

## **< Disclaimer for the English Overview of the Delivery Prospectus of Listed Index Fund TOPIX Ex-Financials >**

This document provides an overview of the Japanese “Summary Prospectus” (the “Delivery Prospectus”) of Listed Index Fund TOPIX Ex-Financials” (the “Fund”) in English. The Japanese Delivery Prospectus is the offering document. This document in English is not required by law or any regulation.

While every effort has been made to ensure the accuracy or completeness of the content of this document, Nikko Asset Management Co., Ltd. cannot guarantee the accuracy or completeness as differences of interpretation may arise between the English and Japanese languages. In the event of any inconsistency between this document in English and the Japanese version, the Japanese version shall prevail, except to the extent prohibited by the applicable law of any jurisdiction where the units of the Fund are sold. In addition, this document is not a translation of the entire Delivery Prospectus, but an English overview of the Delivery Prospectus, which means that some of the information in the Delivery Prospectus has been simplified, modified, or omitted.

Except as otherwise indicated herein, this material is based on the most recent Japanese version of the Delivery Prospectus. In case of any update to or modification of the Japanese version of the terms and conditions, there is no guarantee that a corresponding update or modification will be made to this English document.

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# Listed Index Fund TOPIX Ex-Financials

**Nickname: JoJo TOPIX (Ex-Financials)**

Open-end Investment Trust, Domestic, Equities, ETF, Index type

This document is not a translation of the entire Delivery Prospectus, but an English overview of the Delivery Prospectus, which means that some of the information in the Delivery Prospectus has been simplified, modified, or omitted.

- **This prospectus is published pursuant to the provisions of Article 13 of the Financial Instruments and Exchange Act (No. 25 of 1948).**

**Please read this document carefully before deciding to subscribe to units of the Fund.**

- **The prospectus for the Fund provided under Article 15, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter referred to as "Prospectus Issued upon Request") can be read or downloaded from the website of the Management Company.** You can also obtain a copy of the Prospectus Issued upon Request from a Distributor. If you do so, please make a personal record to that effect.
- This document includes the main contents outlined in the trust deeds. The complete text of the trust deeds is provided in the Prospectus Issued upon Request.
- For information on the NAV or Distributors of the Fund, please contact the following Management Company.

**Management Company** (the party issuing investment instructions for the Fund)

**Nikko Asset Management Co., Ltd Registration** Number: Director of the Kanto Local Financial Bureau (Financial instruments firms) No. 368

**Website:** [www.nikkoam.com/](http://www.nikkoam.com/)

**Call Center contact number:** +81(0)3-6447-6653 (9 a.m.-5 p.m., excluding Saturdays, Sundays and public holidays)

**Trustee** (the party responsible for custody and management of Fund assets)

**Sumitomo Mitsui Trust Bank, Limited**

Established and managed by

**Nikko Asset Management Co., Ltd.**

- When a significant amendment is made to the content of the Fund, we will confirm the intention of investors (beneficiaries) in advance under the Act on Investment Trust and Investment Corporations (No. 198 of 1951).
- The Fund assets are classified and managed by the Trustee under the Trust Act (No. 108 of 2006).
- In connection with the invitation for subscription to Listed Index Fund TOPIX Ex-Financials, which is extended by way of this prospectus, the Management Company filed a securities registration statement with the Director-General of the Kanto Local Finance Bureau on October 8, 2024 pursuant to the provisions of Article 5 of the Financial Instruments and Exchange Act. The filing became effective on the next business day after the filing date.

Product Classification					Segmentation by Attribute			
Unit-Type/ Open-end Investment Trust	Eligible Market	Eligible Investments (Source of Income)	Independent Segment	Supplementary Classification	Eligible Investments	Timing of Accounting Period	Geographical Areas of Investment	Index Followed
Open-end	Domestic	Equities	ETF	Index type	Equities in General	Semi-annually	Japan	Other (TOPIX Ex-Financials)

Please refer to the Investment Trusts Association, Japan website for definitions of products classification and segmentation by attribute at <https://www.toushin.or.jp/>.

### Management Company Details:

Name: Nikko Asset Management Co. Ltd.  
Date of establishment: December 1, 1959  
Capital: 17,363.04 million yen  
Total net asset value of investment trust assets under management 30,409.7 billion yen  
(As of the end of July 2024)

# Objective and Characteristics of the Fund

## Objective of the Fund

The Fund seeks to achieve a NAV that closely correlates with the movement of the TOPIX Ex-Financials by investing in shares of the component stocks of the TOPIX Ex-Financials, and maintaining, in principle, a portfolio constructed consistent with the calculation method of the TOPIX Ex-Financials.

- \* TOPIX Ex-Financials is calculated using free-float adjusted market capitalization as an index and targets issues that exclude those belonging to insurance, banking, securities and commodity futures trading industries, and other financial operations from issues calculated for TOPIX (Tokyo Stock Price Index).

TOPIX Ex-Financials is calculated by setting the July 5, 1993 closing price as the base time and setting the total market value on that date as 1,000 points.

"33 industries specified by the Securities Code Council" shall be used when classifying industries.

$$\text{TOPIX Ex-Financials} = \frac{\text{Total market value (yen)}}{\text{Total market value (yen) at the base time}} \times 1,000$$

### Copyrights and Other Rights of TOPIX Ex-Financials

- The TOPIX Ex-Financials index value and the TOPIX marks or trademarks are intellectual property rights owned by JPX Market Innovation & Research, Inc. or its affiliates (hereinafter, "JPX"). All rights and know-how relating to the TOPIX Ex-Financials, including calculation, publication and use of this index value, as well as all rights relating to the TOPIX marks or trademarks belong to JPX.
- JPX reserves the right to change the method of calculation or publication, to cease the calculation or publication of the TOPIX Ex-Financials index value, or to modify the TOPIX marks or trademarks or cease the use thereof.
- JPX makes no warranty or representation as to the results derived from the TOPIX Ex-Financials index value and the use of the TOPIX marks or trademarks, and as to the TOPIX Ex-Financials index value price of a particular date.
- JPX does not guarantee the accuracy or completeness of the TOPIX Ex-Financials index value and data contained therein. Further, JPX shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Ex-Financials index value.
- This Fund is not in any way sponsored, endorsed or promoted by JPX.
- JPX does not bear any obligation to give an explanation of this Fund or advice on investments to any purchaser of this Fund or to the public.
- JPX does not consider the needs of Nikko Asset Management Co., Ltd. or purchaser of this Fund in terms of issue composition and calculation for calculating the TOPIX Ex-Financials index value.
- Including but not limited to the above items, JPX shall not be responsible for any damage resulting from the subscription into, sale or marketing of this fund.

### **1. This Fund aims to achieve investment returns that link with the movement of TOPIX Ex-Financials.**

- This Fund aims to match the change in net assets per trust asset unit with the rate of change in "TOPIX Ex-Financials" and in principle invest in the equities that make up the "TOPIX Ex-Financials".
- \* The investment management described above may not be carried out due to market and financial conditions.

### **2. Units are listed on Tokyo Stock Exchange and can be traded at any time during trading hours.**

- Units may be traded in blocks of 1 unit (as of the date when the securities registration statement was filed).
- The brokers determine trading commissions.
- The method of trading is generally the same as that for stocks.
- \*Please contact your broker for further information.

### **3. Units are subscribed for with cash.**

- Units are subscribed using the NAV on the day the subscription is accepted.

### **4. Units may be redeemed for cash before maturity with a request for exchange.**

- Units may be redeemed by the NAV on the day redemption is accepted.

### **5. Units may not be exchanged for stocks.**

#### **Main Investment Restrictions**

- There is no restriction as to the investment ratio in stocks.
- There is no restriction as to the investment ratio for assets denominated in foreign currency.

#### **Distribution Policy**

- As a general rule, the full amount of dividends and other income arising from the trust assets is distributed after deduction of expenses.

\*There is no guarantee for the amount and payment of dividends in the future.

## Investment Risks

Please refer to "Matters to Consider" on our website below for the related risk.

<https://en.nikkoam.com/etf/1586-topix-ex-financials>

## Past Performance

Please refer to "Net Asset Value and Performance" on our website below for the past performance.

<https://en.nikkoam.com/etf/1586-topix-ex-financials>

# Procedures, Fees, and Other Considerations

## Subscription Memorandum

Subscription Units	Units to be determined by the distributors starting at no less than 1,000. * Please contact the distributor for information on subscription units.
Subscription Price	The NAV on the day the subscription is accepted.
Subscription Method	Please make the payment by the day designated by the distributor.
Redemption Units	One unit of at least 1,000 units * Units to be determined by the distributor. * A beneficiary may ask a Distributor to buyback his or her units where the total number of units owned is less than the minimum-trading unit for the units established by the stock exchange. Please contact the distributors for details.
Redemption Price	NAV on the day the redemption is accepted.
Redemption Proceeds	As a rule, payment will be made from the fourth business day after and including the day on which a redemption request is made.
Business Hours for Subscription and Redemption	As a rule, applications for subscription and redemption that are completed by 2 p.m. on the days Distributors are open for business are deemed to have accepted on that day. It must be pursuant to the procedures established by the Distributor. *From November 5, 2024, as a rule, applications for subscriptions and redemptions for which distributors have completed the prescribed procedure by 2:30 p.m. on the distributors' business day will be deemed to have been accepted on that day. The handling may differ depending on distributors. Please contact them for details.
Subscription Period	From October 9, 2024 to April 8, 2025. *The subscription period can be renewed by filing another securities registration statement before the expiration date shown above.
Non-acceptance Days for Subscription and Redemption	In principle, even on days when distributors are open, no subscription or redemption application shall be accepted if its subscription or redemption date falls within the period of two business days, beginning two business days prior to the accounting date (For a period of three business days, beginning three business days prior to the accounting date when the accounting date falls on non-business day.). Please contact the distributors for details.
Restrictions on Redemption	Based on the size of the Fund or the product characteristics, the redemption application time and amount may be restricted for large number of units to avoid interference with investment management.
Subscription or Cancellation of Subscription, Redemption Applications	The Management Company may suspend acceptance of applications for subscription or requests for redemptions, or cancel applications for subscription or requests for a redemption that have already been accepted in the event that trading on the financial instruments exchanges is suspended, trading of foreign exchange is suspended, settlement functions are halted, or any unavoidable circumstances arise.
Trust Term	Unlimited (launch date: September 24, 2013)

Early Termination	<p>The Fund will be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> <li>• If the units are delisted on all the financial exchanges.</li> <li>• If the TOPIX Ex-Financials is discontinued.</li> <li>• If any amendment to the trust deed deemed necessary by the Management Company or Trustee as a result of a change in the calculation method or similar of the TOPIX Ex-Financials is not accepted by a written resolution.</li> </ul> <p>The Fund may be terminated early in any of the following cases:</p> <ul style="list-style-type: none"> <li>• If the total NAV falls below JPY 500 million</li> <li>• If it is deemed advantageous for beneficiaries, or</li> <li>• If unavoidable circumstances arise.</li> </ul>
Closing Date	January 8 and July 8 each year
Income Distribution	<p>Distributions are paid twice a year in accordance with the distribution policy.</p> <p>* In general, the Trustee will pay to each beneficiary their income distribution by wire transfer on the day specified by the Management Company but within 40 days of the end of each calculation period in the bank account designated in advance by the beneficiary. Where a beneficiary has signed a separate agreement with his or her broker in connection with the treatment of income distribution, payment will be made pursuant to the provisions of such agreement.</p>
Maximum Amount of Trust Money	Equivalent to JPY 5 trillion
Public Notification	<p>Electronic public notices are posted on the website of the Management Company. URL: <a href="http://www.nikkoam.com/">www.nikkoam.com/</a></p> <p>* In the event that electronic public notices cannot be posted due to unavoidable circumstances, this will be published in <i>The Nikkei</i>.</p>
Investment Reports	As defined in the Act on Investment Trust and Investment Corporations, investment reports are not prepared and published.
Tax Treatment	<p>For tax purposes, the Fund is treated as an exchange-traded fund (ETF).</p> <ul style="list-style-type: none"> <li>• Publicly-offered Equity Investment Trusts are eligible for the Nippon Individual Savings Account (NISA) if they meet certain requirements under the tax law.</li> <li>• The Fund is eligible for the "Growth Quota (Specific Tax Exemption Management Account)" under the NISA, but the handling may differ depending on the distributor. Please contact your distributor for details.</li> <li>• The dividends received deduction will not apply.</li> <li>• The system excluding dividends from gross revenue will not apply.</li> </ul>



## Fund Expenses and Taxes

### Fund Expenses

#### Expenses to be borne directly by investors

Subscription Fee	<p><b><u>Independently set by Distributors</u></b></p> <p>*Please contact your Distributor for further information.</p> <p>* Subscription Fee is compensation for explanation and information providing about the Fund or investment environment, and is also including expense of clerical processing of the subscription.</p>
Redemption Fee	<p><b><u>Independently set by Distributors</u></b></p> <p>*Please contact your Distributor for further information.</p> <p>* Exchange Fee is compensation for clerical processing of the exchange.</p>
Amount to be Retained in Trust Assets	<p><b><u>None</u></b></p>

#### Expenses to be borne indirectly by investors from trust assets

TER(Total Expense Ratio)	<p>0.1973% (TER includes Trust Fee, management fee and other costs below)</p> <p>※ This represents the actual TER for the period of July 10, 2023 – July 8, 2024.</p>													
Investment Management Expenses (Trust fee)	<p><b><u>No more than 0.0968% (0.088% excluding taxes) per annum of the Fund's daily NAV</u></b></p> <p>The investment management fee is daily recorded and paid out of the trust assets at the end of each calculation period or at the time of termination of the Trust.</p> <p><b>&lt;Distribution of Investment Management Expenses(annual rate)&gt;</b></p> <p>When above is 0.088%, as of the date of filing of the securities registration statement.</p> <table border="1" data-bbox="406 1220 1348 1366"> <tr> <th colspan="3">Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate</th> </tr> <tr> <th>Total</th> <th>Management Company</th> <th>Trustee</th> </tr> <tr> <td>0.088%</td> <td>0.060%</td> <td>0.028%</td> </tr> </table> <table border="1" data-bbox="406 1400 1348 1568"> <tr> <td>Management Company</td> <td>Compensation for investment management</td> </tr> <tr> <td>Trustee</td> <td>Compensation for administration of assets under management and execution of orders from Management Company</td> </tr> </table> <p>*Figures in brackets are excluding tax. Consumption tax will be added.</p>	Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate			Total	Management Company	Trustee	0.088%	0.060%	0.028%	Management Company	Compensation for investment management	Trustee	Compensation for administration of assets under management and execution of orders from Management Company
Investment Management Expenses(Trust fee) =NAV of investment period X Trust fee rate														
Total	Management Company	Trustee												
0.088%	0.060%	0.028%												
Management Company	Compensation for investment management													
Trustee	Compensation for administration of assets under management and execution of orders from Management Company													

Other Expenses and Fees	Expenses (Expenses for preparation of Prospectus and other expenses)	<p><b><u>No more than 0.1% per annum of the Fund's daily NAV</u></b></p> <p>1. Expenses for the preparation and distribution of prospectuses, 2. Cost for accounting and its incidental operations, 3. Cost for preparation of financial summary statement (including outsourcing fee in case of outsourcing the (1) - (3) operations), 4. Auditing fees, 5. Fees related to the listing of the fund, 6. Royalties for the "TOPIX Ex-Financials", and others are paid out of the trust assets at the times specified by the Management Company.</p> <p>* Auditing fee is an expense paid to audit firm for auditing of the Fund</p>
	Brokerage Commissions And Other Fees	<p>Brokerage commissions on securities in the portfolio, expenses for custody of assets in foreign countries, interest on borrowings, interest on advances, lending fee (in case security lending is conducted, the amount obtained by multiplying a lending fee on securities lent by a figure which is profit for Trust Assets, not exceeding 0.55 (0.5 excluding taxes) (0.5 excluding taxes as of the date of the filing of the securities registration statement), and other fees are paid out of the trust assets each time they are incurred.</p> <p>* The figures for items such as the rate and maximum amount cannot be provided in advance as they fluctuate in line with investment performance and other factors.</p>

The total amount of expenses of the Fund to be borne by investors varies according to holding length and investment status, and thus cannot be shown.

## Tax Treatment

### Tax treatment for Japanese individual investors

#### 1) Taxation upon sale of units

- Gains on sale (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)

#### 2) Taxation upon receipt of income distributions

- Income distributions are regarded as dividend income, and tax is withheld at source at 20.315%. (As a general rule, tax filing is not necessary.) You can also file a tax return, and choose either separated taxation, based on declaration, or consolidated taxation (under which dividends received deduction will not apply).

#### 3) Tax on Cancellation and Termination Fee

- Gains upon cancellation or termination (capital gains) are deemed to be income from transfer and thus have to be filed to declare for separate taxation at 20.315%. When a beneficiary has chosen a designated account with tax withholding (an account with tax withholding at the taxpayer's option), tax will be withheld at source at 20.315%. (As a general rule, tax filing is not necessary.)
- \* By filing a tax return, you can offset losses upon sale (capital losses) against capital gains from listed stocks, dividends etc. from listed stocks, and interest income from public and corporate bonds and such like (as long as separated taxation has been chosen upon declaration). In addition, gains on sale (capital gains), income distributions, and interest income from public and corporate bonds etc. (if separated taxation has been chosen upon declaration) can be offset against capital losses from listed stocks and such like.
- \* When investing through the Nippon Individual Savings Account (NISA), dividend income and transfer income from newly purchased publicly offered equity investment trusts are exempt from taxation for an unlimited period up to a certain amount each year. The tax exemption is available only to those who meet certain conditions, such as opening a tax-exempt account with a distributor, and who purchase products that meet the requirements of the tax law. For details, please contact the distributor.
- \* In cases of being applied to the foreign tax deduction, tax on distributions may differ from the aforementioned descriptions.

\*The aforementioned descriptions do not apply to Japanese corporations.

\*Above tax rates are as of the date when the securities registration statement was filed, so those may change in the event that tax laws are revised. We recommend that investors consult a tax or similar specialist for details of tax treatment.

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