

28 February 2024

Dear Holder,

**NIKKO AM SHENTON INCOME FUND (THE “FUND”)
CLARIFICATION TO INVESTMENT RESTRICTION OF THE FUND**

Thank you for your support for the Nikko Asset Management Asia Limited family of funds. We, Nikko Asset Management Asia Limited, are writing to you in our capacity as the managers of the Fund (the “**Managers**”) to inform you of the following clarification that will be made to the investment restriction of the Fund with effect from 1 April 2024 (the “**Effective Date**”).

Currently, as stated in the prospectus of the Fund (the “**Prospectus**”) under the “Investment restrictions in respect of the Nikko AM Shenton Income Fund”, the Fund’s investment in Authorised Investments (as defined in the trust deed of the Fund (the “**Deed**”)) shall, as far as possible be limited to those maturing in three years provided that the Managers may in their absolute discretion invest in Authorised Investments (including bonds) which do not have a fixed maturity period or which have a maturity period of up to such number of years as the Managers may in their absolute discretion determine (the “**Specified Investment Restriction**”).

For the purposes of clarity, as the Specified Investment Restriction already permits the Managers to invest in Authorised Investments other than those maturing in three years at their absolute discretion, the Managers intend to remove the Specified Investment Restriction and update the investment restrictions set out in the Prospectus as highlighted in bold and strikethrough below:

Investment restrictions in respect of the Nikko AM Shenton Income Fund

In the exercise of their investment powers in relation to the Scheme, the Managers shall ensure that, in addition to observing the investment restrictions set out in the Authorised Funds Investment Guidelines (as defined in the Deed), the following restrictions relating to investment in Authorised Investments (as defined in the Deed) shall be observed:-

- (i) ~~**Investment in Authorised Investments shall, as far as possible be limited to those maturing in three years provided that the Manager may in its absolute discretion invest in Authorised Investments (including bonds) which do not have a fixed maturity period or which have a maturity period of up to such number of years as the Manager may in its absolute discretion determine;**~~

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- (i) securities or other investments shall not be purchased on margin except in accordance with the Code; short sales of securities or other instruments may not be made; short positions may not be maintained;*
- (ii) shares or stocks may not be invested in, except for the short term conversion of convertible bonds;*
- (iii) gold or other precious metals may not be invested in;*
- (iv) investments in unit trusts, mutual funds and other investment funds in excess of 30% of the total NAV of the Deposited Property at the time of such investment shall not be made and Provided That investments in unit trusts, mutual funds and other investment funds outside of Singapore in excess of 10% of the total NAV of the Deposited Property at the time of such investment shall not be made without the prior approval of the relevant authorities;*
- (v) the Scheme shall not make investments in commodities and infrastructure projects; and*
- (vi) investments in unlisted securities in excess of 10% of the total NAV of the Deposited Property shall not be made.*

The Deed will also be similarly amended in line with the update to the Prospectus with effect from the Effective Date. For the avoidance of doubt, please note that the current investment objective, focus and approach of the Fund will remain unchanged.

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

The Prospectus and the Deed 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.

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) before deciding whether to invest in the Fund.

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