

NIKKO AM NEW ASIA FUND

Product Disclosure Statement (PDS)

Issued 30 August 2021

Important notice

This PDS provides a summary of significant information about the Nikko AM New Asia Fund (ARSN 116 556 113) (**Fund**) and contains a number of references to important information in the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' which is available on our website at www.yarracm.com/pdsupdates or by calling Investor Services.



References to additional incorporated information are highlighted with this symbol.

You should consider the information in this PDS and the additional information (which forms part of this PDS) before making a decision about the Fund.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances. Investment in this product is only available to persons receiving this PDS (electronically or otherwise) within Australia.

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Updated information

Information in this PDS may change. Any updates to information that are not materially adverse will be provided on our website at www.yarracm.com/pdsupdates. Please check our website or call Investor Services or your financial adviser for any updates prior to investing as the information may change between the times when you read this PDS and when you invest in the Fund. A paper copy of any updates will be provided free of charge upon request.

1. About Yarra Investment Management Limited

Yarra Investment Management Limited (YIML, we, our or us) is the responsible entity of the Nikko AM New Asia Fund (Fund). As responsible entity, we are responsible for ensuring the Fund is managed in accordance with its constitution and its stated investment strategy, and for the day-to-day administration of the Fund.

We have appointed Yarra Capital Management Limited ABN 99 003 376 252, AFSL 237563 (YCML), a related company, as the investment manager of the Fund. YCML has sub-delegated the investment management of the Fund to Nikko Asset Management Asia Limited (NAM Asia).

NAM Asia is based in Singapore and is regulated and licensed by the Monetary Authority of Singapore (company registration number 198202562H). NAM Asia does not hold an Australian Financial Services Licence. NAM Asia is part of the Nikko AM Group.

YIML and YCML are part of the Yarra Capital Management Group (Yarra Group). The Yarra Group has approximately AUD 22 billion in funds under management as at 30 June 2021.

Neither YIML, YCML nor any member of the Yarra Group or Nikko AM Group guarantees the performance of the Fund or the repayment of capital from the Fund or any particular rate of return.

Investment management of the Fund

NAM Asia is a leading asset manager for retail, private and institutional investors. NAM Asia offers investors a range of effective investment management solutions across a wide spectrum of asset classes.

NAM Asia has a long history and strong reputation within the Asian market which means that its analysts and portfolio managers have considerable access to the management of companies they are researching for potential or ongoing investment. NAM Asia considers its proprietary research capabilities to be the cornerstone for generating higher returns and expects to achieve these results by developing a deeper understanding of the companies in which NAM Asia invests. For more information about NAM Asia's investment process, please refer to www.yarracm.com

YCML and NAM Asia have consented to the statements made by or about YCML and NAM Asia in this PDS in the form and context in which they are included and have not withdrawn that consent prior to the issue of this PDS.

2. How the Nikko AM New Asia Fund works

The Fund is a registered managed investment scheme in which amounts invested by investors are pooled and invested in the manner described in Section 5 'How we invest your money'.

Investors are issued units that represent their beneficial interest in the assets of the Fund as a whole. Investors do not have an entitlement to any particular asset of the Fund. The terms of the units, including an investor's rights and obligations, are set out in this PDS, the 'Additional information to the Product Disclosure Statement of the Nikko AM Global Funds' and the Fund's constitution (a copy of which is available to you on request).

Unit pricing

A unit price is usually calculated each Business Day by dividing the total net value of the Fund's assets by the number of units on issue in the Fund, rounded to four decimal places. The net asset value of the Fund is defined as the total value of the Fund's assets less all liabilities of the Fund at the applicable time.

The Fund's assets are valued in accordance with the Fund's constitution, based on market values. Unit prices will vary as the market value of the Fund's assets rises or falls. The most recent unit prices are available at www.yarracm.com/daily-reports

An allowance for costs incurred in buying and selling Fund assets will be added to, or subtracted from, the Fund's unit price in determining a purchase price and a redemption price per unit. The difference between the purchase price and the redemption price is known as the buy/sell spread.

When you invest in the Fund you will be issued units based on the purchase price. When you withdraw from the Fund your units will be redeemed at the redemption price. We maintain a Unit Pricing Discretions Policy regarding how we will exercise the discretions reserved to us in the Fund's constitution in relation to the calculation of the purchase price and redemption price. A copy of this policy is available from us at no charge on request.

Investing

To invest in the Fund, you will need to complete an application. Please see Section 8 'How to apply' for more information on how to apply.

You can add to your investment at any time by completing and sending us an **additional investment form**, together with your investment amount. You can also make regular monthly investments using the Regular Savings Plan (RSP).

The following minimum investment amounts apply:

- Minimum initial investment: \$10,000
- Minimum additional investment: \$5,000
- Minimum RSP investment: \$250

We may accept lower amounts at our discretion and reserve the right not to accept an application to invest for any reason.

The number of units issued to you when you make an investment will be calculated by dividing the amount you invest, less any contribution fee (if applicable), by the applicable purchase price.

The cut-off time for receiving applications is 2pm Sydney time on a Business day. Completed applications received before or on the cut-off time will generally be processed using the purchase price for that day.

Applications received after this time, or on a non-Business Day, will be taken to have been received before the cut-off time on the next Business Day and will be processed on that day. Confirmation of an investment will generally be issued to you within five Business Days of the application being processed.

Application monies will be held in a trust account until units are issued. The trust account is a non-interest bearing account.

We cannot accept investments from third parties (e.g. from an account that is not in your name).

Withdrawing

You can withdraw all or part of your investment by completing a **redemption request form** and submitting it to us by mail, fax or scan to email. Forms are available at www.yarracm.com/forms or on request from Investor Services.

The minimum withdrawal amount is \$1,000. However, should your request for a withdrawal result in your balance falling below \$10,000, we reserve the right to redeem your balance in the Fund in full and have it paid to you, less any applicable fees.

Withdrawal requests received before or on 2pm Sydney time on a Business Day will generally be processed using the withdrawal price calculated at the close of business on that day. Withdrawal requests received after this time, or on a non-Business Day, will generally be processed using the withdrawal price applicable for the next Business Day.

Withdrawal proceeds are usually paid within ten Business Days of receiving your withdrawal request, although the Fund's constitution allows up to 90 Business Days to process withdrawal requests and 10 Business Days from the date of processing to pay the withdrawal proceeds. The withdrawal proceeds are paid to your nominated Australian bank account. Payment of withdrawal proceeds cannot be paid to a third party. Withdrawal proceeds are paid into a trust account before being paid to you. The trust account is a non-interest bearing account.

Restrictions on withdrawals

In some circumstances, your ability to withdraw from the Fund is restricted and you may not be able to withdraw your investment within the usual period. For example, we may delay or suspend redemptions if we believe that it is in the best interest of investors as a whole or where the Fund becomes illiquid under the *Corporations Act 2001* (Cth) (**Corporations Act**). In general terms a fund is illiquid if it has less than 80% liquid assets, that is, cash and marketable securities. If a fund becomes 'illiquid', withdrawal procedures specified in the Corporations Act apply. A redemption request lodged during the period of suspension is deemed received immediately after the end of the period of suspension. Following any period of suspension of redemption requests, we will pay withdrawal proceeds within 10 Business Days after we process your withdrawal request.



You should read the important information about adding to your investment and withdrawing from your investment before making a decision. Go to 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' at www.yarracm.com/pdsupdates

The material relating to investing and withdrawing may change between the time when you read this PDS and the day when you acquire the product.

Distributions

Net income generated by the Fund is normally distributed to investors annually, usually within 10 to 15 Business Days following 30 June. Realised net capital gains are normally included in the Fund's distribution unless we determine otherwise.

The distribution amount will vary between distribution periods and is not guaranteed. There may be times when a distribution is not made by the Fund and times when a 'special' distribution is required outside the usual distribution periods. The distributions you receive are generally assessable income.

The Fund's unit price will generally fall immediately following the end of a distribution period reflecting the amount of income and capital gains paid from the Fund, which reduces the Fund's assets.

The amount you receive each distribution will depend on the number of units you hold at the end of a distribution period and the amount per unit to be distributed by the Fund. If you invest just before a distribution is calculated you may receive some of your investment back as income.

You can choose to have your distributions reinvested in additional units in the Fund or paid directly into your nominated Australian financial institution account. If you do not make a choice we will automatically reinvest your distributions in additional units.

Distributions are paid into a trust account before being paid to you. The trust account is a non-interest bearing account.

Distributions are normally calculated as at the last Business Day of the distribution period. Units issued on reinvestment of a distribution are normally issued at the unit price effective the last Business Day of the distribution period.

You may alter your instruction to receive or reinvest distributions by completing a **change of distribution preference form** available at www.yarracm.com/forms or on request from Investor Services. Requests to change your instructions must be received at least five Business Days prior to the end of a distribution period to be effective for that distribution period.

Unclaimed distributions

Where, within a reasonable period of time, we are unable to successfully credit your nominated bank account or distribution cheques are unpresented, or returned and we are unable to contact you, we may reinvest your distribution proceeds in additional units in the Fund at the applicable purchase price on the day when the monies are returned to the Fund. In that event, we will change your distribution election to reinvest until you notify us otherwise. Unclaimed distributions are held in a non-interest bearing trust account, therefore you will not receive any interest or income on your distribution pending reinvestment.

Indirect investors

We authorise the use of this PDS for investors who wish to invest in the Fund indirectly through an investor directed portfolio service, investor directed portfolio service-like scheme or a nominee or custody service (collectively referred to as an IDPS).

If you invest in the Fund through an IDPS, you do not become a unitholder in the Fund and therefore do not have the rights of a unitholder. The IDPS operator becomes a unitholder and acquires these rights and may exercise these rights as it sees fit. You do not need to complete any of our forms when investing through an IDPS.

Please note that the IDPS operator may also apply different conditions to those outlined in this PDS, including different cut-off and processing times for applications and withdrawals and different time frames for payment of distributions and sending reports and notices to you.

3. Benefits of investing in the Nikko AM New Asia Fund

Significant features

The Fund will provide investors exposure to an actively managed portfolio investing in listed Asian (ex-Japan) securities.

NAM Asia selects securities for the portfolio based on thorough internal and external research and analysis, as part of a disciplined investment process undertaken by an experienced team.

Significant benefits

Benefits of investing in the Fund include the following:

- your money is managed by NAM Asia's investment professionals who have access to investment techniques that may not be available to all investors
- access to investment opportunities and markets that may not be accessible to individual investors
- the potential for long-term capital growth (dividends, interest, foreign tax credits and capital gains) for investors
- the option to make regular investments with a Regular Savings Plan
- regular investment statements and an annual tax statement to keep you up to date on your investment
- a customer service team to assist with your queries about the Fund and your investment
- online access to up-to-date information about your investment.

4. Risks of managed investment schemes

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. The level of risk may be different for different types of funds depending on the underlying assets held in accordance with a fund's investment strategy. In general, assets with the highest long-term returns may also carry the highest level of short-term risk.

The significant risks associated with investing in the Fund are summarised below, but these risks are not exhaustive and there would be other risks that may adversely affect the Fund:

- **Counterparty risk:** The Fund has exposure to a number of counterparties including issuers or guarantors of a security, brokers, clearing parties, the custodian and administrator. This is the risk that a counterparty may fail to perform or meet its contractual obligations (either in whole or in part) resulting in loss for the Fund.
- **Currency risk:** The Fund predominantly has exposure to investments denominated in currencies other than Australian dollars. This is the risk that fluctuations in exchange rates between the Australian dollar and foreign currencies may impact performance of the Fund (for example, a rise in the Australian dollar relative to a foreign currency may negatively impact investment values and returns).
- **Cyber security risk:** This is the risk of fraud, business disruption, data loss or damage to the information of the Fund or to investors' personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of the Yarra Group or other service providers (including agents and counterparties). This may result in a disruption of services, including our ability to process application and redemption requests.
- **Derivative risk:** The Fund may invest in or obtain exposure to derivatives to gain or reduce market exposures as part of implementing investment decisions. The use of derivatives may expose the Fund to risks including counterparty risk and the risk that the value of a derivative may not move in line with the underlying asset potentially magnifying both gains and losses.
- **Emerging market risk:** The Fund may have exposure to emerging markets. Investments in emerging markets are generally considered riskier than developed markets due to factors such as lower liquidity, greater political and economic uncertainties, increased likelihood of government intervention and generally less developed regulatory environments. As such, investments in foreign markets may experience higher asset price volatility and may face higher currency, default and liquidity risks.
- **Fund risk:** These are risks specific to the Fund and include the risk that the Fund could terminate and that the fees and expenses payable could change. There is also a risk that investing in the Fund may give different results than holding the underlying assets directly because of income or capital gains accrued in the Fund and the consequences of investments and withdrawals by other investors in the Fund.
- **Global investment risk:** The Fund has exposure to securities or derivative instruments issued in foreign markets and economies. Differences in macroeconomic factors, foreign exchange control regulations, foreign government policy and regulations including tax laws, securities trading and settlement procedures can impact on the value of the Fund's investment.

- **Interest rate risk:** This is the risk that the capital value or income of a security may be adversely (both directly and indirectly) affected when interest rates rise or fall, which may negatively impact the value of the Fund or Fund returns.
- **Investment manager risk:** This is the risk that the investment manager's or sub-manager's investment approach or strategy may not achieve the performance objectives or produce returns that are positive. The investment manager or sub-manager may change their investment strategies and internal trading guidelines over time, and there is no guarantee that such changes would produce positive results. Changes in key personnel may also impact on the investment returns of the Fund.
- **Liquidity risk:** This is the risk that an asset may not be able to be sold within a timely manner and at a fair price, potentially resulting in delays in processing a withdrawal request, or even the suspension of redemptions. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments for investors without a potentially significant delay.
- **Market risk:** Investment performance is influenced by the performance of the market as a whole (within Asia excluding Japan). Accordingly, changes in economic conditions, market volatility and sentiment, technology, politics, legal and regulatory policy can directly or indirectly influence the value of the Fund.
- **Regulatory and legal risk:** The Fund is subject to Australian laws and regulations. This is the risk that governments or regulators may introduce or implement laws and regulations that may affect the management and performance of the Fund.
- **Security risk:** This is the risk that the securities held by the Fund can fall in value for many reasons, including inflation, changes in internal operations or management, or changes in the business environment of the company to which the Fund has investment exposure.

There is no guarantee that the Fund will achieve its performance objective or produce results that are positive.

It is important for you to carefully consider the risks of investing in the Fund and to understand that:

- the value of your investment may go up and down
- investment returns may vary and future returns may differ from past returns
- returns are not guaranteed and you may lose some or all of the money you invest
- laws affecting managed investment schemes may change in the future.

The level of risk you are willing to accept will depend on a range of factors including your age, investment time frame, where other parts of your wealth are invested and your overall tolerance to risk.

We recommend you seek professional advice on the appropriateness of this investment before making any investment decision.

5. How we invest your money

The following table provides an overview of the Fund's return objective and investment strategy.

Warning: You should consider the likely investment return and risk of the Fund and your investment time frame when deciding whether to invest in the Fund.

NIKKO AM NEW ASIA FUND (APIR TGP0006AU)										
Fund inception	November 2005									
Fund description	<p>The Fund invests in securities in Asia (excluding Japan) and cash. As a guideline, the Fund will usually hold approximately 40 – 60 different securities. NAM Asia will select securities for the Fund predominantly by using a bottom-up stock selection approach, and will generally take a long-term view to investing.</p> <p>The Fund will not borrow. NAM Asia may use options, futures or other derivatives to reduce risk or gain exposure to the market for the underlying physical investments. Derivatives are not used speculatively. NAM Asia will not use derivatives for the purpose of gearing the Fund. NAM Asia regularly monitors derivative positions to ensure that the Fund can meet all derivative contract obligations from the appropriate amounts of cash or physical assets held by the Fund.</p> <p>The main investments of the Fund will include:</p> <ul style="list-style-type: none"> • securities listed on stock exchanges across Asia, excluding Japan, but including Hong Kong, Singapore, China, South Korea, Taiwan, Malaysia, Thailand, Indonesia, Philippines, India, Pakistan and Sri Lanka • American Depository Receipts (ADRs) and Global Depository Receipts (GDRs) of Asian domiciled companies listed in the US and Europe • cash (and cash equivalents such as other investment grade interest-bearing securities) • derivatives. 									
Investment return objective	The Fund's investment objective is to outperform the benchmark over the long-term after fees and expenses but before taxes, by investing in Asian (ex-Japan) securities and cash.									
Benchmark	MSCI All Country Asia ex-Japan Index (Australian Dollars) unhedged.									
Strategic asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Target range</th> <th>Target allocation</th> </tr> </thead> <tbody> <tr> <td>Asian securities (ex-Japan)(unhedged)</td> <td>80 – 100%</td> <td>98%</td> </tr> <tr> <td>Cash & short-term securities*</td> <td>0 – 20%</td> <td>2%</td> </tr> </tbody> </table> <p>The investment mix can change quickly and sometimes significantly.</p> <p>The investment mix and the investment guidelines provide an indication of the intended holdings in the Fund and may be higher or lower from time to time. In exceptional market conditions, the Fund may have higher levels of cash where, in NAM Asia's opinion, more attractive investment opportunities cannot be found.</p> <p>* Investments in cash includes cash equivalents such as other investment grade interest bearing securities.</p>	Asset class	Target range	Target allocation	Asian securities (ex-Japan)(unhedged)	80 – 100%	98%	Cash & short-term securities*	0 – 20%	2%
Asset class	Target range	Target allocation								
Asian securities (ex-Japan)(unhedged)	80 – 100%	98%								
Cash & short-term securities*	0 – 20%	2%								
Suggested minimum investment time frame	5+ years Please note, this is a guide only, not a recommendation.									
Risk level	Very high The likelihood of the value of your investment going down over the short-term is high compared to investments in funds investing in other types of assets such as fixed interest or cash. See Section 4 'Risks of managed investment schemes' for further information.									
Labour standards, environmental, social and ethical considerations	We have appointed YCML as the investment manager of the Fund. YCML does not take labour standards, environmental, social and governance (ESG) considerations into account when selecting investment vehicles and appointing sub managers to manage the Fund. YCML has sub-delegated the investment management of the Fund to NAM Asia. NAM Asia takes ESG and ethical considerations into account when selecting, retaining or realising investments by integrating these factors into the investment research process. The Nikko AM Group is a signatory to the Principles for Responsible Investment (PRI).									
Up-to-date information	For up-to-date performance, Fund size and asset allocation details please refer to the Fund's Monthly Fund Update at www.yarracm.com or contact Investor Services.									
Changes to the Fund	We have the right to close or terminate the Fund and change the Fund's investment return objective (including the benchmark), asset classes and asset allocation ranges and currency strategy (if any). We will inform investors of any material change to the Fund's details in their next regular communication or as otherwise required by law.									
Switches	Switches are not permitted in this Fund.									

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be paid directly from your account, deducted from the returns of your investment, or deducted from the assets of the managed investment scheme as a whole. The information in the Fees and costs summary can be used to compare costs between different simple managed investment schemes.

Taxes are set out in Section 7 'How managed investment schemes are taxed'.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

ASIC provides a calculator on its Moneysmart website (www.moneysmart.gov.au) that you can use to calculate the effect of fees and costs on account balances.

Fees and costs summary

NIKKO AM NEW ASIA FUND		
Type of fee or cost ¹	Amount ⁶	How and when paid ⁶
Ongoing annual fees and costs		
Management fees and costs^{2,3} The fees and costs for managing your investment	1.025% p.a. of the gross asset value of the Fund	The management fees are calculated and accrued daily and are paid monthly in arrears from the Fund's assets (and reflected in the unit price).
Performance fee⁵	0% of the net asset value of the Fund	The fee is accrued daily and is paid semi-annually from the assets of the Fund (and is reflected in the unit price).
Transaction costs³ The costs incurred by the Fund when buying or selling assets	0.19% p.a. of the net asset value of the Fund	Transaction costs incurred are deducted from the assets of the Fund as and when they are incurred.
Member activity related fees and costs (fees for services or when your money moves in or out of the product)		
Establishment fee The fee to open your investment	N/A	N/A
Contribution fee The fee on each amount contributed to your investment	Nil	Nil
Buy/sell spread³ An amount deducted from your investment representing costs incurred in transactions by the scheme	+0.25% / -0.25%	The buy/sell spread is paid when you make an application or redemption to the Fund.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Nil
Exit fee The fee to close your investment	N/A	N/A
Switching fee⁴ The fee for changing investment options	N/A	N/A

- In this section, fees and costs include Goods and Services Tax (GST) less any reduced input tax credits (RITC) where applicable. If the GST and/or RITC rates change, the Fund's constitution permits us to recover any additional amount from the assets of the Fund.
- The amount of this fee may be negotiated. Please refer to the 'Differential fees' section in the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' for more information.
- For more information on what this fee comprises, please refer to the 'Additional explanation of fees and costs' on the following page.
- Switches are not permitted in this Fund.
- For more information on how the performance fee is calculated, please refer to the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds'.
- 'Nil' means there is an entitlement under the constitution but we have elected not to charge it. 'N/A' means that there is no entitlement for us to charge such a fee.

Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a one-year period.

You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE Nikko AM New Asia Fund		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0 .
PLUS Management fees and costs	1.025% p.a.	And for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$512.50 each year.
PLUS Performance fees*	0.00% p.a.	And you will be charged or have deducted from your investment \$0 in performance fees each year.
PLUS Transaction costs	0.19% p.a.	And you will be charged or have deducted from your investment \$95 in transaction costs.
EQUALS Cost of Nikko AM New Asia Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$607.50** What it costs you will depend on the fees you negotiate.

* A performance fee may not always be payable. A performance fee of 0% is based upon the performance of the Fund against the Benchmark over the period from 1 July 2015 to 30 June 2020.

** Assumes \$50,000 is invested for the entire year and \$5,000 is invested at the end of the year and that the value of the investment is constant over the year. This example does not capture all of the fees and costs that may apply to you, such as the buy/sell spread.

Warning: Additional fees may be paid to a financial adviser if a financial adviser is consulted. Refer to the Statement of Advice in which details of the fees are set out.

Additional explanation of fees and costs

Management fees and costs

The management fees and costs for the Fund comprise:

- a management fee paid to us as responsible entity for managing and administering the Fund
- an estimate of indirect costs, if any, based upon information available and reasonable estimates as at the date of this PDS. Please refer to our website for any updates to this amount that are not materially adverse.

Currently, we do not charge administration expenses to the Fund.

Transaction costs

Transaction costs are costs associated with buying and selling a Fund's assets, including for example; brokerage, buy/sell spread in respect to the underlying investment, settlement (including custody costs), clearing costs, stamp duty, derivative costs and interposed vehicle costs.

Transaction costs are deducted from your investment as they are incurred by the Fund. They are not a fee paid to us.

Transaction costs shown in the Fees and costs summary are net of costs recovered from the application of the buy/sell spread (see below) to transacting investors.

The estimated net transaction costs for the Financial Year to 30 June 2020, for this Fund are outlined in the table on the previous page. As this fees is based on estimates, you should refer to our website at www.yarracm.com/transactioncosts for any update to this figure.

Buy/sell spread

An allowance for costs may be made in determining a Fund's purchase price and redemption price. The difference between the purchase price and the redemption price is known as the buy/sell spread. The use of a buy/sell spread means that costs incurred in allowing investors to enter or exit the Fund are paid by those investors who are transacting.

The buy/sell spread is an additional cost incurred by you when you invest in and withdraw from the Fund and is retained within the Fund to offset costs incurred. It is not a fee paid to us.

It may vary from time to time to reflect changes in the costs incurred, or likely to be incurred. The buy/sell spread that is applicable for this Fund as at the date of this document is set out in the table on the previous page.

The buy/sell spread for the Fund may change from time to time without advance notice. For the most up to date buy/sell spread refer to our website at www.yarracm.com/transactioncosts

Performance fee

i The methodology used to calculate the performance fee is explained in the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds'.

Changes to the fees and costs

We have the right to change the fees and costs outlined in this section. We will give direct investors 30 days' notice of any proposed increase in fees. If you are investing through an IDPS, your IDPS operator will be given 30 days' notice of any increase in fees.



You should read the important information about fees and costs before making a decision. Go to 'Additional information to the Product Disclosure Statement of the Nikko AM Global Funds' at www.yarracm.com/pdsupdates

The material relating to fees and costs may change between the time when you read this PDS and the day when you acquire the product.

7. How managed investment schemes are taxed

Warning: Investing in a managed investment scheme is likely to have tax consequences for investors. As the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment, you are strongly advised to seek professional tax advice before you invest.

In general, managed investment schemes do not pay tax on behalf of investors. Australian investors are generally assessed for tax on their share of any income and capital gains generated by the Fund that they are entitled to.



You should read the important information about taxation before making a decision. Go to the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' at www.yarracm.com/pdsupdates

The material relating to taxation matters may change between the time when you read this PDS and the day when you acquire the product.

8. How to apply

To invest simply complete an application for the Fund and submit it to us together with any other documents requested and your initial investment.

To complete an application visit www.yarracm.com/forms or request an application form from Investor Services.

Please ensure you read this PDS together with the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' available at www.yarracm.com/pdsupdates before submitting your application.

Information about how to complete an application, payment options and other information about making an application is included in the Application Booklet available at www.yarracm.com/forms

Please note, as part of the application process we are required by law to verify your identity before accepting your application. Please refer to the Anti-Money Laundering and Counter Terrorism Financing Act information included in the application and the ⓘ 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' for further information and complete the applicable **customer identification information**.

We are unable to process incomplete applications. If we do not receive all the information and documents required, your investment amount will be held in a trust account. This account is a non-interest bearing account.

If you have received the PDS electronically you may request a paper copy from Investor Services.

How to apply through an IDPS

If you are investing through an IDPS, you are not required to complete the application for the Fund. Instead, you should complete the relevant forms and/or follow the instructions provided to you by the IDPS operator.

Cooling-off period

You have 14 days from either the date you receive confirmation of your investment or the end of the fifth Business Day after we issue units to you (whichever is earlier) to determine if your investment meets your needs. This is called the 'cooling-off' period. During this period you may notify us in writing that you wish to cancel your investment in the Fund. The cooling-off right does not apply to any additional contributions you make to your investment (including those made under any distribution reinvestment or Regular Savings Plan).

The amount paid to you if you cancel your investment will be the amount you invested adjusted (up or down) for any movement in the market value of your investment up until the date of cancellation less the allowance for transaction costs and the buy/sell spread included in the purchase and redemption prices. Any fees and costs charged, including any contribution fee but excluding those included in the Fund's unit prices, will be refunded and any commission to your adviser will no longer be payable.

Please note, the cooling-off period does not apply if you are a 'Wholesale Client', as defined in the Corporations Act or if you invest in the Fund indirectly through an IDPS. You should contact your financial adviser or IDPS operator about the cooling-off rights (if any) that might apply to your investment in your IDPS.

Complaints resolution

We aim to resolve any concerns or complaints quickly and fairly. If you have a concern or a complaint, please call Investor Services on 1800 251 589 or write to us at:

Yarra Capital Management Investor Services, GPO Box 804, Melbourne VIC 3001

If an issue has not been resolved to your satisfaction within 45 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au
 Email: info@afca.org.au
 Phone: 1800 931 678 (free call)
 In writing to: Australian Financial Complaints Authority
 GPO Box 3, Melbourne VIC 3001

If you are investing through an IDPS, any enquiries or complaints should first be directed to the IDPS operator unless your enquiry or complaint relates to the Fund.

9. Other information

Keeping track of your investment

To help you keep track of your investment you will receive the following information:

- confirmation of your investments and withdrawals, usually within five Business Days of your application being processed
- a distribution statement, following each distribution payment
- a tax statement following the end of each financial year. This will assist you in preparing your annual income tax return
- access to up-to-date information about the Fund and the Fund's Annual Report, including the Fund's financial statements, at www.yarracm.com
- online access to up-to-date information about your investment.

You may request to receive a paper copy of the Fund's Annual Report, free of charge, by calling or emailing Investor Services.

Please note, if you are investing through an IDPS, you will receive reports about your investment from the IDPS operator.

Fund's constitution

The Fund is governed by a constitution. Together with the Corporations Act, the constitution sets out the rules and procedures under which the Fund operates and our rights, responsibilities and duties as responsible entity, as well as those of investors. A copy of the Fund's constitution can be inspected or provided free of charge upon request.

Custodian and Administrator

We have appointed BNP Paribas Securities Services (BNP Paribas) as the custodian and administrator to hold the Fund's assets (other than cash, cash equivalents and derivative instruments), maintain records and settle transactions for and on behalf of the responsible entity of the Fund.

ⓘ Please refer to the 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' for further details on the role of BNP Paribas.

Business Day definition

References to Business Day throughout this PDS mean a day, other than a Saturday or Sunday, on which banks are open for business in Sydney, New South Wales.

Additional disclosure

If the Fund is a disclosing entity it is subject to regular reporting and continuous disclosure obligations under the Corporations Act.

All continuous disclosure notices are available on our website at www.yarracm.com/pdsupdates. Copies of the following documents can also be obtained free of charge from us, upon request:

- the annual financial report most recently lodged with ASIC by the Fund
- any half-year financial report lodged with ASIC by the Fund after the lodgement of that annual financial report but before the date of this PDS
- any continuous disclosure notices given by the Fund after the lodgement of that annual financial report and before the date of this PDS.

Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office.



You should read the important information about privacy, AML/CTF and other important information before making a decision. Go to 'Additional Information to the Product Disclosure Statement of the Nikko AM Global Funds' at www.yarracm.com/pdsupdates

The material relating to privacy, AML/CTF and other important information may change between the time when you read this PDS and the day when you acquire the product.