



NOMURA

Nomura Global Shariah Sustainable Equity Fund

Annual Report and Audited Financial Statements for the Financial Year Ended 31 May 2025

MANAGER:

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

TRUSTEE:

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

AUDITOR:

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

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

1. FUND PROFILE

1.1 Fund Name

Nomura Global Shariah Sustainable Equity Fund (“Fund”)

1.2 Type and Category of Fund

Growth – Equity (Shariah-compliant)

1.3 Duration of the Fund

The Fund is an open-ended fund.

1.4 Investment Objectives

The Fund aims to achieve long-term capital growth.

1.5 Distribution Policy

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

1.6 Performance Benchmark

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

2. FUND PERFORMANCE

2.1 Key Fund Performance Data

Asset Allocation / Portfolio Composition	31 May 2025	31 May 2024	31 May 2023
Equities	97.23%	94.97%	95.94%
Cash and Others	2.77%	5.03%	4.06%
Total	100.00%	100.00%	100.00%

Fund – MYR Class A

Category	1 June 2024 to 31 May 2025	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Highest NAV per Unit (RM) ¹	1.6469	1.5804	1.2137
Lowest NAV per Unit (RM) ¹	1.3114	1.1908	0.8674
Total Return (%) ²			
- Capital growth (%)	(6.43)	29.51	19.92
- Income (%)	-	-	-
Gross/Net Distribution per unit (RM)	-	-	-
Total NAV (USD) ¹	9,677,473	3,265,559	312,878
NAV per Unit (RM)	1.4532	1.5531	1.1992
Unit in Circulation	28,322,174	9,890,651	1,203,555

Fund – USD Class A

Category	1 June 2024 to 31 May 2025	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to May 2023
Highest NAV per Unit (USD) ¹	1.5855	1.4822	1.1713
Lowest NAV per Unit (USD) ¹	1.2904	1.1014	0.9018
Total Return (%) ²			
- Capital growth (%)	3.50	27.01	14.83
- Income (%)	-	-	-
Gross/Net Distribution per unit (USD)	-	-	-
Total NAV (USD) ¹	7,330,943	1,476,131	1,148,296
NAV per Unit (USD)	1.5093	1.4584	1.1483
Unit in Circulation	4,857,063	1,012,148	1,000,000

Category	1 June 2024 to 31 May 2025	1 June 2023 to 31 May 2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Expense Ratio (%) ³	1.77	1.73	1.95
Portfolio Turnover Ratio (time) ⁴	0.77	0.58	0.74

Notes:

(1) Figures shown as ex-distribution.

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

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

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

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

2.2 Average Total Return of the Fund

Fund – MYR Class A

	1 Year to 31 May 2025	Since Commencement, 13 June 2022 to 31 May 2025
Average Total Return (%)	(6.43)	13.41

Source: Refinitiv Lipper

Fund – USD Class A

	1 Year to 31 May 2025	Since Commencement, 13 June 2022 to 31 May 2025
Average Total Return (%)	3.50	14.87

Source: Refinitiv Lipper

2.3 Annual Total Return of the Fund

Fund – MYR Class A

	FY2025	FY2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Return (%)¹	(6.43)	29.51	19.92
Benchmark (%)	(1.89)	26.83	17.15

Source: Refinitiv Lipper

Fund – USD Class A

	FY2025	FY2024	Since Commencement, 13 June 2022 to 31 May 2023
Total Return (%)¹	3.50	27.01	14.83
Benchmark (%)	8.49	24.36	11.73

Source: Refinitiv Lipper

Notes:

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

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

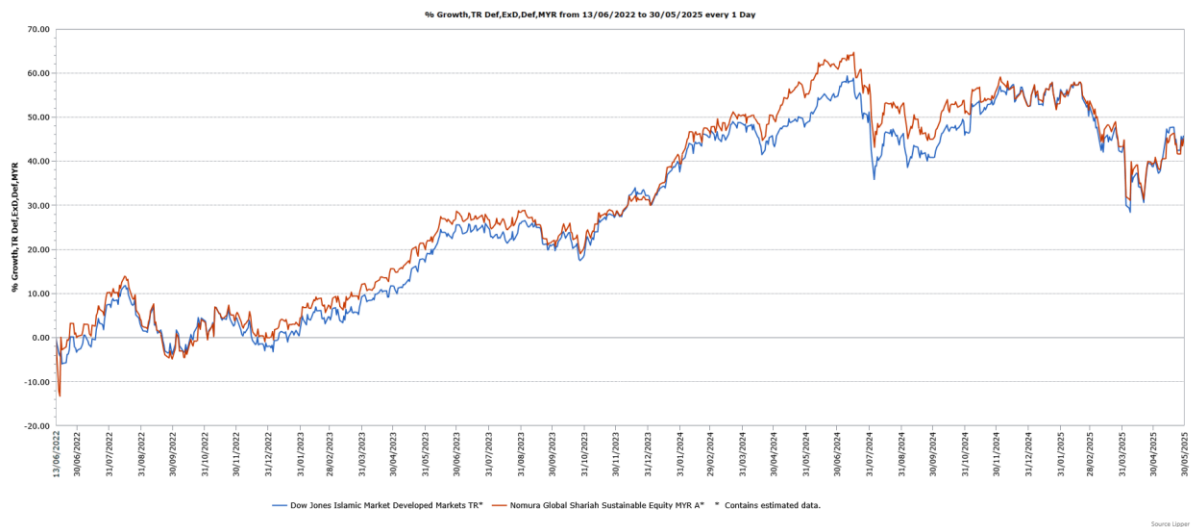
- **Capital Return** = $\{NAV \text{ per Unit End} / NAV \text{ per Unit Beginning} - 1\} \times 100$
- **Income Return** = $\{Income \text{ Distribution per Unit} / NAV \text{ per Unit Ex-Distribution}\} \times 100$
- **Total Return** = $(1 + \text{Percentage Growth})^{1/n} - 1$

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

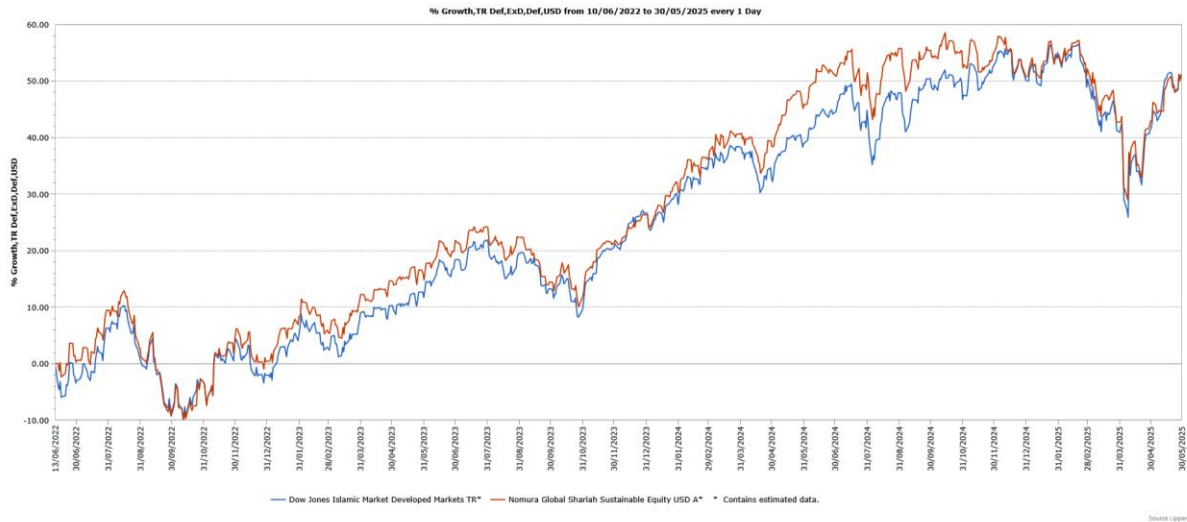
3. MANAGER'S REPORT

Performance of Nomura Global Shariah Sustainable Equity Fund from 13 June 2022 to 31 May 2025

Fund – MYR Class A



Fund – USD Class A



Benchmark: Dow Jones Islamic Market Developed Markets Index

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

3.1 Performance for the period from 1 June 2024 to 31 May 2025

Fund – MYR Class A

For the period under review from 1 June 2024 to 31 May 2025, MYR Class A has registered -6.43% return. Compared to the Benchmark return of -1.89%, MYR Class A has underperformed the Benchmark by -4.54%. The Net Asset Value (NAV) per unit of MYR Class A as at 31 May 2024 was RM 1.5531 compared to the NAV per unit as at 31 May 2025 of RM 1.4532. On the total NAV basis, MYR Class A's NAV stood at RM 41.11 million as at 31 May 2025. During the period under review, MYR Class A has not declared any income distribution.

Fund – USD Class A

For the period under review from 1 June 2024 to 31 May 2025, USD Class A has registered 3.50% return. Compared to the Benchmark return of 8.49%, USD Class A has underperformed the Benchmark by -4.99%. The Net Asset Value (NAV) per unit of USD Class A as at 31 May 2024 was USD 1.4584 compared to the NAV per unit as at 31 May 2025 of USD 1.5093. On the total NAV basis, USD Class A's NAV stood at USD 7.33 million as at 31 May 2025. During the period under review, USD Class A has not declared any income distribution.

3.2 Review of Market for the period from 1 June 2024 to 31 May 2025

To begin with the period under review, there was a series of events taking place in the Healthcare sector with headline rumors before US presidential election in Nov 2024 and policy changes after Trump presidential election. Unfortunately, most of them were negative which impacted the fund performance negatively given our exposures in the Healthcare sector. Aside from the less positive idiosyncratic clinical drug updates by our pharmaceutical companies, Trump administration unveiled new policies that formed additional layers of uncertainties and unfavorable overhangs in which reflected on the more discounted valuation multiples posing value opportunities. GLP-1 structural trend while become less exciting in the near-term and remain uncertain with how the competitive landscape would unfold, companies have to innovate and prove to capture market share gains in profitable manner. Notably, we fully disposed UnitedHealthcare Group, a major health insurance company, as we concluded irreversible

implications from both deterioration in business quality and ESG impacts with ongoing criminal investigation.

On the flipside, we observed the structural AI trend to rise stronger despite fierce debates revolving around Deepseek implications and peak AI capex in the beginning of 2025. Across the value chain beneficiaries including Semiconductor, Software, Capital Goods and Utilities, majority of the companies have outperformed the broad market. With the favorable backdrop, we saw strong positive performance with our positive structural view and heavy exposures in some of these industries. Lastly, in the second half of this period, we have observed one of the sharpest V-shaped market recovery given the reversal of US reciprocal tariff against all trading partners. The tariff pauses alongside better than expected 1Q25 earnings led investors to chase market rally as fear of missing out accumulated where the breadth broadened to even lower quality or profitability companies.

For the period under review, MYR Class A delivered a net performance of -6.43% underperformed the DJIDEV benchmark by -4.54%. The absolute performance was negatively impacted by weaker USD against USD where USD depreciated by ~9.4% against MYR. On the region level, the underperformance was largely attributed to the overweight exposure and selection in Europe which lagged North America. On the sector level, no exposure in Energy and Consumer Staples contributed positively. The strong selections and allocations in Financials and IT were more than offset by our overweight exposure in Healthcare and underweight exposure in Consumer Discretionary.

Greatest contributors to the relative performance of the Fund were SAP and Boston Scientific. On the other hand, the greatest detractors to the relative performance of the Fund were Novo Nordisk and Thermo Fisher Scientific.

3.3 Investment Outlook

On the macro level, we have been expressing the view that investors' expectations on the count of rate hikes or cuts tend to be overstated and we continue to think so. As the US futures market as of end of June imply a 2 rate cuts by 2025, we believe that it could end up being 1-2 rate cut depending on the tariff implications. Nevertheless, we believe it is more meaningful to acknowledge that the direction is towards accommodative rather than restrictive which would be supportive to the equity market. In addition, the passing of One Big Beautiful Bill is expected to benefit Industrials and Consumers with the benefit of lower tax rate. On the other hand, Healthcare could see additional quarters of sentiment overhang given the reduction in healthcare spending but we believe that it was somewhat priced in and there would be turning point once companies provide more successful clinical data readout in respective drug pipeline where investors could gain more confidence on the monetization opportunities.

In addition, we believe that Europe could share similar macro landscape with the US where the monetary policy is expected to be accommodative to further boost the recovery of economic activities. Given that European Central Bank has taken a more rapid actions, we would not expect to see much more rate cuts in the EU than the US. More importantly, the approval of ~EUR500B fiscal stimulus package in Germany over a decade that has not been seen in decades besides fiscal stimulus package during pandemic to be encouraging. The real GDP growth is expected to boost above 1% in 2026 as compared to flat in 2025. We believe that there would be positive spill over effects from Germany across other EU countries.

In Japan, we have observed the normalization of the economy back to healthy inflationary cycle and we would expect it to persist into 2026 albeit in moderated manner. Despite the policy landscape to be unlike EU and US, we believe that companies outlook could be equally good given ongoing restructure to result in better profitability and improving productivity to boost growth.

While we view the market positively, we acknowledge that US market in particular have experienced strong rally where the valuation multiples could be fairly stretched in which in need for stronger catalysts or earnings growth to materialize. With this being said, we would not rule out the probability of healthy corrections mainly driven by multiples retracement rather than fundamentals. We also would highlight that the views above may change depending on the tariff outcomes where we would have to rebalance accordingly by sticking with our bottom-up approach. In addition to tariff uncertainties, Japan could embrace a period of political instability which we would monitor closely for any entry opportunities. To conclude, in the absence of external market shocks, we would remain invested in the market to deliver better returns for our investors.

3.4 Strategies Employed for the period from 1 June 2024 to 31 May 2025

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

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

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

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



Source: Company Reports, Nomura Asset Management Research as of December 2023

3.5 Asset Allocation

Asset Allocation / Portfolio Composition	31 May 2025	31 May 2024	31 May 2023
Equities	97.23%	94.97%	95.94%
Cash and Others	2.77%	5.03%	4.06%
Total	100.00%	100.00%	100.00%

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

3.6 Securities Lending or Repurchase Transactions

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

3.7 Income Distribution

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

3.8 Details of Any Unit Split Exercise

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

3.9 Significant Changes in the State of Affairs of the Fund

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

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

Mr. Leslie Yap Kim Loong
 Mr. Atsushi Ichii
 Ms. Chooi Su May
 Mr. Tomoya Kawagishi (Resigned on 23 May 2024)
 Mr. Kenichi Suzuki (Appointed on 1 October 2024)
 Dato' Mona Suraya Binti Kamaruddin*
 Ms. Julia Binti Hashim*

* Independent director

3.10 Circumstances that Materially Affect Any Interest of Unit Holders

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

3.11 Cross Trades Transactions

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

3.12 Soft Commissions Received From Brokers

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025**

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>Note</u>	<u>2025</u> USD	<u>2024</u> USD
INVESTMENT INCOME			
Gross dividend income		125,176	28,576
Interest income from deposits with licensed financial institution at amortised cost		448	-
Net (loss)/gain on financial assets at fair value through profit or loss ("FVTPL")	3	(12,102)	727,526
Net loss on foreign currency exchange		(9,893)	(3,371)
		<u>103,629</u>	<u>752,731</u>
EXPENSES			
Management fee	4	(184,350)	(41,278)
Trustee fee	5	(5,881)	(1,290)
Shariah Adviser's fee	6	(2,104)	-
Audit fee	6	(2,292)	-
Tax agent's fee	6	(1,694)	-
Transaction cost		(10,938)	(2,478)
Other expenses		(38,610)	(8,670)
		<u>(245,869)</u>	<u>(53,716)</u>
(LOSS)/PROFIT BEFORE TAXATION		(142,240)	699,015
TAXATION	7	971	(2,467)
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>(141,269)</u>	<u>696,548</u>
(Decrease)/increase in net assets attributable to unitholders is made up of the following:			
Realised amount		(417,731)	(5,810)
Unrealised amount		276,462	702,358
		<u>(141,269)</u>	<u>696,548</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2025

	<u>Note</u>	<u>2025</u> USD	<u>2024</u> USD
ASSETS			
Cash and cash equivalents		779,883	97,571
Amount due from Manager		10,327	157,547
Dividends receivable		5,052	1,836
Financial assets at fair value through profit or loss ("FVTPL")	3	16,537,668	4,503,093
Tax recoverable		1,710	-
TOTAL ASSETS		<u>17,334,640</u>	<u>4,760,047</u>
LIABILITIES			
Amount due to broker		172,782	-
Amount due to Manager		123,620	12,042
Accrued management fee		22,636	6,123
Amount due to Trustee		707	192
Amount due to Shariah Adviser		903	-
Auditors' remuneration		2,292	-
Other payables and accruals		3,284	-
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>326,224</u>	<u>18,357</u>
NET ASSET VALUE OF THE FUND		<u>17,008,416</u>	<u>4,741,690</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>17,008,416</u>	<u>4,741,690</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2025 (CONTINUED)

	<u>Note</u>	<u>2025</u> USD	<u>2024</u> USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
MYR Class A		9,677,473	3,265,559
USD Class A		<u>7,330,943</u>	<u>1,476,131</u>
NUMBER OF UNIT IN CIRCULATION (UNITS)			
MYR Class A	8(a)	28,322,175	9,890,651
USD Class A	8(b)	<u>4,857,062</u>	<u>1,012,148</u>
NET ASSET VALUE PER UNIT (USD)			
MYR Class A		0.3417	0.3302
USD Class A		<u>1.5093</u>	<u>1.4584</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
MYR Class A		1.4532	1.5531
USD Class A		<u>1.5093</u>	<u>1.4584</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>2025</u> USD	<u>2024</u> USD
Net assets attributable to unitholders at the beginning of financial year	4,741,690	1,461,174
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
MYR Class A	8,609,105	3,523,033
USD Class A	6,021,062	28,564
	<u>14,630,167</u>	<u>3,551,597</u>
Cancellation of units		
MYR Class A	(2,212,815)	(954,770)
USD Class A	(9,357)	(12,859)
	<u>(2,222,172)</u>	<u>(967,629)</u>
(Decrease)/increase in net assets attributable to unitholders during the financial year	<u>(141,269)</u>	<u>696,548</u>
Net assets attributable to unitholders at the end of financial year	<u>17,008,416</u>	<u>4,741,690</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	<u>2025</u> USD	<u>2024</u> USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceed from sale of investments	2,796,837	316,201
Proceeds from capital repayment	-	414
Purchase of investments	(14,681,669)	(2,722,025)
Dividend received	90,989	20,876
Profit income received	448	-
Management fee paid	(167,837)	(37,123)
Trustee fee paid	(5,366)	(1,116)
Shariah adviser's fee paid	(1,201)	-
Payment for other fees and expenses	(6,050)	(2,640)
Net realised foreign exchange loss	(11,004)	(3,353)
Tax paid	(739)	(2,467)
Net cash used in operating activities	<u>(11,985,592)</u>	<u>(2,431,233)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from creation of units	14,777,387	3,394,761
Payments for cancellation of units	(2,110,594)	(955,586)
Net cash generated from financing activities	<u>12,666,793</u>	<u>2,439,175</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	681,201	7,942
EFFECTS OF FOREIGN CURRENCY EXCHANGE	1,111	(18)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	<u>97,571</u>	<u>89,647</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>779,883</u>	<u>97,571</u>
Cash and cash equivalents comprised of:		
Bank balances	<u>779,883</u>	<u>97,571</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with the MFRS and International Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J to the financial statements.

- (i) Standards, amendments to published standards and interpretations that are applicable and effective:

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 June 2024 that have a material effect on the financial statements of the Fund.

- (ii) Standards and amendments that have been issued that are applicable to the Fund but not yet effective:

- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026):
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition).
 - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

- (ii) Standards and amendments that have been issued that are applicable to the Fund but not yet effective: (continued)
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
 - The new MFRS introduces a new structure of profit or loss statement.
 - (a) Income and expenses are classified into 3 new main categories:
 - i. Operating category which typically includes results from the main business activities;
 - ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
 - iii. Financing category that presents income and expenses from financing liabilities.
 - (b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
 - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
 - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

B PRESENTATION AND FUNCTIONAL CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in United States Dollar ("USD"), which is the Fund's presentation and functional currency.

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

B PRESENTATION AND FUNCTIONAL CURRENCY (CONTINUED)

Transactions and balances

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

C INCOME RECOGNITION

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

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

D TAXATION

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

E CASH AND CASH EQUIVALENTS

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

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

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

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

(ii) Recognition and measurement

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

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

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

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

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

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

G UNITHOLDERS' CAPITAL

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

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

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

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

H AMOUNT DUE FROM/(TO) BROKER

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

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

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

I INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

J CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

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

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

1 INFORMATION ON THE FUND

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

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

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

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

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

The Fund aims to achieve long-term capital growth.

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss USD	<u>Total USD</u>
<u>2025</u>				
<u>Financial assets</u>				
Cash and cash equivalents		779,883	-	779,883
Amount due from Manager		10,327	-	10,327
Dividends receivable		5,052	-	5,052
Financial assets at fair value through profit or loss ("FVTPL")	3	-	16,537,668	16,537,668
Total		795,262	16,537,668	17,332,930
<u>Financial liabilities</u>				
Amount due to broker		172,782	-	172,782
Amount due to Manager		123,620	-	123,620
Accrued management fee		22,636	-	22,636
Amount due to Trustee		707	-	707
Amount due to Shariah Adviser		903	-	903
Auditors' remuneration		2,292	-	2,292
Other payables and accruals		3,284	-	3,284
Total		326,224	-	326,224
<u>2024</u>				
<u>Financial assets</u>				
Cash and cash equivalents		97,571	-	97,571
Amount due from Manager		157,547	-	157,547
Dividends receivable		1,836	-	1,836
Financial assets at fair value through profit or loss ("FVTPL")	3	-	4,503,093	4,503,093
Total		256,954	4,503,093	4,760,047

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss USD	<u>Total</u> USD
<u>2024</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager		12,042	-	12,042
Accrued management fee		6,123	-	6,123
Amount due to Trustee		192	-	192
Total		<u>18,357</u>	<u>-</u>	<u>18,357</u>

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

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

Market risk

(a) Price risk

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

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

	<u>2025</u> USD	<u>2024</u> USD
<u>Financial assets at fair value through profit or loss:</u>		
Quoted investments - foreign	<u>16,537,668</u>	<u>4,503,093</u>

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

<u>% Change in price</u>	<u>Market value</u> USD	Impact on (loss)/profit after tax/NAV USD
<u>2025</u>		
+ 5	17,364,551	826,883
- 5	<u>15,710,785</u>	<u>(826,883)</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Market risk (continued)

(a) Price risk (continued)

<u>% Change in price</u>	<u>Market value</u> USD	Impact on (loss)/profit after tax/NAV USD
<u>2024</u>		
+ 5	4,728,248	225,155
- 5	<u>4,277,938</u>	<u>(225,155)</u>

(b) Currency risk

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

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

	Financial assets at fair value through <u>profit</u> USD	Cash and cash <u>equivalents</u> USD	Other <u>assets*</u> USD	<u>Total</u> USD
<u>2025</u>				
<u>Financial assets</u>				
British Pound	557,007	-	-	557,007
Danish Krone	384,831	4,968	-	389,799
European Dollar	1,440,101	29	-	1,440,130
Japanese Yen	332,184	244	-	332,428
Ringgit Malaysia	-	504,429	10,327	514,756
Swiss Franc	458,823	1	-	458,824
	<u>3,172,946</u>	<u>509,671</u>	<u>10,327</u>	<u>3,692,944</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Market risk (continued)

(b) Currency risk (continued)

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

	Amount due to broker USD	Amount due to Manager USD	Net assets attributable to unitholders USD	Total USD
<u>2025</u> (continued)				
<u>Financial liabilities</u>				
European Dollar	172,782	-	-	172,782
Ringgit Malaysia	-	123,620	9,677,473	9,801,093
	<u>172,782</u>	<u>123,620</u>	<u>9,677,473</u>	<u>9,973,875</u>

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

	Financial assets at fair value through profit USD	Cash and cash equivalents USD	Other assets* USD	Total USD
<u>2024</u>				
<u>Financial assets</u>				
British Pound	260,059	-	-	260,059
Danish Krone	228,013	73	-	228,086
European Dollar	452,216	1,656	-	453,872
Japanese Yen	193,009	224	659	193,892
Ringgit Malaysia	-	88,795	157,547	246,342
Swiss Franc	-	1	-	1
	<u>1,133,297</u>	<u>90,749</u>	<u>158,206</u>	<u>1,382,252</u>

	Amount due to Manager USD	Net assets attributable to unitholders USD	Total USD
<u>Financial liabilities</u>			
Ringgit Malaysia	12,042	3,265,559	3,277,601
	<u>12,042</u>	<u>3,265,559</u>	<u>3,277,601</u>

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Market risk (continued)

(b) Currency risk (continued)

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 5% with all other variable held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any appreciation/(depreciation) in foreign exchange rate relative to USD will result in a corresponding increase/(decrease) in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	<u>Change in rate %</u>	<u>Impact on (loss)/profit after tax/NAV USD</u>
<u>2025</u>		
British Pound	5	27,850
Danish Krone	5	19,490
European Dollar	5	63,367
Japanese Yen	5	16,621
Ringgit Malaysia	5	(464,317)
Swiss Franc	5	22,941
		<u> </u>
<u>2024</u>		
British Pound	5	13,003
Danish Krone	5	11,404
European Dollar	5	22,694
Japanese Yen	5	9,695
Ringgit Malaysia	5	(151,563)
		<u> </u>

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 SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Liquidity risk (continued)

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

	Less than <u>1 month</u> USD	Between 1 month <u>to 1 year</u> USD	<u>Total</u> USD
<u>2025</u>			
Amount due to broker	172,782	-	172,782
Amount due to Manager	123,620	-	123,620
Accrued management fee	22,636	-	22,636
Amount due to Trustee	707	-	707
Amount due to Shariah Adviser	-	903	903
Auditors' remuneration	-	2,292	2,292
Other payables and accruals	-	3,284	3,284
Net assets attributable to unitholders*	<u>17,008,416</u>	<u>-</u>	<u>17,008,416</u>
Contractual cash out flows	<u>17,328,161</u>	<u>6,479</u>	<u>17,334,640</u>
<u>2024</u>			
Amount due to Manager	12,042	-	12,042
Accrued management fee	6,123	-	6,123
Amount due to Trustee	192	-	192
Net assets attributable to unitholders*	<u>4,741,690</u>	<u>-</u>	<u>4,741,690</u>
Contractual cash out flows	<u>4,760,047</u>	<u>-</u>	<u>4,760,047</u>

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

Credit risk

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

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

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Credit risk (continued)

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

	<u>Bank balances</u> USD	<u>Other assets*</u> USD	<u>Total</u> USD
<u>2025</u>			
Financial Institutions			
- AAA	779,883	-	779,883
Others			
- Not Rated	-	15,379	15,379
	<u>779,883</u>	<u>15,379</u>	<u>795,262</u>
<u>2024</u>			
Financial Institutions			
- AA1	97,571	-	97,571
Others			
- Not Rated	-	159,383	159,383
	<u>97,571</u>	<u>159,383</u>	<u>256,954</u>

* Other assets consist of amount due from Manager and dividend receivables.

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

Capital risk

The capital of the Fund is represented by net assets attributable to unitholders of USD17,008,416 (2024: USD4,741,690). The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of the unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

Country Risk

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

Fund management risk

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Fair value estimation

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

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

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

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

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

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

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

Fair value hierarchy

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Fair value hierarchy (continued)

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

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

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

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

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2025</u>				
Financial assets at fair value through profit or loss:				
- quoted equity- foreign	16,537,668	-	-	16,537,668
	<u>16,537,668</u>	<u>-</u>	<u>-</u>	<u>16,537,668</u>
<u>2024</u>				
Financial assets at fair value through profit or loss:				
- quoted equity- foreign	4,503,093	-	-	4,503,093
	<u>4,503,093</u>	<u>-</u>	<u>-</u>	<u>4,503,093</u>

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

	<u>2025</u> USD	<u>2024</u> USD
Financial assets at FVTPL		
- Quoted equity - foreign	<u>16,537,668</u>	<u>4,503,093</u>
	<u>2025</u> USD	<u>2024</u> USD
Net (loss)/gain on financial assets at FVTPL		
- realised (loss)/gain on sale of investments	(287,453)	25,150
- unrealised gain on changes in fair value	<u>275,351</u>	<u>702,376</u>
	<u>(12,102)</u>	<u>727,526</u>

Quoted equity – foreign as at 31 May 2025 is as follows:

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
DENMARK				
Health Care				
NOVO Nordisk A/S	<u>5,574</u>	<u>618,809</u>	<u>384,831</u>	<u>2.26</u>
TOTAL DENMARK	<u>5,574</u>	<u>618,809</u>	<u>384,831</u>	<u>2.26</u>
FRANCE				
Industrials				
Schneider Electric Se	<u>2,579</u>	<u>605,788</u>	<u>647,985</u>	<u>3.81</u>
TOTAL FRANCE	<u>2,579</u>	<u>605,788</u>	<u>647,985</u>	<u>3.81</u>
GERMANY				
Information				
Technology				
SAP SE	<u>1,144</u>	<u>232,803</u>	<u>345,286</u>	<u>2.03</u>
TOTAL GERMANY	<u>1,144</u>	<u>232,803</u>	<u>345,286</u>	<u>2.03</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Quoted equity – foreign as at 31 May 2025 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
JAPAN				
Industrials				
Hitachi, Ltd.	11,844	313,048	332,184	1.95
TOTAL JAPAN	11,844	313,048	332,184	1.95
NETHERLANDS				
Information				
Technology				
ASML Holding N.V.	602	469,885	446,830	2.63
TOTAL NETHERLANDS	602	469,885	446,830	2.63
SWITZERLAND				
Industrials				
SGS Ltd	4,393	449,862	458,823	2.70
TOTAL SWITZERLAND	4,393	449,862	458,823	2.70
UNITED KINGDOM				
Health Care				
Astrazeneca Plc	3,854	546,700	557,007	3.27
TOTAL UNITED KINGDOM	3,854	546,700	557,007	3.27
UNITED STATES				
Consumer				
Discretionary				
Tractor Supply Company	5,055	261,814	244,662	1.44
Financials				
Mastercard Inc.	1,552	769,665	908,851	5.34
Visa Inc.	1,889	545,197	689,844	4.06
	3,441	1,314,862	1,598,695	9.40

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Quoted equity – foreign as at 31 May 2025 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES				
(CONTINUED)				
Health Care				
Abbvie Inc.	2,844	536,688	529,297	3.11
Becton, Dickinson and Company	555	132,305	95,787	0.56
Boston Scientific Corporation	6,745	514,136	709,979	4.17
Eli Lilly and Company	414	299,827	305,395	1.80
Gilead Sciences, Inc.	2,496	223,075	274,760	1.62
Thermo Fisher Scientific Inc.	1,196	667,351	481,773	2.83
	<u>14,250</u>	<u>2,373,382</u>	<u>2,396,991</u>	<u>14.09</u>
Industrials				
A. O. Smith Corporation	7,374	495,656	474,222	2.79
Johnson Controls International Plc	4,183	278,968	424,031	2.49
Pentair Plc	3,412	260,793	338,402	1.99
Tetra Tech, Inc.	7,202	285,328	251,638	1.48
Waste Management, Inc.	2,096	459,484	505,073	2.97
Xylem, Inc.	3,761	456,134	474,036	2.79
	<u>28,028</u>	<u>2,236,363</u>	<u>2,467,402</u>	<u>14.51</u>
Information Technology				
Adobe Inc.	687	345,645	285,167	1.68
Apple Inc.	3,537	739,190	710,406	4.18
Broadcom Inc.	2,413	519,361	584,115	3.43
Microsoft Corporation	3,134	1,265,271	1,442,768	8.48
Nvidia Corporation	10,435	1,074,470	1,410,082	8.29
Palo Alto Networks, Inc.	2,398	437,013	461,423	2.71
Taiwan Semiconductor Manufacturing Co., Ltd.	3,753	609,880	725,530	4.27
	<u>26,357</u>	<u>4,990,830</u>	<u>5,619,491</u>	<u>33.04</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

Quoted equity – foreign as at 31 May 2025 is as follows: (continued)

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
UNITED STATES (CONTINUED)				
Telecommunication Services				
Alphabet Inc.	<u>6,041</u>	<u>968,991</u>	<u>1,037,481</u>	<u>6.10</u>
TOTAL UNITED STATES	<u>83,172</u>	<u>12,146,242</u>	<u>13,364,722</u>	<u>78.58</u>
Total quoted equity securities	<u>113,162</u>	<u>15,383,137</u>	<u>16,537,668</u>	<u>97.23</u>
Accumulated unrealised gain on quoted equity securities		<u>1,154,531</u>		
Total quoted equity securities		<u>16,537,668</u>		

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

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

<u>Name of Security</u>	<u>Quantity</u> Units	<u>Aggregate</u> <u>cost</u> USD	<u>Fair</u> <u>value</u> USD	<u>Percentage</u> <u>of NAV</u> %
GERMANY				
Information				
Technology				
SAP SE	481	73,580	86,644	1.83
TOTAL GERMANY	481	73,580	86,644	1.83
Industrials				
Daikin Industries, Ltd.	1,322	203,467	193,009	4.07
TOTAL JAPAN	1,322	203,467	193,009	4.07
NETHERLANDS				
Information				
Technology				
ASML Holding N.V.	206	148,807	194,704	4.11
Materials				
DSM-Firmenich Ltd	250	35,365	28,668	0.60
TOTAL NETHERLANDS	456	184,172	223,372	4.71
UNITED KINGDOM				
Health Care				
Astrazeneca Plc	1,676	216,186	260,059	5.48
TOTAL UNITED KINGDOM	1,676	216,186	260,059	5.48
UNITED STATES				
Consumer				
Discretionary				
Tractor Supply Company	345	72,522	98,425	2.08
Financials				
Mastercard Incorporated	470	188,179	210,123	4.43
Visa Inc.	545	128,538	148,491	3.13
	1,015	316,717	358,614	7.56

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

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

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

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

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 31 May 2025, the management fee is recognised at the rate of 1.60% (2024: 1.60%) per annum of the NAV of each Class of the Fund, calculated on a daily basis for the financial year.

There will be no further liability to the Manager in respect of the 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 not exceeding 0.10% per annum of the NAV of each Class of the Fund but subject to a minimum fee of RM15,000 (equivalent to: USD3,189) per annum (including local custodian fees and expenses but excluding foreign custodian fees and charges).

For the financial year ended 31 May 2025, the Trustee fee is recognised at a rate of 0.05% (2024: 0.05%) per annum on the NAV of each class of the Fund (including local custodian fees and expenses but excluding foreign custodian fees and charges) calculated on a daily basis for the financial year, subject to a minimum fee of RM15,000 (equivalent to: USD3,189) per annum.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

5 TRUSTEE FEE (CONTINUED)

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

6 AUDIT FEE, TAX AGENT'S FEE AND SHARIAH ADVISER'S FEE

Audit fee, tax agent's fee and shariah adviser's fee of the Fund for the previous financial year are borne by the Manager of the Fund.

7 TAXATION

	<u>2025</u> USD	<u>2024</u> USD
Current taxation – foreign source income	-	2,467
Over provision of taxation in prior year	<u>(971)</u>	<u>-</u>
	<u>(971)</u>	<u>2,467</u>

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

	<u>2025</u> USD	<u>2024</u> USD
(Loss)/profit before taxation	<u>(142,240)</u>	<u>699,015</u>
Taxation at Malaysian statutory rate of 24% (2024: 24%)	(34,138)	167,764
Tax effect of:		
Investment income not subject to tax	(24,871)	(178,189)
Expenses not deductible for tax purposes	14,215	3,976
Restriction on tax deductible expenses for Unit Trust Funds	44,794	8,916
Over provision of taxation in prior year	<u>(971)</u>	<u>-</u>
Taxation	<u>(971)</u>	<u>2,467</u>

8 NUMBER OF UNITS IN CIRCULATION

	<u>2025</u> No. of units	<u>2024</u> No. of units
(a) <u>MYR Class A</u>		
At beginning of the financial year	9,890,651	1,203,555
Creation of units arising from applications during the financial year	25,033,327	11,844,032
Cancellation of units during financial year	<u>(6,601,803)</u>	<u>(3,156,936)</u>
At end of the financial year	<u>28,322,175</u>	<u>9,890,651</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

8 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

	<u>2025</u>	<u>2024</u>
	No. of units	No. of units
(b) <u>USD Class A</u>		
At beginning of the financial year	1,012,148	1,000,000
Creation of units arising from applications during the financial year	3,851,047	22,606
Cancellation of units during financial year	<u>(6,133)</u>	<u>(10,458)</u>
At end of the financial year	<u>4,857,062</u>	<u>1,012,148</u>

9 TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transactions with the broker/intermediary for the financial year ended 31 May 2025 is as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	<u>Percentage of total trade</u> %	<u>Brokerage of trade</u> USD	<u>Percentage of total Brokerage</u> %
SG Americas Securities, LLC	5,411,409	30.67	357	3.27
Citigroup Global Markets Limited	2,381,909	13.50	2,319	21.21
J.P. Morgan Securities LLC	2,023,444	11.47	380	3.47
Robert W. Baird & Co. Incorporated	1,873,321	10.62	427	3.90
Daiwa Securities SMBC Hong Kong Limited	1,210,723	6.86	280	2.56
Jefferies Group LLC	898,188	5.09	238	2.18
Societe Generale Paris Agency Business (Ex SGLB)	850,179	4.82	949	8.67
Citigroup Global Markets Europe AG	738,129	4.18	1,653	15.11
Jefferies International Limited	652,393	3.70	2,436	22.26
CLSA Singapore Pte Ltd.	517,542	2.93	259	2.37
Others	1,086,093	6.16	1,640	15.00
	<u>17,643,330</u>	<u>100.00</u>	<u>10,938</u>	<u>100.00</u>

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

9 TRANSACTIONS WITH FINANCIAL INSTITUTIONS (CONTINUED)

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

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

The financial institutions above are not related to the Manager.

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (CONTINUED)

10 TOTAL EXPENSE RATIO ("TER")

	<u>2025</u>	<u>2024</u>
	%	%
TER	<u>1.77</u>	<u>1.73</u>

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is USD11,520,884 (2024: USD2,579,518)

11 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2025</u>	<u>2024</u>
PTR (times)	<u>0.77</u>	<u>0.58</u>

PTR is derived from the following calculation:

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

Where: total acquisition for the financial year = USD14,854,440(2024: USD2,692,752)
total disposal for the financial year = USD2,796,837(2024: USD316,201)

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (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
Nomura Islamic Asset Management Sdn Bhd	Associate company of the Manager
The Nomura Trust and Banking Co., Ltd	Associate company of the Manager
Deutsche Trustees Malaysia Berhad for Nomura Global Shariah Strategic Growth Fund	Fund managed by the Manager
Senior management of the Manager	Director(s) of the Manager

Units held by the Manager and party relates to the Manager:

	<u>2025</u>		<u>2024</u>	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>USD</u>
Nomura Asset Management Malaysia Sdn Bhd*				
- MYR Class A	<u>1,000</u>	<u>342</u>	<u>1,000</u>	<u>330</u>
The Nomura Trust and Banking Co., Ltd.				
- USD Class A	<u>4,837,053</u>	<u>7,300,564</u>	<u>1,000,000</u>	<u>1,458,400</u>

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

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

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

13 SHARIAH INFORMATION OF THE FUND

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

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

NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

STATEMENT BY THE MANAGER

We, Leslie Yap Kim Loong and Atsushi Ichii, being two of the Directors of Nomura Asset Management Malaysia Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Directors of the Manager, the accompanying financial statements set out on pages 1 to 34 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 May 2025 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 May 2025 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
25 July 2025



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TRUSTEE'S REPORT

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

We have acted as Trustee of the Fund for the financial year ended 31 May 2025 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


Jiva Munusamy
Head, Client Management

Kuala Lumpur
25 July 2025

SHARIAH ADVISER'S REPORT

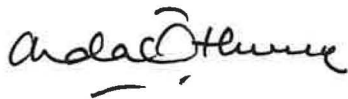
TO THE UNITHOLDERS OF
NOMURA GLOBAL SHARIAH SUSTAINABLE EQUITY FUND

We hereby confirm:

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

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

For ZICO Shariah Advisory Services Sdn Bhd

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

DR. AIDA OTHMAN

Designated Person Responsible for Shariah Matters Relating to the Fund

Kuala Lumpur

25 JUL 2025



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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Nomura Global Shariah Sustainable Equity Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 May 2025, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 May 2025, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 34.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

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

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my



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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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



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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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



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

OTHER MATTERS

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

PricewaterhouseCoopers PLT

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
25 July 2025