

# Nomura Global Shariah Strategic Growth Fund

## Annual Report and Audited Financial Statements for the Financial Year Ended 30 September 2023

**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 Strategic Growth Fund (“Fund”)

### 1.2 Type and Category of Fund

Growth – Mixed Assets (Shariah-compliant)

### 1.3 Duration of the Fund

The Fund is an open-ended fund.

### 1.4 Investment Objectives

The objective of the Fund is to achieve long-term capital growth, primarily through the Fund’s investments in foreign Shariah-compliant equities, sukuk, Islamic collective investment schemes and Islamic money market instruments.

### 1.5 Distribution Policy

Distribution of income, if any, is incidental.

### 1.6 Performance Benchmark

Absolute return of 6% per annum (“Benchmark”).

## 2. FUND PERFORMANCE

### 2.1 Key Fund Performance Data\*

Asset Allocation / Portfolio Composition	30 Sep 2023	30 Sep 2022	30 Sep 2021
Equity Securities	35.70%	40.24%	58.04%
Collective Investment Schemes (CIS) - Equity ETF	26.89%	1.02%	3.37%
CIS – Gold ETF	-	-	-
CIS – Malaysian Fixed Income & Money Market Fund	19.86%	39.95%	30.01%
Cash and Other	17.55%	18.79%	8.57%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

\* Included in ‘Cash and Others’ are cash on hand and net current assets/ liabilities. Net current liabilities include amounts which are accrued (but not due and payable).

**Fund – Class A**

Category	1 Oct 2022 to 30 Sep 2023	1 Oct 2021 to 30 Sep 2022	Since commencement, 2 Jun 2020 to 30 Sep 2021
Highest NAV per Unit (RM) <sup>1</sup>	1.1636	1.2825	1.2510
Lowest NAV per Unit (RM) <sup>1</sup>	1.0537	1.0541	0.9839
Total Return (%) <sup>2</sup>			
- Capital growth (%)	7.63	(12.34)	20.25
- Income (%)	-	-	-
Gross/Net Distribution per unit (sen)	-	-	-
Total NAV (RM) <sup>1</sup>	11,020,056	13,284,015	13,544,716
NAV per Unit (RM)	1.1345	1.0541	1.2025
Unit in Circulation	9,713,875	12,602,713	11,264,001

**Fund – Class B**

Category	1 Oct 2022 to 30 Sep 2023	1 Oct 2021 to 30 Sep 2022	Since commencement, 2 Jun 2020 to 30 Sep 2021
Highest NAV per Unit (RM) <sup>1</sup>	1.1527	1.2769	1.2464
Lowest NAV per Unit (RM) <sup>1</sup>	1.0456	1.0467	0.9838
Total Return (%) <sup>2</sup>			
- Capital growth (%)	7.32	(12.61)	19.77
- Income (%)	-	-	-
Gross/Net Distribution per unit (sen)	-	-	-
Total NAV (RM) <sup>1</sup>	9,334,057	5,222,174	5,633,218
NAV per Unit (RM)	1.1232	1.0467	1.1977
Unit in Circulation	8,310,238	4,988,967	4,703,263

Category	1 Oct 2022 to 30 Sep 2023	1 Oct 2021 to 30 Sep 2022	Since commencement, 2 Jun 2020 to 30 Sep 2021
Total Expenses Ratio (%) <sup>3</sup>	1.60	1.52	2.15
Portfolio Turnover Ratio (time) <sup>4</sup>	0.97	1.12	2.54

**Notes:**

\* Prior to 1 October 2022, the Fund was managed as a wholesale fund. Hence, the aforementioned Fund data prior to 1 October 2022 reflects the data of the Fund as a wholesale fund which are subject to guidelines, restrictions and risks applicable to wholesale fund.

- (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 <sup>1</sup>

### Fund – Class A

	1 Year to 30 Sept 2023	3 Year to 30 Sept 2023	Since commencement, 2 Jun 2020 to 30 Sept 2023
<b>Average Total Return (%)</b>	7.63	2.08	3.86

Source: Refinitiv Lipper

### Fund – Class B

	1 Year to 30 Sept 2023	3 Year to 30 Sept 2023	Since commencement, 2 Jun 2020 to 30 Sept 2023
<b>Average Total Return (%)</b>	7.32	1.77	3.55

Source: Refinitiv Lipper

## 2.3 Annual Total Return of the Fund <sup>1</sup>

### Fund – Class A

	FY2023	FY2022	FY2021	Since commencement, 2 Jun 2020 to 30 Sep 2020
<b>Total Return (%) <sup>2</sup></b>	7.63	(12.34)	12.73	6.67
<b>Benchmark (%)</b>	6.00	6.00	6.00	1.93

Source: Refinitiv Lipper

### Fund – Class B

	FY2023	FY2022	FY2021	Since commencement, 2 Jun 2020 to 30 Sep 2020
<b>Total Return (%)<sup>2</sup></b>	7.32	(12.61)	12.39	6.57
<b>Benchmark (%)</b>	6.00	6.00	6.00	1.93

Source: Refinitiv Lipper

### Notes:

- (1) Prior to 1 October 2022, the Fund was managed as a wholesale fund. Hence, the aforementioned Fund data prior to 1 October 2022 reflects the data of the Fund as a wholesale fund which are subject to guidelines, restrictions and risks applicable to wholesale fund.
- (2) 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 per Unit End / NAV per Unit Beginning – 1} x 100
- **Income Return** = {Income Distribution per Unit / NAV per Unit Ex-Distribution} x 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.**

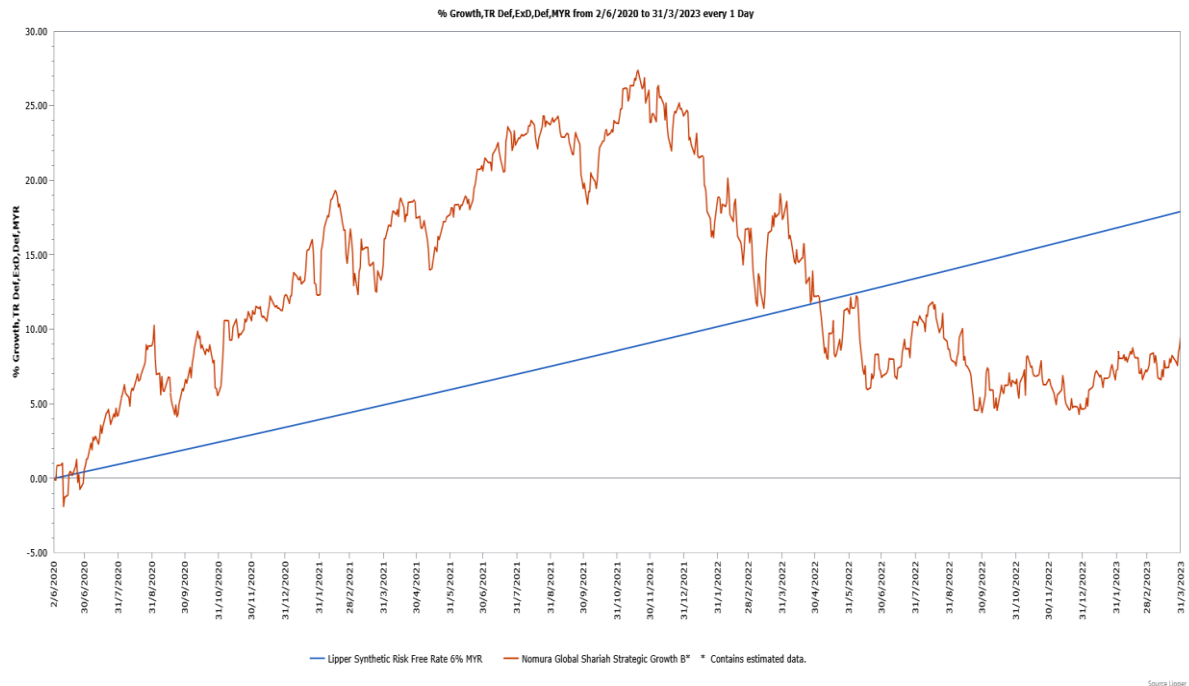
## 3. MANAGER'S REPORT

### Performance of Nomura Global Shariah Strategic Growth Fund from 2 June 2020 to 30 September 2023

#### Fund – Class A



## Fund – Class B



**Benchmark:** Absolute return of 6% per annum

**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 October 2022 to 30 September 2023

#### Fund – Class A

For the period under review from 1 October 2022 to 30 September 2023, Class A has registered 7.63% return. Compared to the Benchmark return of 6.00%, Class A has outperformed the Benchmark by 1.63%. The Net Asset Value (“NAV”) per unit of Class A as at 30 September 2023 was RM1.1345 compared to the NAV per unit as at 30 September 2022 of RM1.0541. On the total NAV basis, Class A’s NAV stood at RM11.02 million as at 30 September 2023.

#### Fund – Class B

For the period under review from 1 October 2022 to 30 September 2023, Class B has registered 7.32% return. Compared to the Benchmark return of 6.00%, Class B has outperformed the Benchmark by 1.32%. The Net Asset Value (“NAV”) per unit of Class B as at 30 September 2023 was RM1.1232 compared to the NAV per unit as at 30 September 2022 of RM1.0467. On the total NAV basis, Class B’s NAV stood at RM9.33 million as at 30 September 2023.

### 3.2 Review of Market for the period from 1 October 2022 to 30 September 2023

Economic data and in particular employment data remained quite robust, particularly in the US, which is part of the reason that the market rose from the lows in October. November saw the first sign of the long anticipated moderation of inflation. It remains high, but the monthly numbers in November showed a greater fall than expected. This led the market to believe that central banks would likely slow the rate of interest rate rises with positive implications for asset prices and a moderating fear of an interest rate hike driven recession in 2023. The US 10-year Government Bond yield fell quite significantly during the month and stood at 3.5% in October, down from highs of over 4.2%. Follow up statements from the Federal Reserve reinforced the expectation of reducing pace of interest rate hikes despite additional data showing the job market in the US remains strong.

In December, the US inflation report again showed that inflation remained high but the pace of price increases is moderating. On the other hand employment numbers also reported in the month again showed the US economy remains robust with many companies seeking to hire. The net effect of these in combination with hawkish statements from the Federal Reserve was to cause bond yields to rise and markets to fall. The US 10-year bond yield in particular rose from 3.5% to 3.9% in the last two weeks of the year, but has since fallen all the way back down again. Similarly the European Central Bank has remained hawkish and in a change in policy, the Bank of Japan also started to move away from its accommodative policy with a resulting large rally in the Yen.

In January, the market rallied strongly with bond yields falling back as the market came to think that the current central bank hiking cycle is coming to an end. It was Growth stocks that rallied the strongest with the high growth but no profit companies seeing their stock prices rise the most. Quality stocks underperformed with Value underperforming more and Higher Dividend stocks underperforming the most. The US jobs report in January showed that the US economy continues to perform quite well even as more forward looking indicators showed a slowdown and inflation again showed a moderation. The market chose to ignore the employment jobs numbers in the context of likely future policy rate direction with some commentators even reviving the concept of a scenario where inflation and the economy is 'neither too hot nor too cold'. This scenario was previously good for equity prices and Growth stocks in particular.

In February, the market pulled back after the strong rally in January. Bond yields rallied strongly having fallen in January as the market reacted negatively to continued strong economic data in the US despite multiple interest rate hikes over the past several months. The market continues to be uncertain about the trajectory of inflation from here with many commentators predicting a fall, but the Federal Reserve continuing to take a more hawkish stance. It is this hawkish stance and continued strong data that has put pressure on stock prices. Growth stocks pulled back in February and Value recovered, but Quality continued to underperform which is surprising. That said, after a very weak start to the year Consumer Staples, an important part of the Quality stocks group, stabilised and started to recover a little.

Equities registered solid gains in March 2023 as stress in the U.S. regional banking sector and moderating inflation have potentially pulled forward the end of the Federal Reserve's interest rate hiking cycle, with Federal Funds Futures suggesting just one more hike in May before cutting by year end. Overall, for the period under review (1 October 2022 to 31 March 2023), global equities as measured by the Dow Jones Islamic Market Developed Markets Index (DJIDEV) registered gains of +19.52% in USD terms and +13.74% in MYR terms due to the aforementioned factors.

Volatility persisted from the period of April to the end of September 2023, as equity and sukuk markets rose from April to July. Sukuk markets sold off in July due to rates expectations being shifted once more, with equities largely remaining sideways (helped in MYR terms by the weakening of ringgit versus USD). More recently in September, a pullback in equity markets was seen.

In spite of the mixed returns on a month-to-month basis, the MSCI All Country World Index (ACWI) rose by +9.41% and the Dow Jones Islamic Market World Index (DJIM) rose +9.99% in MYR terms in total over this 6-month period. Meanwhile, the Dow Jones Sukuk Index rose, +3.47% in the same period. The Fund's NAV for Class A rose +2.44% and Class B rose +2.29% from April to September.

For the fiscal year of the Fund, encompassing October 2022 to September 2023, the Fund returned +7.63% for Class A and +7.32% for Class B. As this is above the targeted annual return of 6%, we deem the objectives as having been met for the year.

### 3.3 Investment Outlook

Whilst the failure of Silicon Valley Bank in early 2023 did not lead to a widespread systemic risk as the Federal Reserve moved quickly to provide the required liquidity, we think that the risks of recessions has increased again as bank lending standards are likely to tighten from here. Tighter lending standards should lead to slower growth, hiring and rising unemployment over the next few quarters. With the effects



of tighter monetary policy through higher interest rates not yet fully reflected in the real economy, we remained cautious on the investment outlook.

Despite the weakening macro outlook, equity markets had performed strongly over the year, and continue to be driven by large cap technology stocks. We continued to be defensive with our asset allocation for most of the year, keeping a lower allocation to equities and holding a higher allocation to sukuk investments and money markets (via CIS and direct placements with banks). We continue to maintain c3% exposure to the energy sector (as a hedge for inflation) and wait for the opportunity to add to risk assets.

This opportunity somewhat materialised in September of the year, and we viewed the pullback in equities as a chance to slightly increase the tactical asset allocation towards equities. The market viewed the 2Q23 earnings season as the trough and the set up looks encouraging to end the year. Please note that this is only a shorter term, tactical switch to position towards the end of the calendar year. Looking out longer term, macro uncertainties still remain. This is therefore reflected in the asset allocation portion below.

### 3.4 Strategies Employed for the period from 1 October 2022 to 30 September 2023

For the Fund's financial year, the equity weight for the Fund averaged at 37.6%. To maintain a defensive allocation for the Fund, the cash held averaged at a 14.2% whilst the remainder of approximately 48% was held in Sukuk investments (via multiple collective investment schemes). As of the end of September however, as the equity markets pulled back, the equity allocation has risen to approximately 42.8% and cash was 17.5%, whilst Sukuk accounted for the remainder at 39.7% of the Fund's asset allocation.

### 3.5 Asset Allocation

Asset Allocation / Portfolio Composition	30 Sep 2023	30 Sep 2022	30 Sep 2021	30 Sep 2020
Equity Securities	35.70%	40.24%	58.04%	57.14%
Collective Investment Schemes (CIS) - Equity ETF	26.89%	1.02%	3.37%	-
CIS – Gold ETF	-	-	-	7.17%
CIS – Malaysian Fixed Income & Money Market Fund	19.86%	39.95%	30.01%	29.38%
Cash and Other	17.55%	18.79%	8.57%	6.31%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

There were no significant changes on the Fund's asset allocation during the financial period 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
- Ms. Chooi Su May
- Mr. Tomoya Kawagishi (appointed on 7 August 2023)
- Dato' Mona Suraya Binti Kamaruddin\* (appointed on 1 November 2023)
- Mr. Johari Bin Abdul Muid\* (resigned on 31 October 2023)
- 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 STRATEGIC GROWTH FUND**  
**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

# **NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND**

## **FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 30 SEPTEMBER 2023**

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# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	<u>Note</u>	<u>2023</u> MYR	<u>2022</u> MYR
<b>INVESTMENT INCOME/(LOSS)</b>			
Gross dividend income		370,536	282,950
Profit income from Islamic deposit with licensed Islamic financial institutions		84,723	334
Net (loss)/gain on foreign currency exchanges		(298,429)	53,416
Net loss on Islamic forward foreign currency contracts at fair value through profit or loss	9	(426,325)	(134,088)
Net gain/(loss) on financial assets at fair value through profit or loss	7	2,214,679	(2,790,122)
Net realised gain on sale of financial assets in non-permissible securities	7	-	406
		<u>1,945,184</u>	<u>(2,587,104)</u>
<b>EXPENSES</b>			
Management fee	4	(281,357)	(272,829)
Trustee fee	5	(15,001)	(15,000)
Shariah Adviser's fee		(12,720)	(12,720)
Auditors' remuneration		(9,000)	(9,000)
Tax agent's fee		(8,798)	(5,500)
Transaction cost		(23,036)	(14,724)
Other expenses		(80,897)	(55,928)
		<u>(430,809)</u>	<u>(385,701)</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		1,514,375	(2,972,805)
Taxation	6	(40,826)	(7,300)
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>1,473,549</u>	<u>(2,980,105)</u>
Increase/(decrease) in net assets attributable to unitholders is made up of the following:			
Realised amount		(217,345)	(840,409)
Unrealised amount		1,690,894	(2,139,696)
		<u>1,473,549</u>	<u>(2,980,105)</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	<u>Note</u>	As at <u>30.9.2023</u> MYR	As at <u>30.9.2022</u> MYR
<b>ASSETS</b>			
Cash and cash equivalents	8	3,581,723	3,711,720
Financial assets at fair value through profit or loss	7	16,781,215	15,028,126
Amount due from Manager			
- creation of units		61,377	-
- management fee rebate receivable		1,438	2,293
Dividends receivable		8,043	3,825
<b>TOTAL ASSETS</b>		<u>20,433,796</u>	<u>18,745,964</u>
<b>LIABILITIES</b>			
Derivative	9	30,000	-
Amount due to Manager			
- management fee		23,842	20,082
- cancellation of units		-	13,434
Amount due to Trustee		1,233	1,232
Amount due to Shariah Adviser		4,240	4,240
Amount due to broker		-	186,688
Auditors' remuneration		9,540	9,540
Tax agent's fee		6,572	4,558
Other payable and accruals		4,256	-
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>79,683</u>	<u>239,774</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>20,354,113</u>	<u>18,506,190</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>20,354,113</u>	<u>18,506,190</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 (CONTINUED)

	<u>Note</u>	<u>2023</u> MYR	<u>2022</u> MYR
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- CLASS A		11,020,056	13,284,015
- CLASS B		9,334,057	5,222,175
		<u>20,354,113</u>	<u>18,506,190</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>			
- CLASS A	10(a)	9,713,875	12,602,713
- CLASS B	10(b)	8,310,238	4,988,967
		<u>18,024,113</u>	<u>17,591,680</u>
<b>NET ASSET VALUE PER UNIT (MYR)</b>			
- CLASS A		1.1345	1.0541
- CLASS B		1.1232	1.0467

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	2023 MYR	2022 MYR
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	18,506,190	19,177,934
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	10,432,491	5,493,270
- CLASS A	846,588	3,265,000
- CLASS B	9,585,903	2,228,270
Cancellation of units	(10,058,117)	(3,184,909)
- CLASS A	(4,097,254)	(1,389,618)
- CLASS B	(5,960,863)	(1,795,291)
Increase/(decrease) in net assets attributable to unitholders during the financial year	1,473,549	(2,980,105)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<b>20,354,113</b>	<b>18,506,190</b>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.



# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

	<u>Note</u>	<u>2023</u> MYR	<u>2022</u> MYR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		21,026,119	23,130,666
Purchase of investments		(20,798,229)	(23,531,092)
Dividend received		325,976	252,140
Profit income received		84,723	334
Management fee rebate received		24,831	16,945
Management fee paid		(277,597)	(273,457)
Trustee fee paid		(15,000)	(15,001)
Shariah Adviser's fee paid		(12,720)	(9,540)
Tax paid		(40,826)	(7,300)
Payment for other fees and expenses		(52,083)	(54,152)
Net realised loss on forward foreign currency contracts		(396,326)	(134,088)
Net realised (loss)/gain on foreign currency exchange		(298,487)	53,103
Net cash flows used in operating activities		(429,619)	(571,442)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		10,371,114	5,581,970
Payments for cancellation of units		(10,071,551)	(3,221,970)
Net cash flows generated from financing activities		299,563	2,360,000
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(130,056)	1,788,558
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		59	314
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		3,711,720	1,922,848
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	3,581,723	3,711,720

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023

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 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 financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with 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 revenue and expenses during the reported financial period. 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 K.

##### (i) Standards and amendments to existing standards effective 1 January 2022.

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 October 2022 that have a material effect on the financial statements of the Fund.

##### (ii) New standards, amendments and interpretations effective after 1 January 2022 and have not been early adopted.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 October 2022, 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 INCOME RECOGNITION

Profit income from Islamic deposits with licensed financial institutions is recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income from quoted Shariah-compliant investments, Islamic collective investment scheme and Shariah-compliant exchange traded funds are recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at FVTPL.

Realised gain or loss on sale of quoted Shariah-compliant investments, Islamic collective investment scheme and Shariah-compliant exchange traded funds are accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

Realised gain or loss on Islamic forward foreign currency contracts are measured by the net settlement amount as per the Islamic forward foreign currency contract.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### C TAXATION

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

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.

#### D FUNCTIONAL AND PRESENTATION 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 Ringgit Malaysia ("MYR"), which is the Fund's functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgment 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 MYR primarily due to the following factors:

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

#### Transaction 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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES

##### (i) Classification

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

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

The Fund classifies its 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.

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 ("SPPI"). 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 and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (i) Classification (continued)

Investments in CIS have contractual cash flows that do not represent SPPI, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

The Fund classifies amount due to broker, amount due to Manager, amount due to Trustee, amount due to Shariah Adviser, auditors' remuneration and tax agent's fee 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. Investments are initially recognised at fair value.

Financial liabilities, within the scope of MFRS 9, 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 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.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of foreign transactions are presented in the statement of comprehensive income within 'net gain or loss on financial assets at fair value through profit or loss' in the period which they arise.

Investments in Islamic collective investment schemes are valued at the last published net asset value ("NAV") per unit at the date of the statement of financial position.

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 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.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (ii) Recognition and measurement (continued)

Islamic deposits with licensed financial institutions are stated at fair value. Due to short-term nature of the Islamic deposits, the cost plus accrued profit calculated based on the effective profit rate method over the period from the date of placement to the date of maturity of the respective Islamic deposits is the reasonable estimate of fair value.

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

##### (iii) Impairment

The Fund's financial assets measured at amortised cost are subject to expected credit losses. The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward-looking information in determining any expected credit loss. The Manager considers the probability of default to be close to zero as these 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 management as any contractual payment which is more than 30 days past due.

##### Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

##### Quantitative criteria:

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

##### Qualitative criteria:

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (iii) Impairment (continued)

###### 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 bad debt recoveries. There are no write-offs/recoveries during the financial period.

#### F CASH AND CASH EQUIVALENTS

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

#### G AMOUNT DUE FROM/(TO) BROKER

Amount due from and to broker represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from broker balance is held for collection. Refer to Note E for accounting policy on recognition and measurement.

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

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.

#### H CREATION AND CANCELLATION OF UNITS

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in two classes of units, known respectively as the Class A and Class B, which are cancelled at the unitholders' option and do not have identical features. 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 unitholder's 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 unit holders of respective classes with the total number of outstanding units of respective classes.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### I DERIVATIVE FINANCIAL INSTRUMENTS

A derivative is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Fund's derivative comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative. Derivative instruments that have a negative fair value are presented as liabilities as fair value through profit or loss.

The fair value of forward foreign currency contracts is determined using forward exchange rates on the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

#### J INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

#### K CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgments 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.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

#### L 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 Securities Commission's ("SC") Guidelines on Unit Trust Funds.

# **NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023**

### **1 INFORMATION ON THE FUND**

Nomura Global Shariah Strategic Growth Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 17 April 2020 (the "Principal Deed") entered into between Nomura Asset Management Malaysia Sdn Bhd (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee").

The Fund commenced operations on 22 May 2020 and will continue its operations until terminated by the Manager or the Trustee as provided under Clause 12 the Deed.

The Supplemental Deed dated 14 June 2022 in respect of the Fund (the "Deed") was entered into between the Manager and the Trustee to govern the Fund and replace in its entirety the Principal Deed and the provision of the Principal Deed.

The Fund was converted into a Unit Trust on 1 October 2022 and will continue its operations until terminated by the Manager or the Trustee as provided under Clause 12 the Deed.

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

The objective of the Fund is to achieve long-term capital growth, primarily through the Fund's investments in foreign Shariah-compliant equities, sukuk, Islamic collective investment schemes and Islamic money markets instruments.

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.

The financial statements were authorised for issue by the Manager on 27 November 2023.



# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	At amortised cost MYR	At fair value through profit or loss MYR	Total MYR
<u>As at 30.9.2023</u>			
<u>Financial assets</u>			
Cash and cash equivalents	3,581,723	-	3,581,723
Dividends receivable	8,043	-	8,043
Amount due from Manager			
- creation of units	61,377	-	61,377
- management fee rebate receivable	1,438	-	1,438
Financial assets at fair value through profit or loss ("FVTPL")	-	16,781,215	16,781,215
Total	3,652,581	16,781,215	20,433,796
<u>Financial liabilities</u>			
Islamic forward foreign currency contracts	-	30,000	30,000
Amount due to Manager			
- management fee	23,842	-	23,842
Amount due to Trustee	1,233	-	1,233
Amount due to Shariah Adviser	4,240	-	4,240
Auditors' remuneration	9,540	-	9,540
Tax agent's fee	6,572	-	6,572
Other payable and accruals	4,256	-	4,256
Total	49,683	30,000	79,683
<u>As at 30.9.2022</u>			
<u>Financial assets</u>			
Cash and cash equivalents	3,711,720	-	3,711,720
Dividends receivable	3,825	-	3,825
Amount due from Manager			
- management fee rebate receivable	2,293	-	2,293
Financial assets at fair value through profit or loss ("FVTPL")	-	15,028,126	15,028,126
Total	3,717,838	15,028,126	18,745,964

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

Financial instruments are as follows: (continued)

	At amortised cost MYR	At fair value through profit or loss MYR	Total MYR
<u>As at 30.9.2022 (continued)</u>			
<u>Financial liabilities</u>			
Amount due to broker	186,688	-	186,688
Amount due to Manager			
- management fee	20,082	-	20,082
- cancellation of units	13,434	-	13,434
Amount due to Shariah Adviser	4,240	-	4,240
Amount due to Trustee	1,232	-	1,232
Auditors' remuneration	9,540	-	9,540
Tax agent's fee	4,558	-	4,558
Total	239,774	-	239,774

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk and currency risk), credit risk, liquidity risk and capital risk.

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

#### Market risk

##### (a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The Fund's overall exposure to price risk was as follows:

	As at 30.9.2023 MYR	As at 30.9.2022 MYR
<b>Quoted investment</b>		
Islamic collective investment scheme	4,042,845	7,393,000
Shariah-compliant exchange traded funds	5,474,199	188,803
Shariah-compliant quoted equity	7,264,171	7,446,323
	16,781,215	15,028,126

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

#### Market risk (continued)

##### (a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit/(loss) after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> MYR	<u>Impact on</u> <u>profit after</u> <u>tax/NAV</u> MYR
<u>As at 30.9.2023</u>		
-5%	15,942,154	(839,061)
0%	16,781,215	-
+5%	17,620,276	839,061
<u>As at 30.9.2022</u>		
-5%	14,276,720	(751,406)
0%	15,028,126	-
+5%	15,779,532	751,406

##### (b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's deposits with licensed financial institutions are short term in nature. Therefore, exposure to interest rate fluctuations is minimal.

##### (c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, 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 Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

#### Market risk (continued)

#### (c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund:

	Financial assets at <u>fair value</u> MYR	Cash and cash <u>equivalents</u> MYR	Dividends <u>receivable</u> MYR	<u>Total</u> MYR
<u>As at 30.9.2023</u>				
<u>Financial assets</u>				
Australian Dollar	-	1,325	-	1,325
British Pound	174,240	2,652	-	176,892
Danish Krone	100,399	7,527	-	107,926
European Dollar	362,783	2,384	-	365,167
Hong Kong Dollar	517,431	86	-	517,517
Japanese Yen	316,449	54	756	317,259
Norwegian Krone	100,036	8,734	-	108,770
Swiss Franc	-	147	-	147
United States Dollar	11,167,032	53,039	7,287	11,227,358
	<u>12,738,370</u>	<u>75,948</u>	<u>8,043</u>	<u>12,822,361</u>
			Islamic forward foreign currency <u>contracts</u> MYR	<u>Total</u> MYR
<u>Financial liabilities</u>				
United States Dollar			30,000	30,000
			<u>30,000</u>	<u>30,000</u>

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

#### Market risk (continued)

##### (c) Currency risk (continued)

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

	Financial assets at <u>fair value</u> MYR	Cash and cash <u>equivalents</u> MYR	<u>Dividends receivable</u> MYR	<u>Total</u> MYR
<u>As at 30.9.2022</u>				
<u>Financial assets</u>				
Australian Dollar	92,546	5,813	564	98,923
British Pound	201,264	6	-	201,270
Danish Krone	54,371	6,157	-	60,528
European Dollar	482,808	101,850	-	584,658
Hong Kong Dollar	757,457	60,083	-	817,540
Japanese Yen	79,235	-	-	79,235
Norwegian Krone	70,475	5,596	-	76,071
Swiss Franc	-	3	-	3
United States Dollar	5,896,970	1,075,150	3,261	6,975,381
	<u>7,635,126</u>	<u>1,254,658</u>	<u>3,825</u>	<u>8,893,609</u>
	<u>Amount due to brokers MYR</u>	<u>Other liabilities MYR</u>	<u>Net assets attributable to unitholders MYR</u>	<u>Total MYR</u>
<u>Financial liabilities</u>				
United States Dollar	186,688	-	-	186,688
	<u>186,688</u>	<u>-</u>	<u>-</u>	<u>186,688</u>

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

#### Market risk (continued)

##### (c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit /(loss) 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 MYR 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.

	Change in price %	Impact on profit/(loss) after tax/NAV MYR
<u>As at 30.9.2023</u>		
Australian Dollar	5	66
British Pound	5	8,845
Danish Krone Dollar	5	5,396
European Dollar	5	18,258
Hong Kong Dollar	5	25,876
Japanese Yen	5	15,863
Norwegian Krone	5	5,439
Swiss Franc	5	7
United States Dollar	5	559,868

##### As at 30.9.2022

Australian Dollar	5	4,946
British Pound	5	10,064
Danish Krone	5	3,026
European Dollar	5	29,233
Hong Kong Dollar	5	40,877
Japanese Yen	5	3,962
Norwegian Krone	5	3,804
Swiss Franc	5	-
United States Dollar	5	339,435

#### Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of interest, principals and proceeds from realisation of investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

##### Credit risk (continued)

The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the Securities Commission's ("SC") Guidelines on Unit Trust Funds.

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

	Cash and cash equivalents MYR	Other assets* MYR	Total MYR
<u>As at 30.9.2023</u>			
Financial Services			
- AAA	3,372,343	-	3,372,343
- AA1	209,380	-	209,380
Others			
- NR	-	70,858	70,858
	<u>3,581,723</u>	<u>70,858</u>	<u>3,652,581</u>
<u>As at 30.9.2022</u>			
Financial Services			
- AAA	2,123,334	-	2,123,334
- AA1	1,588,386	-	1,588,386
Others			
- NR	-	6,118	6,118
	<u>3,711,720</u>	<u>6,118</u>	<u>3,717,838</u>

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

##### 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.

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

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

##### Liquidity risk (continued)

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table below are the contractual undiscounted cash flows.

	Within one month MYR	Between one month to one year MYR	Total MYR
<u>As at 30.9.2023</u>			
Islamic forward foreign currency contracts	30,000	-	30,000
Amount due to Manager			
- management fee	23,842	-	23,842
Amount due to Trustee	1,233	-	1,233
Amount due to Shariah Adviser	-	4,240	4,240
Auditors' remuneration	-	9,540	9,540
Tax agent's fee	-	6,572	6,572
Other payable and accruals	4,256	-	4,256
Net assets attributable to unitholders*	20,354,113	-	20,354,113
	<u>20,413,444</u>	<u>20,352</u>	<u>20,433,796</u>
<u>As at 30.9.2022</u>			
Amount due to broker	186,688	-	186,688
Amount due to Manager			
- management fee	20,082	-	20,082
- cancellation of units	13,434	-	13,434
Amount due to Trustee	1,232	-	1,232
Amount due to Shariah Adviser	-	4,240	4,240
Auditors' remuneration	-	9,540	9,540
Tax agent's fee	-	4,558	4,558
Net assets attributable to unitholders*	18,506,190	-	18,506,190
	<u>18,727,626</u>	<u>18,338</u>	<u>18,745,964</u>

\* Units are cancelled on demand at the unitholder's 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.

##### Capital risk

The capital of the Fund is represented by net assets attributable to unitholders of MYR20,354,113 (2022: MYR18,506,190). 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 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 unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.



## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. 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.

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 year end date.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

##### (i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- 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 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

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.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 3 FAIR VALUE ESTIMATION (CONTINUED)

#### (i) Fair value hierarchy (continued)

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

	<u>Level 1</u> MYR	<u>Level 2</u> MYR	<u>Level 3</u> MYR	<u>Total</u> MYR
<u>As at 30.9.2023</u>				
Financial assets at fair value through profit or loss				
- Islamic collective investment scheme	4,042,845	-	-	4,042,845
- Shariah-compliant exchange traded fund	5,474,199	-	-	5,474,199
- Shariah-compliant quoted equity	7,264,171	-	-	7,264,171
	<u>16,781,215</u>	<u>-</u>	<u>-</u>	<u>16,781,215</u>
Financial liabilities at fair value through profit or loss				
- Islamic forward foreign currency contracts	-	30,000	-	30,000
	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<u>As at 30.9.2022</u>				
Financial assets at fair value through profit or loss				
- Islamic collective investment scheme	7,393,000	-	-	7,393,000
- Shariah-compliant exchange traded fund	188,803	-	-	188,803
- Shariah-compliant quoted equity	7,446,323	-	-	7,446,323
	<u>15,028,126</u>	<u>-</u>	<u>-</u>	<u>15,028,126</u>

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

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- (ii) The carrying values of cash and cash equivalents, amount due from broker and amount due from Manager and all current liabilities, except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short term nature.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 4 MANAGEMENT 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 30 September 2023, the management fee is recognised at a rate of 1.20% (2022:1.20%) per annum for Class A and 1.50% (2022:1.50%) per annum for Class B on the NAV of each class of the Fund, calculated on a daily basis as stated in the Fund's Prospectus.

There will be no further liability to the Manager in respect of management 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 of 0.8% per annum of the NAV of the Fund, subject to a minimum fee of RM15,000 per annum (excluding foreign custodian fees and charges).

For the financial year ended 30 September 2023, the Trustee fee is recognised at a rate of 0.04% (2022:0.04%) per annum on the NAV of the Fund, exclusive of foreign custodian fees and charges, calculated on a daily basis for the financial period, or a minimum of MYR15,000 as stated in the Fund's Prospectus.

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

### 6 TAXATION

	<u>2023</u> MYR	<u>2022</u> MYR
Current taxation - foreign source income	40,826	7,300

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

	<u>2023</u> MYR	<u>2022</u> MYR
Profit/(loss) before taxation	1,514,375	(2,972,805)
Tax at Malaysian statutory rate of 24% (2022: 24%)	363,450	(713,473)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not deductible for tax purpose	(420,264)	625,264
Expenses not deductible for tax purposes	33,530	24,800
Restriction on tax deductible expenses for Unit Trust Funds	64,110	63,409
Foreign source income subject to different tax rate	-	7,300
Tax expense	40,826	7,300

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30.9.2023 MYR	As at 30.9.2022 MYR
Financial assets at fair value through profit or loss:		
- Islamic collective investment scheme (a)	4,042,845	7,393,000
- Shariah-compliant exchange traded fund (b)	5,474,199	188,803
- Shariah-compliant quoted equity (c)	7,264,171	7,446,323
	<u>16,781,215</u>	<u>15,028,126</u>
	<u>2023</u> MYR	<u>2022</u> MYR
Net gain/(loss) on financial assets at fair value through profit or loss:		
- realised gain/(loss) on sale of investments	469,868	(667,869)
- unrealised gain/(loss) on changes in fair value	1,720,835	(2,140,010)
- management fee rebate on collective investment scheme #	23,976	18,163
	<u>2,214,679</u>	<u>(2,789,716)</u>

# In arriving at the fair value of collective investment scheme, the management fee initially paid to the Manager of collective investment scheme has been considered as part of its net asset value. In order to prevent the double charging of management fee, management fee charged on the Fund's investment in a collective investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment scheme is reflected as an increase in the net asset value of the collective investment scheme.

(a) Islamic collective investment scheme

(i) Islamic collective investment scheme as at 30 September 2023 are as follows:

	Quantity Units	Aggregate cost MYR	Fair value MYR	Percentage of NAV %
Nomura Asset Management Sdn. Bhd. – Nomura I-Income Fund 2 - Class R	4,097,339	4,023,867	4,042,845	19.86
Total Islamic collective investment scheme	<u>4,097,339</u>	<u>4,023,867</u>	<u>4,042,845</u>	<u>19.86</u>
Accumulated unrealised gain on Islamic collective investment scheme		18,978		
Total Islamic collective investment scheme		<u>4,042,845</u>		

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

##### (a) Islamic collective investment scheme (continued)

##### (ii) Islamic collective investment scheme as at 30 September 2022 are as follows:

	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
Nomura Islamic Asset Management Sdn. Bhd. –				
Nomura I-Cash Fund	3,587,589	3,681,790	3,701,315	20.00
Nomura I-Income Fund 2 - Class R	3,761,268	3,699,601	3,691,685	19.95
Total Islamic collective investment scheme	7,348,857	7,381,391	7,393,000	39.95
Accumulated unrealised gain on Islamic collective investment scheme		11,609		
Total Islamic collective investment scheme		7,393,000		

##### (b) Shariah-compliant exchange traded fund

##### (i) Shariah-compliant exchange traded fund as at 30 September 2023 are as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
iShares MSCI World Islamic UCITS ETF USD (Dist)	7,137	1,462,991	1,449,437	7.12
SP Funds Dow Jones GLB Sukuk ETF	49,311	3,928,873	4,024,762	19.77
Total Shariah-compliant exchange traded fund	56,448	5,391,864	5,474,199	26.89
Accumulated unrealised gain on Shariah-compliant exchange traded fund		82,335		
Total Shariah-compliant exchange traded fund		5,474,199		

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant exchange traded fund (continued)

(ii) Shariah-compliant exchange traded fund as at 30 September 2022 are as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
iShares MSCI World Islamic UCITS ETF USD (Dist)	1,166	186,422	188,803	1.02
Total Shariah-compliant exchange traded fund	1,166	186,422	188,803	1.02
Accumulated unrealised gain on Shariah-compliant exchange traded fund		2,381		
Total Shariah-compliant exchange traded fund		188,803		

(c) Quoted Shariah-compliant equity

(i) Quoted Shariah-compliant equity as at 30 September 2023 are as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Limited	630	33,688	32,345	0.16
Jd.Com, Inc.	2,623	346,548	181,076	0.89
Li Ning Company Limited	4,399	166,803	86,935	0.43
	7,652	547,039	300,356	1.48
<b>Telecommunication Services</b>				
Tencent Holdings Limited	1,182	235,873	217,075	1.07
TOTAL CAYMAN ISLANDS	8,834	782,912	517,431	2.55
<b>DENMARK</b>				
<b>Health Care</b>				
Novo Nordisk A/S	234	56,792	100,399	0.49
TOTAL DENMARK	234	56,792	100,399	0.49

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(i) Quoted Shariah-compliant equity as at 30 September 2023 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
FRANCE				
<b>Industrials</b>				
Schneider Electric SE	159	89,838	124,003	0.61
TOTAL FRANCE	159	89,838	124,003	0.61
GERMANY				
<b>Consumer Discretionary</b>				
Puma Se	178	52,348	51,998	0.26
TOTAL GERMANY	178	52,348	51,998	0.26
JAPAN				
<b>Consumer Staples</b>				
MatsukiyoCocokara & Co.	1,941	167,077	163,614	0.80
<b>Industrials</b>				
Daikin Industries,Ltd.	77	57,460	56,843	0.28
<b>Information Technology</b>				
Keyence Corporation	55	108,103	95,992	0.47
TOTAL JAPAN	2,073	332,640	316,449	1.55
NETHERLANDS				
<b>Financials</b>				
Adyen N.V.	20	151,236	70,120	0.34
<b>Information Technology</b>				
ASML Holding N.V.	42	113,603	116,662	0.57
TOTAL NETHERLANDS	62	264,839	186,782	0.91

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(i) Quoted Shariah-compliant equity as at 30 September 2023 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	Aggregate <u>cost</u> MYR	Fair <u>value</u> MYR	Percentage <u>of NAV</u> %
NORWAY				
<b>Consumer Staples</b>				
Mowi ASA	1,197	116,945	100,036	0.49
TOTAL NORWAY	1,197	116,945	100,036	0.49
UNITED KINGDOM				
<b>Health Care</b>				
AstraZeneca Plc	274	122,049	174,240	0.86
TOTAL UNITED KINGDOM	274	122,049	174,240	0.86
UNITED STATES				
<b>Consumer Discretionary</b>				
Amazon.Com, Inc.	985	582,902	587,688	2.89
Aptiv Plc	150	66,851	69,410	0.34
Five Below, Inc.	122	65,869	92,132	0.45
Floor & Decor Holdings, Inc.	166	73,547	70,510	0.35
Ulta Beauty, Inc.	33	48,577	61,869	0.30
	1,456	837,746	881,609	4.33
<b>Consumer Staples</b>				
Walmart Inc.	136	79,594	102,086	0.50
<b>Energy</b>				
Conocophillips	172	90,936	96,712	0.48
Eog Resources, Inc.	149	52,841	88,647	0.44
Exxon Mobil Corporation	457	181,617	252,201	1.24
	778	325,394	437,560	2.16



# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(i) Quoted Shariah-compliant equity as at 30 September 2023 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED)				
<b>Financials</b>				
Mastercard Incorporated.	86	119,290	159,805	0.79
<b>Health Care</b>				
Abbvie Inc.	112	73,625	78,357	0.38
Boston Scientific Corporation	618	109,775	153,151	0.75
Eli Lilly And Company	69	103,371	173,950	0.85
Merck & Co., Inc.	311	147,454	150,274	0.74
Thermo Fisher Scientific Inc.	32	84,413	76,023	0.37
	1,142	518,638	631,755	3.09
<b>Industrials</b>				
Eaton Corporation Public Limited Company	121	53,179	121,125	0.60
Johnson Controls International Plc	390	110,997	97,399	0.48
Rockwell Automation, Inc.	51	74,617	68,428	0.34
Uber Technologies, Inc.	872	121,926	188,225	0.93
	1,434	360,719	475,177	2.35
<b>Information Technology</b>				
Advanced Micro Devices, Inc.	89	38,152	42,950	0.21
Broadcom Inc.	34	71,639	132,543	0.65
Marvell Technology, Inc	292	66,914	74,185	0.36
Micron Technology, Inc.	342	105,051	109,200	0.54
Microsoft Corporation	313	331,994	463,857	2.28
Nvidia Corporation	284	476,349	579,822	2.85
Palo Alto Networks, Inc.	153	113,325	168,353	0.83
Servicenow, Inc.	66	115,566	173,150	0.85
	1,573	1,318,990	1,744,060	8.57
<b>Materials</b>				
Linde Public Limited Company	118	169,350	206,220	1.01

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(i) Quoted Shariah-compliant equity as at 30 September 2023 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED)				
<b>Telecommunication Services</b>				
Alphabet Inc.	659	308,442	407,814	2.00
Meta Platforms, Inc.	459	501,200	646,747	3.18
	1,118	809,642	1,054,561	5.18
TOTAL UNITED STATES	7,841	4,539,363	5,692,833	27.98
Total quoted Shariah-compliant equity	20,852	6,357,726	7,264,171	35.70
Accumulated unrealised gain on quoted Shariah-compliant equity		906,445		
Total quoted Shariah-compliant equity		7,264,171		

(ii) Quoted Shariah-compliant equity as at 30 September 2022 are as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
AUSTRALIA				
<b>Health Care</b>				
CSL Limited	109	90,900	92,546	0.50
TOTAL AUSTRALIA	109	90,900	92,546	0.50
CAYMAN ISLANDS				
<b>Consumer Discretionary</b>				
JD.com, Inc	2,446	360,520	287,084	1.55
Li Ning Company Limited	2,416	96,001	85,812	0.46
Meituan	1,000	102,514	97,867	0.53
	5,862	559,035	470,763	2.54

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(ii) Quoted Shariah-compliant equity as at 30 September 2022 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
CAYMAN ISLANDS (CONTINUED)				
<b>Telecommunication Services</b>				
Tencent Holdings Limited	1,821	449,157	286,694	1.55
<b>TOTAL CAYMAN ISLANDS</b>	<b>7,683</b>	<b>1,008,192</b>	<b>757,457</b>	<b>4.09</b>
DENMARK				
<b>Health Care</b>				
Novo Nordisk A/S	117	56,792	54,371	0.29
<b>TOTAL DENMARK</b>	<b>117</b>	<b>56,792</b>	<b>54,371</b>	<b>0.29</b>
FRANCE				
<b>Consumer Staples</b>				
L'Oreal SA	80	156,679	119,886	0.65
<b>Industrials</b>				
Schneider Electric SE	313	176,850	166,090	0.90
<b>TOTAL FRANCE</b>	<b>393</b>	<b>333,529</b>	<b>285,976</b>	<b>1.55</b>
JAPAN				
<b>Consumer Staples</b>				
Kobe Bussan Co., Ltd.	708	84,514	79,235	0.43
<b>TOTAL JAPAN</b>	<b>708</b>	<b>84,514</b>	<b>79,235</b>	<b>0.43</b>
NETHERLANDS				
<b>Information Technology</b>				
Adyen N.V.	17	140,919	100,422	0.54
ASML Holding N.V.	49	152,394	96,410	0.52
<b>TOTAL NETHERLANDS</b>	<b>66</b>	<b>293,313</b>	<b>196,832</b>	<b>1.06</b>

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(ii) Quoted Shariah-compliant equity as at 30 September 2022 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
NORWAY				
<b>Consumer Staples</b>				
Mowi ASA	1,197	116,945	70,475	0.38
TOTAL NORWAY	1,197	116,945	70,475	0.38
UNITED KINGDOM				
<b>Health Care</b>				
AstraZeneca Plc	391	174,165	201,264	1.09
TOTAL UNITED KINGDOM	391	174,165	201,264	1.09
UNITED STATES				
<b>Consumer Discretionary</b>				
Amazon.com, Inc.	776	533,110	406,434	2.20
Aptiv Plc	219	97,602	79,388	0.43
Five Below, Inc.	241	130,119	153,782	0.83
Nike, Inc.	74	41,760	28,509	0.16
Target Corporation	122	82,715	83,910	0.45
Ulta Beauty, Inc.	43	54,935	79,959	0.43
	1,475	940,241	831,982	4.50
<b>Consumer Staples</b>				
The Estee Lauder Companies Inc.	100	130,859	100,070	0.54
Walmart Inc.	384	224,736	230,845	1.25
	484	355,595	330,915	1.79

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(ii) Quoted Shariah-compliant equity as at 30 September 2022 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED)				
<b>Energy</b>				
ConocoPhillips	303	160,195	143,727	0.78
EOG Resources, Inc.	275	97,526	142,414	0.77
Exxon Mobil Corporation	857	287,477	346,812	1.88
	1,435	545,198	632,953	3.43
<b>Health Care</b>				
Boston Scientific Corporation	957	169,991	171,795	0.93
Danaher Corporation	111	79,990	132,886	0.72
Thermo Fisher Scientific Inc.	78	205,758	183,364	0.99
	1,146	455,739	488,045	2.64
<b>Industrials</b>				
Eaton Corporation Public Limited Company	356	156,459	220,052	1.19
Emerson Electric Co.	340	125,342	115,387	0.62
Jacobs Solutions Inc.	233	131,971	117,164	0.63
Johnson Controls International Plc	739	210,326	168,592	0.91
Uber Technologies, Inc.	872	121,926	107,106	0.58
	2,540	746,024	728,301	3.93
<b>Information Technology</b>				
Advanced Micro Devices, Inc.	195	95,589	57,266	0.31
Apple Inc.	484	349,877	310,030	1.68
CrowdStrike Holdings, Inc.	95	85,273	72,570	0.39
Marvell Technology, Inc.	803	184,013	159,707	0.86
Mastercard Incorporated.	149	206,677	196,370	1.06
Microsoft Corporation	570	596,445	615,310	3.32
Nvidia Corporation	409	251,629	230,121	1.24
Palo Alto Networks, Inc.	210	154,098	159,425	0.86
Servicenow, Inc.	56	101,490	98,012	0.53
Taiwan Semiconductor Manufacturing Co., Ltd.	342	164,750	108,679	0.59
	3,313	2,189,841	2,007,490	10.84

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Quoted Shariah-compliant equity (continued)

(ii) Quoted Shariah-compliant equity as at 30 September 2022 are as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> MYR	<u>Fair</u> <u>value</u> MYR	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED)				
<b>Telecommunication Services</b>				
Alphabet Inc.	1,003	450,900	446,992	2.42
Meta Platforms, Inc.	384	331,502	241,489	1.30
	<u>1,387</u>	<u>782,402</u>	<u>688,481</u>	<u>3.72</u>
TOTAL UNITED STATES	<u>11,780</u>	<u>6,015,040</u>	<u>5,708,167</u>	<u>30.85</u>
Total quoted Shariah-compliant equity	<u>22,444</u>	<u>8,173,390</u>	<u>7,446,323</u>	<u>40.24</u>
Accumulated unrealised loss on quoted Shariah-compliant equity		<u>(727,067)</u>		
Total quoted Shariah-compliant equity		<u>7,446,323</u>		

### 8 CASH AND CASH EQUIVALENTS

	As at <u>30.9.2023</u> MYR	As at <u>30.9.2022</u> MYR
Bank balances with a licensed bank	209,380	1,588,386
Islamic deposits with licensed financial institutions	<u>3,372,343</u>	<u>2,123,334</u>
	<u>3,581,723</u>	<u>3,711,720</u>

The effective weighted average rate of return of Islamic deposits with licensed financial institutions per annum as at the date of the statement of financial position are as follows:

	As at <u>30.9.2023</u> %	As at <u>30.9.2022</u> %
Islamic deposits with licensed financial institutions	<u>3.75</u>	<u>2.73</u>

The Islamic deposits with licensed financial institutions have an average maturity of 90 days (2022: 21 days).

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 9 DERIVATIVE AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	As at 30.9.2023 MYR	As at 30.09.2022 MYR		
<u>Derivative liabilities</u>				
Islamic forward foreign currency contracts	30,000	-		
	<u>2023 MYR</u>	<u>2022 MYR</u>		
Realised loss on Islamic forward foreign currency contracts	(396,325)	(134,088)		
Unrealised loss on Islamic forward foreign currency contracts	(30,000)	-		
Net loss on Islamic forward foreign currency contracts at fair value through profit or loss	<u>(426,325)</u>	<u>(134,088)</u>		
	<u>Receivables MYR</u>	<u>Payables MYR</u>	<u>Fair value MYR</u>	Percentage of NAV %
<u>As at 30.9.2023</u>				
Standard Chartered Saadiq Bank Malaysia Berhad	1,051,192	1,065,494	(14,152)	0.07
CIMB Islamic Bank Berhad	3,298,256	3,317,339	(15,848)	0.08

The Islamic forward foreign currency contracts are transacted with CIMB Islamic Bank Berhad and Standard Chartered Saadiq Berhad. The Islamic foreign currency forward agreement entered into is for hedging against the currency exposure arising from the investment in the quoted Shariah-compliant investments and Islamic exchange traded fund denominated in USD.

As at 30 September 2023, the notional principal amount for forward foreign currency contract is MYR4,349,448 (2022: NIL).

As the Fund has not adopted hedge accounting, the change in the fair value of the Islamic foreign currency forward contracts are recognised immediately in the statement of income and expenses.

# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 10 NUMBER OF UNITS IN CIRCULATION

#### (a) Class A units in circulation

	As at 30.9.2023 No. of units	As at 30.9.2022 No. of units
At the beginning of the financial year	12,602,713	11,264,001
Creation of units arising from applications during the financial year	783,845	2,593,226
Cancellation of units during the financial year	(3,672,683)	(1,254,514)
At the end of the year	<u>9,713,875</u>	<u>12,602,713</u>

#### (b) Class B units in circulation

	As at 30.9.2023 No. of units	As at 30.9.2022 No. of units
At the beginning of the financial year	4,988,967	4,703,263
Creation of units arising from applications during the financial year	8,747,900	1,834,457
Cancellation of units during the financial year	(5,426,629)	(1,548,753)
At the end of the financial year	<u>8,310,238</u>	<u>4,988,967</u>



# NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

### 11 TRANSACTIONS WITH BROKER/INTERMEDIARY

- (i) Details of transactions with the broker/intermediary for the financial year ended 30 September 2023 are as follows:

<u>Name of broker/intermediary</u>	<u>Value of trade</u> MYR	Percentage of total <u>trade</u> %	Brokerage <u>fees</u> MYR	Percentage of total <u>brokerage</u> %
Nomura Islamic Asset Management Sdn. Bhd.	17,501,439	42.04	-	-
Robert W. Baird & Co.	4,304,283	10.34	3,264	15.53
Sanford C. Bernstein And Co., Llc	4,269,085	10.26	3,354	15.96
Daiwa Securities SMBC Hong Kong Ltd	2,510,960	6.03	1,598	7.60
Jefferies Llc.	2,007,833	4.82	2,058	9.79
Bofa Securities, Inc New York	1,899,016	4.56	846	4.03
Macquarie Bank Limited (Hong Kong)	1,637,254	3.93	1,637	7.79
Robert W. Baird & Co.	1,477,772	3.55	2,333	11.10
J.P. Morgan Securities Llc	1,456,484	3.50	886	4.22
Citigroup Global Markets Limited	1,356,597	3.26	1,329	6.32
Others	3,209,538	7.71	3,713	17.66
	<u>41,630,261</u>	<u>100.00</u>	<u>21,018</u>	<u>100.00</u>

- (ii) Details of transactions with the broker/intermediary for the financial year ended 30 September 2022 are as follows:

<u>Name of broker/intermediary</u>	<u>Value of trade</u> MYR	Percentage of total <u>trade</u> %	Brokerage <u>fees</u> MYR	Percentage of total <u>brokerage</u> %
Nomura Islamic Asset Management Sdn. Bhd.	20,114,078	43.13	-	-
Nomura Asset Management Malaysia Sdn. Bhd.	5,951,256	12.76	-	-
Robert W. Baird & Co.	5,135,837	11.01	1,561	13.47
Daiwa Securities SMBC Hong Kong Ltd	3,173,282	6.81	1,552	13.39
Redburn (Europe) Limited	2,546,921	5.46	2,063	17.80
Bank Of America Securities	2,364,450	5.07	1,654	14.28
Sanford C. Bernstein And Co., Llc	952,300	2.04	499	4.31
JP Morgan Chase, New York	841,336	1.80	239	2.06
JP Morgan Securities Ltd London	777,901	1.67	733	6.33
Barclays Capital Inc	633,093	1.36	445	3.84
Jefferies Llc	617,184	1.32	236	2.04
Others	3,523,653	7.57	2,604	22.48
	<u>46,631,291</u>	<u>100.00</u>	<u>11,586</u>	<u>100.00</u>

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 12 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

There were no units held by the Manager and parties related to the Manager.

#### 13 TOTAL EXPENSES RATIO ("TER")

	<u>2023</u> %	<u>2022</u> %
TER	1.60	1.52

TER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Shariah Adviser's fee
D	=	Auditors' remuneration
E	=	Tax agent's fee
F	=	Other expenses
G	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is MYR21,429,380 (2022: MYR21,209,113).

## NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 (CONTINUED)

#### 14 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2023</u>	<u>2022</u>
PTR (times)	0.97	1.12

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where: total acquisition for the financial year = MYR20,611,541 (2022: MYR23,500,624)  
total disposal for the financial year = MYR21,026,120 (2022: MYR23,798,536)

#### 15 SHARIAH INFORMATION OF THE FUND

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

- (a) 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;
- (b) collective investment schemes which Shariah Adviser has verified as Shariah-compliant; and
- (c) cash placements and liquid assets which are placed in non-interest bearing account with licensed domestic and foreign financial institutions.

#### 16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 27 November 2023.

**NOMURA GLOBAL SHARIAH STRATEGIC GROWTH 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 Manager, the accompanying financial statements set out on pages 1 to 39 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 30 September 2023 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 30 September 2023 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  
27 November 2023



Deutsche Trustees Malaysia Berhad  
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## TRUSTEE'S REPORT

### TO THE UNIT HOLDERS OF NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 September 2023 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

  
**Ng Hon Leong**  
Head, Fund Operations

  
**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur

27 NOV 2023

## SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF  
NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

We have acted as the Shariah Adviser of Nomura Global Shariah Strategic Growth Fund ("the Fund"). Our responsibility is to ensure that the procedures and processes employed by Nomura Asset Management Malaysia Sdn Bhd are in accordance with Shariah principles.

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; and

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 Indices. 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 Indices, we have reviewed the said instruments and confirmed that these instruments are Shariah-compliant.

For ZICO Shariah Advisory Services Sdn Bhd



DR. AIDA OTHMAN

Designated Person Responsible for Shariah Matters Relating to the Fund

Kuala Lumpur

27 NOV 2023



## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH STRATEGIC GROWTH FUND

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the financial statements of Nomura Global Shariah Strategic Growth Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 September 2023, 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 30 September 2023, 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 a summary of significant accounting policies, as set out on pages 1 to 39.

#### 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.



INDEPENDENT AUDITORS' REPORT  
TO THE UNITHOLDERS OF NOMURA GLOBAL SHARIAH STRATEGIC GROWTH  
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 STRATEGIC GROWTH  
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 STRATEGIC GROWTH  
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.

A handwritten signature in black ink, appearing to read "Helen M".

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
27 November 2023