



NOMURA

Nomura Global Shariah Sustainable Equity Fund

Annual Report and Audited Financial Statements for the Financial Year Ended 31 May 2024

MANAGER:

NOMURA ASSET MANAGEMENT MALAYSIA SDN. BHD.
Business Registration No.: 200601028939 (748695-A)

TRUSTEE:

DEUTSCHE TRUSTEES MALAYSIA BERHAD
Business Registration No.: 200701005591 (763590-H)

AUDITOR:

PRICEWATERHOUSE COOPERS PLT
Business Registration No.: LLP0014401-LCA & AF1146

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This Annual Report is available, upon request, to unit holders without charge

1. FUND PROFILE

1.1 Fund Name

Nomura Global Shariah Sustainable Equity Fund (“Fund”)

1.2 Type and Category of Fund

Growth – Equity (Shariah-compliant)

1.3 Duration of the Fund

The Fund is an open-ended fund.

1.4 Investment Objectives

The Fund aims to achieve long-term capital growth.

1.5 Distribution Policy

Distribution of income, if any, is incidental and may be made from realised gains, realised income and/or out of capital.

1.6 Performance Benchmark

Dow Jones Islamic Market Developed Markets Index (“Benchmark”).

2. FUND PERFORMANCE

2.1 Key Fund Performance Data

Asset Allocation / Portfolio Composition	31 May 2024	31 May 2023
Equities	94.97%	95.94%
Cash and Others	5.03%	4.06%
Total	100.00%	100.00%

Fund – MYR Class A

Category	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Highest NAV per Unit (RM) ¹	1.5804	1.2137
Lowest NAV per Unit (RM) ¹	1.1908	0.8674
Total Return (%) ²		
- Capital growth (%)	29.51	19.92
- Income (%)	-	-
Gross/Net Distribution per unit (RM)	-	-
Total NAV (USD) ¹	3,265,559	312,878
NAV per Unit (RM)	1.5531	1.1992
Unit in Circulation	9,890,651	1,203,555

Fund – USD Class A

Category	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to May 2023
Highest NAV per Unit (USD) ¹	1.4822	1.1713
Lowest NAV per Unit (USD) ¹	1.1014	0.9018
Total Return (%) ²		
- Capital growth (%)	27.01	14.83
- Income (%)	-	-
Gross/Net Distribution per unit (USD)	-	-
Total NAV (USD) ¹	1,476,131	1,148,296
NAV per Unit (USD)	1.4584	1.1483
Unit in Circulation	1,012,148	1,000,000

Category	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Expense Ratio (%) ³	1.73	1.95
Portfolio Turnover Ratio (time) ⁴	0.58	0.74

Notes:

(1) *Figures shown as ex-distribution.*

(2) *Total Return of the Fund and its Benchmark for a period are calculated based on the absolute return of the Fund for that period. The calculation of the Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from Refinitiv Lipper. Fund performances include reinvestment of income distributions into the Fund. The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distributions payable (if any) during the stipulated period:*

- **Capital Return**= {NAV per Unit End / NAV per Unit Beginning – 1} x 100
- **Income Return**= {Income Distribution per Unit / NAV per Unit Ex-Distribution} x 100

(3) *Total Expense Ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average net asset value of the Fund for the financial period calculated on daily basis.*

(4) *Portfolio Turnover ratio (“PTR”) is calculated based on the total acquisitions and total disposals of investment securities of the Fund for the financial period divided by the average net asset value of the Fund for the financial period calculated on daily basis.*

2.2 Average Total Return of the Fund

Fund – MYR Class A

	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Average Total Return (%)	29.51	20.66

Source: Refinitiv Lipper

Fund – USD Class A

	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Average Total Return (%)	27.01	15.37

Source: Refinitiv Lipper

2.3 Annual Total Return of the Fund

Fund – MYR Class A

	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Return (%)¹	29.51	19.92
Benchmark (%)	26.83	17.15

Source: Refinitiv Lipper

Fund – USD Class A

	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Return (%)¹	27.01	14.83
Benchmark (%)	24.36	11.73

Source: Refinitiv Lipper

Notes:

(1) Annual Total Return of the Fund and its Benchmark for a period are calculated based on the absolute return of the Fund for that period. The calculation of the Annual Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from Refinitiv Lipper. Fund performances include reinvestment of income distributions into the Fund. Further details on basis of calculation and assumption made in calculating returns is as follows:

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distributions payable (if any) during the stipulated period:

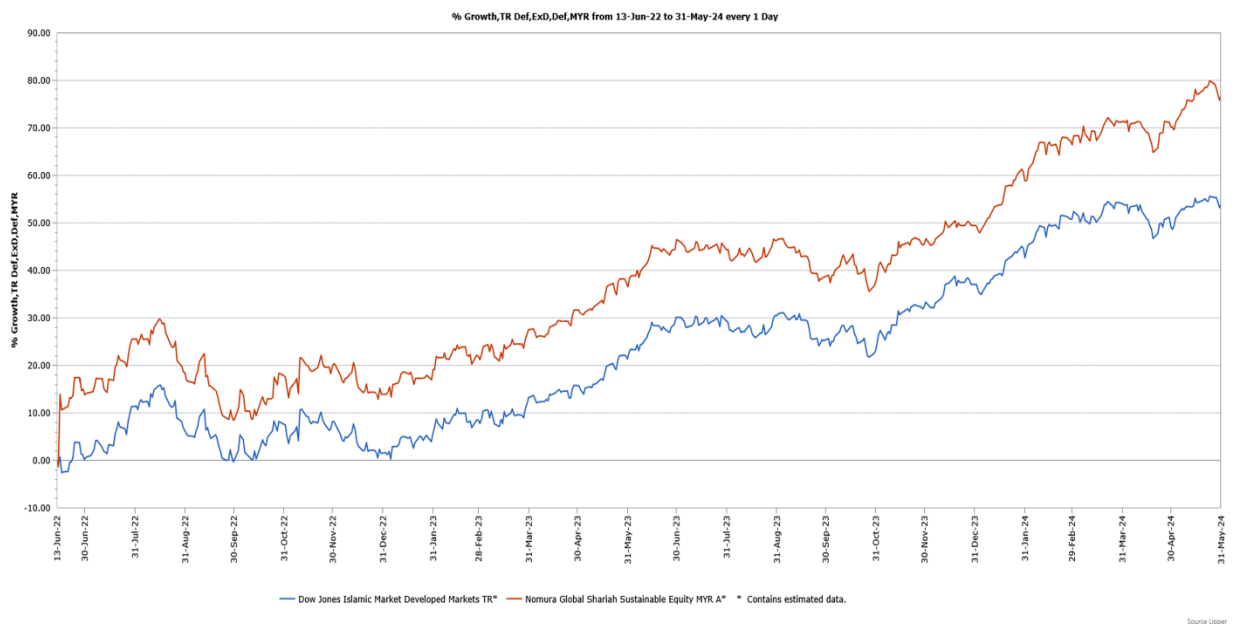
- **Capital Return** = $\{NAV \text{ per Unit End} / NAV \text{ per Unit Beginning} - 1\} \times 100$
- **Income Return** = $\{Income \text{ Distribution per Unit} / NAV \text{ per Unit Ex-Distribution}\} \times 100$
- **Total Return** = $(1 + \text{Percentage Growth})^{1/n} - 1$

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

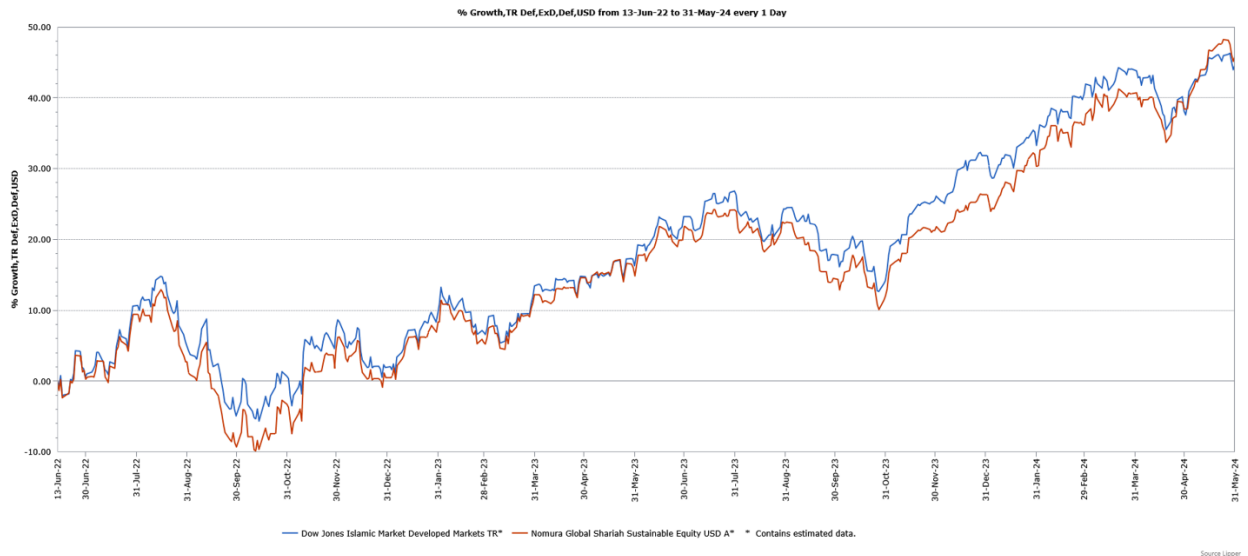
3. MANAGER'S REPORT

Performance of Nomura Global Shariah Sustainable Equity Fund from 13 June 2022 to 31 May 2024

Fund – MYR Class A



Fund – USD Class A



Benchmark: Dow Jones Islamic Market Developed Markets Index

Source: The calculation of the Annual Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from Refinitiv Lipper. Fund performances include reinvestment of income distributions into the Fund.

3.1 Performance for the period from 1 June 2023 to 31 May 2024

Fund – MYR Class A

For the period under review from 1 June 2023 to 31 May 2024, MYR Class A has registered 29.51% return. Compared to the Benchmark return of 26.83%, MYR Class A has outperformed the Benchmark by 2.68%. The Net Asset Value (NAV) per unit of MYR Class A as at 31 May 2023 was RM 1.1992 compared to the NAV per unit as at 31 May 2024 of RM 1.5531. On the total NAV basis, MYR Class A's NAV stood at RM 14.85 million as at 31 May 2024. During the period under review, MYR Class A has not declared any income distribution.

Fund – USD Class A

For the period under review from 1 June 2023 to 31 May 2024, USD Class A has registered 27.01% return. Compared to the Benchmark return of 24.36%, USD Class A has outperformed the Benchmark by 2.65%. The Net Asset Value (NAV) per unit of USD Class A as at 31 May 2023 was USD 1.1483 compared to the NAV per unit as at 31 May 2024 of USD 1.4584. On the total NAV basis, USD Class A's NAV stood at USD 1.48 million as at 31 May 2024. During the period under review, USD Class A has not declared any income distribution.

3.2 Review of Market for the period from 1 June 2023 to 31 May 2024

In the 1H of this period until October 2023, global developed equity market retested its bottom as investors were concerned about more rate hikes. Inflation was sticky but moderated at a slow pace. This resulted in both US and EU central banks to turn into dovish stance in November meetings and signaled for potential rate cuts in 2024.

Given market was primarily driven by macro during that period, equity market started to recover steadily alongside better than expected corporate earnings results. For Japan despite having a different monetary policy direction than the rest of developed markets, we saw meaningful capital inflows into the country given significant corporate reform support to improve corporates profitability and capital efficiency.

The market rally persisted throughout the rest of the period under review. Despite mixed signals from the soft economic data, all developed equity markets have achieved above historical peak performance in second quarter of calendar year 2024 in both US dollar and local currency basis. This could be attributed to multiple key factors. Firstly, receding fear of a deep recession. Secondly, anticipation of more interest rate cuts by central banks. Additionally, strong structural trends of AI and GLP-1 supporting better earnings outlook. Lastly, we did not see major implications that flow through from the wars erupted in Eastern Europe and Middle East.

For the period under review, MYR Class A net performance outperformed the benchmark by 2.68% and USD Class A outperformed the benchmark by 2.65%. This was attributed to strong selection and allocation in North America followed by strong selection in Europe. This was more than offset the negative selection in Asia Pacific. On the sector level, strong selection in Healthcare and IT was more than offset Utilities and Communication Services.

Greatest contributors to the relative performance of the Fund were TSMC and Novo Nordisk. On the other hand, the greatest detractors to the relative performance of the Fund were Daikin and Orsted.

3.3 Investment Outlook

In the latest FOMC meeting, US Federal Reserve brought down rate cut expectations to only 1 cut from at least 1 cut by 2024. This reaffirms our view that US Federal Reserve could switch into accommodative monetary policy if they would like to but they have no urgency to cut rates until end of 2024. Meanwhile, Canadian and European Central Bank have announced one rate cut. With still elevated inflation and less urgency in rate cut plans, we expect to see higher rates environment for a longer period than expected which could adversely affected economic recovery strength.

On the bright side, we are constructive that there is a clearer path in current macro backdrop where we see lower likelihood of worse scenario happening which includes potential rate hike surprise. The implied Fed fund futures of 2 rate cuts led us to think that some of the bullish expectations have been reflected on the market valuation multiples re-rating. Against this backdrop, strong stock selection which we have exhibited consistently in this strategy become more significant to generate long-term capital growth for investors. To see another period of strong market performance, we are patient to see more positive economic data to further support company earnings outlook. Lastly, we continue to expect companies with exposures in structural trends including AI, electrification and GLP-1 to continue their outperformance in the long-term.

Moreover, 2024 marks a year of election where more than 80 countries and half of the world population would be voting for their new leaders. We would pay closer attention to the countries including US, UK, France, Italy, and Germany that have more meaningful implications to the developed market equity. As evidenced by higher volatilities in EU and UK market getting closer their respective election date, we expect to see similar market volatilities when it comes to US election at the end of 2024. With this being said, we do not trade solely by speculating on the elections itself. We examine and analyze the implications of election results alongside with other macro factors including GDP outlook and geopolitical relationships to better distinguish between near-term market noises and structural policy changes. We would take the opportunity of market overreaction if justified to be due to near term market noises.

To conclude, we strongly believe that the Strategy is equipped with sound investment philosophy to remain diligently focused on valuation and not chase 'Growth' or 'Impact' at any price. We would continue enhancing our stock selection process to identify better quality companies which would in return help to limit downsides while generating better capital returns to our investors.

3.4 Strategies Employed for the period from 1 June 2023 to 31 May 2024

For the financial period under review, the Fund has complied with the requirements of the Guidelines on Sustainable and Responsible Investment Funds.

The Fund is managed locally with Nomura Asset Management U.K. Limited as the investment adviser who will provide investment research and stock recommendation in accordance with the investment objective and within the investment restrictions and limits of the Fund. The investment strategies remained unchanged. The Fund applies bottom up approach by selectively invests in equity stocks that possess high quality businesses for long-term capital return, and deliver positive impact in accordance with one of the Fund’s six impact goals aligning with United Nation Sustainable Development Goals (UN SDGs). In addition, the Fund stays invested in the market with minimum amount of idle cash for liquidity purposes.

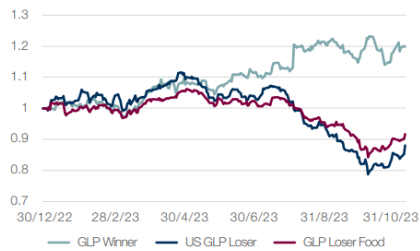
The Manager’s general approach to responsible investment can be found in its reports via the following link: <https://www.nomura-asset.com.my/responsible-investment/responsible-investing-reports/>

Impact Focus of the Year

In May 2024, Nomura Global Strategy Series has published a white paper report on ultra-processed food (“UPF”) where we deep dive into what is UPF, the implications of UPF to human health and the arising business opportunities. The highlighted opportunity is GLP-1 which was initially a drug to treat Type-2 diabetes are now being expanded to use in obesity treatment. More importantly, such opportunity is well aligned with one of our six impact goals – To mitigate obesity. If interested, investors could find more details with the attached link:

https://www.nomura-asset.co.uk/download/insight/NAM_Ultra_Processed_Foods_May_2024.pdf

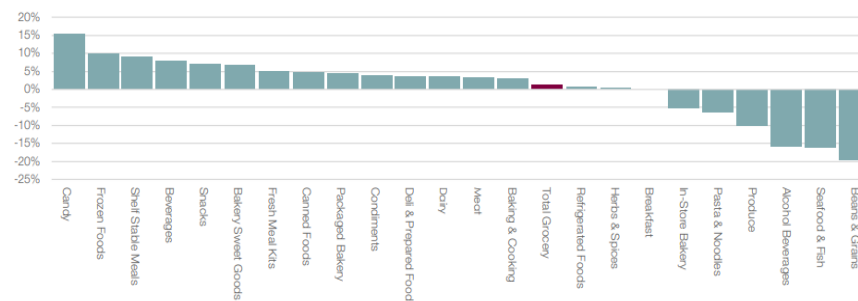
GLP winners vs. losers



GLP1 penetration – US & International

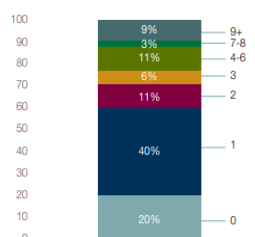
Total adults	2023	2025	2030
US	5.09	8.59	15.47
Obesity	1.87	4.86	9.54
T2D	3.22	3.73	5.93
Penetration Total	1.5%	2.5%	4.5%
International	6.96	14.67	51.58
Obesity	0.41	6.18	29.29
T2D	6.55	8.49	22.28

Shoppers with Obesity vs. Shoppers without Obesity L52W Buy Rate

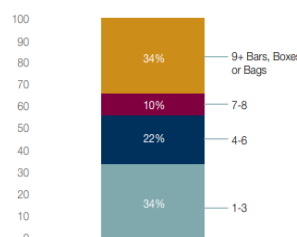


Source: Numerator, Morgan Stanley Research

Number of Candy Bars, Boxes, or Bags bought per Week – % of U.S. Adult Population



Weighted Average % of Candy Consumption, by Number of Bars, Boxes, or Bags Bought per Week



Per US\$1 mm invested in the Fund, underlying holdings achieved the following estimated impact.

Mitigate Natural Capital Depletion



Recovered **727 kgs** of high value industrial and precious metals through recycling

4,628 single use plastic water bottles displaced by filtration products

Eliminate Communicable Disease



10 low income patients reached with treatments through access strategies – of which 2 represents HIV treatment



82 vaccines delivered last year

Mitigate Climate Change



71 tonnes of reported emissions avoided from products (Scope 4)



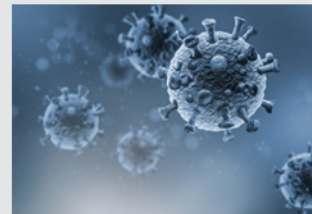
7.9 kW of renewable energy capacity



94 kWh of cathode material produced for electric vehicles
Enough to power 2 EVs

per **US\$1 mm** invested

COVID-19 (Eliminate Communicable Disease)



82 COVID-19 vaccines manufactured in 2022

221 COVID-19 PCR diagnostic tests produced

1306 medical delivery devices committed for COVID-19 vaccines

Global Access to Clean Drinking Water



2,248 litres of safe and clean drinking water



10 people reached through hygiene outreach and water access programmes

Global Access to Basic Financial Services



Have reached **142 previously unbanked** individuals through financial access strategies since 2015

Mitigate the Obesity Epidemic



Provided treatment for **6 diabetes sufferers**

Source: Company Reports, Nomura Asset Management Research as of December 2022

Company sustainability data is collected from each company's shareholder reports, regulatory filings, and/or other company-specific documentation. Impact data is susceptible to inconsistencies. There is currently no standardised, uniformly accepted methodology for companies to measure and report this data, which, in some cases, requires a conversion to allow for aggregation across the strategy. The slide contains estimates produced by Nomura Asset Management U.K. Limited and has been prepared on a best efforts basis with a view of supporting an understanding of the impact of underlying holdings. Data has not been independently verified. Impact per US\$1 mm is taking into account the strategy's effective ownership of underlying companies. The impact is calculated as a proportion of our ownership relative to the companies' overall impact and is aggregated across all holdings. For example, if Company A reached 15.2mm people with HIV treatment through its access strategies, and considering the strategy holds 2% of its AUM in this company, US\$1 mm in the strategy would have a US\$20k holding in Company A. To calculate the impact we use the market cap of Company A and apply the following formula: $(\$20k/\$market\ cap) \times 15.2mm$. The end result represents the estimated number of people reached with HIV treatment by the underlying companies within the portfolio per US\$1 mm invested.

3.5 Asset Allocation

Asset Allocation / Portfolio Composition	31 May 2024	31 May 2023
Equities	94.97%	95.94%
Cash and Others	5.03%	4.06%
Total	100.00%	100.00%

There were no significant changes on the Fund's asset allocation during the financial year under review.

3.6 Securities Lending or Repurchase Transactions

The Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

3.7 Income Distribution

The Fund did not declare any income during the financial year under review.

3.8 Details of Any Unit Split Exercise

There was no unit split exercise during the financial year under review.

3.9 Significant Changes in the State of Affairs of the Fund

There were no significant changes in the state of affairs of the Fund during the financial year under review.

However, please find the latest changes to the Manager's board of directors as follows:

Mr. Leslie Yap Kim Loong
 Mr. Atsushi Ichii
 Mr. Tomoya Kawagishi (resigned on 23 May 2024)
 Ms. Chooi Su May
 Dato' Mona Suraya Binti Kamaruddin*
 Ms. Julia Binti Hashim*

* *Independent director*

3.10 Circumstances that Materially Affect Any Interest of Unit Holders

There were no circumstances that had materially affected the interest of the unit holders during the financial year under review.

3.11 Cross Trades Transactions

There were no cross trades conducted during the financial year under review.

3.12 Soft Commissions Received From Brokers

The Manager did not receive any soft commission during the financial year under review.

This Annual Report is prepared by the Manager of the Fund, Nomura Asset Management Malaysia Sdn. Bhd., for information purposes only. Past earnings of the Fund's distribution record is not a guarantee or reflection of the Fund's future earnings or future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down, as well as up.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

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NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	<u>Note</u>	Financial year from 01.06.2023 to 31.05.2024 USD	Financial period from 23.05.2022 (date of launch) to 31.05.2023 USD
INVESTMENT INCOME			
Gross dividend income		28,576	13,479
Net gain on financial assets at fair value through profit or loss ("FVTPL")	3	727,526	178,000
Net loss on foreign currency exchange		(3,371)	(2,135)
		<u>752,731</u>	<u>189,344</u>
EXPENSES			
Management fee	4	(41,278)	(17,131)
Trustee fee	5	(1,290)	(535)
Shariah Adviser's fee	4	-	(651)
Audit fee	4	-	(517)
Tax agent's fee	4	-	(328)
Transaction cost		(2,478)	(1,070)
Other expenses		(8,670)	(4,495)
		<u>(53,716)</u>	<u>(24,727)</u>
PROFIT BEFORE TAXATION		699,015	164,617
TAXATION	6	(2,467)	(2,914)
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>696,548</u>	<u>161,703</u>
Increase in net assets attributable to unitholders is made up of the following:			
Realised amount		(5,810)	(12,966)
Unrealised amount		702,358	174,669
		<u>696,548</u>	<u>161,703</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024

	<u>Note</u>	As at <u>31.05.2024</u> USD	As at <u>31.05.2023</u> USD
ASSETS			
Cash and cash equivalents		97,571	89,647
Financial assets at fair value through profit or loss ("FVTPL")	3	4,503,093	1,401,911
Dividends receivable		1,836	682
Amount due from Manager		157,547	711
TOTAL ASSETS		<u>4,760,047</u>	<u>1,492,951</u>
LIABILITIES			
Accrued management fee		6,123	1,967
Amount due to Manager		12,042	-
Amount due to broker		-	29,275
Amount due to Trustee		192	18
Auditors' remuneration		-	517
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>18,357</u>	<u>31,777</u>
NET ASSET VALUE OF THE FUND		<u>4,741,690</u>	<u>1,461,174</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>4,741,690</u>	<u>1,461,174</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024 (CONTINUED)

	<u>Note</u>	As at <u>31.05.2024</u> USD	As at <u>31.05.2023</u> USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
MYR Class A		3,265,559	312,878
USD Class A		<u>1,476,131</u>	<u>1,148,296</u>
NUMBER OF UNIT IN CIRCULATION (UNITS)			
MYR Class A	7(a)	9,890,651	1,203,555
USD Class A	7(b)	<u>1,012,148</u>	<u>1,000,000</u>
NET ASSET VALUE PER UNIT (USD)			
MYR Class A		0.3302	0.2600
USD Class A		<u>1.4584</u>	<u>1.1483</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
MYR Class A		1.5531	1.1992
USD Class A		<u>1.4584</u>	<u>1.1483</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	Financial year from 01.06.2023 to <u>31.05.2024</u> USD	Financial period from 23.05.2022 (date of launch) to <u>31.05.2023</u> USD
Net assets attributable to unitholders at the beginning of financial year/date of launch	1,461,174	-
Movement due to units created and cancelled during the financial year/period:		
Creation of units from applications		
MYR Class A	3,523,033	304,149
USD Class A	<u>28,564</u>	<u>1,000,000</u>
	<u>3,551,597</u>	<u>1,304,149</u>
Cancellation of units		
MYR Class A	(954,770)	(4,678)
USD Class A	<u>(12,859)</u>	<u>-</u>
	<u>(967,629)</u>	<u>(4,678)</u>
Increase in net assets attributable to unitholders during the financial year/period	<u>696,548</u>	<u>161,703</u>
Net assets attributable to unitholders at the end of financial year/period	<u>4,741,690</u>	<u>1,461,174</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	Financial year from 01.06.2023 to 31.05.2024 USD	Financial period from 23.05.2022 (date of launch) to 31.05.2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceed from sale of investments	316,201	159,969
Proceeds from capital repayment	414	-
Purchase of investments	(2,722,025)	(1,355,676)
Dividend received	20,876	9,551
Management fee paid	(37,123)	(15,164)
Trustee fee paid	(1,116)	(517)
Shariah adviser's fee paid	-	(651)
Tax paid	(2,467)	(2,914)
Payment for other fees and expenses	(2,640)	(1,576)
Net realised foreign exchange loss	(3,353)	-
Net cash used in operating activities	<u>(2,431,233)</u>	<u>(1,206,978)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units	3,394,761	1,303,438
Payments for cancellation of units	(955,586)	(4,678)
Net cash generated from financing activities	<u>2,439,175</u>	<u>1,298,760</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,942	91,782
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(18)	(2,135)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR/DATE OF LAUNCH	89,647	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD	<u>97,571</u>	<u>89,647</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. Although these estimates and judgment are based on the Manager's best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

(i) Standards and amendments to existing standards effective 1 January 2023

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 June 2023 that have a material effect on the financial statements of the Fund.

(ii) New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 June 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B PRESENTATION AND FUNCTIONAL CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency").

The financial statements are presented in United States Dollar ("USD"), which is the Fund's presentation and functional currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- (i) The Fund's units are denominated in USD.
- (ii) Significant portion of the Fund's investments are denominated in USD.
- (iii) Part of the Fund's cash is denominated in USD for the purpose of making settlement of foreign trades and expenses.
- (iv) Significant portion of the Fund's expenses are denominated in USD.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

B PRESENTATION AND FUNCTIONAL CURRENCY (CONTINUED)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

C INCOME RECOGNITION

Dividend income from quoted Shariah-compliant investments is recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at fair value through profit or loss.

Realised gain or loss on sale of quoted Shariah-compliant investments is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

D TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income earned during the financial year/period.

Tax on investment income from foreign quoted Shariah-compliant investments is based on the tax regime of the respective countries that the Fund invests in.

E CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash and bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its Shariah-compliant investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, dividends receivable and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to broker, accrued management fee, amount due to Manager, amount due to Trustee and auditors' remuneration as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value.

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are de-recognised when the rights to receive cash flows from the Shariah-compliant investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are de-recognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are recognised in the statement of comprehensive income with net gain or loss on financial assets at fair value through profit or loss in the financial year/period in which they arise.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Quoted Shariah-compliant investments and Shariah-compliant exchange traded funds are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be closed to zero as these Shariah-compliant instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit-impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

G UNITHOLDERS' CAPITAL

The unitholders' contribution to the Fund meet the definition of puttable instruments classified as financial liability under MFRS132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in two classes of units, known respectively as MYR Class A and USD Class A, which are cancelled at the unitholders' option and do not have identical features subject to restrictions as stipulated in the Prospectus and Securities Commission Malaysia's ("SC") Guidelines on Unit Trust Funds. The units are classified as financial liabilities.

Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholders exercise the right to put back the unit to the Fund.

Units are created and cancelled at the unitholders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unitholders of respective classes with the total number of outstanding units of respective classes.

H AMOUNT DUE FROM/(TO) BROKER

Amount due from/to broker represent receivables for Shariah-compliant securities sold and payables for Shariah-compliant securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

Any contractual payment which is more than 90 days past due is considered credit impaired

I INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Income not distributed is included in net assets attributable to unitholders.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

J CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

K REALISED AND UNREALISED PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised amount in increase or decrease in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

1 INFORMATION ON THE FUND

Nomura Global Shariah Sustainable Equity Fund (the "Fund") was constituted pursuant to the execution of a Master Deed (the "Deed") dated 29 March 2022 entered into between Nomura Asset Management Malaysia Sdn Bhd (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee").

The Fund was launched on 23 May 2022 and will continue its operations until terminated by the Manager or the Trustee as provided under Clause 12 of the Deed.

The Fund may invest in any of the following assets, subject to the Deeds, the Fund's objective, the Guidelines, the requirements of the SC and all relevant laws:

- (a) Shariah-compliant equities and Shariah-compliant equity-related securities;
- (b) Islamic money market instruments;
- (c) Islamic deposits with financial institutions;
- (d) Islamic derivative for hedging purposes;
- (e) units or shares in Islamic collective investment schemes; and
- (f) any other form of Shariah-compliant investments as may be permitted by the SC from time to time that is in line with the Fund's objective.

All investments will be subjected to the SC's Guidelines on Unit Trust Funds, the Deed and the objective of the Fund.

The Fund aims to achieve long-term capital growth.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, and asset management including providing fund management services to private clients.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	Financial assets at amortised cost USD	Financial assets at fair value through profit or loss USD	<u>Total USD</u>
<u>As at 31.05.2024</u>				
Cash and cash equivalents		97,571	-	97,571
Financial assets at fair value through profit or loss ("FVTPL")	3	-	4,503,093	4,503,093
Dividends receivable		1,836	-	1,836
Amount due from Manager		157,547	-	157,547
		<u>256,954</u>	<u>4,503,093</u>	<u>4,760,047</u>
Total		<u>256,954</u>	<u>4,503,093</u>	<u>4,760,047</u>

	<u>Note</u>	Financial assets at amortised cost USD	Financial assets at fair value through profit or loss USD	<u>Total USD</u>
<u>As at 31.05.2023</u>				
Cash and cash equivalents		89,647	-	89,647
Financial assets at fair value through profit or loss ("FVTPL")	3	-	1,401,911	1,401,911
Dividends receivable		682	-	682
Amount due from Manager		711	-	711
		<u>91,040</u>	<u>1,401,911</u>	<u>1,492,951</u>
Total		<u>91,040</u>	<u>1,401,911</u>	<u>1,492,951</u>

All current liabilities are financial liabilities which are carried at amortised cost.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Fund is exposed to a variety of risks which include liquidity risk, credit risk, capital risk, market risk (inclusive of price risk and currency risk), country risk and fund management risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deed and SC's Guidelines on Unit Trust Funds.

Liquidity risk

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by the unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days. The Fund aims to reduce its liquidity risk by maintaining a prudent level of liquid assets.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
<u>As at 31.05.2024</u>			
Amount due to Manager	18,165	-	18,165
Amount due to Trustee	192	-	192
Net assets attributable to unitholders*	4,741,690	-	4,741,690
Contractual cash out flows	<u>4,760,047</u>	<u>-</u>	<u>4,760,047</u>
	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
<u>As at 31.05.2023</u>			
Amount due to Manager	1,967	-	1,967
Amount due to broker	29,275	-	29,275
Amount due to Trustee	18	-	18
Other payables and accruals	-	517	517
Net assets attributable to unitholders*	1,461,174	-	1,461,174
Contractual cash out flows	<u>1,492,434</u>	<u>517</u>	<u>1,492,951</u>

* Outstanding units are redeemed on demand at the unitholders' option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unitholders of these instruments typically retain them for the medium to long term.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit or principals payment on the maturity date. This may lead to a default in the payment of principal and interest and ultimately a reduction in the value of the Fund. In the case of the Fund, the Manager will endeavor to minimise the risk by selecting only licensed financial institutions with acceptable credit ratings.

Credit risk arising from placements of Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentration of the Fund:

	<u>Bank balances</u> USD	<u>Other assets</u> USD	<u>Total</u> USD
<u>As at 31.05.2024</u>			
Financial Institutions			
- AA1	97,571	-	97,571
Others			
- Not Rated	-	159,383	159,383
	<u>97,759</u>	<u>159,195</u>	<u>256,954</u>
<u>As at 31.05.2023</u>			
Financial Institutions			
- AA1	89,647	-	89,647
Others			
- Not Rated	-	1,393	1,393
	<u>89,647</u>	<u>1,393</u>	<u>91,040</u>

The financial assets of the Fund are neither past due or impaired.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk

The capital of the Fund is represented by net assets attributable to unitholders of USD4,741,690 (2023: USD1,461,174). The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of the unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-complaint investment activities of the Fund.

Market risk

(a) Price risk

Price risk is the risk that the fair value of an investment of the Fund will fluctuate because of changes in market prices (other than those arising from currency risk).

The Fund's overall exposures to price risk are as follows:

	As at <u>31.05.2024</u> USD	As at <u>31.05.2023</u> USD
<u>Financial assets at fair value through profit or loss:</u>		
Quoted investments - foreign	<u>4,503,093</u>	<u>1,401,911</u>

The table below summarises the sensitivity of the Fund's profit after tax and NAV to movements in prices of investments at the end of each reporting year. The analysis is based on the assumptions that the price of the investments fluctuates by 5% with all other variables held constant.

	Change in price of <u>investments</u> %	<u>Market value</u> USD	Impact on profit after tax and net <u>asset value</u> USD
<u>As at 31.05.2024</u>			
Financial assets at fair value through profit or loss:			
- quoted investments - foreign	+ 5	4,728,248	225,155
	- 5	4,277,938	(225,155)
<u>As at 31.05.2023</u>			
Financial assets at fair value through profit or loss:			
- quoted investments - foreign	+ 5	1,472,007	70,096
	- 5	1,331,815	(70,096)

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Currency risk

Currency risk is associated with investments denominated in foreign currency. When the foreign currency fluctuate in an unfavorable movement against United States Dollar, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus United States Dollar based on considerations of economic fundamentals such as interest differentials, balance of payments position, debt levels and technical chart of considerations.

The following tables set out the foreign currency risk concentrations and counterparties of the Fund:

	Financial assets at fair value through profit USD	Cash and cash equivalents USD	Other assets* USD	Total USD
<u>As at 31.05.2024</u>				
<u>Financial assets</u>				
British Pound	260,059	-	-	260,059
Danish Krone	228,013	73	-	228,086
European Dollar	452,216	1,656	-	453,872
Japanese Yen	193,009	224	659	193,892
Ringgit Malaysia	-	88,795	157,547	246,342
Swiss Franc	-	1	-	1
	<u>1,133,297</u>	<u>90,749</u>	<u>158,206</u>	<u>1,382,252</u>
		Amount due to Manager USD	Net assets attributable to unitholders USD	Total USD
<u>Financial liabilities</u>				
Ringgit Malaysia		12,042	3,265,559	3,277,601
		<u>12,042</u>	<u>3,265,559</u>	<u>3,277,601</u>

* Other assets consists of dividends receivable and amount due from Manager.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Currency risk (continued)

The following tables set out the foreign currency risk concentrations and counterparties of the Fund: (continued)

	Financial assets at fair value through <u>profit</u> USD	Cash and cash <u>equivalents</u> USD	Other <u>assets*</u> USD	<u>Total</u> USD
<u>As at 31.05.2023</u>				
<u>Financial assets</u>				
British Pound	51,439	719	-	52,158
Danish Krone	91,561	125	-	91,686
European Dollar	145,036	894	-	145,930
Japanese Yen	40,493	14,804	210	55,507
Ringgit Malaysia	-	10,521	711	11,232
Swiss Franc	31,287	556	-	31,843
	<u>359,816</u>	<u>27,619</u>	<u>921</u>	<u>388,356</u>
			<u>Net assets attributable to unitholders</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>				
Ringgit Malaysia			<u>312,878</u>	<u>312,878</u>
			<u>312,878</u>	<u>312,878</u>

* Other assets consists of dividends receivable and amount due from Manager.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables remain constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any appreciation/(depreciation) in foreign exchange rate relative to USD will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in rate</u> %	<u>Impact on profit after tax/NAV</u> USD
<u>As at 31.05.2024</u>		
British Pound	5	13,003
Danish Krone	5	11,404
European Dollar	5	22,694
Japanese Yen	5	9,695
Ringgit Malaysia	5	(151,563)
Swiss Franc	5	-
		<u><u> </u></u>
<u>As at 31.05.2023</u>		
British Pound	5	2,608
Danish Krone	5	4,584
European Dollar	5	7,297
Japanese Yen	5	2,775
Ringgit Malaysia	5	(15,082)
Swiss Franc	5	1,592
		<u><u> </u></u>

Country Risk

The risk of price fluctuation in foreign securities may arise due to political, financial and economic events in foreign countries. If this occurs, there is possibility that the net asset value of the Fund may be adversely affected.

Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective fund. With close monitoring by various relevant internal parties, investment management system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of the unitholders.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets and liabilities traded in active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year/period end date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodology and assumptions:

- (i) For bank balance, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The carrying value of the financial assets and financial liabilities approximate their fair value due to their short term nature.

Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

Fair value hierarchy

The Fund adopted MFRS 13 "Fair Value Measurement" in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is unobservable inputs).

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value hierarchy (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>As at 31.05.2024</u>				
Financial assets at fair value through profit or loss:				
- quoted equity- foreign	4,503,093	-	-	4,503,093
	<u>4,503,093</u>	<u>-</u>	<u>-</u>	<u>4,503,093</u>
<u>As at 31.05.2023</u>				
Financial assets at fair value through profit or loss:				
- quoted equity- foreign	1,401,911	-	-	1,401,911
	<u>1,401,911</u>	<u>-</u>	<u>-</u>	<u>1,401,911</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and collective investment scheme. The Fund does not adjust the quoted prices for these instruments.

The carrying values of cash and cash equivalents, dividends receivables, amount due from Manager, and all current liabilities are reasonable approximation of the fair value due to their short-term nature.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	As at <u>31.05.2024</u> USD	As at <u>31.05.2023</u> USD
Financial assets at FVTPL		
- Quoted equity - foreign	<u>4,503,093</u>	<u>1,401,911</u>
	Financial year from 01.06.2023 to <u>31.05.2024</u>	Financial period from 23.05.2022 (date of launch) to <u>31.05.2023</u>
Net gain on financial assets at FVTPL		
- realised gain on sale of investments	25,150	1,196
- unrealised gain on changes in fair value	<u>702,376</u>	<u>176,804</u>
	<u>727,526</u>	<u>178,000</u>

Quoted equity – foreign as at 31 May 2024 is as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
DENMARK				
Health Care				
NOVO Nordisk A/S	<u>1,520</u>	<u>133,874</u>	<u>205,149</u>	<u>4.33</u>
Utilities				
Orsted A/S	<u>375</u>	<u>35,694</u>	<u>22,864</u>	<u>0.48</u>
TOTAL DENMARK	<u>1,895</u>	<u>169,568</u>	<u>228,013</u>	<u>4.81</u>
FRANCE				
Industrials				
Schneider Electric Se	<u>576</u>	<u>89,883</u>	<u>142,200</u>	<u>3.00</u>
TOTAL FRANCE	<u>576</u>	<u>89,883</u>	<u>142,200</u>	<u>3.00</u>
GERMANY				
Information Technology				
SAP SE	<u>481</u>	<u>73,580</u>	<u>86,644</u>	<u>1.83</u>
TOTAL GERMANY	<u>481</u>	<u>73,580</u>	<u>86,644</u>	<u>1.83</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”) (CONTINUED)

Quoted equity – foreign as at 31 May 2024 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
JAPAN				
Industrials				
Daikin Industries, Ltd.	1,322	203,467	193,009	4.07
TOTAL JAPAN	1,322	203,467	193,009	4.07
NETHERLANDS				
Information				
Technology				
ASML Holding N.V.	206	148,807	194,704	4.11
Materials				
DSM-Firmenich Ltd	250	35,365	28,668	0.60
TOTAL NETHERLANDS	456	184,172	223,372	4.71
UNITED KINGDOM				
Health Care				
Astrazeneca Plc	1,676	216,186	260,059	5.48
TOTAL UNITED KINGDOM	1,676	216,186	260,059	5.48
UNITED STATES				
Consumer				
Discretionary				
Tractor Supply Company	345	72,522	98,425	2.08
Financials				
Mastercard Incorporated	470	188,179	210,123	4.43
Visa Inc.	545	128,538	148,491	3.13
	1,015	316,717	358,614	7.56

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2024 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES				
(CONTINUED)				
Health Care				
Abbvie Inc.	765	127,530	123,349	2.60
Becton, Dickinson And Company	777	185,699	180,241	3.80
Boston Scientific Corporation	2,537	135,665	191,721	4.04
Eli Lilly And Company	157	75,736	128,793	2.72
Gilead Sciences, Inc.	1,232	95,219	79,181	1.67
Thermo Fisher Scientific Inc.	273	149,588	155,058	3.27
	<u>5,741</u>	<u>769,437</u>	<u>858,343</u>	<u>18.10</u>
Industrials				
A. O. Smith Corporation	577	32,652	48,260	1.02
Johnson Controls International Plc	3,314	189,884	238,310	5.03
Pentair Public Limited Company	1,638	101,757	133,300	2.81
Tetra Tech, Inc.	928	149,082	194,407	4.10
	<u>6,457</u>	<u>473,375</u>	<u>614,277</u>	<u>12.96</u>
Information				
Technology				
Adobe Inc.	274	134,022	121,864	2.57
Apple Inc.	1,001	171,293	192,442	4.06
Microsoft Corporation	728	247,503	302,215	6.37
Nvidia Corporation	255	100,916	279,564	5.90
Palo Alto Networks, Inc.	147	45,002	43,352	0.91
Taiwan Semiconductor Manufacturing Co., Ltd.	1,450	152,459	219,008	4.62
	<u>3,855</u>	<u>851,195</u>	<u>1,158,445</u>	<u>24.43</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2024 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED) Telecommunication Services				
Alphabet Inc.	<u>1,633</u>	<u>203,811</u>	<u>281,692</u>	<u>5.94</u>
TOTAL UNITED STATES	<u>19,046</u>	<u>2,687,057</u>	<u>3,369,796</u>	<u>71.07</u>
Total quoted equity securities	<u>25,452</u>	<u>3,623,913</u>	<u>4,503,093</u>	<u>94.97</u>
Accumulated unrealised gain on quoted equity securities		<u>879,180</u>		
Total quoted equity securities		<u>4,503,093</u>		

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2023 is as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
BELGIUM				
Materials				
Umicore SA	<u>380</u>	<u>15,298</u>	<u>10,531</u>	<u>0.72</u>
TOTAL BELGIUM	<u>380</u>	<u>15,298</u>	<u>10,531</u>	<u>0.72</u>
DENMARK				
Health Care				
Novo Nordisk A/S	<u>368</u>	<u>39,777</u>	<u>58,810</u>	<u>4.02</u>
Utilities				
Orsted A/S	<u>375</u>	<u>35,694</u>	<u>32,751</u>	<u>2.24</u>
TOTAL DENMARK	<u>743</u>	<u>75,471</u>	<u>91,561</u>	<u>6.26</u>
FRANCE				
Industrials				
Schneider Electric SE	<u>198</u>	<u>24,667</u>	<u>34,051</u>	<u>2.33</u>
TOTAL FRANCE	<u>198</u>	<u>24,667</u>	<u>34,051</u>	<u>2.33</u>
GERMANY				
Information Technology				
SAP SE	<u>103</u>	<u>9,315</u>	<u>13,414</u>	<u>0.92</u>
TOTAL GERMANY	<u>103</u>	<u>9,315</u>	<u>13,414</u>	<u>0.92</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2023 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
IRELAND				
Health Care				
Medtronic Public Limited Company	<u>312</u>	<u>28,288</u>	<u>25,821</u>	<u>1.77</u>
Industrials				
Johnson Controls International Plc	<u>1,069</u>	<u>58,083</u>	<u>63,819</u>	<u>4.36</u>
TOTAL IRELAND	<u>1,381</u>	<u>86,371</u>	<u>89,640</u>	<u>6.13</u>
JAPAN				
INDUSTRIALS				
Daikins Industries	<u>213</u>	<u>33,798</u>	<u>40,493</u>	<u>2.77</u>
TOTAL JAPAN	<u>213</u>	<u>33,798</u>	<u>40,493</u>	<u>2.77</u>
NETHERLANDS				
Financials				
Adyen N.V.	<u>9</u>	<u>11,644</u>	<u>14,647</u>	<u>1.00</u>
Information Technology				
ASML Holding N.V.	<u>48</u>	<u>23,681</u>	<u>34,356</u>	<u>2.35</u>
TOTAL NETHERLANDS	<u>57</u>	<u>35,325</u>	<u>49,003</u>	<u>3.35</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2023 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
SWITZERLAND				
Materials				
DSM-Firmenich Ltd	343	49,089	38,037	2.60
Consumer Staples				
Nestle Ltd.	265	29,673	31,287	2.14
TOTAL SWITZERLAND	608	78,762	69,324	4.74
TAIWAN				
Information Technology				
Taiwan Semiconductor Manufacturing Co., Ltd	508	43,531	50,084	3.43
TOTAL TAIWAN	508	43,531	50,084	3.43
UNITED KINGDOM				
Health Care				
Astrazeneca Plc	356	43,100	51,439	3.52
Industrials				
Pentair Public Limited Company	608	28,265	33,726	2.31
TOTAL UNITED KINGDOM	964	71,365	85,165	5.83
UNITED STATES				
Consumer Discretionary				
Tractor Supply Company	209	42,811	43,804	3.00
Financials				
Fiserv, Inc.	301	27,184	33,769	2.31
Mastercard Incorporated.	153	49,470	55,848	3.82
Visa Inc.	223	45,891	49,290	3.37
	677	122,545	138,907	9.50

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Quoted equity – foreign as at 31 May 2023 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES				
(CONTINUED)				
Health Care				
Becton, Dickinson and Company	197	47,931	47,627	3.26
Boston Scientific Corporation	1,300	58,790	66,924	4.58
Eli Lilly And Company	104	36,024	44,664	3.06
Gilead Sciences, Inc.	496	39,331	38,162	2.61
Thermo Fisher Scientific Inc.	122	64,388	62,032	4.25
	<u>2,219</u>	<u>246,464</u>	<u>259,409</u>	<u>17.76</u>
Industrials				
A. O. Smith Corporation	577	32,652	36,893	2.53
Tetra Tech, Inc.	317	45,366	43,578	2.98
	<u>894</u>	<u>78,018</u>	<u>80,471</u>	<u>5.51</u>
Information Technology				
Adobe Inc.	163	61,206	68,100	4.66
Apple Inc.	256	34,118	45,376	3.11
Cisco Systems, Inc.	681	29,499	33,825	2.31
Microsoft Corporation	233	57,139	76,515	5.24
Nvidia Corporation	137	21,770	51,833	3.55
	<u>1,470</u>	<u>203,732</u>	<u>275,649</u>	<u>18.87</u>
Telecommunication Services				
Alphabet Inc.	573	57,634	70,405	4.82
TOTAL UNITED STATES	<u>6,042</u>	<u>751,204</u>	<u>868,645</u>	<u>59.46</u>
Total quoted equity securities	<u>11,197</u>	1,225,107	<u>1,401,911</u>	<u>95.94</u>
Accumulated unrealised gain on quoted equity securities		<u>176,804</u>		
Total quoted equity securities		<u>1,401,911</u>		

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

4 MANAGEMENT FEE, SHARIAH ADVISER'S FEE, AUDIT FEE AND TAX AGENT'S FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the NAV of each Class of the Fund calculated and accrued on a daily basis.

For the financial year ended 31 May 2024, the management fee is recognised at the rate of 1.60% (2023: 1.60%) per annum of the NAV of each Class of the Fund, calculated on a daily basis for the financial year.

Effective 1 September 2022, the shariah adviser's fee, audit fee and tax agent's fee are borne by the Fund Manager.

There will be no further liability to the Manager in respect of the management fee, audit fee, fund accounting fee and tax agent's fee other than the amounts recognised above.

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum of the NAV of each Class of the Fund but subject to a minimum fee of RM15,000 (equivalent to: USD3,189) per annum (excluding foreign custodian fees and charges).

For the financial year ended 31 May 2024, the Trustee fee is recognised at a rate of 0.05% (2023: 0.05%) per annum on the NAV of each class of the Fund (exclusive of foreign custodian fees and charges) calculated on a daily basis for the financial year, subject to a minimum fee of RM15,000 (equivalent to: USD 3,189) per annum. The trustee fee of USD1,290 is borne by the Fund and USD1,899 is borne by the Fund Manager.

There will be no further liability to the Trustee in respect of the Trustee fee other than the amounts recognised above.

6 TAXATION

	Financial year from 01.06.2023 to <u>31.05.2024</u> USD	Financial period from 23.05.2022 (date of launch) to <u>31.05.2023</u> USD
Current taxation – foreign source income	<u>2,467</u>	<u>2,914</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

6 TAXATION (CONTINUED)

The numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	Financial year from 01.06.2023 to 31.05.2024 USD	Financial period from 23.05.2022 (date of launch) to 31.05.2023 USD
Profit before taxation	<u>699,015</u>	<u>164,617</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	167,764	39,508
Tax effect of:		
Investment income not subject to tax	(178,189)	(42,529)
Expenses not deductible for tax purposes	3,976	2,123
Restriction on tax deductible expenses for Unit Trust Funds	<u>8,916</u>	<u>3,812</u>
Taxation	<u>2,467</u>	<u>2,914</u>

7 NUMBER OF UNITS IN CIRCULATION

	Financial year from 01.06.2023 to 31.05.2024 No. of units	Financial period from 23.05.2022 (date of launch) to 31.05.2023 No. of units
(a) MYR Class A		
At beginning of the financial year/period	1,203,555	-
Creation of units arising from applications during the financial year/period	11,844,032	1,222,529
Cancellation of units during financial year/period	<u>(3,156,936)</u>	<u>(18,974)</u>
At end of the financial year/period	<u>9,890,651</u>	<u>1,203,555</u>
(b) USD Class A		
At beginning of the financial year/period	1,000,000	-
Creation of units arising from applications during the financial year/period	22,606	1,000,000
Cancellation of units during financial year/period	<u>(10,458)</u>	<u>-</u>
At end of the financial year/period	<u>1,012,148</u>	<u>1,000,000</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

8 TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transactions with the broker/intermediary for the financial year ended 31 May 2024 is as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	<u>Percentage of total trade</u> %	<u>Brokerage of trade</u> USD	<u>Percentage of total Brokerage</u> %
Daiwa Securities Smbc Hong Kong Ltd	495,240	16.47	117	4.73
J.P. Morgan Securities Llc	461,069	15.33	91	3.67
Jefferies Llc.	419,220	13.94	60	2.42
Robert W. Baird & Co. Incorporated	313,317	10.42	126	5.08
Bofa Securities, Inc New York	191,866	6.38	60	2.42
Citigroup Global Markets Limited	191,324	6.36	57	2.30
Citigroup Global Markets Europe Ag	177,468	5.90	356	14.36
CLSA Singapore Pte Ltd.	133,247	4.43	120	4.84
Sanford C. Bernstein And Co., Llc	101,413	3.37	13	0.52
JP Morgan Securities Ltd London	89,254	2.98	300	12.11
Others	433,459	14.42	1,178	47.55
	<u>3,006,877</u>	<u>100.00</u>	<u>2,478</u>	<u>100.00</u>

Details of transactions with the broker/intermediary for the financial period from 23.05.2022 (date of launch) to 31 May 2023 is as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	<u>Percentage of total trade</u> %	<u>Brokerage of trade</u> USD	<u>Percentage of total Brokerage</u> %
Bofa Securities, Inc New York	333,413	23.06	205	19.08
Robert W. Baird & Co.	323,431	22.37	59	5.49
Sanford C. Bernstein and Co., Llc	295,198	20.42	424	39.48
Daiwa Securities Smbc Hong Kong Ltd	201,125	13.91	63	5.86
Macquarie Capital Ltd.	105,487	7.30	105	9.78
Barclays Capital Inc	66,632	4.61	58	5.40
JP Morgan Securities Ltd	56,837	3.93	111	10.34
CLSA Singapore Pte Ltd.	43,113	2.98	47	4.38
Jefferies Llc	20,573	1.42	2	0.19
	<u>1,445,809</u>	<u>100.00</u>	<u>1,074</u>	<u>100.00</u>

The financial institutions above are not related to the Manager.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

9 TOTAL EXPENSE RATIO ("TER")

	Financial year from 01.06.2023 to 31.05.2024 %	Financial period from 23.05.2022 (date of launch) to 31.05.2023 %
TER	<u>1.73</u>	<u>1.95</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E + F)}{G} \times 100$$

A	=	Management fee
B	=	Trustee's fee
C	=	Shariah Adviser's Fee
D	=	Audit fee
E	=	Tax agent's fee
F	=	Other expenses
G	=	Average net asset value of Fund calculated on daily basis

The average NAV of the Fund for the financial year ended 31 May 2024 calculated on a daily basis is USD2,579,518. (2023: USD1,044,555)

10 PORTFOLIO TURNOVER RATIO ("PTR")

	Financial year from 01.06.2023 to 31.05.2024	Financial period from 23.05.2022 (date of launch) to 31.05.2023
PTR (times)	<u>0.58</u>	<u>0.74</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial year/period} + \text{total disposal for the financial year/period}) \div 2}{\text{Average net asset value of the Fund for the financial year/period calculated on daily basis}}$$

Where: total acquisition for the financial year/period = USD2,692,752 (31.05.2023: USD1,384,950)
total disposal for the financial year/period = USD316,201 (31.05.2023: USD159,965)

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

11 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related party of and its relationship with the Fund are as follows:

<u>Related party</u>			<u>Relationship</u>		
Nomura Asset Management Malaysia Sdn Bhd			The Manager		
Nomura Islamic Asset Management Sdn Bhd			Associate company of the Manager		
The Nomura Trust and Banking Co., Ltd			Associate company of the Manager		
Deutsche Trustees Malaysia Berhad for Nomura Global Shariah Strategic Growth Fund			Fund managed by the Manager		
	<u>No. of units</u>	<u>2024 USD</u>	<u>No. of units</u>	<u>2023 USD</u>	
Nomura Asset Management Malaysia Sdn Bhd - MYR Class A	<u>1,000</u>	<u>330</u>	<u>1,000</u>	<u>260</u>	
The Nomura Trust and Banking Co., Ltd. - USD Class A	<u>1,000,000</u>	<u>1,458,400</u>	<u>1,000,000</u>	<u>1,148,300</u>	

The units are held legally by the Manager for booking purposes.

In addition to the related party disclosure mentioned elsewhere in the financial statements, there were no other significant related party transactions and balances.

Other than the above, there were no units held by parties related to the Manager.

12 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- (i) foreign securities in foreign markets which have been classified as Shariah-compliant either by the Shariah Supervisory Board of Dow Jones Islamic Market Developed Markets Index and/or by the Shariah Adviser; and
- (ii) cash placements and liquid assets which are placed in non-interest bearing account with licensed Islamic domestic and foreign financial institutions.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2024 (CONTINUED)

13 COMPARATIVES

Financial statements for the current period is prepared for the financial year ended 31 May 2024 whilst for the comparable period, it is prepared for the period from 23 May 2022 (date of launch) to 31 May 2023.

Therefore the comparatives for the statement of comprehensive income, statement of financial position, statement of changes in net assets attributable to unitholders, statement of cash flows and related notes are not comparable to the financial year ended 31 May 2024.

14 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 24 July 2024.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND**STATEMENT BY THE MANAGER**

We, Leslie Yap Kim Loong and Atsushi Ichii, being two of the Directors of Nomura Asset Management Malaysia Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Directors of the Manager, the accompanying financial statements set out on pages 1 to 35 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 May 2024 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 May 2024 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
NOMURA ASSET MANAGEMENT MALAYSIA SDN BHD



LESLIE YAP KIM LOONG
Managing Director



ATSUSHI ICHII
Director

Kuala Lumpur
24 July 2024



Deutsche Trustees Malaysia Berhad
Registration No: 200701005591 (763590-H)

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50250 Kuala Lumpur

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TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 31 May 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Nomura Asset Management Malaysia Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

A handwritten signature in black ink, appearing to read 'Ng Hon Leong'.

Ng Hon Leong
Head, Fund Operations

A handwritten signature in black ink, appearing to read 'Sylvia Beh'.

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
24 July 2024

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF
NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

We hereby confirm:

To the best of our knowledge, after having made all reasonable enquiries, Nomura Asset Management Malaysia Sdn Bhd has operated and managed the Fund during the financial year covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters;

The assets of the Fund comprise instruments that have been classified as Shariah-compliant by the Shariah Advisory Council ("SAC") of the Securities Commission Malaysia or the Shariah Supervisory Board of Dow Jones Islamic Market Developed Markets Index. As for the instruments which are not classified as Shariah-compliant by the SAC of the Securities Commission Malaysia or the Shariah Supervisory Board of Dow Jones Islamic Market Developed Markets Index, we have reviewed the said instruments and confirmed that these instruments are Shariah-compliant.

For ZICO Shariah Advisory Services Sdn Bhd

A handwritten signature in black ink, appearing to read "Aida Othman", with a horizontal line underneath.

DR. AIDA OTHMAN

Designated Person Responsible for Shariah Matters Relating to the Fund

Kuala Lumpur

24 JUL 2026



INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Nomura Global Shariah Sustainable Equity Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 May 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 May 2024, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 35.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors’ report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager’s Report, but does not include the financial statements of the Fund and our auditors’ report thereon.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY
FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY
FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY
FUND (CONTINUED)

OTHER MATTERS

This report is made solely to the unitholders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PricewaterhouseCoopers PT
PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
24 July 2024