 June 2023	attributable to
		S\$	unitholders at
			30 June 2023
			%
Quoted Equities			
CHINA			
AustAsia Group Limited	1,027,092	542,767	0.09
Yangzijiang Shipbuilding Holdings Limited	10,060,600	15,090,900	2.48
Total CHINA		15,633,667	2.57
HONG KONG SAR			
Hongkong Land Holdings Limited	834,100	4,402,417	0.72
Jardine Matheson Holdings Limited	258,000	17,685,104	2.91
Total HONG KONG SAR		22,087,521	3.63
SINGAPORE			
BRC Asia Limited	1,742,200	2,874,630	0.47
CapitaLand Investment Limited	7,912,100	26,189,051	4.30
CSE Global Limited	10,561,320	4,118,915	0.68
DBS Group Holdings Limited	1,647,289	51,906,076	8.52
First Resources Limited	4,354,800	6,053,172	0.99
Genting Singapore Limited	19,210,300	18,057,682	2.97
Hyphens Pharma International Limited	4,000,400	1,120,112	0.18
Jardine Cycle & Carriage Limited	466,700	16,241,160	2.67
Keppel Corporation Limited	5,274,200	35,389,882	5.81
Oversea-Chinese Banking Corporation Limited	4,064,882	49,916,751	8.20
SATS Limited	3,263,179	8,419,002	1.38
Seatrium Limited	171,910,685	21,488,836	3.53
Sembcorp Industries Limited	6,796,500	39,079,875	6.42
Singapore Exchange Limited	1,059,700	10,183,717	1.67
Singapore Post Limited	8,911,900	4,010,355	0.66
Singapore Technologies Engineering Limited	4,108,300	15,118,544	2.48
Singapore Telecommunications Limited	2,642,234	6,605,585	1.08
UMS Holdings Limited	9,201,200	9,753,272	1.60
United Overseas Bank Limited	1,838,370	51,474,360	8.45
Venture Corporation Limited	676,400	9,949,844	1.63
Wilmar International Limited	3,710,500	14,099,900	2.32
Total SINGAPORE		402,050,721	66.01
THAILAND			
Thai Beverage Public Company Limited	18,345,000	10,640,100	1.75
Total THAILAND		10,640,100	1.75
Total Quoted Equities		450,412,009	73.96
Quoted Investment Funds			
SINGAPORE			
CapitaLand India Trust	5,491,000	6,259,740	1.03
Keppel Infrastructure Trust	38,624,261	19,698,373	3.23
NetLink NBN Trust	7,026,500	6,007,658	0.99
Total SINGAPORE		31,965,771	5.25
Total Quoted Investment Funds		31,965,771	5.25

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Real Estate Investment Trusts			
PHILIPPINES			
Citicore Energy REIT Corporation	74,861,000	4,698,604	0.77
Total PHILIPPINES		4,698,604	0.77
SINGAPORE			
CapitaLand Ascendas REIT	2,646,400	7,198,208	1.18
CapitaLand Ascott Trust	8,029,699	8,672,075	1.42
CapitaLand China Trust	9,060,400	9,241,608	1.52
CapitaLand Integrated Commercial Trust	5,206,205	9,943,852	1.63
Digital Core REIT Management Pte Limited	12,568,700	8,079,648	1.33
Fraser's Centrepont Trust	2,709,000	5,932,710	0.97
Fraser's Logistics & Commercial Trust	7,515,240	9,394,050	1.55
Keppel DC REIT	5,026,500	10,857,240	1.78
Lendlease Global Commercial REIT	9,544,518	6,299,382	1.03
Mapletree Pan Asia Commercial Trust	6,244,400	10,115,928	1.66
Total SINGAPORE		85,734,701	14.07
Total Quoted Real Estate Investment Trusts		90,433,305	14.84
Quoted Derivative			
SINGAPORE			
CapitaLand India Trust Rights 31/12/2049	653,429	52,275	0.01
Total SINGAPORE		52,275	0.01
Total Quoted Derivative		52,275	0.01
Portfolio of investments		572,863,360	94.06
Other net assets		36,146,922	5.94
Net assets attributable to unitholders		609,010,282	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

	Singapore Dividend Equity Fund	
By Geography (Summary)	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities		
China	2.57	1.34
Hong Kong SAR	3.63	3.68
Malaysia	-	1.08
Singapore	66.01	68.04
Thailand	1.75	2.03
Total Quoted Equities	73.96	76.17
Quoted Investment Funds		
Singapore	5.25	3.43
Total Quoted Investment Funds	5.25	3.43
Quoted Real Estate Investment Trusts		
Hong Kong SAR	-	2.02
Philippines	0.77	0.78
Singapore	14.07	13.45
Total Quoted Real Estate Investment Trusts	14.84	16.25
Quoted Derivative		
Singapore	0.01	-
Total Derivative	0.01	-
Portfolio of investments	94.06	95.85
Other net assets	5.94	4.15
Net assets attributable to unitholders	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Singapore Dividend Equity Fund			
By Industry (Secondary)	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Aerospace/Defense	15,118,544	2.48	2.60
Agriculture	20,153,072	3.31	6.77
Banks	153,297,187	25.18	27.15
Beverages	10,640,100	1.75	2.03
Computers	4,118,915	0.68	0.68
Diversified Financial Services	10,183,717	1.67	1.79
Electric	58,778,248	9.65	7.10
Electrical Component & Equipment	-	-	1.08
Electronics	9,949,844	1.63	1.53
Engineering and Construction	43,808,884	7.19	8.86
Entertainment	18,057,682	2.97	1.04
Food	542,767	0.09	0.21
Holding Companies-Diversified	17,685,104	2.90	2.71
Insurance	-	-	0.75
Iron/Steel	2,874,630	0.47	0.60
Oil and Gas Services	21,488,836	3.53	-
Pharmaceuticals	1,120,112	0.18	0.25
Private Equity	26,189,051	4.30	4.10
Real Estate	10,714,432	1.76	1.99
Real Estate Investment Trusts (REITS)	90,433,305	14.84	16.25
Retail	16,241,160	2.67	2.96
Semiconductors	9,753,272	1.60	1.80
Shipbuilding	15,090,900	2.48	1.12
Telecommunications	12,613,243	2.07	1.61
Transportation	4,010,355	0.66	0.87
Portfolio of investments	572,863,360	94.06	95.85
Other net assets	36,146,922	5.94	4.15
Net assets attributable to unitholders	609,010,282	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities			
AUSTRALIA			
Westpac Banking Corporation 4.65% due 07/09/2032	500,000	500,166	2.61
Total AUSTRALIA		500,166	2.61
BRITAIN			
HSBC Holdings Public Listed Company 4.5% due 07/06/2029	500,000	500,151	2.61
HSBC Holdings Public Listed Company 5.3% due 14/03/2033	500,000	511,530	2.67
Total BRITAIN		1,011,681	5.28
BRITISH VIRGIN ISLANDS			
Huarong Finance 2017 Company Limited 3.8% due 07/11/2025	250,000	218,540	1.14
Panther Ventures Limited 3.38% due 30/03/2171	500,000	353,661	1.85
Total BRITISH VIRGIN ISLANDS		572,201	2.99
CANADA			
Manulife Financial Corporation 3% due 21/11/2029	250,000	241,453	1.26
Total CANADA		241,453	1.26
GERMANY			
Commerzbank AG 4.2% due 18/09/2028	250,000	242,685	1.27
Commerzbank AG 5.7% due 03/05/2033	250,000	247,884	1.29
Total GERMANY		490,569	2.56
SINGAPORE			
ESR-Logos REIT 5.5% due 09/12/2170	500,000	461,485	2.41
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	244,645	1.27
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	486,791	2.54
Keppel Corporation Limited 2.9% due 16/03/2170	500,000	462,138	2.41
Mapletree Industrial Trust 3.15% due 31/12/2061	500,000	477,743	2.49
Mapletree Logistics Trust 5.2074% due 31/12/2049	500,000	498,033	2.60
Mapletree North Asia Commercial Trust 3.5% due 31/12/2061	250,000	228,988	1.20
OUE CT Treasury Private Limited 4% due 24/06/2025	500,000	491,213	2.56
Singapore Government Bond 1.625% due 01/07/2031	1,120,000	1,006,320	5.25
Singapore Government Bond 1.875% due 01/03/2050	1,130,000	997,790	5.21
Singapore Government Bond 1.875% due 01/10/2051	800,000	718,024	3.75
Singapore Government Bond 2.25% due 01/08/2036	1,250,000	1,153,125	6.02
Singapore Government Bond 2.375% due 01/07/2039	800,000	760,888	3.97
Singapore Government Bond 2.625% due 01/05/2028	350,000	342,668	1.79
Singapore Government Bond 2.625% due 01/08/2032	1,400,000	1,353,107	7.06
Singapore Government Bond 2.75% due 01/03/2046	1,000,000	1,037,500	5.42
Singapore Government Bond 2.75% due 01/04/2042	1,040,000	1,071,216	5.59
Singapore Government Bond 2.875% due 01/07/2029	100,000	98,750	0.52
Singapore Government Bond 2.875% due 01/09/2027	250,000	247,325	1.29
Singapore Government Bond 2.875% due 01/09/2030	1,900,000	1,874,350	9.78
Singapore Government Bond 3% due 01/08/2072	430,000	505,035	2.64
Singapore Government Bond 3.375% due 01/09/2033	1,106,000	1,136,415	5.93

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary) (continued)			
	Holdings at 30 June 2023	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
Quoted Fixed Income Securities (continued)			
SINGAPORE (continued)			
Starhub Limited 3.55% due 08/06/2026	500,000	491,876	2.57
Total SINGAPORE		16,145,425	84.27
Accrued interest receivable on quoted fixed income securities		142,959	0.75
Total Quoted Fixed Income Securities		19,104,454	99.72
Portfolio of investments		19,104,454	99.72
Other net assets		53,496	0.28
Net assets attributable to unitholders		19,157,950	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities		
Australia	2.61	3.39
Britain	5.28	1.16
British Virgin Islands	2.99	0.73
Canada	1.26	1.09
Germany	2.56	1.09
Malaysia	-	2.27
Singapore	84.27	85.20
South Korea	-	2.25
Accrued Interest receivable on quoted fixed income securities	0.75	0.77
Total Quoted Fixed Income Securities	99.72	97.95
Portfolio of investments	99.72	97.95
Other net assets	0.28	2.05
Net assets attributable to unitholders	100.00	100.00

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

STATEMENTS OF PORTFOLIO

As at 30 June 2023 (unaudited)

Horizon Singapore Fixed Income Enhanced Fund			
By Industry (Secondary)	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Airlines	-	-	1.08
Banks	2,002,416	10.45	9.71
Diversified Financial Services	-	-	2.27
Engineering and Construction	462,138	2.41	3.12
Food	244,645	1.28	1.08
Insurance	241,453	1.26	1.09
Investment Companies	218,540	1.14	2.25
Iron/Steel	-	-	2.27
Real Estate	2,997,914	15.65	0.73
Real Estate Investment Trusts (REITS)	-	-	7.30
Sovereign	12,302,513	64.21	66.28
Telecommunications	491,876	2.57	-
Accrued interest receivable on quoted fixed income securities	142,959	0.75	0.77
Portfolio of investments	19,104,454	99.72	97.95
Other net assets	53,496	0.28	2.05
Net assets attributable to unitholders	19,157,950	100.00	100.00

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

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

1. Distribution of investments

Please refer to the Statements of Portfolio on pages 20 to 38.

2. Credit rating of debt securities

Nikko AM Multi Sector Credit Fund

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
A2	404,423	2.25
B1	967,196	5.38
B2	703,974	3.92
B3	424,682	2.36
Ba1	1,455,206	8.10
Ba1 *+	253,026	1.41
Ba2	1,458,511	8.12
Ba3	745,898	4.15
Ba3u	250,315	1.39
Baa1	1,307,593	7.28
Baa2	1,925,947	10.72
Baa3	4,302,894	23.95
Baa3 *+	133,116	0.74
Caa1	126,807	0.71
Not rated	2,990,465	16.65
Accrued interest receivable on quoted fixed income securities	230,285	1.28
Total	17,680,338	98.41

Horizon Singapore Fixed Income Enhanced Fund

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %
A2	353,661	1.85
A3	500,151	2.61
Aaa*	12,302,513	64.21
Ba1	218,540	1.14
Baa1	1,011,696	5.28
Baa3	490,569	2.56
Not rated	4,084,365	21.32
Accrued interest receivable on quoted fixed income securities	142,959	0.75
Total	19,104,454	99.72

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

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

3. Top 10 holdings

Nikko AM Global Dividend Equity Fund

10 largest holdings at 30 June 2023

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,745,249	5.50
Nestle SA	2,608,221	5.23
Worley Limited	2,046,847	4.10
AbbVie Incorporated	1,903,560	3.81
Compass Group Public Listed Company	1,828,710	3.66
Roche Holding AG	1,815,002	3.63
DBS Group Holdings Limited	1,806,763	3.62
Diageo Public Listed Company	1,713,660	3.43
Schneider Electric SE	1,650,634	3.31
Philip Morris International Incorporated	1,589,742	3.19

10 largest holdings at 30 June 2022

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Coca-Cola Company	2,947,040	5.74
Nestle SA	2,592,697	5.05
AbbVie Incorporated	2,228,077	4.34
Pfizer Incorporated	2,038,785	3.97
Roche Holding AG	2,028,979	3.96
Compass Group Public Listed Company	1,677,292	3.27
Philip Morris International Incorporated	1,652,194	3.22
Diageo Public Listed Company	1,580,923	3.08
Taiwan Semiconductor Manufacturing Company Limited	1,552,861	3.03
Worley Limited	1,530,572	2.98

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

3. Top 10 holdings (continued)

Nikko AM Multi Sector Credit Fund

10 largest holdings at 30 June 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Tikehau CLO II BV 6.893% due 07/09/2035	665,311	3.70
St Paul's CLO VIII DAC 5.627% due 17/07/2030	664,777	3.70
Neuberger Berman Loan Advisers CLO 26 Limited 7.91171% due 18/10/2030	642,990	3.58
Madison Park Funding XXVII Limited 7.85043% due 20/04/2030	641,496	3.57
Barings CLO Limited 2020-I 8.46029% due 15/10/2036	641,019	3.57
Sculptor European CLO I DAC 6.675% due 18/04/2034	541,272	3.01
British Telecommunications Public Listed Company 8.375% due 20/12/2083	338,808	1.89
Greywolf CLO VI Limited 8.27803% due 26/04/2031	314,571	1.75
Abanca Corporacion Bancaria SA 5.25% due 14/09/2028	290,117	1.61
Teva Pharmaceutical Finance Netherlands III BV 7.875% due 15/09/2029	279,393	1.56

10 largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Barings CLO Limited 2020-I 4.24429% due 15/10/2036	651,644	3.65
Neuberger Berman Loan Advisers CLO 26 Limited 3.69429% due 18/10/2030	650,741	3.65
St. Paul's CLO VIII DAC 2.45% due 17/01/2030	648,959	3.64
Madison Park Funding XXVII Limited 3.66271% due 20/04/2030	647,686	3.63
Tikehau CLO II DAC 3.4% due 07/09/2035	643,421	3.60
Sculptor European CLO I DAC 3.5% due 18/04/2034	507,917	2.85
United States Treasury Bill 0% due 23/03/2023	362,378	2.03
Greywolf CLO VI Limited 4.16371% due 26/04/2031	323,570	1.81
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	308,012	1.73
CMHI Finance BVI Company Limited 5% due 06/08/2028	290,952	1.63

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

3. Top 10 holdings (continued)

Singapore Dividend Equity Fund

10 largest holdings at 30 June 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	51,906,076	8.52
United Overseas Bank Limited	51,474,360	8.45
Oversea-Chinese Banking Corporation Limited	49,916,751	8.20
Sembcorp Industries Limited	39,079,875	6.42
Keppel Corporation Limited	35,389,882	5.81
CapitaLand Investment Limited	26,189,051	4.30
Seatrium Limited	21,488,836	3.53
Keppel Infrastructure Trust	19,698,373	3.23
Genting Singapore Limited	18,057,682	2.97
Jardine Matheson Holdings Limited	17,685,104	2.91

10 largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	41,091,634	8.80
Oversea-Chinese Banking Corporation Limited	39,221,260	8.40
United Overseas Bank Limited	34,914,338	7.48
Keppel Corporation Limited	32,452,596	6.95
CapitaLand Investment Limited	23,399,028	5.01
Sembcorp Industries Limited	22,408,980	4.80
Singapore Technologies Engineering Limited	16,761,864	3.59
Wilmar International Limited	16,760,344	3.59
Singapore Exchange Limited	13,697,134	2.93
Jardine Cycle & Carriage Limited	13,652,754	2.92

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

3. Top 10 holdings (continued)

Horizon Singapore Fixed Income Enhanced Fund

10 largest holdings at 30 June 2023

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.875% due 01/09/2030	1,874,350	9.78
Singapore Government Bond 2.625% due 01/08/2032	1,353,107	7.06
Singapore Government Bond 2.25% due 01/08/2036	1,153,125	6.02
Singapore Government Bond 3.375% due 01/09/2033	1,136,415	5.93
Singapore Government Bond 2.75% due 01/04/2042	1,071,216	5.59
Singapore Government Bond 2.75% due 01/03/2046	1,037,500	5.42
Singapore Government Bond 1.625% due 01/07/2031	1,006,320	5.25
Singapore Government Bond 1.875% due 01/03/2050	997,790	5.21
Singapore Government Bond 2.375% due 01/07/2039	760,888	3.97
Singapore Government Bond 1.875% due 01/10/2051	718,024	3.75

10 largest holdings at 30 June 2022

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.25% due 01/08/2036	1,994,300	9.15
Singapore Government Bond 2.75% due 01/04/2042	1,293,280	5.94
Singapore Government Bond 2.75% due 01/03/2046	1,219,400	5.60
Singapore Government Bond 1.625% due 01/07/2031	1,046,565	4.80
Singapore Government Bond 2.875% due 01/09/2030	845,750	3.88
Sembcorp Financial Services Private Limited 3.735% due 20/04/2029	744,053	3.42
Mapletree Industrial Trust 3.15% due 31/12/2061	720,064	3.31
Keppel Corporation Limited 2.9% due 16/03/2170	706,889	3.24
Frasers Property AHL Limited 3% due 09/10/2028	700,379	3.21
Singapore Government Bond 2.375% due 01/07/2039	543,000	2.49

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

4. Exposure to financial derivatives

Nikko AM Global Dividend Equity Fund

	Fair value at 30 June 2023 US\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Forward foreign exchange contracts	(472,766)	(0.95)	(472,766)	(226,473)

Nikko AM Multi Sector Credit Fund

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	-	-	-	20

Singapore Dividend Equity Fund

	Fair value at 30 June 2023 S\$	Percentage of total net assets attributable to unitholders at 30 June 2023 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Rights	52,275	0.01	(7,939)	-

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:

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

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

6. Collateral

Nil.

7. Securities lending or repurchase transactions

Nil.

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 pages 20 to 24.

Singapore Dividend Equity Fund

Please refer to the Statements of Portfolio on pages 31 to 34.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial period ended 30 June 2023

	Nikko AM Global Dividend Equity Fund US\$	Nikko AM Multi Sector Credit Fund S\$
Units created	953,452	163,727
Units cancelled	(3,861,782)	(252,147)

	Singapore Dividend Equity Fund S\$	Horizon Singapore Fixed Income Enhanced Fund S\$
Units created	135,563,428	2,246,996
Units cancelled	(62,344,011)	(5,366,896)

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

11. Turnover ratio

Nikko AM Global Dividend Equity Fund

		30 June 2023	30 June 2022
Lower of total value of purchases or sales	US\$	2,936,023	6,744,062
Average daily net asset value	US\$	52,034,443	56,460,596
Total turnover ratio¹	%	5.64	11.94

Nikko AM Multi Sector Credit Fund

		30 June 2023	30 June 2022
Lower of total value of purchases or sales	S\$	3,818,874	20,120,273
Average daily net asset value	S\$	17,526,813	19,681,662
Total turnover ratio¹	%	21.79	102.23

Singapore Dividend Equity Fund

		30 June 2023	30 June 2022
Lower of total value of purchases or sales	S\$	60,541,008	47,050,939
Average daily net asset value	S\$	565,675,258	460,330,627
Total turnover ratio¹	%	10.70	10.22

Horizon Singapore Fixed Income Enhanced Fund

		30 June 2023	30 June 2022
Lower of total value of purchases or sales	S\$	11,077,393	14,692,513
Average daily net asset value	S\$	20,024,287	22,935,789
Total turnover ratio¹	%	55.32	64.06

¹ 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
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

12. Expense ratio

Nikko AM Global Dividend Equity Fund

SGD Hedged (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	US\$	684,001	894,359
Average daily net asset value	US\$	39,504,393	53,074,837
Total expense ratio²	%	1.73	1.69

SGD Hedged (Dist) Class **30 June 2023** **30 June 2022**

Total operating expenses	US\$	192,483	163,417
Average daily net asset value	US\$	11,122,820	9,707,129
Total expense ratio²	%	1.73	1.68

USD (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	US\$	7,057	8,357
Average daily net asset value	US\$	407,646	498,294
Total expense ratio²	%	1.73	1.68

CNH Hedged (Dist) Class **30 June 2023** **30 June 2022**

Total operating expenses	US\$	3,917	2,672
Average daily net asset value	US\$	225,045	161,458
Total expense ratio²	%	1.74	1.65

Nikko AM Multi Sector Credit Fund

SGD (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	270,437	281,678
Average daily net asset value	S\$	17,558,753	22,861,129
Total expense ratio² (including Underlying Fund's expense ratio)	%	1.54	1.73
Weighted average of the underlying fund's unaudited expense ratio	%	-	0.50

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

12. Expense ratio (continued)

Singapore Dividend Equity Fund

SGD class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	7,290,108	5,868,702
Average daily net asset value	S\$	506,381,609	412,476,403
Total expense ratio²	%	1.44	1.42

SGD (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	3,014	-
Average daily net asset value	S\$	223,465	-
Total expense ratio² (annualised)	%	1.43	-

USD Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	160,637	148,083
Average daily net asset value	S\$	11,160,638	10,410,326
Total expense ratio²	%	1.44	1.42

USD (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	17	-
Average daily net asset value	S\$	1,409	-
Total expense ratio² (annualised)	%	1.28	-

JPY Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	14,143	10,734
Average daily net asset value	S\$	2,756,590	1,934,117
Total expense ratio^{2,3} (annualised)	%	0.55	0.55

MYR Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	213,626	129,464
Average daily net asset value	S\$	14,839,503	9,088,545
Total expense ratio²	%	1.44	1.42

MYR (Acc) Class **30 June 2023** **30 June 2022**

Total operating expenses	S\$	406	-
Average daily net asset value	S\$	30,072	-
Total expense ratio² (annualised)	%	1.43	-

³ The JPY Class was fully redeemed on 6 June 2023.

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

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

12. Expense ratio (continued)

Horizon Singapore Fixed Income Enhanced Fund

		30 June 2023	30 June 2022
Total operating expenses	S\$	265,606	305,416
Average daily net asset value	S\$	20,810,791	24,001,447
Total expense ratio²	%	1.28	1.27

² 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.

13. Related party transactions

The Manager of the Sub-Funds is Nikko Asset Management Asia Limited, a subsidiary of Nikko Asset Management International Limited. The Trustee of the Sub-Funds is BNP Paribas Trust Services Singapore Limited (the "Trustee").

Management fee is payable to the Manager. Trustee fee is payable to the Trustee. Custody and valuation fee are payable to a related company of the Trustee, 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.

In addition to related party information shown elsewhere in the financial statements (including the Statement of Portfolio), the following significant transactions took place during the financial period between the Sub-Funds and a related party at terms agreed between the parties and within the provisions of the Deed.

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	US\$	US\$	S\$	S\$
Bank balances held with related party of the Trustee	298,665	1,535,421	357,966	163,677

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	S\$	S\$	S\$	S\$
Bank balances held with related party of the Trustee	34,630,813	26,265,615	100,753	499,255

NIKKO AM SHENTON HORIZON INVESTMENT FUNDS

(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial period from 01 January 2023 to 30 June 2023 (unaudited)

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, Nikko Asset Management Europe Ltd, do not receive or intend to receive any soft dollars in their management of the Nikko AM Global Dividend Equity Fund and the Nikko AM Multi Sector Credit Fund. Nikko Asset Management 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.

ANNUAL REPORT

For the financial year ended 31 December 2022

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

MANAGERS

Nikko Asset Management Asia Limited
12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Company Registration No. 198202562H

DIRECTORS OF THE MANAGERS

Kiyotaka Ryu
Seet Oon Hui Eleanor
Hiroki Tsujimura

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One,
East Tower, Level 12,
Singapore 018936

CUSTODIAN

BNP Paribas, operating through its Singapore Branch
20 Collyer Quay, #01-01
Singapore 049319

This report is also available on our website (www.nikkoam.com.sg)

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	-0.34	-1.86	-14.37	-3.58	-1.14	0.46	1.68
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	13.94	2.91	-12.99	3.32	2.63	6.41	1.80
Horizon Singapore Fixed Income Enhanced Fund	4.02	1.06	-5.45	-1.17	0.44	0.94	1.83
Markit iBoxx ALBI Singapore Government Bond Index	5.58	2.93	-4.93	-0.81	0.89	1.26	2.24
Singapore Dividend Equity Fund - SGD Class	1.27	1.01	2.73	2.28	1.79	4.19	3.94

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 31 December 2022. 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	-5.32	-6.77	-18.65	-5.22	-2.15	-0.05	1.46
Nikko AM Global Dividend Equity Fund - SGD Hedged (Acc) Class	8.25	-2.23	-17.34	1.57	1.58	5.86	1.58
Horizon Singapore Fixed Income Enhanced Fund	-1.18	-3.99	-10.17	-2.85	-0.59	0.43	1.60
Markit iBoxx ALBI Singapore Government Bond Index	5.58	2.93	-4.93	-0.81	0.89	1.26	2.24
Singapore Dividend Equity Fund - SGD Class	-3.79	-4.04	-2.40	0.55	0.75	3.66	3.71

Source: Nikko Asset Management Asia Limited & Markit Indices Limited. Returns as at 31 December 2022. 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	14.55	3.84	-12.06	4.07	3.22	5.92	3.16
Singapore Dividend Equity Fund - USD Class	8.37	4.78	3.33	2.35	1.71	3.22	5.15

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	8.82	-1.35	-16.45	2.30	2.16	5.38	2.93
Singapore Dividend Equity Fund - USD Class	2.95	-0.46	-1.83	0.62	0.67	2.69	4.92

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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 - JPY Class	-1.01	2.20	19.32	10.16	5.94	N/A	7.24

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, JPY, 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 - JPY Class	-5.96	-2.91	13.36	8.30	4.86	N/A	6.66

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. Returns are calculated on a NAV-NAV basis, JPY, 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 July 2013

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Singapore Dividend Equity Fund - MYR Class	2.89	4.73	9.30	4.91	3.46	N/A	7.42

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	-2.26	-0.51	3.83	3.13	2.41	N/A	6.61

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	13.81	3.00	-12.92	3.28	2.64	N/A	3.94

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	8.12	-2.15	-17.27	1.53	1.60	N/A	3.34

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	13.45	2.93	-11.88	5.55	3.58	N/A	4.53

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	7.78	-2.22	-16.29	3.76	2.52	N/A	3.92

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	1.32	N/A	N/A	N/A	N/A	N/A	0.10

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	-3.75	N/A	N/A	N/A	N/A	N/A	-4.91

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	8.46	N/A	N/A	N/A	N/A	N/A	3.90

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	3.03	N/A	N/A	N/A	N/A	N/A	-1.30

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	3.21	N/A	N/A	N/A	N/A	N/A	3.00

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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	-1.95	N/A	N/A	N/A	N/A	N/A	-2.15

Source: Nikko Asset Management Asia Limited, returns as at 31 December 2022. 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 20 February 2012, Horizon Singapore Equity Fund has been renamed Singapore Dividend Equity Fund.
- (3) With effect from 16 December 2013, Horizon Global Equity Fund was reshaped to Nikko AM Global Dividend Equity Fund.
- (4) With effect from 6 February 2015, Horizon U.S. Equity Fund was terminated.
- (5) With effect from 30 September 2015, Horizon Asia ex-Japan Equity Fund was terminated.
- (6) 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.
- (7) With effect from 27 October 2016, Horizon European Equity Fund was terminated.
- (8) With effect from 1 December 2016, the appointment of Kleinwort Benson Investors Dublin Ltd (“Kleinwort Benson”) as the sub-managers for the Nikko AM Global Dividend Equity Fund was terminated and Nikko Asset Management Europe Ltd (“NAM Europe”) has been appointed as the sub-managers for the Nikko AM Global Dividend Equity Fund.
- (9) With effect from 31 March 2022, the fund name has been changed from “Horizon Global Bond Fund (S\$ Hedged)” to “Nikko AM Multi Sector Credit Fund”. The existing SGD Class and USD Class of the Fund has been re-designated to “SGD (Acc) Class” and “USD Hedged (Acc) Class” respectively.

With effect from 31 March 2022, the benchmark for Nikko AM Multi Sector Credit Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed and there will be no benchmark for this Fund. 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.

With effect from 1 December 2016, the benchmark for the Nikko AM Global Dividend Equity Fund (i.e. MSCI All Country World Index, USD base) has been removed and there will be 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. Prior to 16 December 2013, the reference benchmark was a composite 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.

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. Prior to August 2006, the benchmark was 3-month Singapore Interbank Bid Rate (SIBID).

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. Prior to 1 July 2001, the benchmark was DBS 50 Index.

With effect from 31 March 2022, the Fund 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. 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. Carne was incorporated on 10 November 2003 under the laws

of Ireland as a limited liability company and has been managing collective investment schemes or discretionary funds worldwide since 2004. The financial supervisory authority of Carne is the Central Bank of Ireland. The Horizon Global Bond Fund (S\$ Hedged) invests all or substantially all of its assets in the shares of the Underlying Fund, a sub-fund within the RIC.

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.

Nikko AM Global Dividend Equity Fund

Portfolio Review

Fund returned -12.99% in SGD hedged terms in 2022

For the year ended 31 December 2022, the Nikko AM Global Dividend Equity Fund (the "Fund") posted a return of -12.99% (SGD hedged terms, on a NAV-NAV basis).

The main contributors to performance in 2022 included Deere & Co, Progressive, Coca Cola, AbbVie and Intact Financial. Commodity price inflation has been fairly widespread at periods during 2022, with the flow of global commodities jeopardised by Russia's invasion of Ukraine. Crop prices were caught up in this during the first half (1H) and rose again towards year end, on adverse growing conditions in several regions. Higher crop prices tend to lead farmers to spend more on productivity boosting equipment and this has been good for demand for Deere & Co. Progressive has continued to deliver stronger-than-expected earnings for much of the year and has outperformed as a result. The combination of strong investment income and good margin performance/combined ratio control in its auto insurance business have been notable highlights over the year. Fears over the impact of cost inflation dominated the first part of this year and companies that could withstand this profit margin pressure tended to outperform. Coca Cola was a good example, as the company delivered strong price increases (to offset cost inflation), without leading to a fall in demand. "Big Pharma" has been another sector to benefit from the demand for relative safe havens during 2022. AbbVie has outperformed as a result, even as the company brace for a gradual loss of patent protection at its most profitable drug (Humira). Intact Financial was very strong in 1H as the Canadian insurer's investment income was boosted by rising bond yields. The tightness of the Canadian auto insurance market also allowed them to grow profits even as auto claim frequency increased (post COVID-related travel restrictions) and the cost of settling claims increased (thanks to cost inflation).

Conversely, Accenture, TSMC, Philips, Microsoft and Schneider Electric were among the key detractors from performance. Accenture and Microsoft have both underperformed this year, as investors have taken profits in the Information Technology sector, with rising bond yields (and discount rates) weighing on the sector's valuation. This multiple compression also contributed to the weakness in TSMC last year (not helped by rising geopolitical tensions between the US and China over the continued independence of Taiwan). There were also some concerns that economic softness (particularly in the PC market) would expose excess inventories in the semiconductor market. This inventory issue now needs to work its way through. Importantly, TSMC is at the better end of this downgrade cycle than peers, given its lower commodity exposure relative to the likes of Micron. Philips has underperformed thanks to a combination of negative news headlines regarding their CPAP product recall (which the company initiated in 2021) and patchy earnings delivery (as the company's supply chain has struggled more than most to cope with the dislocation caused by COVID). Although Schneider Electric outperformed in the fourth quarter (following better-than-expected financial results) and continues to enjoy several structural growth drivers, the stock underperformed over the course of the year on concerns regarding the strength of the global economy and what that would mean for demand for Schneider. The news that the company was considering buying the 41% minority holding in AVEVA that it does not already own, also weighed on the shares for a time. This idea may offer an attractive financial return and would be easily affordable from a balance sheet perspective. However, it has created confusion for investors as it is in stark contrast with prior messaging from management.

Market Review

Global equities took a hit in 2022

After rising in 2021, equity markets fell in 2022, with the MSCI High Dividend Yield declining 7.5%. The Fund's negative performance was driven by negative stock selection within the healthcare and utilities sectors. Our exposure to Philips and our underweight position in pharmaceuticals were particularly punishing this year, within healthcare. These more than offset positive stock selection in communication services, consumer discretionary and financials.

Inflation (and the potential monetary policy response to it) has continued to be the dominant issue for equity markets throughout the review period. Geopolitics, supply chain dislocation and the lagged impact of central bank largesse during COVID exacerbated existing supply side challenges to stoke price inflation across a number of commodities during the year. With labour markets in the US remaining tight, these cost pressures have begun to feed through into higher wage increases, increasing the US Federal Reserve's (Fed) fears of a potentially inflationary spiral.

As a result, the Fed has continued to hike interest rates significantly over the course of the review period, with the Fed Funds Target Rate reaching 4.5% by December 2022 (having been as low as 0.25% at the start of the year). Bond yields spiked in sympathy, with the yield on the much-watched US 10-year bond peaking at 4.2% in October. With discount rates rising sharply, valuation multiples have contracted significantly and are now generally more in line with historical averages. Earnings delivery remains critical, however, if these valuations are to be proven real.

Geopolitical risk rose significantly and contributed meaningfully to rising bond yields and a generally "risk-off" tone in equity markets. Russia's invasion of Ukraine in February saw Russian energy supplies quickly become a weapon of war for Russia, with supplies of gas and oil to Europe radically scaled back (even before European Governments felt confident enough in alternative suppliers to start voluntarily reducing their reliance upon Russian imports).

With the unthinkable now very much thinkable, other longstanding potential sources of tension were also reassessed, in particular, China's attitude towards Taiwan (on whose semiconductors much of the global economy continues to rely on). The breakdown in relations between Saudi Arabia and the US was also highlighted by OPEC's decision not to meaningfully increase production rates as Russian oil supplies to the West fell. The US responded by significantly drawing down its Strategic Petroleum Reserve to shield consumers from the rapid energy cost inflation already confronting consumers in Europe and the UK (even with heavy government subsidies).

Against this volatile backdrop, it is probably not surprising that relatively defensive sectors, such as healthcare, consumer staples and real estate have outperformed this year. By way of contrast, the sharpest falls were being observed in the sectors that had provided market leadership in the days of abundant liquidity and an artificially low cost of capital. Communication services (particularly digital media), consumer discretionary and information technology all underperformed significantly hinting at a potential change in equity market leadership that will likely persist as long as policy rates remain elevated.

Overall, 2022 was very much the mirror image of the previous year in many ways. Sectors with the highest investor positioning at the start of the year and the most extended valuations did particularly poorly. As we emerge from 2022's bear market, it is worth looking to the past, to see if it can yield any useful lessons. History tells us that it is extremely unusual for the leading sectors heading into a bear market to resume that leadership once it is over. We continue to believe that the cost of capital will remain elevated for some time yet and that investors will continue to gravitate towards what they need in such an uncertain world (including energy security and affordable healthcare), rather than what they felt that they needed during the days of limitless liquidity.

Market Outlook and Strategy

Cautious positioning warranted as market confidence remains fragile

Scotland has a lot of mountains and hills for a reasonably small country (almost 1,000 of them). They are not always very welcoming at this time of year but offer fantastic views when the weather improves.

It feels like equity investors have just come off the summit of one mountain (formed during the days of quantitative easing) and are eyeing up the next (if/when any Fed-induced US recession has passed). The problem is that the weather is currently poor, and visibility is not great. This matters when assessing the depth of the drop between the two summits. In equity parlance, how great might the earnings downgrades be? And what does this mean for where share prices trough?

At the risk of straining this analogy too far, there is probably still a narrow pass threading its way between the two summits (also known as a soft landing), but the chances of Fed policy delivering us to this seem to be dimming and investors are questioning the abilities of their mountain guide.

There is an ongoing tussle between credit markets and the narrative consistently espoused by the Fed. The US central bank is adamant that it will need to see services inflation cool (as goods inflation already has) and some slack in labour markets before changing tack, but credit markets seem unconvinced, seemingly of the view that enough has been done already and that we are closer to peak rates than the Fed would have us believe. The spread payable on BBB-rated debt (relative to government bonds) has come in in recent months and financial conditions have eased.

Recent equity market action (when an attempted rally was curtailed by more hawkish narratives by the Fed) suggests to us that it is too early to call which way the debate will evolve. The fact that concept capital is continuing to plumb new lows (as measured by the Renaissance IPO ETF) certainly suggests that confidence remains very fragile, and we are not positioning the portfolio for a rapid return to the looser monetary conditions that these companies require to prosper (or even survive, in some cases).

If you had invested USD 1 in the S&P 500 on the last day of 2017, you would have USD 1.44 as at the last trading day of 2022. If you had invested the same dollar in the hottest IPOs of the day (as measured by the same ETF noted above), you would now have USD 0.85 (and more grey hairs, given the extreme volatility observed in these shares over that period). With private equity markets much less along the price discovery journey than public markets, 2023 does not look like a bumper IPO year either.

According to Mountaineering Scotland's website, the most important thing if you have no clear path ahead is not to panic. As they say, "Don't simply start walking in different directions changing bearings every minute or two in the hope that things will be sorted". This sounds like good advice to us too. We won't chase north into the uncharted landscape of cashless concept stocks. No more than we will head south into deep value.

The four guiding principles of our Future Quality philosophy will remain our investment compass in these challenging conditions. The stocks that satisfy the four requirements represent the middle ground, between the two stylistic extremes noted above and allow us to construct balanced portfolios. 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 rope, in case of unplanned slips.

We remain convinced that the future will look very different to the recent past. Delivery of sales and profit growth will be ever more critical to share price performance. It seems unlikely to us that the areas that have sucked in the most capital over the last 10 years will turn out to be those with the most unmet demand (think digital advertising, niche software applications or streaming services). The recent glut of headcount reductions across Big Tech suggests that management teams here may also be beginning to share that view.

Instead, more pressing needs are presenting themselves, many of which have been underinvested over the last decade (or longer). Defence and energy security have been very much front of mind over the last 12 months

(and are likely to remain so in our view). There are likely other areas too, where the stars are starting to align. We continue to spend all of our time attempting to identify these, as part of our bottom-up stock research.

In conclusion and to quote the great Billy Connolly, “there’s no such thing as bad weather, only the wrong clothes”. Current equity market conditions dictate that you choose your investment attire particularly carefully. In our view, buying profitless technology companies is like going up a Scottish mountain wearing flip-flops. You might get away with it, but the odds are not in your favour. Instead, we prefer the protection afforded by profits (and cash) generated today and not at some unspecified point in the future.

Singapore Dividend Equity Fund

Portfolio Review

Fund rose by 2.73% in SGD terms in 2022

For the 12 months ended 31 December 2022, the Nikko AM Singapore Dividend Equity Fund (the “Fund”) returned 2.73% (SGD terms, on a NAV-NAV basis). The Fund’s holdings in Sembcorp Industries, Keppel Corporation and United Overseas Bank were the key contributors to absolute returns over the year. Conversely, holdings in Digital Core REIT, Nanofilm Technologies and Frencken Group detracted the most from absolute performance.

Market Review

The Straits Times Index (STI) saw gains in 2022

Singapore stocks, as measured by the STI, rose 8.39% on a total return basis in SGD terms in 2022. The year was one of volatility for markets around the world, driven by rising interest rates, stubbornly high inflation and geopolitical tensions. Singapore stocks had a solid first quarter, brushing aside uncertainties from the Russia-Ukraine war, as the country eased longstanding COVID restrictions, with cases subsiding steadily. Local equities retreated in the second quarter though, tracking global equities’ decline, amid recession fears and a broad-based equity sell-off. The Singapore stock market held its own during the second half of the year, even as central banks maintained their hawkish stance and reaffirmed their commitment in tackling high inflation. Towards the end of the turbulent year, China relaxed its zero-COVID policy and the Fed started to scale back the pace of its interest rate hikes.

Market Outlook and Strategy

Continue to like “New Singapore” stocks in areas that represent Singapore’s future economy

We enter 2023 with a more sanguine outlook for Singapore stocks, primarily on a less negative outlook for external demand. While the US is still likely to enter into a recession sometime this year, we are hopeful that the correction will be shallow. Emerging signs of a plateau in inflationary pressures could mean that the Fed will be able to raise rates more slowly and eventually cease hiking during the new year. China is reopening its economy faster than expected following an end to its zero-COVID policy. While there might still be intermittent mobility restrictions due to the ongoing surge in cases, the reopening trajectory is unlikely to be derailed, in our opinion.

We maintain our view that the Singapore economy will grow by about 2% in 2023. While a slowdown in external demand will still be felt, primarily in the manufacturing sector, the services sector should continue to recover. This is especially so in the tourism-related industries like hotels, retail and food and beverage, which should gain from the eventual return of Chinese visitors.

We remain convinced of our bottom-up driven strategy, which emphasises on quality franchises, strong sustainable returns and positive fundamental change. We continue to like “New Singapore” stocks in areas such as energy transition, technology, data, healthcare, food and logistics, which represent the future economy of Singapore. We also favour corporate restructuring candidates, where companies are looking to reorganise their businesses in order to be more relevant to the future economy. Dividend stocks look attractive as long-bond yields are beginning to ease, on an outlook of slower economic growth globally. We prefer those which also benefit from economic reopening or play into our “New Singapore” narrative.

Horizon Singapore Fixed Income Enhanced Fund

Portfolio Review

Fund underperforms the benchmark in 2022

The Horizon Singapore Fixed Income Enhanced Fund (the "Fund") posted a return of -5.45% (in SGD terms, on a NAV-NAV basis) in the 12 months ending December 2022, underperforming its benchmark, the iBoxx ALBI Singapore Government Total Return Index, which returned -4.93% (SGD terms) during the period. Contribution from duration and selection effect, mainly from long-dated Singapore government securities (SGS), was positive. The allocation to Industrial credits contributed positively to relative performance. This was offset partly by negative contribution from the allocation to Agency credits.

Market Review

Yields of Singapore Government Securities (SGS) surged along with US Treasuries (USTs)

2022 delivered adverse shocks that sparked a surge in inflation, prompting a hawkish shift from global central banks, which in turn resulted in a significant tightening of financial conditions, a momentous rise in global bond yields and a surge in the US dollar (USD). Data reflecting persistent inflation pressure and December 2021 Federal Open Market Committee (FOMC) minutes which suggested that the US Federal Reserve's (Fed) balance sheet runoff could begin in 2022, close on the heels of its first interest rate hike, triggered the initial rise in US Treasury (UST) yields. Developments on the Russian-Ukraine border took centre stage in February 2022. Although Russia's invasion of Ukraine prompted a flight to safety, the drop in yields turned out to be short-lived, as yields reversed higher soon after as the market refocused on US inflation. The Fed hiked the Fed Funds Rate by a total of 150 basis points (bps) in the first half of the year, determined to slow growth to ease inflationary pressures. Meanwhile, the European Central Bank (ECB) in May announced it would conclude asset purchases and commence raising rates in July.

The second half of the year opened with the ECB delivering a larger-than-expected 50-bps rate hike and the Fed raising the Fed Funds Rate by 75 bps. At the Jackson Hole Symposium in August, Fed Chairman Jerome Powell declared that the central bank might raise rates further into restrictive territory and keep them there for a longer period, prompting markets to unwind expectations for an early pivot by the Fed. Weakness in Treasuries was exacerbated thereafter by better-than-expected US labour and consumer price index (CPI) reports for August that cemented another sizable move in the Fed Funds Rate and raised expectations for a higher terminal rate. There was a significant rise in front-end yields following the FOMC meeting in September. Although the 75-bps increase was largely expected by markets, upward revisions to the policy rate and unemployment rate projections, together with downward revisions to growth estimates, signalled that the Fed would likely embark on a more protracted and/or aggressive monetary tightening cycle to combat rising inflation. Further, the Fed Chairman's acknowledgment that some economic pain might be necessary to curb inflation, rattled markets. Risk sentiment turned decisively bearish after UK gilt yields surged and the British pound hit an all-time low against the USD on concerns over the UK government's medium-term fiscal sustainability after the new administration unveiled its growth plan which included extensive tax cuts.

The Fed delivered another well-telegraphed 75 bps rate hike in November. That said, monetary policy expectations quickly shifted lower after US October headline and core CPI prints both moderated by more than forecast. Hopes that inflationary pressures are finally ebbing prompted a significant rally in Treasury bonds as well as risk assets. The Fed raised rates by another 50 bps in December, with markets interpreting the accompanying statement, together with the upward revision in the interest rate forecast dots as more hawkish than anticipated. Meanwhile, the Bank of Japan (BOJ) made a surprise tweak to its yield curve control (YCC), widening the tolerance band around its 10-year Japanese government bond (JGB) yield target to $\pm 0.5\%$ (from $\pm 0.25\%$), fuelling a sell-off in JGBs as well as in most major global rates including USTs. Thereafter, further weakness in treasuries was supported as markets digested the prospects for growth and inflation amid China's rollback of COVID isolation measures. At the end of 2022, the benchmark 2-year and 10-year UST yields were at 4.429% and 3.877% respectively, 370 bps and 236 bps higher compared to end-December 2021.

Monetary Authority of Singapore (MAS) tightened its FX policy twice

In Singapore, the threat of higher and more persistent inflation prompted the Monetary Authority of Singapore (MAS) to strengthen the Singapore dollar at an unprecedented pace of five times since October 2021. Looking ahead, the MAS expects full-year 2023 gross domestic product (GDP) growth to come in “below trend”, and for core inflation to stay elevated in the next few quarters before slowing in the second half of 2023 as the current tightness in the domestic labour market eases and global inflation moderates. Separately, inflation rose for the most part of 2022 before easing in the final months of the year. In the latest reading, headline CPI inflation was unchanged at 6.7% year-on-year (YoY) in November. The MAS’ preferred core inflation measure, which excludes private transport and accommodation inflation, remained elevated throughout the period. Core inflation came in at 5.1% on a YoY basis in November, unchanged from October as smaller increases in the costs of services and electricity and gas were broadly offset by a steeper pickup in the costs of retail and other goods and food. Overall, the monetary authority projects 2023 headline and core inflation to average 5.5–6.5% and 3.5–4.5%, respectively, taking into account the goods and services tax (GST) increase.

Inflationary pressures accelerated over the period

High-frequency growth data saw a marked moderation in the last quarter of 2022. Non-oil domestic exports (NODX) contracted by 14.6% YoY in November from a high base a year earlier, following downwardly revised 6.1% drop in October. Notably, this was the second straight monthly contraction after nearly two years of growth. Similarly, factory output contracted, by 3.2% YoY in November, extending a downwardly revised 0.9% drop in October. Retail sales rose 10.4% YoY in October, moderating from the 11.2% growth in September. Meanwhile, the purchasing managers’ index (PMI) nudged up 0.1 point in November, albeit remaining in contraction territory at 49.8.

The Finance Ministry expects overall deficit to amount to 0.5% of GDP for Fiscal Year (FY) 2022

Yields of Singapore government securities (SGS) similarly rose, albeit outperforming their UST counterparts in the twelve-month period. Positive SGS bond supply dynamics in the latter half of the year together, together with a stronger Singapore dollar supported demand for SGS. The MAS released its 2023 SGS issuance calendar in November, revealing a total of 10 issuances, unchanged from 2022, with duration being more backloaded in the year. Both the 30-year SGS (Infrastructure) bond and the reopening of the 50-year Green SGS (Infrastructure) bond are planned for the second half of 2023. At the end of 2022, 2-year and 10-year SGS were at 3.094% and 3.078% respectively, about 222 bps and 144 bps higher compared to end-December 2021.

Market Outlook and Strategy

The MAS has moved aggressively to dampen inflation. However, with labour market conditions remaining tight, passthrough effects from wages to core inflation may likely persist into 2023. Consequently, we expect further policy tightening from the MAS, and may not rule out the possibility of yet another off-cycle move in the first quarter of 2023, particularly if core inflation lingers at current levels.

With monetary policy moving further into a restrictive setting, the Singapore dollar is expected to stay resilient against the US dollar and outperform other currencies in the region going into 2023. A stronger Singapore dollar relative to the basket of currencies will in turn support demand for Singapore dollar-denominated assets.

We head into 2023 with a positive view on SGS. We expect SGS to track the movement of global bond yields directionally but outperform on a relative basis, supported by MAS’ tighter monetary policy stance. Front-end SGS yields are likely to drift lower as we enter the mature phase of the Fed hike cycle. On the whole, we remain positive on the outlook for SGS and will look for opportunities to further scale into duration selectively.

Nikko AM Multi Sector Credit Fund

Portfolio Review

Fund generates returns of -14.37% in 2022

The Nikko AM Multi Sector Credit Fund (the "Fund") posted a return of -14.37% (in SGD terms, on a NAV-NAV basis) for the year ended 31 December 2022.

Our conservative approach over the course of 2022 paid off as we have been able to partly shield the fund from the challenging environment. In 2022, we had higher cash holdings, a higher investment grade quota as well as a lower duration to express a more conservative bias. However, we still performed negatively as we experienced a historic move up in interest rates.

Market Review

The Global credit market had to face a challenging year in 2022. Higher energy costs as the result of the conflict in Ukraine, supply chain disruption driven by Chinese COVID restrictions as well as aggressive central bank monetary tightening had led to wider spreads across the credit markets. While credit fundamentals remained stable and default rates were very low, the uncertain outlook for macroeconomics, coupled with geopolitical risk presented a challenge for investors and a gradual rather than steep recovery for spreads is likely.

Market Outlook and Strategy

For 2023, we expect the fund performance to be significantly better compared to 2022. We expect interest rates to initially stabilise at current levels and to come down over the course of the year as inflation rates are likely to be coming down as well. As the situation for interest rates is normalising, we also expect credit spreads to benefit from this change and gradually recover. In particular, we expect investment grade corporate bonds as well as collateralised loan obligations (CLO) to recover over proportionally. For high yield bonds, we still remain cautious and prefer secured over unsecured bonds. With regards to our sector allocation, we prefer the financial over the non-financial sector as we predict banks to see its profitability improving in the higher rates environment.

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.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

(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 2022

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)), 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 84, 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
29 March 2023

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 2022

In the opinion of Nikko Asset Management Asia Limited, the accompanying financial statements set out on pages 20 to 84, 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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)), Singapore Dividend Equity Fund, and Horizon Singapore Fixed Income Enhanced Fund (collectively referred to as the "Sub-Funds") as at 31 December 2022, 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
29 March 2023

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)), 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, so as to present fairly, in all material respects, the financial positions and portfolio holdings of the Sub-Funds as at 31 December 2022, 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 then ended 31 December 2022;
- the Statements of Financial Position as at 31 December 2022;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2022;
- the Statements of Portfolio as at 31 December 2022; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

We are independent of the 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 Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants 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.

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)

- 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.
- 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, 29 March 2023

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 2022

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
Note	2022 US\$	2021 US\$	2022 S\$	2021 S\$
Income				
Dividends	1,500,137	1,817,013	-	-
Interest on cash and cash equivalents	8,449	113	3,230	-
Other income	-	-	203	-
	1,508,586	1,817,126	3,433	-
Less: Expenses				
Management fee	802,797	1,076,467	232,793	317,886
Management fee rebate	-	-	(30,842)	(159,081)
Registrar fee	31,942	26,641	18,779	18,030
Trustee fee	16,777	22,814	5,903	8,101
Custody fee	6,660	9,943	1,702	-
Audit fee	9,408	11,853	8,261	13,203
Valuation fee	26,468	35,814	9,309	12,714
Transaction costs	43,283	62,089	13,409	17,786
Other expenses	9,109	30,957	52,562	14,825
	946,444	1,276,578	311,876	243,464
Net income/(losses)	562,142	540,548	(308,443)	(243,464)
Net gains or losses on value of investments and financial derivatives				
Net gains/(losses) on investments	(7,824,596)	9,276,673	(2,830,376)	(576,839)
Net foreign exchange losses	(58,317)	(18,488)	(104,629)	(88,411)
Net (losses)/gains on financial derivatives	(247,154)	(1,567,428)	230,617	384,937
	(8,130,067)	7,690,757	(2,704,388)	(280,313)
Total (deficit)/return for the financial year before income tax	(7,567,925)	8,231,305	(3,012,831)	(523,777)
Less: Income tax	(299,386)	(376,434)	(1,343)	(136)
Total (deficit)/return for the financial year after income tax	(7,867,311)	7,854,871	(3,014,174)	(523,913)

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 2022

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2022	2021	2022	2021
		S\$	S\$	S\$	S\$
Income					
Dividends		18,331,405	13,618,020	-	-
Interest on cash and cash equivalents		326,701	-	6,261	-
Other income		-	-	2,500	-
		<u>18,658,106</u>	<u>13,618,020</u>	<u>8,761</u>	<u>-</u>
Less: Expenses					
Management fee		6,020,962	4,956,389	222,548	252,650
Expense reimbursement		(1,262)	(498)	-	-
Registrar fee		140,097	116,130	17,103	17,441
Trustee fee		152,941	126,368	7,051	8,045
Custody fee		86,873	71,771	3,601	4,050
Audit fee		20,602	7,116	8,667	14,117
Valuation fee		240,784	198,007	11,124	12,631
Transaction costs		766,851	628,770	8,815	8,578
Other expenses		196,705	210,356	8,090	16,376
		<u>7,624,553</u>	<u>6,314,409</u>	<u>286,999</u>	<u>333,888</u>
Net income/(losses)		<u>11,033,553</u>	<u>7,303,611</u>	<u>(278,238)</u>	<u>(333,888)</u>
Net gains or losses on value of investments					
Net gains/(losses) on investments		386,663	20,645,011	(1,020,604)	(667,839)
Net foreign exchange losses		(191,189)	(123,658)	-	-
		<u>195,474</u>	<u>20,521,353</u>	<u>(1,020,604)</u>	<u>(667,839)</u>
Total return/(deficit) for the financial year before income tax		<u>11,229,027</u>	<u>27,824,964</u>	<u>(1,298,842)</u>	<u>(1,001,727)</u>
Less: Income tax	3	<u>(317,294)</u>	<u>(285,875)</u>	<u>-</u>	<u>(531)</u>
Total return/(deficit) for the financial year after income tax		<u>10,911,733</u>	<u>27,539,089</u>	<u>(1,298,842)</u>	<u>(1,002,258)</u>

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 2022

		Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	Note	2022 US\$	2021 US\$	2022 S\$	2021 S\$
ASSETS					
Portfolio of investments		51,732,613	59,212,540	17,126,265	21,442,884
Receivables	4	109,502	123,082	9,347	-
Cash and cash equivalents		1,535,421	1,082,475	163,677	600,510
Financial derivatives at fair value	6	180,093	806,718	-	188,427
Total assets		53,557,629	61,224,815	17,299,289	22,231,821
LIABILITIES					
Payables	5	285,881	453,203	75,491	60,277
Distribution payable	8	49,773	52,991	-	-
Financial derivatives at fair value	6	-	-	-	5,331
Total liabilities		335,654	506,194	75,491	65,608
EQUITY					
Net assets attributable to unitholders	7	53,221,975	60,718,621	17,223,798	22,166,213

		Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	Note	2022 S\$	2021 S\$	2022 S\$	2021 S\$
ASSETS					
Portfolio of investments		507,693,319	410,124,431	21,477,630	24,075,794
Sales awaiting settlement		-	6,542	-	290,488
Receivables	4	2,136,513	1,473,601	27,599	9,388
Cash and cash equivalents		26,265,615	17,395,642	499,255	232,562
Total assets		536,095,447	429,000,216	22,004,484	24,608,232
LIABILITIES					
Payables	5	4,199,945	2,015,661	77,645	87,188
Distribution payable	8	2,237,268	1,734,463	-	-
Total liabilities		6,437,213	3,750,124	77,645	87,188
EQUITY					
Net assets attributable to unitholders	7	529,658,234	425,250,092	21,926,839	24,521,044

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 2022

	Note	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
		2022 US\$	2021 US\$	2022 S\$	2021 S\$
Net assets attributable to unitholders at the beginning of the financial year		60,718,621	73,276,632	22,166,213	24,879,872
Operations					
Change in net assets attributable to unitholders resulting from operations		(7,867,311)	7,854,871	(3,014,174)	(523,913)
Unitholders' contributions/ (withdrawals)					
Creation of units		7,603,608	6,437,269	693,634	17,470,840
Cancellation of units		(6,480,776)	(26,404,972)	(2,621,875)	(19,660,586)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		1,122,832	(19,967,703)	(1,928,241)	(2,189,746)
Distributions	8	(752,167)	(445,179)	-	-
Total decreases in net assets attributable to unitholders		(7,496,646)	(12,558,011)	(4,942,415)	(2,713,659)
Net assets attributable to unitholders at the end of the financial year	7	53,221,975	60,718,621	17,223,798	22,166,213

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 2022

	Note	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
		2022 S\$	2021 S\$	2022 S\$	2021 S\$
Net assets attributable to unitholders at the beginning of the financial year		425,250,092	345,365,432	24,521,044	25,728,274
Operations					
Change in net assets attributable to unitholders resulting from operations		10,911,733	27,539,089	(1,298,842)	(1,002,258)
Unitholders' contributions/ (withdrawals)					
Creation of units		232,701,021	166,923,890	322,488	2,953,790
Cancellation of units		(114,924,076)	(94,579,273)	(1,617,851)	(3,158,762)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		117,776,945	72,344,617	(1,295,363)	(204,972)
Distributions	8	(24,280,536)	(19,999,046)	-	-
Total increases/(decreases) in net assets attributable to unitholders		104,408,142	79,884,660	(2,594,205)	(1,207,230)
Net assets attributable to unitholders at the end of the financial year	7	529,658,234	425,250,092	21,926,839	24,521,044

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 PORTFOLIO

As at 31 December 2022

Nikko AM Global Dividend Equity Fund			
By Geography (Primary)	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities			
AUSTRALIA			
Macquarie Group Limited	8,307	940,561	1.77
Worley Limited	194,741	1,980,976	3.72
Total AUSTRALIA		2,921,537	5.49
BRITAIN			
Astrazeneca Public Listed Company	7,937	1,071,006	2.02
Compass Group Public Listed Company	80,034	1,845,994	3.47
Diageo Public Listed Company	39,891	1,751,411	3.29
Linde Public Listed Company	3,889	1,268,514	2.38
Total BRITAIN		5,936,925	11.16
CANADA			
Intact Financial Corporation	9,225	1,327,038	2.49
Total CANADA		1,327,038	2.49
FINLAND			
Neste OYJ	22,978	1,057,688	1.99
Total FINLAND		1,057,688	1.99
FRANCE			
Air Liquide SA	6,889	973,442	1.83
Schneider Electric SE	9,089	1,268,014	2.38
Total FRANCE		2,241,456	4.21
GERMANY			
Deutsche Telekom AG	38,116	760,052	1.42
Siemens Healthineers AG	17,260	860,064	1.62
Total GERMANY		1,620,116	3.04
HONG KONG SAR			
AIA Group Limited	105,800	1,176,615	2.21
Total HONG KONG SAR		1,176,615	2.21
IRELAND			
Accenture Public Listed Company	3,185	849,885	1.60
Total IRELAND		849,885	1.60
JAPAN			
Technopro Holdings Incorporated	31,300	836,201	1.57
Total JAPAN		836,201	1.57

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 PORTFOLIO

As at 31 December 2022

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)			
	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Equities (continued)			
NETHERLANDS			
Euronext NV	14,150	1,044,425	1.96
Koninklijke Philips NV	23,911	357,368	0.67
Total NETHERLANDS		1,401,793	2.63
SINGAPORE			
DBS Group Holdings Limited	77,600	1,962,559	3.69
Total SINGAPORE		1,962,559	3.69
SWEDEN			
Assa Abloy AB	35,673	766,901	1.44
Total SWEDEN		766,901	1.44
SWITZERLAND			
Nestle SA	21,686	2,511,206	4.72
Roche Holding AG	5,937	1,864,079	3.50
Total SWITZERLAND		4,375,285	8.22
TAIWAN			
Taiwan Semiconductor Manufacturing Company Limited	79,000	1,152,788	2.17
Total TAIWAN		1,152,788	2.17
UNITED STATES OF AMERICA			
Abbott Laboratories	10,010	1,099,398	2.07
AbbVie Incorporated	14,135	2,284,640	4.29
Baker Hughes Company	34,151	1,008,479	1.88
Coca-Cola Company	45,587	2,899,789	5.45
Deere & Company	3,264	1,399,995	2.63
Emerson Electric Company	18,653	1,791,807	3.37
Encompass Health Corporation	11,909	712,277	1.34
Genuine Parts Company	6,068	1,052,737	1.98
Microsoft Corporation	2,126	509,857	0.96
Pfizer Incorporated	37,809	1,937,711	3.64
Philip Morris International Incorporated	16,285	1,648,693	3.10
The Progressive Corporation	10,543	1,367,638	2.57
Schlumberger Limited	24,416	1,305,524	2.45
Texas Instruments Incorporated	5,400	892,188	1.68
Total UNITED STATES OF AMERICA		19,910,733	37.41
Total Quoted Equities		47,537,520	89.32

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 PORTFOLIO

As at 31 December 2022

Nikko AM Global Dividend Equity Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2022	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Real Estate Investment Trusts			
SPAIN			
Merlin Properties Socimi SA	138,439	1,296,497	2.44
Total SPAIN		<u>1,296,497</u>	<u>2.44</u>
UNITED STATES OF AMERICA			
American Tower Corporation	5,758	1,219,890	2.29
National Retail Properties Incorporated	36,685	1,678,706	3.15
Total UNITED STATES OF AMERICA		<u>2,898,596</u>	<u>5.44</u>
Total Quoted Real Estate Investment Trusts		<u>4,195,093</u>	<u>7.88</u>
Portfolio of investments		51,732,613	97.20
Other net assets		<u>1,489,362</u>	<u>2.80</u>
Net assets attributable to unitholders		<u>53,221,975</u>	<u>100.00</u>

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 PORTFOLIO

As at 31 December 2022

Nikko AM Global Dividend Equity Fund		
By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Equities		
Australia	5.49	2.10
Britain	11.16	9.15
Canada	2.49	2.03
Finland	1.99	1.91
France	4.21	3.02
Germany	3.04	6.10
Hong Kong SAR	2.21	1.80
Ireland	1.60	3.74
Japan	1.57	2.16
Netherlands	2.63	3.99
Singapore	3.69	1.89
Sweden	1.44	1.84
Switzerland	8.22	8.26
Taiwan	2.17	5.27
United States of America	37.41	38.35
Total Quoted Equities	89.32	91.61
Quoted Real Estate Investment Trusts		
Spain	2.44	1.89
United States of America	5.44	4.02
Total Quoted Real Estate Investment Trusts	7.88	5.91
Portfolio of investments	97.20	97.52
Other net assets	2.80	2.48
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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Nikko AM Global Dividend Equity Fund			
By Industry (Secondary)	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Agriculture	1,648,693	3.10	2.62
Banks	2,903,120	5.45	3.99
Beverages	4,651,200	8.74	11.48
Chemicals	2,241,956	4.21	1.75
Commercial Services	2,817,177	5.29	2.16
Computers	849,885	1.60	3.74
Distribution/Wholesale	-	-	2.01
Diversified Financial Services	1,044,425	1.96	2.49
Electrical Component & Equipment	3,059,821	5.75	5.00
Electronics	766,901	1.44	1.84
Food	2,511,206	4.72	4.08
Food Service	1,845,994	3.47	3.03
Gas	-	-	1.39
Healthcare-Products	2,316,830	4.35	6.08
Healthcare-Services	712,277	1.34	-
Home Furnishings	-	-	2.14
Insurance	3,871,291	7.27	8.38
Machinery-Diversified	1,399,995	2.63	2.24
Oil and Gas	1,057,688	1.99	1.91
Oil and Gas Services	2,314,003	4.35	-
Pharmaceuticals	7,157,436	13.45	12.38
Real Estate Investment Trusts (REITS)	4,195,093	7.88	5.91
Retail	1,052,737	1.98	-
Semiconductors	2,044,976	3.84	8.10
Software	509,857	0.96	3.61
Telecommunications	760,052	1.43	1.19
Portfolio of investments	51,732,613	97.20	97.52
Other net assets	1,489,362	2.80	2.48
Net assets attributable to unitholders	53,221,975	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

By Geography (Primary)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities			
BRITAIN			
Barclays Public Listed Company 8% due 31/12/2049	200,000	261,295	1.52
B.A.T International Finance Public Listed Company 3.95% due 15/06/2025	100,000	129,028	0.75
Virgin Media Secured Finance Public Listed Company 5% due 15/04/2027	200,000	287,947	1.67
Total BRITAIN		678,270	3.94
BRITISH VIRGIN ISLANDS			
CMHI Finance BVI Company Limited 5% due 06/08/2028	200,000	266,313	1.54
Total BRITISH VIRGIN ISLANDS		266,313	1.54
CAYMAN ISLANDS			
Barings CLO Limited 2020-I 7.27914% due 15/10/2036	500,000	623,452	3.62
Greywolf CLO VI Limited 7.2555% due 26/04/2031	250,000	301,883	1.75
Madison Park Funding XXVII Limited 6.84257% due 20/04/2030	500,000	625,164	3.63
Neuberger Berman Loan Advisers CLO 26 Limited 6.84371% due 18/10/2030	500,000	630,076	3.66
Tencent Holdings Limited 3.28% due 11/04/2024	200,000	261,649	1.52
Total CAYMAN ISLANDS		2,442,224	14.18
FINLAND			
SBB Treasury OYJ 0.75% due 14/12/2028	100,000	91,967	0.53
Total FINLAND		91,967	0.53
FRANCE			
Altice France SA 2.125% due 15/02/2025	200,000	254,021	1.48
AXA SA 3.375% due 06/07/2047	100,000	132,681	0.77
BNP Paribas SA 2.219% due 09/06/2026	200,000	246,716	1.43
Faurecia SE 2.75% due 15/02/2027	100,000	121,146	0.70
Loxam SAS 2.875% due 15/04/2026	200,000	255,791	1.49
Total FRANCE		1,010,355	5.87
GERMANY			
CT Investment GmbH 5.5% due 15/04/2026	100,000	127,469	0.74
Deutsche Bank AG 4.625% due 31/12/2061	200,000	218,362	1.27
Gruenthal GmbH 3.625% due 15/11/2026	100,000	131,514	0.76
Vantage Towers AG 0.375% due 31/03/2027	100,000	132,604	0.77
ZF Finance GmbH 3% due 21/09/2025	100,000	132,316	0.77
Total GERMANY		742,265	4.31

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 PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

By Geography (Primary) (continued)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities (continued)			
INDONESIA			
Indonesia Asahan Aluminium Persero PT 4.75% due 15/05/2025	200,000	263,882	1.53
Total INDONESIA		263,882	1.53
IRELAND			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust 6.5% due 15/07/2025	150,000	204,207	1.19
Cloverie Public Listed Company For Zurich Insurance Company Limited 5.625% due 24/06/2046	200,000	263,421	1.53
Grenke Finance Public Listed Company 4.125% due 14/10/2024	50,000	69,779	0.40
Sculptor European CLO I DAC 4.903% due 18/04/2034	400,000	499,888	2.90
St Paul's CLO VIII DAC 3.828% due 17/07/2030	500,000	635,831	3.69
Tikehau CLO II BV 5.375% due 07/09/2035	500,000	608,479	3.54
Total IRELAND		2,281,605	13.25
JAPAN			
Rakuten Group Incorporation 10.25% due 30/11/2024	200,000	271,593	1.58
Total JAPAN		271,593	1.58
LUXEMBOURG			
Cirsa Finance International Sarl 4.75% due 22/05/2025	100,000	135,943	0.79
Lincoln Financing Sarl 3.625% due 01/04/2024	100,000	141,548	0.81
Raizen Fuels Finance SA 5.3% due 20/01/2027	200,000	261,441	1.52
Telenet Finance Luxembourg Notes Sarl 5.5% due 01/03/2028	200,000	244,099	1.42
Total LUXEMBOURG		783,031	4.54
MAURITIUS			
Greenko Power II Limited 4.3% due 13/12/2028	191,000	216,464	1.26
Total MAURITIUS		216,464	1.26
NETHERLANDS			
Enel Finance International NV 6.8% due 14/10/2025	200,000	275,994	1.60
OCI NV 4.625% due 15/10/2025	200,000	254,692	1.48
Q-Park Holding I BV 2% due 01/03/2027	100,000	120,099	0.70
Telefonica Europe BV 4.375% due 31/12/2049	100,000	136,868	0.80
Teva Pharmaceutical Finance Netherlands III BV 6% due 15/04/2024	200,000	265,684	1.54
Volkswagen International Finance NV 3.5% due 31/12/2060	100,000	132,713	0.77
Total NETHERLANDS		1,186,050	6.89
POLAND			
mBank SA 0.966% due 21/09/2027	100,000	110,493	0.64
Total POLAND		110,493	0.64

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 PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

By Geography (Primary) (continued)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities (continued)			
SINGAPORE			
BOC Aviation Limited 3.5% due 18/09/2027	200,000	246,684	1.43
DBS Group Holdings Limited 3.3% due 31/12/2060	200,000	251,353	1.46
Flex Limited 6% due 15/01/2028	100,000	134,618	0.78
Total SINGAPORE		632,655	3.67
SOUTH KOREA			
Kookmin Bank 4.5% due 01/02/2029	200,000	249,735	1.45
Total SOUTH KOREA		249,735	1.45
SPAIN			
ABANCA Corporacion Bancaria SA 5.25% due 14/09/2028	200,000	284,014	1.65
CaixaBank SA 5.25% due 31/12/2049	200,000	248,601	1.44
Total SPAIN		532,615	3.09
SWEDEN			
Intrum AB 3.5% due 15/07/2026	100,000	120,240	0.70
Verisure Holding AB 3.875% due 15/07/2026	200,000	259,999	1.51
Total SWEDEN		380,239	2.21
UNITED STATES OF AMERICA			
Abercrombie & Fitch Management Company 8.75% due 15/07/2025	100,000	131,654	0.76
American Tower Corporation 2.4% due 15/03/2025	150,000	189,473	1.10
CCO Holdings LIC / CCO Holdings Capital Corporation 5.125% due 01/05/2027	50,000	62,368	0.36
Charter Communications Operating LIC / Charter Communications Operating Capital 4.908% due 23/07/2025	150,000	197,533	1.15
Cheniere Corpus Christi Holdings LIC 5.125% due 30/06/2027	100,000	132,901	0.77
Cheniere Corpus Christi Holdings LIC 5.875% due 31/03/2025	150,000	202,459	1.18
Cheniere Energy Incorporation 4.625% due 15/10/2028	200,000	242,986	1.41
CNH Industrial Capital LIC 3.95% due 23/05/2025	150,000	195,483	1.13
CoreCivic Incorporation 4.625% due 01/05/2023	50,000	67,006	0.39
Crown Americas LIC / Crown Americas Capital Corporation VI 4.75% due 01/02/2026	50,000	65,105	0.38
CSC Holdings LIC 5.25% due 01/06/2024	50,000	62,534	0.36
Dell International LIC / EMC Corporation 6.1% due 15/07/2027	100,000	138,203	0.80
DISH DBS Corporation 5% due 15/03/2023	50,000	66,888	0.39
Enact Holdings Incorporation 6.5% due 15/08/2025	50,000	66,170	0.38
Enlink Midstream Partners LP 4.85% due 15/07/2026	50,000	63,154	0.37
EQT Corporation 6.125% due 01/02/2025	100,000	134,654	0.78
FirstEnergy Corporation 1.6% due 15/01/2026	50,000	59,401	0.34

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 PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

By Geography (Primary) (continued)

	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities (continued)			
UNITED STATES OF AMERICA (continued)			
Ford Motor Credit Company LLC 2.7% due 10/08/2026	200,000	233,297	1.35
HCA Incorporation 5.375% due 01/09/2026	50,000	66,465	0.39
Lennar Corporation 4.75% due 29/11/2027	50,000	64,733	0.38
Mattel Incorporation 3.375% due 01/04/2026	150,000	185,228	1.08
MGM Resorts International 5.75% due 15/06/2025	50,000	65,267	0.38
Mosaic Company 4.05% due 15/11/2027	100,000	126,718	0.74
Navient Corporation 5.875% due 25/10/2024	50,000	65,001	0.38
Netflix Incorporation 5.875% due 15/11/2028	50,000	68,135	0.40
Nextera Energy Operating Partners LP 4.5% due 15/09/2027	50,000	61,493	0.36
OneMain Finance Corporation 6.875% due 15/03/2025	50,000	64,573	0.37
Organon & Company / Organon Foreign Debt Co-Issuer BV 2.875% due 30/04/2028	100,000	125,511	0.73
Owens-Brockway Glass Container Incorporation 5.375% due 15/01/2025	50,000	64,525	0.37
Pitney Bowes Incorporation 4.625% due 15/03/2024	100,000	130,559	0.76
QVC Incorporation 4.45% due 15/02/2025	200,000	219,421	1.27
Rocket Mortgage LLC / Rocket Mortgage Co-Issuer Incorporation 2.875% due 15/10/2026	50,000	57,872	0.34
Sealed Air Corporation 4% due 01/12/2027	50,000	60,957	0.35
Southwestern Energy Company 5.7% due 23/01/2025	50,000	65,996	0.38
Targa Resources Partners LP / Targa Resources Partners Finance Corporation 5% due 15/01/2028	50,000	64,082	0.37
Tenet Healthcare Corporation 4.625% due 15/06/2028	50,000	60,109	0.35
T-Mobile Usa Incorporation 4.75% due 01/02/2028	50,000	65,341	0.38
Travel + Leisure Company 6.625% due 31/07/2026	200,000	262,871	1.53
United States Treasury Bill 0% due 23/03/2023	200,000	265,765	1.54
Utah Acquisition Sub Incorporation 3.95% due 15/06/2026	100,000	125,698	0.73
VICI Properties LP / VICI Note Company Incorporation 5.625% due 01/05/2024	50,000	66,700	0.39
Vistra Operations Company LLC 4.375% due 01/05/2029	50,000	57,993	0.34
Total UNITED STATES OF AMERICA		4,772,282	27.71
Accrued interest receivable on Quoted Fixed income securities		214,227	1.24
Total Quoted Fixed Income Securities		17,126,265	99.43
Portfolio of investments		17,126,265	99.43
Other net assets		97,533	0.57
Net assets attributable to unitholders		17,223,798	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))		
By Geography (Summary)	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Fixed Income Securities		
Britain	3.94	-
British Virgin Islands	1.54	-
Cayman Islands	14.18	-
Finland	0.53	-
France	5.87	-
Germany	4.31	-
Indonesia	1.53	-
Ireland	13.25	-
Japan	1.58	-
Luxembourg	4.54	-
Mauritius	1.26	-
Netherlands	6.89	-
Poland	0.64	-
Singapore	3.67	-
South Korea	1.45	-
Spain	3.09	-
Sweden	2.21	-
United States of America	27.71	-
Accrued interest receivable on quoted fixed income securities	1.24	-
Total Quoted Fixed Income Securities	99.43	-
Quoted Investment Fund		
Ireland	-	96.74
Total Quoted Investment Fund	-	96.74
Portfolio of investments	99.43	96.74
Other net assets	0.57	3.26
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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (\$\$ Hedged))

By Industry (Secondary)

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Agriculture	129,028	0.75	-
Apparel	127,469	0.74	-
Auto Manufacturers	366,010	2.13	-
Auto Parts & Equipment	253,462	1.47	-
Banks	1,870,569	10.86	-
Chemicals	381,410	2.21	-
Commercial Services	969,208	5.63	-
Computers	138,203	0.80	-
Debt Fund	-	-	96.74
Diversified Financial Services	1,036,074	6.02	-
Electric	454,881	2.64	-
Electronics	134,618	0.78	-
Energy-Alternate Sources	216,464	1.26	-
Engineering and Construction	132,604	0.77	-
Entertainment	135,943	0.79	-
Healthcare-Services	126,574	0.72	-
Home Builders	64,733	0.38	-
Insurance	396,102	2.30	-
Internet	601,377	3.49	-
Lodging	328,138	1.91	-
Machinery-Diversified	195,483	1.13	-
Media	921,369	5.35	-
Mining	263,882	1.53	-
Office/Business Equipment	130,559	0.76	-
Oil and Gas	462,091	2.68	-
Other ABS	3,924,773	22.79	-
Packaging & Containers	190,587	1.11	-
Pharmaceuticals	648,407	3.76	-
Pipelines	705,582	4.10	-
Real Estate	91,967	0.53	-
Real Estate Investment Trusts (REITS)	256,173	1.49	-
Retail	351,075	2.04	-
Sovereign	265,765	1.54	-
Telecommunications	456,230	2.65	-
Toys/Games/Hobbies	185,228	1.08	-
Accrued interest receivable on quoted fixed income securities	214,227	1.24	-
Portfolio of investments	17,126,265	99.43	96.74
Other net assets	97,533	0.57	3.26
Net assets attributable to unitholders	17,223,798	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Singapore Dividend Equity Fund			
By Geography (Primary)			Percentage of
	Holdings at	Fair value at	total net assets
	31 December	31 December	attributable to
	2022	2022	unitholders at
		S\$	31 December
			2022
			%
Quoted Equities			
CHINA			
AustAsia Group Limited	1,027,092	1,124,275	0.22
Yangzijiang Shipbuilding Holdings Limited	4,367,300	5,939,528	1.12
Total CHINA		7,063,803	1.34
HONG KONG SAR			
Hongkong Land Holdings Limited	834,100	5,146,010	0.97
Jardine Matheson Holdings Limited	210,100	14,342,951	2.71
Total HONG KONG SAR		19,488,961	3.68
MALAYSIA			
Frencken Group Limited	6,069,200	5,735,394	1.08
Total MALAYSIA		5,735,394	1.08
SINGAPORE			
BRC Asia Limited	1,742,200	3,153,382	0.60
CapitaLand Investment Limited	5,867,300	21,709,010	4.10
CSE Global Limited	10,561,320	3,590,849	0.68
DBS Group Holdings Limited	1,386,589	47,033,099	8.88
First Resources Limited	4,200,800	6,217,184	1.17
Genting Singapore Limited	5,759,100	5,499,940	1.04
Great Eastern Holdings Limited	215,800	3,992,300	0.75
Hyphens Pharma International Limited	4,000,400	1,340,134	0.25
Japfa Limited	5,135,460	1,771,734	0.34
Jardine Cycle & Carriage Limited	547,200	15,649,920	2.95
Keppel Corporation Limited	5,496,200	39,902,412	7.53
Oversea-Chinese Banking Corporation Limited	3,807,482	46,375,131	8.76
SATS Limited	2,466,500	7,004,860	1.32
Sembcorp Industries Limited	7,862,800	26,576,264	5.02
Singapore Exchange Limited	1,059,700	9,484,315	1.79
Singapore Post Limited	8,911,900	4,634,188	0.87
Singapore Technologies Engineering Limited	4,108,300	13,762,805	2.60
Singapore Telecommunications Limited	2,642,234	6,790,541	1.28
UMS Holdings Limited	8,059,300	9,509,974	1.80
United Overseas Bank Limited	1,642,170	50,414,619	9.52
Venture Corporation Limited	474,600	8,096,676	1.53
Wilmar International Limited	6,684,900	27,876,033	5.26
Total SINGAPORE		360,385,370	68.04
THAILAND			
Thai Beverage Public Company Limited	15,699,700	10,754,294	2.03
Total THAILAND		10,754,294	2.03
Total Quoted Equities		403,427,822	76.17

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 PORTFOLIO

As at 31 December 2022

Singapore Dividend Equity Fund			
By Geography (Primary) (continued)	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Investment Funds			
SINGAPORE			
CapitaLand India Trust	4,778,200	5,399,366	1.02
Keppel Infrastructure Trust	20,415,106	11,024,157	2.08
NetLink NBN Trust	2,103,800	1,746,154	0.33
Total SINGAPORE		18,169,677	3.43
Total Quoted Investment Funds		18,169,677	3.43
Quoted Real Estate Investment Trusts			
HONG KONG SAR			
Link REIT	1,087,575	10,708,722	2.02
Total HONG KONG SAR		10,708,722	2.02
PHILIPPINES			
Citicore Energy REIT Corporation	74,861,000	4,125,876	0.78
Total PHILIPPINES		4,125,876	0.78
SINGAPORE			
CapitaLand Ascott Trust	9,310,300	9,775,815	1.84
CapitaLand China Trust	4,677,200	5,238,464	0.99
CapitaLand Integrated Commercial Trust	6,351,505	12,957,070	2.45
Digital Core REIT Management PTE Limited	9,833,600	7,253,872	1.37
Frasers Centrepoint Trust	2,709,000	5,688,900	1.07
Frasers Logistics & Commercial Trust	4,851,540	5,627,786	1.06
Keppel REIT	8,310,200	7,562,282	1.43
Lendlease Global Commercial REIT	9,544,518	6,728,885	1.27
Mapletree Pan Asia Commercial Trust	6,244,400	10,428,148	1.97
Total SINGAPORE		71,261,222	13.45
Total Quoted Real Estate Investment Trusts		86,095,820	16.25
Portfolio of investments		507,693,319	95.85
Other net assets		21,964,915	4.15
Net asset attributable to unitholders		529,658,234	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

By Geography (Summary)	Singapore Dividend Equity Fund	
	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Equities		
China	1.34	-
Hong Kong SAR	3.68	4.12
Malaysia	1.08	1.02
Singapore	68.04	70.50
Thailand	2.03	2.44
Total Quoted Equities	76.17	78.08
Quoted Investment Funds		
Singapore	3.43	2.56
Total Quoted Investment Funds	3.43	2.56
Quoted Real Estate Investment Trusts		
Hong Kong SAR	2.02	1.05
Philippines	0.78	1.39
Singapore	13.45	13.36
Total Quoted Real Estate Investment Trusts	16.25	15.80
Portfolio of investments	95.85	96.44
Other net assets	4.15	3.56
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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Singapore Dividend Equity Fund			
By Industry (Secondary)		Percentage of total net assets attributable to unitholders at 31 December 2022	Percentage of total net assets attributable to unitholders at 31 December 2021
	Fair value at 31 December 2022	2022	2021
	S\$	%	%
Aerospace/Defense	13,762,805	2.60	-
Agriculture	35,864,951	6.77	2.19
Banks	143,822,849	27.15	27.77
Beverages	10,754,294	2.03	2.44
Commercial Services	-	-	3.60
Computers	3,590,849	0.68	1.02
Distribution/Wholesale	-	-	1.52
Diversified Financial Services	9,484,315	1.79	3.17
Electric	37,600,421	7.10	0.47
Electrical Component & Equipment	5,735,394	1.08	1.02
Electronics	8,096,676	1.53	2.04
Engineering and Construction	46,907,272	8.86	10.02
Entertainment	5,499,940	1.04	-
Food	1,124,275	0.21	3.73
Healthcare-Services	-	-	1.53
Holding Companies-Diversified	14,342,951	2.71	2.74
Insurance	3,992,300	0.75	-
Iron/Steel	3,153,382	0.60	0.54
Miscellaneous Manufacture	-	-	1.15
Pharmaceuticals	1,340,134	0.25	0.28
Private Equity	21,709,010	4.10	4.50
Real Estate	10,545,376	1.99	2.97
Real Estate Investment Trusts (REITS)	86,095,820	16.25	15.80
Retail	15,649,920	2.96	0.64
Semiconductors	9,509,974	1.80	1.86
Shipbuilding	5,939,528	1.12	-
Telecommunications	8,536,695	1.61	1.94
Transportation	4,634,188	0.87	3.50
Portfolio of investments	507,693,319	95.85	96.44
Other net assets	21,964,915	4.15	3.56
Net assets attributable to unitholders	529,658,234	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)			
	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities			
AUSTRALIA			
Westpac Banking Corporation 4.65% due 07/09/2032	750,000	743,974	3.39
Total AUSTRALIA		743,974	3.39
BRITAIN			
Barclays Public Listed Company 8.3% due 15/12/2170	250,000	254,601	1.16
Total BRITAIN		254,601	1.16
BRITISH VIRGIN ISLANDS			
Panther Ventures Limited 3.38% due 30/03/2171	250,000	159,237	0.73
Total BRITISH VIRGIN ISLANDS		159,237	0.73
CANADA			
Manulife Financial Corporation 3% due 21/11/2029	250,000	239,744	1.09
Total CANADA		239,744	1.09
GERMANY			
Commerzbank AG 4.2% due 18/09/2028	250,000	238,375	1.09
Total GERMANY		238,375	1.09
MALAYSIA			
Cagamas Global Public Listed Company 3.85% due 11/09/2023	250,000	248,584	1.13
Cagamas Global Public Listed Company 4.25% due 27/09/2023	250,000	249,155	1.14
Total MALAYSIA		497,739	2.27
SINGAPORE			
ABJA Investment Company Private Limited 4.95% due 03/05/2023	500,000	497,701	2.27
ESR-Logos REIT 5.5% due 09/12/2170	500,000	444,546	2.03
F&N Treasury Private Limited 3.8% due 21/04/2027	250,000	237,779	1.09
First Real Estate Investment Trust 3.25% due 07/04/2027	500,000	474,377	2.16
Keppel Corporation Limited 2.9% due 16/03/2170	750,000	684,607	3.12
Mapletree Industrial Trust 3.15% due 31/12/2061	750,000	681,038	3.11
Monetary Authority of Singapore Bill 0% due 20/01/2023	400,000	399,222	1.82
Singapore Airlines Limited 3.13% due 17/11/2026	250,000	237,186	1.08
Singapore Government Bond 1.625% due 01/07/2031	920,000	820,401	3.74
Singapore Government Bond 1.875% due 01/03/2050	480,000	419,040	1.91
Singapore Government Bond 1.875% due 01/10/2051	500,000	442,358	2.02
Singapore Government Bond 2.25% due 01/08/2036	1,800,000	1,639,926	7.48
Singapore Government Bond 2.375% due 01/07/2039	600,000	556,200	2.54
Singapore Government Bond 2.625% due 01/05/2028	350,000	343,945	1.57

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 PORTFOLIO

As at 31 December 2022

Horizon Singapore Fixed Income Enhanced Fund			
By Geography (Primary)			
	Holdings at 31 December 2022	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Quoted Fixed Income Securities (continued)			
SINGAPORE (continued)			
Singapore Government Bond 2.625% due 01/08/2032	2,010,000	1,937,053	8.83
Singapore Government Bond 2.75% due 01/03/2046	1,820,000	1,898,260	8.66
Singapore Government Bond 2.75% due 01/04/2042	1,420,000	1,453,143	6.63
Singapore Government Bond 2.875% due 01/07/2029	900,000	891,450	4.07
Singapore Government Bond 2.875% due 01/09/2027	450,000	451,515	2.06
Singapore Government Bond 2.875% due 01/09/2030	2,150,000	2,117,750	9.66
Singapore Government Bond 3% due 01/08/2072	650,000	708,688	3.23
Singapore Government Bond 3.375% due 01/09/2033	50,000	51,225	0.23
Singapore Government Bond 3.5% due 01/03/2027	300,000	307,800	1.40
Singapore Technologies Telemedia Private Limited 4.05% due 02/12/2025	500,000	494,428	2.25
United Overseas Bank Limited 3.5% due 27/02/2029	500,000	491,973	2.24
Total SINGAPORE		18,681,611	85.20
SOUTH KOREA			
Export-Import Bank of Korea 2.953% due 19/07/2023	500,000	494,418	2.25
Total SOUTH KOREA		494,418	2.25
Accrued interest receivable on Quoted Fixed Income Securities		167,931	0.77
Total Quoted Fixed Income Securities		21,477,630	97.95
Portfolio of investments		21,477,630	97.95
Other net assets		449,209	2.05
Net assets attributable to unitholders		21,926,839	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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Horizon Singapore Fixed Income Enhanced Fund

By Geography (Summary)

	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Quoted Fixed Income Securities		
Australia	3.39	5.21
Britain	1.16	2.12
British Virgin Islands	0.73	-
Canada	1.09	1.05
France	-	1.08
Germany	1.09	3.07
Hong Kong SAR	-	1.98
Malaysia	2.27	-
Singapore	85.20	82.95
South Korea	2.25	-
Accrued interest receivable on quoted fixed income securities	0.77	0.72
Total Quoted Fixed Income Securities	97.95	98.18
Portfolio of investments	97.95	98.18
Other net assets	2.05	1.82
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)

STATEMENTS OF PORTFOLIO

As at 31 December 2022

Horizon Singapore Fixed Income Enhanced Fund			
By Industry (Secondary)	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %	Percentage of total net assets attributable to unitholders at 31 December 2021 %
Airlines	237,186	1.08	1.03
Banks	2,128,145	9.71	18.71
Diversified Financial Services	497,739	2.27	-
Electric	-	-	3.16
Engineering and Construction	684,607	3.12	3.10
Food	237,779	1.08	1.08
Insurance	239,744	1.09	7.20
Investment Companies	494,428	2.25	7.47
Iron/Steel	497,701	2.27	-
Media	-	-	1.01
Private Equity	-	-	1.06
Real Estate	159,237	0.73	5.21
Real Estate Investment Trusts (REITS)	1,599,961	7.30	15.25
Sovereign	14,533,172	66.28	28.06
Telecommunications	-	-	2.03
Transportation	-	-	3.09
Accrued interest receivable on quoted fixed income securities	167,931	0.77	0.72
Portfolio of investments	21,477,630	97.95	98.18
Other net assets	449,209	2.05	1.82
Net assets attributable to unitholders	21,926,839	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 2022

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 Nikko AM Global Dividend Equity Fund, Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)), 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 2022 and 2021, only units in SGD Hedged (Acc) Class, the SGD Hedged Class (Dist), the USD (Acc) Class, and the CNH Hedged (Dist) Class have been issued.

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

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 (previously known as SGD Class), the SGD (Dist) Class, the USD Hedged (Acc) Class (previously known as USD Class), the USD Hedged (Dist) Class and the RMB Class.

There are no material differences between the SGD (Acc) Class Units (previously known as SGD Class Units), SGD (Dist) Class Units, USD Hedged (Acc) Class Units (previously known as USD 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

1. General (continued)

As of 31 December 2022 and 2021, only units in SGD (Acc) Class (previously known as SGD Class) has been issued.

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) 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 2022 and 2021, only units in SGD Class, SGD (Acc) Class, USD Class, USD (Acc) Class, JPY Class, MYR Class and MYR (Acc) Class have been issued.

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 2022 and 2021, only units in SGD Class has been issued.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies

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 assets at fair value through profit or loss, and in accordance with the Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants.

(b) Recognition of income

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

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

(c) Expenses charged to the Sub-Funds

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 at the end of each month, quarter or year, as agreed between the Manager and Trustee.

(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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(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. The fair value of investments held in the Underlying fund is the quoted net asset value of the Underlying Fund as determined by the Underlying Fund's administrator.

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(j) Foreign currency translation (continued)

(i) *Functional and presentation currency (continued)*

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)), 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. 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.

(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) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(l) Structured Entities (continued)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

The Sub-Fund consider all of their investments in another fund (the "Underlying Fund") to be investments in unconsolidated structured entities. The Sub-Fund invest in Underlying Fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Underlying Fund apply various investment strategies to accomplish their respective investment objectives. The Underlying Fund finance their operations by issuing redeemable units which are puttable at the unitholder's option and entitles the unitholder to a proportional stake in the respective Underlying Fund's net assets.

The change in fair value of the Underlying Fund are included in the Statements of Total Return in "Net gain/(loss) on investments".

(m) 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.

(n) 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 (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.

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 2022

3. Income tax (continued)

The Manager and Trustee of the Sub-Funds have assessed and are satisfied that Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) 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 2022 and 2021 comprises:

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	2022	2021	2022	2021
	US\$	US\$	S\$	S\$
Overseas income tax	299,386	376,434	1,343	-
Singapore income tax	-	-	-	136
	299,386	376,434	1,343	136
	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022	2021	2022	2021
	S\$	S\$	S\$	S\$
Overseas income tax	86,113	37,028	-	-
Singapore income tax	231,181	248,847	-	531
	317,294	285,875	-	531

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.

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 2022

4. Receivables

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (\$\$ Hedged))	
	2022 US\$	2021 US\$	2022 S\$	2021 S\$
Receivable from unitholders for creation of units	60,942	61,015	-	-
Dividends receivable	48,560	62,067	-	-
Accrued interest receivable	-	-	9,347	-
	109,502	123,082	9,347	-

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Receivable from unitholders for creation of units	2,065,166	1,112,634	-	3,000
Dividends receivable	71,347	360,967	-	-
Accrued interest receivable	-	-	27,599	6,388
	2,136,513	1,473,601	27,599	9,388

5. Payables

	Nikko AM Global Dividend Equity Fund		Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (\$\$ Hedged))	
	2022 US\$	2021 US\$	2022 S\$	2021 S\$
Payable to unitholders for cancellation of units	56,014	155,371	203	728
Amount due to the Manager	202,045	265,784	58,432	41,945
Amount due to the Trustee	4,260	5,651	1,478	2,016
Registrar fee payable	4,766	4,869	4,180	4,181
Provision for audit fee	9,550	9,696	8,240	8,239
Valuation fee payable	6,757	8,866	2,338	3,168
Custody fee payable	2,489	2,966	620	-
	285,881	453,203	75,491	60,277

	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Payable to unitholders for cancellation of units	2,283,065	446,761	-	-
Amount due to the Manager	1,718,533	1,410,123	57,814	66,340
Amount due to the Trustee	20,923	35,902	1,828	2,110
Registrar fee payable	12,474	8,896	4,180	4,180
Provision for audit fee	21,187	21,186	8,666	8,667
Valuation fee payable	91,234	56,347	2,892	3,317
Custody fee payable	28,937	23,331	1,070	1,216
Other payables	23,592	13,115	1,195	1,358
	4,199,945	2,015,661	77,645	87,188

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 2022

5. Payables (continued)

Amount due to the Manager comprises management fee payable to Nikko Asset Management Asia Limited. Trustee fee and registrar fee are payable to BNP Paribas Trust Services Singapore Limited. Valuation fee and custody fee are payable to BNP Paribas, operating through its Singapore Branch.

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	
	2022	2021	2022	2021	2022	2021
	US\$	US\$	US\$	US\$	US\$	US\$
Forward foreign exchange contracts	54,458,970	59,429,048	180,093	806,718	-	-

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))						
	Contract or Underlying Principal Amount		Year-End Positive Fair Value		Year-End Negative Fair Value	
	2022	2021	2022	2021	2022	2021
	S\$	S\$	S\$	S\$	S\$	S\$
Forward foreign exchange contracts	-	19,983,842	-	188,427	-	5,331

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.

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 2022

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 2022 and 2021 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 2022 and 2021.

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

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 S\$	Gross amounts of recognised financial liabilities set off in the Statement of Financial Position S\$	Net amounts of financial assets presented in the Statement of Financial Position S\$	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments S\$	Cash collateral S\$	Net exposure S\$
2021						
Forward foreign exchange contracts	50,168	-	50,168	5,331	-	44,837

(ii) Offsetting financial liabilities

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set off in the Statement of Financial Position S\$	Net amounts of financial liabilities presented in the Statement of Financial Position S\$	Related accounts not set-off in the Statement of Financial Position		
				Financial Instruments S\$	Cash collateral S\$	Net exposure S\$
2021						
Forward foreign exchange contracts	5,331	-	5,331	5,331	-	-

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 2022

7. Units in issue

During the year ended 31 December 2022 and 2021, the number of units issued, redeemed and outstanding were as follows:

Nikko AM Global Dividend Equity Fund

	2022	2021
SGD Hedged (Acc) Class		
Units at beginning of the financial year	38,873,327	56,499,244
Units created	713,075	858,979
Units cancelled	(3,291,990)	(18,484,896)
Units at end of the financial year	36,294,412	38,873,327
Net assets attributable to unitholders - US\$	41,130,381	50,380,127
Net asset value per unit - US\$	1.1332	1.2960

	2022	2021
USD (Acc) Class		
Units at beginning of the financial year	407,289	314,692
Units created	37,738	123,088
Units cancelled	(90,733)	(30,491)
Units at end of the financial year	354,294	407,289
Net assets attributable to unitholders - US\$	421,144	550,764
Net asset value per unit - US\$	1.1887	1.3523

	2022	2021
CNH Hedged (Dist) Class		
Units at beginning of the financial year	129,644	49,152
Units created	63,469	96,928
Units cancelled	(5,798)	(16,436)
Units at end of the financial year	187,315	129,644
Net assets attributable to unitholders - US\$	257,835	235,973
Net asset value per unit - US\$	1.3765	1.8202

	2022	2021
SGD Hedged (Dist) Class		
Units at beginning of the financial year	11,470,583	9,779,676
Units created	9,146,400	6,286,103
Units cancelled	(3,847,610)	(4,595,196)
Units at end of the financial year	16,769,373	11,470,583
Net assets attributable to unitholders - US\$	11,412,615	9,551,757
Net asset value per unit - US\$	0.6806	0.8327

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:

	2022 US\$	2021 US\$
SGD Hedged (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.1332	1.2960
Effect of adopting bid prices at fair value per unit	(0.0001)	(0.0001)
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	1.1331	1.2959

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 2022

7. Units in issue (continued)

Nikko AM Global Dividend Equity Fund (continued)

	2022 US\$	2021 US\$
USD (Acc) Class		
Net assets attributable to unitholders as per financial statements per unit	1.1887	1.3523
Effect of adopting bid prices at fair value per unit	(0.0001)	(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	1.1886	1.3522

	2022 US\$	2021 US\$
CNH Hedged (Dist) Class		
Net assets attributable to unitholders as per financial statements per unit	1.3765	1.8202
Effect of distribution	0.0059	0.0099
Effect of adopting bid prices at fair value per unit	(0.0001)	(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	1.3823	1.8300

	2022 US\$	2021 US\$
SGD Hedged (Dist) Class		
Net assets attributable to unitholders as per financial statements per unit	0.6806	0.8327
Effect of distribution	0.0029	0.0045
Effect of adopting bid prices at fair value per unit	(0.0001)	(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	0.6834	0.8371

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

	2022	2021
SGD (Acc) Class (previously known as SGD Class)		
Units at beginning of the financial year	12,817,107	14,068,376
Units created	431,080	9,955,114
Units cancelled	(1,599,152)	(11,206,383)
Units at end of the financial year	11,649,035	12,817,107
Net assets attributable to unitholders - S\$	17,223,798	22,166,213
Net asset value per unit - S\$	1.4786	1.7294

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:

	2022 S\$	2021 S\$
SGD (Acc) Class (previously known as SGD Class)		
Net assets attributable to unitholders as per financial statements per unit	1.4786	1.7294
Effect of adjustment on valuation of investment in the Underlying Fund	-	(0.0032)
Effect for movement in the net asset value between the last dealing date and the end of the reporting period [^]	(0.0001)	-
Net assets attributable to unitholders for issuing/redeeming per unit	1.4785	1.7262

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 2022

7. Units in issue (continued)

Singapore Dividend Equity Fund

	2022	2021
SGD Class		
Units at beginning of the financial year	285,267,979	237,989,591
Units created	145,332,160	106,583,534
Units cancelled	(69,966,249)	(59,305,146)
Units at end of the financial year	360,633,890	285,267,979
Net assets attributable to unitholders - S\$	500,082,481	404,822,648
Net asset value per unit - S\$	1.387	1.419

	2022	2021
SGD Class (Acc)		
Units at beginning of the financial year	-	-
Units created	1,000	-
Units at end of the financial year	1,000	-
Net assets attributable to unitholders - S\$	1,001	-
Net asset value per unit - S\$	1.001	-

	2022	2021
USD Class		
Units at beginning of the financial year	7,782,772	4,642,195
Units created	3,656,428	5,355,537
Units cancelled	(3,343,641)	(2,214,960)
Units at end of the financial year	8,095,559	7,782,772
Net assets attributable to unitholders - S\$	11,230,174	11,049,480
Net asset value per unit - S\$	1.387	1.420

	2022	2021
USD Class (Acc)		
Units at beginning of the financial year	-	-
Units created	1,000	-
Units at end of the financial year	1,000	-
Net assets attributable to unitholders - S\$	1,393	-
Net asset value per unit - S\$	1.393	-

	2022	2021
JPY Class		
Units at beginning of the financial year	86,043,392	98,632,962
Units created	624,970,917	26,795,816
Units cancelled	(444,371,511)	(39,385,386)
Units at end of the financial year	266,642,798	86,043,392
Net assets attributable to unitholders - S\$	3,399,304	1,100,546
Net asset value per unit - S\$	0.013	0.013

	2022	2021
MYR Class		
Units at beginning of the financial year	46,411,580	46,863,418
Units created	55,510,855	23,517,449
Units cancelled	(16,187,865)	(23,969,287)
Units at end of the financial year	85,734,570	46,411,580
Net assets attributable to unitholders - S\$	14,943,256	8,277,418
Net asset value per unit - S\$	0.174	0.178

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 2022

7. Units in issue (continued)

Singapore Dividend Equity Fund (continued)

	2022	2021
MYR Class (Acc)		
Units at beginning of the financial year	-	-
Units created	11,978	-
Units cancelled	(9,985)	-
Units at end of the financial year	1,993	-
Net assets attributable to unitholders – S\$	625	-
Net asset value per unit – S\$	0.314	-

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:

	2022 S\$	2021 S\$
SGD Class		
Net assets attributable to unitholders as per financial statements per unit	1.387	1.419
Effect of distribution	0.006	0.006
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	1.393	1.425

	2022 S\$	2021 S\$
SGD Class (Acc)		
Net assets attributable to unitholders as per financial statements per unit	1.001	-
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	1.001	-

	2022 S\$	2021 S\$
USD Class		
Net assets attributable to unitholders as per financial statements per unit	1.387	1.420
Effect of distribution	0.006	0.006
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	1.393	1.426

	2022 S\$	2021 S\$
USD Class (Acc)		
Net assets attributable to unitholders as per financial statements per unit	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 per unit	1.393	-

	2022 S\$	2021 S\$
JPY Class		
Net assets attributable to unitholders as per financial statements per unit	0.013	1.420
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	0.013	1.420

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 2022

7. Units in issue (continued)

Singapore Dividend Equity Fund (continued)

	2022	2021
	S\$	S\$
MYR Class		
Net assets attributable to unitholders as per financial statements per unit	0.174	0.178
Effect of distribution	0.001	0.001
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	0.175	0.179

	2022	2021
	S\$	S\$
MYR Class (Acc)		
Net assets attributable to unitholders as per financial statements per unit	0.314	-
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	0.314	-

Horizon Singapore Fixed Income Enhanced Fund

	2022	2021
SGD Class		
Units at beginning of the financial year	15,170,417	15,303,981
Units created	210,392	1,801,780
Units cancelled	(1,032,986)	(1,935,344)
Units at end of the financial year	14,347,823	15,170,417
Net assets attributable to unitholders - S\$	21,926,839	24,521,044
Net asset value per unit - S\$	1.528	1.616

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:

	2022	2021
	S\$	S\$
SGD Class		
Net assets attributable to unitholders as per financial statements per unit	1.528	1.616
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	1.528	1.616

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

* Effect is less than 0.001.

Effect is less than 0.0001.

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 2022

8. Distributions

Nikko AM Global Dividend Equity Fund

	2022 US\$	2021 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	-

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 2022

8. Distribution (continued)

Nikko AM Global Dividend Equity Fund (continued)

	2022 US\$	2021 US\$
January interim distribution of (SGD Hedged (Dist) Class) S\$ 0.43 per 100 units and (CNH Hedged (Dist) Class) CNH 4.35 per 100 units in respect of the financial year ended 31 December 2021	-	32,162
February interim distribution of (SGD Hedged (Dist) Class) S\$ 0.44 per 100 units and (CNH Hedged (Dist) Class) CNH 4.36 per 100 units in respect of the financial year ended 31 December 2021	-	31,873
March interim distribution of (SGD Hedged (Dist) Class) S\$ 0.44 per 100 units and (CNH Hedged (Dist) Class) CNH 4.40 per 100 units in respect of the financial year ended 31 December 2021	-	30,568
April interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.55 per 100 units in respect of the financial year ended 31 December 2021	-	32,229
May interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.58 per 100 units in respect of the financial year ended 31 December 2021	-	35,353
June interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.67 per 100 units in respect of the financial year ended 31 December 2021	-	38,455
July interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.62 per 100 units in respect of the financial year ended 31 December 2021	-	37,382
August interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.72 per 100 units in respect of the financial year ended 31 December 2021	-	38,946
September interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.69 per 100 units in respect of the financial year ended 31 December 2021	-	39,156
October interim distribution of (SGD Hedged (Dist) Class) S\$ 0.45 per 100 units and (CNH Hedged (Dist) Class) CNH 4.60 per 100 units in respect of the financial year ended 31 December 2021	-	36,887
November interim distribution of (SGD Hedged (Dist) Class) S\$ 0.46 per 100 units and (CNH Hedged (Dist) Class) CNH 4.71 per 100 units in respect of the financial year ended 31 December 2021	-	39,177
December final distribution of (SGD Hedged (Dist) Class) S\$ 0.61 per 100 units and (CNH Hedged (Dist) Class) CNH 6.32 per 100 units in respect of the financial year ended 31 December 2021	-	52,991
	752,167	445,179

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 2022

8. Distribution (continued)

Singapore Dividend Equity Fund

	2022 S\$	2021 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	-

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 2022

8. Distribution (continued)

Singapore Dividend Equity Fund (continued)

	2022	2021
	S\$	S\$
December 2020 final distribution of (JPY Class) ¥ 4 per 1000 units in respect of the financial year ended 31 December 2021	-	4,957
January interim distribution of (SGD class) S\$ 0.61 per 100 units, (USD Class) US\$ 0.46 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 2021	-	1,572,985
February interim distribution of (SGD Class) S\$ 0.59 per 100 units, (USD Class) US\$ 0.45 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 2021	-	1,567,552
March 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 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,632,923
April interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.47 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 2021	-	1,658,934
May 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 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,584,660
June interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.47 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 2021	-	1,660,789
July 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 2021	-	1,659,711
August interim distribution of (SGD Class) S\$ 0.62 per 100 units, (USD Class) US\$ 0.46 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 2021	-	1,713,404
September 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 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,669,604
October 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 2021	-	1,746,915
November 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 2021	-	1,792,149
December final distribution of (SGD Class) S\$ 0.58 per 100 units, (USD Class) US\$ 0.43 per 100 units and (MYR Class) MYR 0.23 per 100 units in respect of the financial year ended 31 December 2021	-	1,734,463
	24,280,536	19,999,046

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

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-Funds 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 it does 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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)) 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, it does 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

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

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.

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

With effect from 31 March 2022, the investment objective and policy/focus and approach of the Sub-Fund was amended such that the Sub-Fund will seek to achieve its investment objective by investing in credit-related debt securities globally and the benchmark for Sub-Fund (i.e. Bloomberg Global Aggregate Index Total Return Index SGD Hedged) has been removed. Prior to that, the Sub-Fund as a feeder fund invested all or substantially all of its assets in the shares of Russell Investments Global Bond Fund (the "Underlying Fund"), a sub-fund within the Russell Investment Company PLC.

As at 31 December 2022, 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. The table below summarises the impact of an increase/decrease of the index components within the associated Benchmark, with all other variables held constant, on the net asset attributable to unitholders as at 31 December 2021.

Singapore Dividend Equity Fund and Nikko AM Global Dividend Equity Fund

The table below summarises the impact of an increase/decrease of the index components within the associated Benchmark/Index, with all other variables held constant, on the net assets attributable to unitholders as at 31 December 2022 and 31 December 2021. The analysis was based on the assumptions that the index components within the associated Benchmark/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.

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 2022

9. Financial risk management (continued)

(a) Market risk - Price risk (continued)

Sub-Fund	enchmark/Index	Increase/Decrease in index components (%)		Increase/Decrease in net assets attributable to unitholders (%)	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Nikko AM Global Dividend Equity Fund	MSCI AC World Net Total Return Index (USD)	14	12	13	12
Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))	Bloomberg Global Aggregate Total Return Index (SGD Hedged)	N.A.	4	N.A.	4
Singapore Dividend Equity Fund	FTSE Straits Times Net Index	14	16	12	13

(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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)) 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.

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 2022

9. Financial risk management (continued)

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

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

As at 31 December 2022

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years 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 2022, an increase/decrease of interest rates 1% with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 2%. Changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

There are no comparative amounts for 2021, as prior to 31 March 2022, the Sub-Fund was a feeder fund which invested all or substantially all of its assets in the shares of the Underlying Fund.

Horizon Singapore Fixed Income Enhanced Fund

As at 31 December 2022

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years 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 2021

	<u>Floating rate</u>	<u>Fixed rate</u>			<u>Non-interest bearing</u>	<u>Total</u>
	S\$	Up to 1 year S\$	1-5 years S\$	Over 5 years S\$	S\$	S\$
Assets						
Portfolio of investments	8,849,730	-	2,947,936	12,102,579	175,549	24,075,794
Sales awaiting settlement	-	-	-	-	290,488	290,488
Receivables	-	-	-	-	9,388	9,388
Cash and cash equivalents	232,562	-	-	-	-	232,562
Total assets	9,082,292	-	2,947,936	12,102,579	475,425	24,608,232
Liabilities						
Payables	-	-	-	-	87,188	87,188
Total liabilities	-	-	-	-	87,188	87,188

As at 31 December 2022 and 2021 an increase/decrease of interest rates 1% (2021: 1%), with all other variables remaining constant, would result in an decrease/increase of the net assets attributable to unitholders by approximately 8% (2021: 7%). Changes in interest rate are revised annually depending on the Manager's current view of market volatility and other factors.

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 2022***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 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	

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 2022

9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

Nikko AM Global Dividend Equity Fund (continued)

As at 31 December 2021	USD US\$	EUR US\$	SEK US\$	GBP US\$	JPY US\$	AUD US\$	TWD US\$	SGD US\$	Others US\$	Total US\$
Assets										
Portfolio of investments	29,057,748	10,266,921	1,118,971	4,488,577	1,312,292	1,274,118	3,200,921	1,148,314	7,344,678	59,212,540
Receivables	38,545	-	-	5,846	6,369	-	11,307	61,015	-	123,082
Cash and cash equivalents	463,610	6,290	215	3,466	309	3,653	-	413,648	191,284	1,082,475
Total assets	29,559,903	10,273,211	1,119,186	4,497,889	1,318,970	1,277,771	3,212,228	1,622,977	7,535,962	60,418,097
Liabilities										
Payables	297,830	-	-	-	-	-	-	155,373	-	453,203
Distributions payable	-	-	-	-	-	-	-	51,705	1,286	52,991
Total liabilities	297,830	-	-	-	-	-	-	207,078	1,286	506,194
Net off-balance sheet derivative financial instruments	(58,620,283)	-	-	-	-	-	-	59,193,222	233,779	
Net currency exposure	(29,358,210)	10,273,211	1,119,186	4,497,889	1,318,970	1,277,771	3,212,228	60,609,121	7,768,455	

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 included listed equities and real estate investment trusts, as part of the price risk sensitivity analysis.

As of 31 December 2022 and 2021, 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.

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 2022

9. Financial risk management (continued)

(c) Market risk - Currency risk (continued)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

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	

As at 31 December 2021	SGD S\$	USD S\$	JPY S\$	GBP S\$	EUR S\$	Total S\$
Assets						
Portfolio of investments	-	21,442,884	-	-	-	21,442,884
Sales awaiting settlement	-	-	-	-	-	-
Cash and cash equivalents	26,247	574,019	234	9	1	600,510
Total assets	26,247	22,016,903	234	9	1	22,043,394
Liabilities						
Payables	60,277	-	-	-	-	60,277
Total liabilities	60,277	-	-	-	-	60,277
Net off-balance sheet derivative financial instruments	19,974,696	(10,183,769)	(3,022,427)	(1,182,260)	(5,403,144)	
Net currency exposure	19,940,666	11,833,134	(3,022,193)	(1,182,251)	(5,403,143)	

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 all other variables held constant. Changes in percentage 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 2022	31 December 2021	31 December 2022	31 December 2021
EUR	6	4	2	(1)
JPY	N.A.	6	N.A.	(1)
USD	6	4	4	2

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 2022***9. Financial risk management** (continued)**(c) Market risk - Currency risk** (continued)**Singapore Dividend Equity Fund**

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	

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 2022***9. Financial risk management (continued)****(c) Market risk - Currency risk (continued)****Singapore Dividend Equity Fund (continued)**

As at 31 December 2021	SGD S\$	USD S\$	JPY S\$	HKD S\$	MYR S\$	PHP S\$	Total S\$
Assets							
Portfolio of investments	373,737,392	25,991,070	-	4,484,551	-	5,911,418	410,124,431
Sales awaiting settlement	6,542	-	-	-	-	-	6,542
Receivables	1,363,080	4,666	-	-	105,855	-	1,473,601
Cash and cash equivalents	15,105,809	1,072,164	1,215,624	-	2,045	-	17,395,642
Total assets	390,212,823	27,067,900	1,215,624	4,484,551	107,900	5,911,418	429,000,216
Liabilities							
Payables	2,010,604	-	-	-	5,057	-	2,015,661
Distributions payable	1,654,554	45,288	-	-	34,621	-	1,734,463
Total liabilities	3,665,158	45,288	-	-	39,678	-	3,750,124
Net currency exposure	386,547,665	27,022,612	1,215,624	4,484,551	68,222	5,911,418	

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, investments funds and real estate investments trust, as part of the price risk sensitivity analysis.

As of 31 December 2022 and 2021, 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.

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 2022

9. Financial risk management (continued)

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

Horizon Singapore Fixed Income Enhanced Fund

As of 31 December 2022 and 2021, the Sub-Fund does not hold substantial monetary assets/liabilities. Changes in foreign exchange rates on monetary assets/liabilities will not result a significant change in the net asset value of the Sub-Fund. Hence, no separate sensitivity analysis on foreign currency risk has been presented.

(d) **Market risk - 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 2022 and 2021, 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 (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	Less than 3 months		Less than 3 months	
	As at 31 December 2022 US\$	As at 31 December 2021 US\$	As at 31 December 2022 S\$	As at 31 December 2021 S\$
Payables	285,881	453,203	75,491	60,277
Distribution payable	49,773	52,991	-	-
Contractual cash outflows (excluding gross settled derivatives)	335,654	506,194	75,491	60,277

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 2022

9. Financial risk management (continued)

(d) Market risk - 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 2022 S\$	As at 31 December 2021 S\$	As at 31 December 2022 S\$	As at 31 December 2021 S\$
Payables	4,199,945	2,015,661	77,645	87,188
Distribution payable	2,237,268	1,734,463	-	-
Contractual cash outflows (excluding gross settled derivatives)	6,437,213	3,750,124	77,645	87,188

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
Less than 3 months	As at 31 December 2022 S\$	As at 31 December 2021 S\$
Currency forward		
- Outflow	-	(1,182,260)
- Inflow	-	1,176,929
Net outflow	-	(5,331)

(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.

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 2022

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 2022 and 2021, the Sub-Funds' financial assets held at amortised cost as disclosed in the Statement 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-Funds' investments by credit ratings. The credit ratings are reviewed regularly.

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (\$ Hedged))

	Fair value as at 31 December 2022	
	Floating rate securities S\$	Fixed rate securities S\$
A1	-	261,649
A2	396,102	-
B1	-	840,904
B2	-	446,015
B3	-	333,390
Ba1	-	1,150,414
Ba2	355,230	1,475,386
Ba3	-	1,199,579
Ba2*+	261,295	-
Ba3u	248,601	-
Baa1	498,069	792,042
Baa2	768,544	918,047
Baa3	2,015,833	1,625,164
Baa3*-	-	132,604
Caa1	-	62,534
Not rated **	1,667,616	1,463,020
Accrued interest receivable on quoted fixed income securities	83,330	130,897
	6,294,620	10,831,645

There are no comparative amounts for 2021, as prior to 31 March 2022, the Sub-Fund was a feeder fund which invested all or substantially all of its assets in the shares of the Underlying Fund.

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 2022

9. Financial risk management (continued)

(e) Credit risk (continued)

Horizon Singapore Fixed Income Enhanced Fund

	Fair value as at 31 December 2022		Fair value as at 31 December 2021	
	Floating rate securities	Fixed rate securities	Floating rate securities	Fixed rate securities
	S\$	S\$	S\$	S\$
AAA *	-	-	-	7,688,030
AA+	-	-	-	273,026
AA	-	-	-	257,737
A	-	-	509,875	-
A-	-	-	257,294	738,106
BBB+	-	-	1,018,950	245,775
BBB-	-	-	1,253,100	-
BB+	-	-	753,575	-
Aaa *	-	14,437,976	-	-
A2	491,973	159,237	1,005,767	-
A3	-	497,739	-	262,433
Aa2	-	494,418	-	-
Ba2*+	254,601	-	-	-
Baa1	743,974	-	523,711	-
Baa2	-	-	1,015,002	-
Baa3	238,375	-	511,525	521,697
Not rated **	2,049,935	1,941,471	2,000,931	5,063,711
Accrued interest receivable on quoted fixed income securities	32,963	134,968	70,182	105,367
	3,811,821	17,665,809	8,919,912	15,155,882

* The balance includes securities that are issued by government agencies of governments that have a Aaa rating as rated by Moody's (2021: AAA rating as rated by a well-known rating agency).

** Not rated securities are supported by internal and other rating agencies credit ratings but are not disclosed due to licencing restrictions. Following a change in the use of credit rating agencies during the financial year ended 31 December 2022 whereby historical credit ratings cannot be retrieved, the comparative amounts for the credit ratings table above are not entirely comparable.

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 2022

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 2022 and 2021.

Nikko AM Global Dividend Equity Fund

	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
Bank and custodian		
- BNP Paribas, operating through its Singapore Branch	Aa3	A+
Counterparties of forward foreign exchange contracts		
- ANZ Bank	Aa3	AA-
- JP Morgan Chase Bank	N.A	A-

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
Bank and custodian		
- BNP Paribas, operating through its Singapore Branch	Aa3	A+
Counterparties of forward foreign exchange contracts		
- BNP Paribas	N.A	A+
- JP Morgan Chase Bank	N.A	A-

Singapore Dividend Equity Fund

	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
Bank and custodian		
- BNP Paribas, operating through its Singapore Branch	Aa3	A+

Horizon Singapore Fixed Income Enhanced Fund

	Credit rating as at 31 December 2022	Credit rating as at 31 December 2021
Bank and custodian		
- BNP Paribas, operating through its Singapore Branch	Aa3	A+

As at 31 December 2022, the credit ratings are based on Local Long-Term Bank Deposits from Moody's (2021: Long-Term Local Issuer Ratings from a well-known rating agency).

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

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 2022

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 2022 and 2021:

Nikko AM Global Dividend Equity Fund

As at 31 December 2022

Assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets designated at fair value through profit or loss inception:				
- 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

As at 31 December 2021

Assets	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	55,623,238	-	-	55,623,238
- Quoted real estate investment trusts	3,589,302	-	-	3,589,302
- Financial derivatives at fair value	-	806,718	-	806,718
	59,212,540	806,718	-	60,019,258

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 2022

9. Financial risk management (continued)

(g) Fair value estimation (continued)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	-	17,126,265	-	17,126,265

As at 31 December 2021

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- Quoted investment fund	21,442,884	-	-	21,442,884
- Financial derivatives at fair value	-	188,427	-	188,427
	21,442,884	188,427	-	21,631,311
Liabilities				
Financial liabilities designated at fair value through profit or loss inception:				
- Financial derivatives at fair value	-	5,331	-	5,331

Singapore Dividend Equity Fund

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- 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

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 2022

9. Financial risk management (continued)

(g) Fair value estimation (continued)

Singapore Dividend Equity Fund (continued)

As at 31 December 2021

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- Quoted equities	332,052,346	-	-	332,052,346
- Quoted investment funds	10,879,678	-	-	10,879,678
- Quoted real estate investment trusts	67,192,407	-	-	67,192,407
	<u>410,124,431</u>	<u>-</u>	<u>-</u>	<u>410,124,431</u>

Horizon Singapore Fixed Income Enhanced Fund

As at 31 December 2022

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	<u>14,546,276</u>	<u>6,931,354</u>	<u>-</u>	<u>21,477,630</u>

As at 31 December 2021

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Assets				
Financial assets designated at fair value through profit or loss inception:				
- Quoted fixed income securities	<u>5,875,098</u>	<u>18,200,696</u>	<u>-</u>	<u>24,075,794</u>

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. Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. 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 investment-grade corporate bonds and over-the-counter derivatives.

Except for cash and cash equivalents which are classified as level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2022 and 2021 have been classified as level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

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 2022

9. Financial risk management (continued)

(h) Interests in unconsolidated structured entities

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

The Sub-Funds' investments in the Underlying Fund are subject to the terms and conditions of the respective Underlying Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Underlying Fund. The Manager makes investment decisions after extensive due diligence of the Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager.

The Sub-Fund has the right to request redemption of its investments in the Underlying Fund on a daily basis. The exposure to investments in the Underlying Funds at fair value is disclosed under the Statement of Portfolio. These investments are included in "Portfolio of investments" in the Statements of Financial Position.

The Sub-Fund's holdings in the Underlying Fund, as a percentage of the Underlying Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Underlying Fund level. It is possible that the Sub-Fund may, at any point in time, hold a majority of an Underlying Fund's total units in issue.

The Sub-Fund's maximum exposure to loss from its interests in Underlying Fund is equal to the total fair value of its investments in Underlying Fund.

Once the Sub-Fund has disposed of its units in the Underlying Fund, the Sub-Fund ceases to be exposed to any risk from that Underlying Fund.

The Sub-Fund has disposed all of its units in the Underlying Fund on 28 March 2022.

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 2022

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged))	
	2022	2021	2022	2021
	US\$	US\$	S\$	S\$
Bank balances held with related party of the trustee	1,535,421	1,082,475	163,677	600,510
	Singapore Dividend Equity Fund		Horizon Singapore Fixed Income Enhanced Fund	
	2022	2021	2022	2021
	S\$	S\$	S\$	S\$
Bank balances held with related party of the trustee	26,265,615	17,395,642	499,255	232,562

11. Financial ratios

Expense ratio

Nikko AM Global Dividend Equity Fund

SGD Hedged (Acc) Class		2022	2021
Total operating expenses	US\$	712,389	1,062,150
Average daily net asset value	US\$	42,167,701	62,689,818
Total expense ratio¹	%	1.69	1.69
SGD Hedged (Dist) Class		2022	2021
Total operating expenses	US\$	180,199	142,809
Average daily net asset value	US\$	10,638,939	8,468,726
Total expense ratio¹	%	1.69	1.69
USD (Acc) Class		2022	2021
Total operating expenses	US\$	6,998	7,985
Average daily net asset value	US\$	414,567	473,528
Total expense ratio¹	%	1.69	1.69
CNH Hedged (Dist) Class		2022	2021
Total operating expenses	US\$	3,523	1,433
Average daily net asset value	US\$	207,688	87,475
Total expense ratio¹	%	1.70	1.64

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 2022

11. Financial ratios (continued)

Expense ratio (continued)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

SGD (Acc) Class (previously known as SGD Class)		2022	2021
Total operating expenses	S\$	297,037	225,678
Average daily net asset value	S\$	18,626,988	25,403,024
Total expense ratio¹ (including Underlying Fund's expense ratio)	%	1.75	1.59
Weighted average of the Underlying Fund's unaudited expense ratio	%	0.16	0.70

Singapore Dividend Equity Fund

SGD class		2022	2021
Total operating expenses	S\$	6,515,087	5,422,862
Average daily net asset value	S\$	457,975,633	378,643,953
Total expense ratio¹	%	1.42	1.43

SGD (Acc) Class		2022	2021
Total operating expenses	S\$	6	-
Average daily net asset value	S\$	1,003	-
Total expense ratio¹ (annualised)	%	1.23	-

USD Class		2022	2021
Total operating expenses	S\$	156,410	140,320
Average daily net asset value	S\$	10,992,145	9,800,554
Total expense ratio¹	%	1.42	1.43

USD (Acc) Class		2022	2021
Total operating expenses	S\$	8	-
Average daily net asset value	S\$	1,395	-
Total expense ratio¹ (annualised)	%	1.29	-

JPY Class		2022	2021
Total operating expenses	S\$	16,396	6,271
Average daily net asset value	S\$	2,982,427	1,129,998
Total expense ratio¹	%	0.55	0.55

MYR Class		2022	2021
Total operating expenses	S\$	167,302	114,228
Average daily net asset value	S\$	11,771,409	7,973,358
Total expense ratio¹	%	1.42	1.43

MYR (Acc) Class		2022	2021
Total operating expenses	S\$	3	-
Average daily net asset value	S\$	606	-
Total expense ratio¹ (annualised)	%	1.18	-

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 2022

11. Financial ratios (continued)

Expense ratio (continued)

Horizon Singapore Fixed Income Enhanced Fund

SGD Class		2022	2021
Total operating expenses	S\$	278,183	325,310
Average daily net asset value	S\$	22,237,543	25,254,941
Total expense ratio¹	%	1.25	1.29

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.

Turnover ratio

Nikko AM Global Dividend Equity Fund

		2022	2021
Lower of total value of purchases or sales	US\$	12,503,315	18,422,212
Average daily net asset value	US\$	53,428,895	71,719,547
Total turnover ratio²	%	23.40	25.69

Nikko AM Multi Sector Credit Fund
(formerly known as Horizon Global Bond Fund (S\$ Hedged))

		2022	2021
Lower of total value of purchases or sales	S\$	23,884,621	18,977,887
Average daily net asset value	S\$	18,626,988	25,403,024
Total turnover ratio²	%	128.23	74.71

Singapore Dividend Equity Fund

		2022	2021
Lower of total value of purchases or sales	S\$	81,080,920	84,364,108
Average daily net asset value	S\$	483,724,619	397,547,863
Total turnover ratio²	%	16.76	21.22

Horizon Singapore Fixed Income Enhanced Fund

		2022	2021
Lower of total value of purchases or sales	S\$	27,651,011	18,160,331
Average daily net asset value	S\$	22,237,543	25,254,941
Total turnover ratio²	%	124.34	71.91

² 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

(Constituted under a Trust Deed registered in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

12. Comparative

When necessary, comparative figures have been adjusted to conform with the changes in presentation in the current period. The revised presentation does not result in a change in the Sub-Funds' net assets or return/deficit after income tax.

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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 43.

2. Credit rating of debt securities

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
A1	261,649	1.52
A2	396,102	2.30
B1	840,904	4.88
B2	446,015	2.59
B3	333,390	1.94
Ba1	1,150,414	6.68
Ba2	1,830,616	10.63
Ba2 *+	261,295	1.52
Ba3	1,199,579	6.96
Ba3u	248,601	1.44
Baa1	1,290,111	7.49
Baa2	1,686,591	9.79
Baa3	3,640,997	21.14
Baa3 *-	132,604	0.77
Caa1	62,534	0.36
Not rated	3,130,636	18.18
Accrued interest receivable on quoted fixed income securities	214,227	1.24
Total	17,126,265	99.43

Horizon Singapore Fixed Income Enhanced Fund

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders at 31 December 2022 %
Aaa	14,437,976	65.85
A2	651,210	2.97
A3	497,739	2.27
Aa2	494,418	2.25
Ba2 *+	254,601	1.16
Baa1	743,974	3.39
Baa3	238,375	1.09
Not rated	3,991,406	18.20
Accrued interest receivable on quoted fixed income securities	167,931	0.77
Total	21,477,630	97.95

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

3. Top 10 holdings

Nikko AM Global Dividend Equity Fund

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

10 largest holdings at 31 December 2021

	Fair value US\$	Percentage of total net assets attributable to unitholders %
Taiwan Semiconductor Manufacturing Company Limited	3,200,921	5.27
Coca-Cola Company	2,772,390	4.57
Roche Holding AG	2,537,205	4.18
PepsiCo Incorporated	2,505,419	4.13
Nestle SA	2,479,310	4.08
Pfizer Incorporated	2,293,148	3.78
Accenture Public Listed Company	2,272,563	3.74
Microsoft Corporation	2,191,461	3.61
Compass Group Public Listed Company	1,838,271	3.03
Schneider Electric SE	1,830,794	3.02

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

3. Top 10 holdings (continued)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

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

Largest holdings at 31 December 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Russell Investment Company PLC - Russell Global Bond Fund (Class A)	21,442,884	96.74

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

3. Top 10 holdings (continued)

Singapore Dividend Equity Fund

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

10 largest holdings at 31 December 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	40,742,991	9.58
Oversea-Chinese Banking Corporation Limited	40,320,455	9.48
United Overseas Bank Limited	37,040,493	8.71
Keppel Corporation Limited	21,303,296	5.01
CapitaLand Investment Limited	19,117,142	4.50
Wilmar International Limited	15,866,550	3.73
Sembcorp Industries Limited	15,309,800	3.60
Singapore Exchange Limited	13,465,470	3.17
Jardine Matheson Holdings Limited	11,672,934	2.74
CapitaLand Integrated Commercial Trust	11,324,458	2.66

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

3. Top 10 holdings (continued)

Horizon Singapore Fixed Income Enhanced Fund

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

10 largest holdings at 31 December 2021

	Fair value S\$	Percentage of total net assets attributable to unitholders %
Singapore Government Bond 2.75% due 01/03/2046	1,460,680	5.96
Singapore Government Bond 2.75% due 01/04/2042	1,002,330	4.09
Singapore Government Bond 2.875% due 01/09/2030	929,985	3.79
Australia & New Zealand Banking Group Limited 3.75% due 23/03/2027	754,288	3.08
Mapletree Industrial Trust 3.15% due 31/12/2061	741,375	3.02
United Overseas Bank Limited 2.55% due 31/12/2061	737,250	3.01
Singapore Government Bond 3% due 01/09/2024	631,740	2.58
DBS Group Holdings Limited 3.98% due 31/12/2049	523,711	2.14
Lendlease Finance Limited 3.9% due 27/04/2027	521,697	2.13
Singapore Government Bond 2.25% due 01/08/2036	520,700	2.12

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

4. Exposure to financial derivatives

Nikko AM Global Dividend Equity Fund

	Fair value at 31 December 2022 US\$	Percentage of total net assets attributable to unitholders 31 December 2022 %	Unrealised gains/(losses) US\$	Realised gains/(losses) US\$
Forward foreign exchange contracts	180,093	0.34	180,093	(427,247)

Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged))

	Fair value at 31 December 2022 S\$	Percentage of total net assets attributable to unitholders 31 December 2022 %	Unrealised gains/(losses) S\$	Realised gains/(losses) S\$
Forward foreign exchange contracts	-	-	-	230,617

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
(Constituted under a Trust Deed registered in the Republic of Singapore)

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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 pages 25 to 29.

Singapore Dividend Equity Fund

Please refer to the Statements of Portfolio on pages 36 to 39.

9. Borrowings

Nil.

10. Amount of units created and cancelled for the financial year ended 31 December 2022

	Nikko AM Global Dividend Equity Fund US\$	Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) S\$
Units created	7,603,608	693,634
Units cancelled	(6,480,776)	(2,621,875)

	Singapore Dividend Equity Fund S\$	Horizon Singapore Fixed Income Enhanced Fund S\$
Units created	232,701,021	322,488
Units cancelled	(114,924,076)	(1,617,851)

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.

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

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 (formerly known as Horizon Global Bond Fund (S\$ Hedged)). NAM Americas 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.

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

REPORT TO UNITHOLDERS

For the financial year ended 31 December 2022

With effect from 31 March 2022, the investment objective and policy/focus and approach of Nikko AM Multi Sector Credit Fund (formerly known as Horizon Global Bond Fund (S\$ Hedged)) was amended such that the Sub-Fund will seek to achieve its investment objective by investing in credit-related debt securities globally. Prior to that, the Sub-Fund as a feeder fund invested all or substantially all of its assets in the shares of Russell Investments Global Bond Fund, a sub-fund within the Russell Investment Company PLC

The details which follow make reference to the investments within the Russell Investment Company PLC - Russell Investments Global Bond Fund (Class A) unless stated otherwise.

1. Top 10 Holdings

10 largest holdings at 31 December 2021	Fair value US\$	Percentage of total net assets attributable to unitholders %
JAPAN (10 YEAR ISSUE) 0.1 20-Mar-2029	21,963,075	1.19
US TREASURY N/B 0.125 28-Feb-2023	20,120,699	1.09
JAPAN (10 YEAR ISSUE) 0.1 20-Jun-2029	18,551,814	1.00
BUNDESOBLIGATION 0 11-Apr-2025	15,123,586	0.82
US TREASURY N/B 1.5 15-Aug-2026	15,118,306	0.82
JAPAN (30 YEAR ISSUE) 1.5 20-Mar-2045	14,186,206	0.77
UK TSY 3.5 22-Jan-2045	13,723,826	0.74
BUNDESREPUB. DEUTSCHLAND 0 15-Aug-2030	13,515,018	0.73
US TREASURY N/B 2 15-Feb-2050	13,133,905	0.71
JAPAN (20 YEAR ISSUE) 2.1 20-Dec-2029	12,793,817	0.69

2. Financial Ratios

	2021 %
Expense ratio ¹	0.72
Turnover ratio	161.32

¹ The expense ratio has been computed based on the total operating expenses divided by the average net asset value for the period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to 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 average net asset value is based on the daily balances.

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

Company registration number 198202562H