

20 September 2023

Dear Unitholder

**NIKKO AM SHENTON HORIZON INVESTMENT FUNDS (THE “FUND”)**

- **NIKKO AM GLOBAL DIVIDEND EQUITY FUND**
  - **SINGAPORE DIVIDEND EQUITY FUND**
  - **HORIZON SINGAPORE FIXED INCOME ENHANCED FUND**
- (EACH A “SUB-FUND”, COLLECTIVELY, THE “SUB-FUNDS”)

**RECLASSIFICATION OF THE SUB-FUNDS AS EXCLUDED INVESTMENT PRODUCTS (“EIPs”) AND PRESCRIBED CAPITAL MARKETS PRODUCTS**

Thank you for your support for the Nikko Asset Management Asia Limited family of funds.

We wish to inform you that with effect on and from 30 November 2023 (the “**Effective Date**”), Units of the Sub-Funds shall be reclassified as follows:

	<b>Current Classification</b>	<b>New Classification with effect on and from the Effective Date</b>
<b>Notice on the Sale of Investment Products (SFA04-N12)</b>  (the “ <b>Notice</b> ”)	Specified Investment Products (“ <b>SIPs</b> ”) (as defined in the Notice)	Excluded Investment Products (“ <b>EIPs</b> ”) (as defined in the Notice)
<b>Securities and Futures (Capital Markets Products) Regulations 2018</b>  (the “ <b>Regulations</b> ”)	Capital markets products other than prescribed capital markets products	Prescribed capital markets products (as defined in the Regulations)

Accordingly, with effect on and from the Effective Date, the Sub-Funds will not invest in any product or engage in any transaction which may cause Units of the Sub-Funds not to be regarded as EIPs and prescribed capital markets products. Investment restrictions applicable to EIPs and prescribed capital markets products are summarised below.

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Co. Registration No. 198202562H

## **Investment Restrictions for EIPs**

### **1. Permitted Investments**

Currently, the Sub-Funds can only invest in investments permitted under the trust deed of the Fund (the “**Deed**”), provided that each such investment is permitted under the Code on Collective Investment Schemes (“**Code**”). Subject to the Code and the Deed, the Managers may in their absolute discretion, invest in financial derivative instruments (“**FDIs**”) for the purposes of hedging, efficient portfolio management and/or optimising returns provided that FDIs are not used to gear the overall portfolio.

On and from the Effective Date, the Sub-Funds (for so long as Units of the Sub-Funds are EIPs) will also be subject to the provisions under the Notice and the Regulations and may only invest in investments permitted under the Deed, the Code, the Notice and the Regulations. The Sub-Funds may only invest in FDIs solely for the purpose of hedging or efficient portfolio management.

In addition to the foregoing, for so long as the Singapore Dividend Equity Fund is a Qualifying CIS, the Singapore Dividend Equity Fund shall also comply with the product restrictions of Qualifying CIS set out in Sections 1, 2, 3 and 4 of Part II of the Standards of Qualifying CIS.

As at the date of this notice, the Sub-Funds do not have any investment in any product not permitted for investments by EIPs and prescribed capital markets products as prescribed or defined in the Notice and Regulations.

### **2. Securities lending and repurchase transactions**

Each Sub-Fund currently does not intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the applicable provisions of the Code and the Deed.

On and from the Effective Date, each Sub-Fund does not intend to carry out securities lending or repurchase transactions but may in the future do so, in accordance with the applicable provisions of the Code and the Deed and (for so long as Units of the Sub-Funds are EIPs), will also be subject to limits on the use of securities lending or repurchase transactions as set out in the Regulations.

However, the Singapore Dividend Equity Fund will not engage in securities lending for so long as it is a qualifying CIS.

Please note that the current investment objective, focus and approach of the Fund will remain unchanged. Any defined term in this notice shall have the same meaning as in the prospectus of the Fund unless otherwise defined herein.

**This notice is for your information only. No action is required on your part.**

The prospectus of the Fund will be updated in due course to reflect the changes set out above. Copies of the updated prospectus will be available from our appointed distributors once available. Electronic copies of the prospectus may also be obtained at [www.nikkoam.com.sg](http://www.nikkoam.com.sg).

Please feel free to contact the distributor from whom you bought your units in the Fund if you have any queries in respect of your investment in the Fund.

We thank you again for your continued support, and we look forward to serving you.

Yours sincerely  
**Nikko Asset Management Asia Limited**



Eleanor Seet  
President

**Important Information:**

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](http://www.nikkoam.com.sg)) before deciding whether to invest in the Fund.

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