

# INTERIM REPORT

For the period ended 31 December 2020

■ **NIKKO AM HONG KONG EXCHANGE  
TRADED FUNDS SERIES**



# **NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

## **INTERIM REPORT**

For the period ended 31 December 2020 (unaudited)

## **NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

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## **NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

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This report is also available on our website ([www.nikkoam.com.hk](http://www.nikkoam.com.hk))

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### REPORT OF THE MANAGER

#### PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	Since Inception
Nikko AM Global Internet ETF	15.60	30.15	75.00	-	-	76.62
Benchmark <sup>1</sup>	15.86	30.76	76.98	-	-	78.61

#### CALENDAR YEAR PERFORMANCE SUMMARY

Returns (%)	2019 <sup>2</sup>	2020
Nikko AM Global Internet ETF	12.51	75.00
Benchmark <sup>1</sup>	12.74	76.98

Source: Nikko Asset Management Asia Limited as of 31 December 2020.

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.

**Note:**

- (1) The Benchmark/Underlying Index for the ETF is iEdge-Factset Global Internet Index Net Total Return
- (2) Calendar Year 2019 performance returns since listing date on 24 October 2019

**Listing date: 24 October 2019**

#### **About Nikko AM Global Internet ETF**

The Nikko AM Global Internet ETF is a sub-fund of the Nikko AM Hong Kong Exchange Traded Funds Series (the "Trust"), which is an umbrella unit trust created by the trust deed between the Nikko Asset Management Hong Kong Limited as manager and BNP Paribas Trust Services (Hong Kong) Limited as trustee made under Hong Kong law. The Trust and the Nikko AM Global Internet ETF is authorised as a collective investment scheme by the Hong Kong Securities and Futures Commission ("SFC") under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and falls within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC. The units of the Nikko AM Global Internet ETF are listed on the Stock Exchange of Hong Kong ("SEHK"). The units of Nikko AM Global Internet ETF have been accepted as eligible securities by Hong Kong Securities Clearing Company Limited ("HKSCC") for deposit, clearing and settlement in the Central Clearing and Settlement System ("CCASS").

The Nikko AM Global Internet ETF's investment objective is to seek to provide investment results that, before fees and expenses, closely correspond to the performance of the iEdge-Factset Global Internet Index (the "Index"). There is no assurance that the Nikko AM Global Internet ETF will achieve its investment objective.

In order to achieve the investment objective, the Nikko AM Global Internet ETF intends to primarily adopt a full replication strategy through investing directly in stocks included in the Index in substantially the same weightings as these stocks have in the Index.

The Index aims to track the performance of developed market securities in the internet technologies segments. Stocks captured within the Index include companies primarily in internet and data services, general internet and online services, internet support services, financial software and services, virtual reality and engineering software and online retail business segments. The Index has a basket size of 30 stocks and is free float market capitalisation weighted with a 10% stock cap on each individual Index constituent.

**Note: Investors are advised to refer to the Nikko AM Global Internet ETF's prospectus for more details on the Nikko AM Global Internet ETF.**

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### REPORT OF THE MANAGER (continued)

#### PERFORMANCE SUMMARY

Returns (%)	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	Since Inception
NikkoAM E-Games Active ETF <sup>1</sup>	14.23	29.23	-	-	-	35.90

#### CALENDAR YEAR PERFORMANCE SUMMARY

Returns (%)	2020 <sup>2</sup>
NikkoAM E-Games Active ETF <sup>1</sup>	35.90

Source: Nikko Asset Management Asia Limited as of 30 June 2020.

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.

#### Note:

- (1) The NikkoAM E-Games Active ETF does not seek to track any index or benchmark.
- (2) Calendar Year 2020 performance returns since listing date on 16 June 2020

**Listing date: 16 June 2020**

#### About NikkoAM E-Games Active ETF

The NikkoAM E-Games Active ETF is a sub-fund of the Nikko AM Hong Kong Exchange Traded Funds Series (the "Trust"), which is an umbrella unit trust created by the trust deed between the Nikko Asset Management Hong Kong Limited as manager and BNP Paribas Trust Services (Hong Kong) Limited as trustee made under Hong Kong law. The Trust and the NikkoAM E-Games Active ETF is authorised as a collective investment scheme by the Hong Kong Securities and Futures Commission ("SFC") under Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and falls within Chapter 8.10 of the Code on Unit Trusts and Mutual Funds issued by the SFC. The units of the NikkoAM E-Games Active ETF are listed on the Stock Exchange of Hong Kong ("SEHK"). The units of NikkoAM E-Games Active ETF have been accepted as eligible securities by Hong Kong Securities Clearing Company Limited ("HKSCC") for deposit, clearing and settlement in the Central Clearing and Settlement System ("CCASS").

The NikkoAM E-Games Active ETF's investment objective is to achieve long term capital growth by primarily investing in companies directly or indirectly involved in electronic games, mobile games or electronic sports businesses (collectively "E-Games business"). There is no assurance that the NikkoAM E-Games Active ETF will achieve its investment objective.

The NikkoAM E-Games Active ETF will invest primarily (i.e. at least 70% of its Net Asset Value ("NAV")) in equities of companies which are directly or indirectly involved in E-Games business. Companies which are directly related to the E-Games business may include those which are involved in the design and development of electronic games, mobile games and/or involved in the organising of electronic sports events. Companies which are indirectly related to the E-Games business may provide ancillary services to these industries, such as providing hardware and software technology solutions, and/or providing global infrastructure and telecommunication solutions to facilitate these businesses. For avoidance of doubt, this is a non-exhaustive illustration of companies that may be directly involved or indirectly involved in E-Games business in which the NikkoAM E-Games Active ETF will primarily invest. These equities (which may include listed American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs")) may be listed on any exchange globally. Exposure to these equities may be obtained by investing in exchange traded funds ("ETFs") as a means of transition management if access to such equities is not yet available to the NikkoAM E-Games Active ETF. The NikkoAM E-Games Active ETF will invest up to 85% of its NAV in emerging markets. Investments in ETFs by the NikkoAM E-Games Active ETF are considered and treated as listed securities for the purposes of and subject to the requirements in Chapters 7.1, 7.1A and 7.2 of the Code.

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### **REPORT OF THE MANAGER** (continued)

The NikkoAM E-Games Active ETF may use financial derivatives instruments for hedging purposes only.

Currently, the Manager has no intention for the NikkoAM E-Games Active ETF to (i) invest in any financial derivative instruments for non-hedging (i.e. investment) purposes, (ii) invest in structured deposits, asset backed securities, asset backed commercial papers and mortgage backed securities, (iii) enter into securities lending transactions, sale and repurchase or reverse repurchase transactions or other similar over-the-counter transactions, or (iv) enter into securities borrowing transactions. The Manager will seek the prior approval of the SFC (if required) and provide at least one month's prior notice to unitholders before the NikkoAM E-Games Active ETF engages in any such investments.

In addition to the relevant investment restrictions set out in the Code, the NikkoAM E-Games Active ETF is subject to the following additional restrictions. The NikkoAM E-Games Active ETF does not currently:

- (i) intend to invest more than 5% of its net asset value in aggregate into collective investment schemes (excluding any collective investment scheme which is listed and traded on any exchange);
- (ii) intend to acquire shares in any single company if, as a result of such acquisition, the total number of shares in such company held by all collective investment schemes which are managed by the Manager would exceed 50% of the total number of all issued and outstanding shares in such company; or
- (iii) intend to engage in short selling.

**Note: Investors are advised to refer to the NikkoAM E-Games Active ETF's prospectus for more details on the NikkoAM E-Games Active ETF.**



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### **REPORT OF THE MANAGER** (continued)

This document is for information only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. Any securities mentioned herein are for reporting or 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 unit trusts or ETFs are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Hong Kong Limited ("Nikko AM Hong Kong").

#### **Past performance or any prediction, projection or forecast is not indicative of future performance.**

The Sub-Funds may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. Investments in the Sub-Funds are subject to investment risks, including the possible loss of principal amount invested. You should read the relevant prospectus and product key facts sheet obtainable from appointed distributors of Nikko AM Hong Kong before investing.

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Investment involves risks. Past performance or any prediction, projection or forecast is not indicative of future performance. The value of units and income from them may fall or rise. Investments in the Sub-Funds are subject to investment risks, including the possible loss of principal amount invested. You should not make investment decision on the basis of this material alone. You should read the Prospectus and Key Facts Statement for details including the risk factors and the arrangement in the event that the Sub-Funds are delisted. Investors should also note that the Sub-Funds are different from a typical unit trust and units may only be created or redeemed directly by a participating dealer in large creation or redemption units.

The trading price of the Units on the SEHK is driven by market factors such as the demand and supply of the Units. Therefore, the Units may trade at a substantial premium or discount to the NAV.

The Manager may at its discretion pay distribution to unitholders. There is no guarantee to the payment of distribution or frequency of payment. The Manager may at its discretion pay the dividends out of the capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distribution may result in an immediate reduction in the NAV per Unit of the Sub-Funds.

The Nikko AM Global Internet ETF is not in any way sponsored, endorsed, sold or promoted by Singapore Exchange Limited and/or its affiliates (collectively, "SGX") and SGX makes no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the iEdge-Factset Global Internet Index (and/or the figure at which the iEdge-Factset Global Internet Index stands at any particular time on any particular day or otherwise. The iEdge-Factset Global Internet Index is sponsored, calculated and administrated by SGX. SGX shall not be liable (whether in negligence or otherwise) to any person for any error in the Nikko AM Global Internet ETF and the iEdge-Factset Global Internet Index and shall not be under any obligation to advise any person of any error therein. "SGX" is a trade mark of SGX and is used by Nikko Asset Management under licence. All intellectual property rights in the iEdge-Factset Global Internet Index vest in SGX.

Nikko Asset Management Hong Kong Limited. Registration Number 30310338-000

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**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

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**STATEMENTS OF FINANCIAL POSITION (Unaudited)**

	<b>Nikko AM Global Internet ETF</b>		<b>NikkoAM E-Games Active ETF</b>
	<b>As at 31 December 2020 US\$</b>	<b>As at 30 June 2020 US\$</b>	<b>As at 31 December 2020 US\$</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Financial assets at fair value through profit or loss	23,057,760	21,696,350	21,356,913
Amount due from brokers	-	98,375	-
Preliminary costs	-	-	53,769
Dividend and other receivables	458	40	2,335
Prepaid expenses	9,859	2,818	3,829
Rebate receivables	17,738	106,747	53,817
Cash and cash equivalents	18,454	829,766	137,612
<b>Total assets</b>	<b>23,104,269</b>	<b>22,734,096</b>	<b>21,608,275</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trustee fee payable	1,167	3,020	1,062
Management fee payable	33,328	31,498	25,291
Administration fee payable	1,167	3,020	1,062
Audit fee payable	11,563	22,999	12,154
Custody fee payable	709	2,732	650
Due to unitholders	-	892,548	-
Amount due to brokers	-	19,041	-
Other payables	2,847	3,301	4,446
<b>Total liabilities</b>	<b>50,781</b>	<b>978,159</b>	<b>44,665</b>
<b>EQUITY</b>			
Net assets attributable to unitholders	23,053,488	21,755,937	21,563,610

Note: The unaudited interim reports have applied the same accounting policies and methods of computation as are applied in the annual reports of the Sub-Funds, which are prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS").

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**STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**

	<b>Nikko AM Global Internet ETF</b>	<b>NikkoAM E-Games Active ETF</b>
	<b>For the period from 01 July 2020 to 31 December 2020 US\$</b>	<b>For the period from 11 June 2020 (date of commencement of operation) to 31 December 2020 US\$</b>
<b>Income</b>		
Net gains on financial assets and liabilities at fair value through profit or loss	6,127,553	5,715,691
Foreign exchange losses	(1,499)	(15,722)
Dividends income	6,440	84,237
Other income	76,240	118,066
<b>Total income</b>	<b>6,208,734</b>	<b>5,902,272</b>
<b>Expenses</b>		
Trustee fee	2,308	2,261
Management fee <sup>1</sup>	65,943	53,841
Administration fee and registrar fee <sup>2</sup>	4,648	4,572
Transaction cost	3,295	23,632
Custody fee <sup>2</sup>	16,186	8,295
Audit fees	11,564	12,154
Legal and professional fee	471	155
Index license fee	2,798	-
Service agent fee	3,872	4,216
Preliminary expenses	-	99,054
Other expenses	9,953	9,030
<b>Total operating expenses</b>	<b>121,038</b>	<b>217,210</b>
<b>Net income before tax</b>	<b>6,087,696</b>	<b>5,685,062</b>
Withholding tax on dividends and other investment income	(871)	(15,858)
<b>Total comprehensive income</b>	<b>6,086,825</b>	<b>5,669,204</b>

<sup>1</sup> During the period ended 31 December 2020, other than Management fee that was paid to the Manager, no other amounts was paid to the Manager or its connected persons.

<sup>2</sup> During the period ended 31 December 2020, other than Administration fee and registrar fee and Custody fee that were paid to a related party of the Trustee, no other amounts was paid to the Trustee or its connected persons.

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**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (Unaudited)**

	<b>Nikko AM Global Internet ETF</b>	<b>NikkoAM E-Games Active ETF</b>
	<b>For the period from 01 July 2020 to 31 December 2020 US\$</b>	<b>For the period from 11 June 2020 (date of commencement of operation) to 31 December 2020 US\$</b>
<b>Net assets attributable to unitholders at the beginning of the financial period</b>	21,755,937	-
Subscriptions of units in cash	2,656,166	20,559,445
Redemptions of units in cash	(7,445,440)	(4,665,039)
<b>Net (decreases)/increases from units transaction</b>	(4,789,274)	15,894,406
<b>Total comprehensive income</b>	6,086,825	5,669,204
<b>Net assets attributable to unitholders at the end of the financial period</b>	23,053,488	21,563,610

<b>Units transactions</b>	<b>Nikko AM Global Internet ETF USD class</b>	<b>NikkoAM E-Games Active ETF USD class</b>
	<b>For the period from 01 July 2020 to 31 December 2020</b>	<b>For the period from 11 June 2020 (date of commencement of operation) to 31 December 2020</b>
Units outstanding at the beginning of the period	1,437,000	-
Units issued during the period	152,000	1,980,000
Units redeemed during the period	(422,000)	(386,000)
Units outstanding at the end of the period	1,167,000	1,594,000
<b>Net asset value per unit – US\$</b>	19.7545	13.5280

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**STATEMENTS OF CASH FLOWS (Unaudited)**

	Nikko AM Global Internet ETF	NikkoAM E-Games Active ETF
	For the period from 01 July 2020 to 31 December 2020 US\$	For the period from 11 June 2020 (date of commencement of operation) to 31 December 2020 US\$
<b>Cash flows from operating activities</b>		
Net income before tax	6,087,696	5,685,062
<b>Adjustments for:</b>		
- Dividend income	(6,440)	(84,237)
- Interest income	-	-
<b>Operating cash flow before working capital changes</b>	6,081,256	5,600,825
- Increases in financial assets at fair value through profit or loss	(1,361,410)	(21,356,913)
- Decreases/(increases) in amount due from brokers	98,375	-
- Increases in preliminary cost	-	(53,769)
- Decreases/(increases) in rebate and other receivables	89,049	(53,817)
- Increases in prepaid expenses	(7,041)	(3,829)
- (Decreases)/increases in trustee fee payable	(1,853)	1,062
- Increases in management fee payable	1,830	25,291
- (Decreases)/increases in administration fee payable	(1,853)	1,062
- (Decreases)/increases in audit fee payable	(11,436)	12,154
- (Decreases)/increases in custody fee payable	(2,023)	650
- (Decreases)/increases in amount due to broker	(19,041)	-
- (Decreases)/increases in other payables	(454)	4,446
<b>Cash generated from/(used in) operations</b>	4,865,399	(15,822,838)
- Dividend income received	5,982	81,902
- Interest received	-	-
- Withholding tax paid	(871)	(15,858)
<b>Net cash generated from/(used in) operating activities</b>	4,870,510	(15,756,794)
<b>Cash flows from financing activities</b>		
Proceeds from subscriptions of units	2,656,166	20,559,445
Payments of redeemable units	(8,337,988)	(4,665,039)
<b>Net cash (used in)/generated from financing activities</b>	(5,681,822)	15,894,406
<b>Net (decreases)/increases in cash and cash equivalents</b>	(811,312)	137,612
Cash and cash equivalent at the beginning of the period	829,766	-
<b>Cash and cash equivalent at the end of the period</b>	18,454	137,612

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**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2020

<b>Nikko AM Global Internet ETF</b>			
	<b>Holdings at 31 December 2020</b>	<b>Fair value at 31 December 2020 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2020 %</b>
<b>Listed equities</b>			
<b>ARGENTINA</b>			
MercadoLibre Incorporated	492	824,208	3.58
<b>Total Argentina</b>		<u>824,208</u>	<u>3.58</u>
<b>CANADA</b>			
Shopify Incorporated	1,129	1,276,301	5.54
<b>Total Canada</b>		<u>1,276,301</u>	<u>5.54</u>
<b>CHINA</b>			
Tencent Holdings Limited	30,600	2,225,778	9.65
<b>Total China</b>		<u>2,225,778</u>	<u>9.65</u>
<b>GERMANY</b>			
Zalando SE	1,686	188,178	0.82
<b>Total Germany</b>		<u>188,178</u>	<u>0.82</u>
<b>JAPAN</b>			
Nexon Company Limited	4,600	141,682	0.61
Z Holdings Corporation	27,300	165,104	0.72
<b>Total Japan</b>		<u>306,786</u>	<u>1.33</u>
<b>RUSSIA</b>			
Yandex NV	3,164	220,151	0.95
<b>Total Russia</b>		<u>220,151</u>	<u>0.95</u>
<b>SOUTH KOREA</b>			
Kakao Corporation	456	163,502	0.71
Naver Corporation	1,237	333,078	1.44
<b>Total South Korea</b>		<u>496,580</u>	<u>2.15</u>
<b>SWEDEN</b>			
Spotify Technology SA	1,318	414,722	1.80
<b>Total Sweden</b>		<u>414,722</u>	<u>1.80</u>
<b>UNITED STATES OF AMERICA</b>			
Alphabet Incorporated	1,286	2,253,895	9.78
Amazon.com Incorporated	608	1,979,897	8.59
eBay Incorporated	6,914	347,428	1.50
Facebook Incorporated	7,154	1,954,187	8.48
GoDaddy Incorporated	1,714	142,176	0.61
IAC/Interactivecorp	816	154,510	0.67
Match Group Incorporated	2,544	384,627	1.67
Netflix Incorporated	3,963	2,142,913	9.30
Pinterest Incorporated	4,787	315,463	1.37

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**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2020

<b>Nikko AM Global Internet ETF</b>			
	<b>Holdings at 31 December 2020</b>	<b>Fair value at 31 December 2020 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2020 %</b>
<b>Listed equities (continued)</b>			
<b>UNITED STATES OF AMERICA (continued)</b>			
Snap Incorporated	10,973	549,199	2.38
Twilio Incorporated	1,409	476,946	2.07
Twitter Incorporated	7,929	429,355	1.86
Verisign Incorporated	1,042	225,489	0.98
<b>Total United States of America</b>		11,356,085	49.26
<b>Total listed equities</b>		17,308,789	75.08
<b>Depository receipts</b>			
<b>CHINA</b>			
Alibaba Group Holding Limited	7,312	1,701,722	7.38
Autohome Incorporated	1,216	121,138	0.53
Baidu Incorporated	2,191	473,782	2.06
JD.com Incorporated	9,763	857,582	3.72
NetEase Incorporated	4,259	407,884	1.77
Pinduoduo Incorporated	8,542	1,517,657	6.58
<b>Total China</b>		5,079,765	22.04
<b>SINGAPORE</b>			
Sea Limited	3,362	669,206	2.90
<b>Total Singapore</b>		669,206	2.90
<b>Total depository receipts</b>		5,748,971	24.94
<b>Total investments</b>		23,057,760	100.02
<b>Total investments at cost</b>		13,180,778	

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**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2020

<b>NikkoAM E-Games Active ETF</b>			
	<b>Holdings at 31 December 2020</b>	<b>Fair value at 31 December 2020 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2020 %</b>
<b>Listed equities</b>			
<b>AUSTRALIA</b>			
Aristocrat Leisure Limited	12,150	290,647	1.35
Megaport Limited	37,300	410,159	1.90
NEXTDC Limited	33,750	318,514	1.48
<b>Total Australia</b>		1,019,320	4.73
<b>BRAZIL</b>			
PagSeguro Digital Limited	8,870	504,171	2.34
<b>Total Brazil</b>		504,171	2.34
<b>CHINA</b>			
Beijing Sinnet Technology Company Limited	99,600	263,232	1.21
Goertek Incorporated	74,200	426,241	1.98
Netjoy Holdings Limited	338,000	322,574	1.50
Perfect World Company Limited	146,196	663,845	3.08
Tencent Holdings Limited	12,400	901,949	4.18
Wuhu Sanqi Interactive Entertainment Network Technology Group Company Limited	141,623	680,793	3.16
ZTE Corporation	122,000	306,814	1.42
<b>Total China</b>		3,565,448	16.53
<b>IRELAND</b>			
Keywords Studios Public Listed Company	17,540	685,718	3.18
<b>Total Ireland</b>		685,718	3.18
<b>JAPAN</b>			
Bandai Namco Holdings Incorporated	4,600	397,691	1.84
Capcom Company Limited	6,700	434,791	2.02
Hosiden Corporation	77,900	749,234	3.47
Koei Tecmo Holdings Company Limited	4,400	268,488	1.25
Nintendo Company Limited	1,000	637,609	2.96
Sony Corporation	12,500	1,245,217	5.77
Square Enix Holdings Company Limited	7,700	466,870	2.17
<b>Total Japan</b>		4,199,900	19.48
<b>POLAND</b>			
CD Projekt SA	2,796	210,338	0.98
Ten Square Games SA	1,500	218,196	1.01
<b>Total Poland</b>		428,534	1.99
<b>SOUTH KOREA</b>			
NCSOFT Corporation	657	561,259	2.60
Pearl Abyss Corporation	1,412	338,344	1.57
<b>Total South Korea</b>		899,603	4.17



**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2020

**NikkoAM E-Games Active ETF**

	Holdings at 31 December 2020	Fair value at 31 December 2020 US\$	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>Listed equities (continued)</b>			
<b>SWEDEN</b>			
Embracer Group AB	15,400	368,659	1.71
<b>Total Sweden</b>		<u>368,659</u>	<u>1.71</u>
<b>TAIWAN</b>			
MediaTek Incorporated	18,000	478,540	2.22
Micro-Star International Company Limited	96,000	452,701	2.10
Powertech Technology Incorporated	110,000	371,521	1.72
<b>Total Taiwan</b>		<u>1,302,762</u>	<u>6.04</u>
<b>UNITED STATES OF AMERICA</b>			
Activision Blizzard Incorporated	10,050	933,142	4.33
Amazon.com Incorporated	217	706,641	3.28
Dolby Laboratories Incorporated	8,681	843,186	3.91
Electronic Arts Incorporated	5,434	780,322	3.62
Microsoft Corporation	3,118	692,757	3.21
Nvidia Corporation	470	245,392	1.13
Take-two Interactive Software Incorporated	2,080	432,203	2.00
<b>Total United States of America</b>		<u>4,633,643</u>	<u>21.48</u>
<b>Total listed equities</b>		<u>17,607,758</u>	<u>81.65</u>

**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

**INVESTMENT PORTFOLIO (Unaudited)**

As at 31 December 2020

<b>NikkoAM E-Games Active ETF</b>			
	<b>Holdings at 31 December 2020</b>	<b>Fair value at 31 December 2020 US\$</b>	<b>Percentage of total net assets attributable to unitholders at 31 December 2020 %</b>
<b>Depository receipts</b>			
<b>CHINA</b>			
Bilibili Incorporated	3,610	309,449	1.44
GDS Holdings Limited	4,280	400,779	1.86
Huya Incorporated	7,800	155,454	0.71
NetEase Incorporated	8,725	835,593	3.88
<b>Total China</b>		<u>1,701,275</u>	<u>7.89</u>
<b>INDONESIA</b>			
Telkom Indonesia Persero TBK PT	7,400	174,048	0.81
<b>Total Indonesia</b>		<u>174,048</u>	<u>0.81</u>
<b>RUSSIA</b>			
Mail.ru Group Limited	13,000	341,900	1.59
<b>Total Russia</b>		<u>341,900</u>	<u>1.59</u>
<b>SOUTH KOREA</b>			
Samsung Electronics Company Limited	440	803,000	3.72
<b>Total South Korea</b>		<u>803,000</u>	<u>3.72</u>
<b>TAIWAN</b>			
Taiwan Semiconductor Manufacturing Company Limited	6,685	728,932	3.38
<b>Total Taiwan</b>		<u>728,932</u>	<u>3.38</u>
<b>Total depository receipts</b>		<u>3,749,155</u>	<u>17.39</u>
<b>Total Investments</b>		<u>21,356,913</u>	<u>99.04</u>
<b>Total investments at cost</b>		<u>17,044,813</u>	

**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

**STATEMENTS OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)***For the period ended 31 December 2020*

<b>Nikko AM Global Internet ETF</b>				
	<b>1 July 2020</b>	<b>Additions</b>	<b>Disposals</b>	<b>31 December 2020</b>
58.com Incorporated	1,614	155	(1,769)	-
Alibaba Group Holding Limited	7,821	1,752	(2,261)	7,312
Alphabet Incorporated	1,214	437	(365)	1,286
Amazon.com Incorporated	861	74	(327)	608
Atos SE	1,328	141	(1,469)	-
Autohome Incorporated	1,632	155	(571)	1,216
Baidu Incorporated	3,864	358	(2,031)	2,191
eBay Incorporated	10,781	887	(4,754)	6,914
Facebook Incorporated	8,456	1,113	(2,415)	7,154
GoDaddy Incorporated	2,452	297	(1,035)	1,714
IAC/Interactivecorp	1,105	152	(441)	816
JD.com Incorporated	17,081	1,400	(8,718)	9,763
Kakao Corporation	-	494	(38)	456
Match Group Incorporated	-	3,300	(756)	2,544
MercadoLibre Incorporated	672	58	(238)	492
Naver Corporation	1,714	178	(655)	1,237
NetEase Incorporated	1,807	3,801	(1,349)	4,259
Netflix Incorporated	4,408	823	(1,268)	3,963
Nexon Company Limited	-	4,900	(300)	4,600
Pinduoduo Incorporated	9,137	2,057	(2,652)	8,542
Pinterest Incorporated	5,124	1,149	(1,486)	4,787
Rightmove Plc	12,119	961	(13,080)	-
Sea Limited	4,101	420	(1,159)	3,362
Shopify Incorporated	1,474	138	(483)	1,129
Snap Incorporated	13,999	1,375	(4,401)	10,973
Spotify Technology SA	1,763	172	(617)	1,318
Tencent Holdings Ltd	32,900	7,200	(9,500)	30,600
Twilio Incorporated	1,724	172	(487)	1,409
Twitter Incorporated	10,646	888	(3,605)	7,929
Verisign Incorporated	1,448	132	(538)	1,042
Vipshop Holdings Ltd	8,195	381	(8,576)	-
Yandex NV	4,016	481	(1,333)	3,164
Z Holdings Corp	36,600	3,800	(13,100)	27,300
Zalando SE	-	1,862	(176)	1,686

**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

**STATEMENTS OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)***For the period ended 31 December 2020*

<b>NikkoAM E-Games Active ETF</b>				
	<b>Beginning holdings</b>	<b>Additions</b>	<b>Disposals</b>	<b>31 December 2020</b>
ABKO Co Ltd	-	10,905	(10,905)	-
Activision Blizzard Incorporated	-	10,050	-	10,050
Amazon.com Incorporated	-	277	(60)	217
Aristocrat Leisure Limited	-	12,150	-	12,150
Bandai Namco Holdings Incorporated	-	7,800	(3,200)	4,600
Beijing Sinnet Technology Company Limited	-	99,600	-	99,600
Bilibili Incorporated	-	3,610	-	3,610
Capcom Company Limited	-	10,100	(3,400)	6,700
CD Projekt SA	-	3,296	(500)	2,796
Dolby Laboratories Incorporated	-	11,840	(3,159)	8,681
Electronic Arts Incorporated	-	5,834	(400)	5,434
Embracer Group AB	-	25,500	(10,100)	15,400
GDS Holdings Limited	-	4,280	-	4,280
Goertek Incorporated	-	102,600	(28,400)	74,200
HKBN Ltd	-	94,000	(94,000)	-
Hosiden Corporation	-	89,700	(11,800)	77,900
Huya Incorporated	-	9,600	(1,800)	7,800
Keywords Studios Public Listed Company	-	25,740	(8,200)	17,540
Koei Tecmo Holdings Company Limited	-	8,600	(4,200)	4,400
Mail.ru Group Limited	-	17,500	(4,500)	13,000
Mediatek Incorporated	-	18,000	-	18,000
Megaport Limited	-	53,300	(16,000)	37,300
Microsoft Corporation	-	3,730	(612)	3,118
Micro-Star International Company Limited	-	96,000	-	96,000
NCSOFT Corporation	-	657	-	657
NetEase Incorporated	-	8,875	(150)	8,725
Netjoy Holdings Limited	-	438,000	(100,000)	338,000
NEXTDC Limited	-	44,750	(11,000)	33,750
Nintendo Company Limited	-	1,300	(300)	1,000
Nvidia Corporation	-	590	(120)	470
PagSeguro Digital Limited	-	14,450	(5,580)	8,870
Pearl Abyss Corporation	-	1,920	(508)	1,412
Perfect World Company Limited	-	158,396	(12,200)	146,196
Powertech Technology Incorporated	-	110,000	-	110,000
Samsung Electronics Company Limited	-	1,250	(810)	440
Sony Corporation	-	15,600	(3,100)	12,500
Square Enix Holdings Company Limited	-	14,200	(6,500)	7,700
Taiwan Semiconductor Manufacturing Company Limited	-	17,210	(10,525)	6,685
Take-Two Interactive Software Incorporated	-	4,090	(2,010)	2,080
Telkom Indonesia Persero TBK PT	-	7,400	-	7,400
Ten Square Games SA	-	1,500	-	1,500
Tencent Holdings Limited	-	13,400	(1,000)	12,400
Wuhu Sanqi Interactive Entertainment Network Technology Group Company Limited	-	141,623	-	141,623
ZTE Corporation	-	122,000	-	122,000

**NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES**

(An umbrella unit trust established in Hong Kong)

**PERFORMANCE TABLE (Unaudited)****1 Net asset value****Nikko AM Global Internet ETF**

	<b>Net asset value US\$</b>	<b>Net asset value per unit US\$</b>
As at 31 December 2020	23,055,950	19.7566
As at 30 June 2020	21,813,899	15.1802

**NikkoAM E-Games Active ETF**

	<b>Net asset value US\$</b>	<b>Net asset value per unit US\$</b>
As at 31 December 2020	21,566,107	13.5296

**2 Performance record since inception****Nikko AM Global Internet ETF**

	<b>Highest issue price per unit US\$</b>	<b>Lowest redemption price per unit US\$</b>
For the period from 01 July 2020 to 31 December 2020	19.8022	15.7717
For the period from 22 October 2019 (date of commencement of operation) to 30 June 2020	15.1642	11.2958

**NikkoAM E-Games Active ETF**

	<b>Highest issue price per unit US\$</b>	<b>Lowest redemption price per unit US\$</b>
For the period from 11 June 2020 (date of commencement of operation) to 31 December 2020	13.5300	10.6282

## NIKKO AM HONG KONG EXCHANGE TRADED FUNDS SERIES

(An umbrella unit trust established in Hong Kong)

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### INVESTMENT LIMITATIONS AND PROHIBITIONS UNDER THE SFC CODE (Unaudited)

#### Nikko AM Global Internet ETF

The SFC Code allows the Sub-Fund to hold investments in constituent securities of any single entity exceeding 10% of the Sub-Fund's net asset value if such constituent securities account for more than 10% of the weighting of the Index and the Sub-Fund's holding of any such constituent securities does not exceed their respective weightings in the Index, except where the weightings are exceeded as a result of changes in the composition of the Index and the excess is only transitional and temporary in nature. The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period ended 31 December 2020.

There was no constituent securities that individually account for more than 10% of the net asset value of the Sub-Fund as at 31 December 2020.

The table below details the performance of the Sub-Fund as represented by the change in NAV per unit by comparison with the performance of the Sub-Fund's underlying Index for the period ended 31 December 2020.

	<b>31 December 2020</b>
NAV per unit	%
iEdge-Factset Global Internet Index	30.15
	<u>30.76</u>



**nikko am**

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