

Nomura Global High Conviction Fund - Class USD

February 2024

Fund Commentary and Strategy

During the month, the Fund was mainly invested in the Target Fund.

Commentary from the Target Fund Manager

The fund in February returned +0.98% in February, struggling to keep up with a strong month for the equity markets with an increasingly concentrated rally, and underperforming the MSCI All-Country World Index benchmark by 3.69%. The fund underperformance in February was driven by stock selection.

The main positive contributors were Amazon and Tractor Supply. Amazon shares (+14%) performed strongly after delivering good Q4 results, with Amazon Web Services (AWS) growth higher than expected, advertising now being a US\$15bn per quarter business and accelerating margins and free cash flow (FCF). Tractor Supply (+14%) reported Q4 results in line with consensus but provided a more positive view about Q1 and expects to return to its long term algorithm targets as macro conditions improve.

On the detractors side, we see Daikin Industries, Nestlé and our lack of exposure to Nvidia. Daikin Industries (-13%) was dragged down by disappointing Q3 earnings, especially on the operating margin front, as heat pump demand in Europe hasn't recovered and lower housing investments in the US has led to inventory adjustments. Nestlé (-9%) underperformed after reporting disappointing Q4 numbers and guiding for 2024 organic growth at just 4%. We feel that both companies are attractively priced after the recent move. Nvidia (+29%) contributed 54bps to our underperformance, as we do not have exposure to the company, and shares rallied after strong Q4 results and outlook.

Cumulative Fund Returns (%)

	YTD 31/12/2023 To 29/2/2024	1 Month 31/1/2024 To 29/2/2024	3 Months 30/11/2023 To 29/2/2024	6 Months 31/8/2023 To 29/2/2024
Fund	3.34	1.62	7.77	6.61
Benchmark	4.96	4.33	10.04	11.88

Cumulative Fund Returns (%)

	1 year 28/2/2023 To 29/2/2024	3 year 28/2/2021 To 29/2/2024	Since Commencement 23/10/2020 To 29/2/2024
Fund	20.10	9.60	19.34
Benchmark	23.76	23.53	40.23

Calendar Year Returns (%)

	2023	2022*	2021	2020
Fund	19.51	-21.56	13.49	8.55
Benchmark	22.81	-17.96	19.04	11.40

Source: Refinitiv Lipper

Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

The Fund was launched on 13 December 2016. However, there were no units in circulation for the period between 19 May 2020 to 22 October 2020. As such, the Fund's performance figures are only available from 23 October 2020 onwards. Calendar year returns for 2020 are measured from 23 October 2020.

* The Fund was launched as a wholesale fund on 13 December 2016. Following the approval obtained from the unit holders at a unit holders' meeting, the Fund was subsequently converted to a unit trust fund on 1 October 2022. Hence, performance data prior to 1 October 2022 as shown in this material reflects the performance of the Fund as a wholesale fund.

FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

Fund Objectives

The Fund seeks to achieve long-term capital growth by investing in Nomura Funds Ireland – Global High Conviction Fund ("Target Fund") which invests primarily in global equity securities.

Target Fund

Nomura Funds Ireland – Global High Conviction Fund

Benchmark

MSCI All Country World Index

Distribution Policy

Distribution of income, if any, is incidental.

Key Facts

Launch Date	13-Dec-2016*
Fund Category	Feeder Fund (Global Equity)
Year End	31 August
Fund Size	USD 0.98 million
Class Size	USD 0.450 million
Units in Circulation (Class USD)	0.376 million
NAV per Unit (Class USD)	USD 1.1963
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 9 business days

Sales charge

Up to 5.00% of the NAV per Unit.

Management fee

Up to 1.80% per annum of the NAV each Class.

Trustee fee

Up to 0.02% per annum of the NAV of the Fund, subject to a minimum fee of RM9,000 per annum.

Asset Allocation (%)

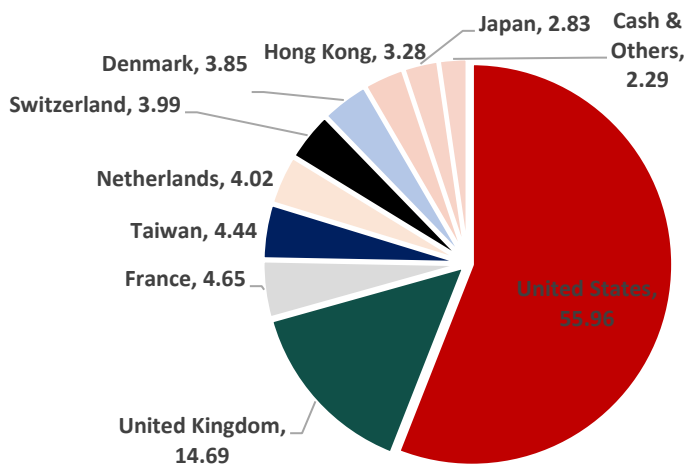
Target Fund	95.03
Cash and Others*	4.97

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).

Top 5 Holdings of Target Fund (%)

Microsoft Corporation	8.60
Alphabet Inc. Class A	6.73
Mastercard Incorporated Class A	6.04
Amazon.com, Inc.	5.98
Apple Inc.	5.84

Country Breakdown of Target Fund (%)



Sector Breakdown of Target Fund (%)

Information Technology	22.89
Consumer Discretionary	20.89
Financials	15.02
Health Care	14.00
Industrials	9.88
Communication Services	6.73
Consumer Staples	6.32
Utilities	1.98
Cash & Others	2.29

All data presented are as of 29 February 2024 unless otherwise specified.

Data in relation to the Target Fund is sourced from Nomura Asset Management U.K. Ltd.

Percentages may not add up to 100% due to rounding.

Disclaimer:

Based on the Fund's portfolio returns as at 31 January 2024, the Volatility Factor (VF) for the Fund is 14.44 and is classified as "High" (Source: Refinitiv Lipper). "High" includes funds with VF that are between 10.965 and 14.455. The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Refinitiv Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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