

Nomura Global High Conviction Fund - Class USD

September 2024

Fund Commentary and Strategy

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

Commentary from the Target Fund Manager

The Class USD returned +0.46 in September, underperforming the MSCI All-Country World Index benchmark by 190bps.

The underperformance in September was driven by stock selection, specifically in Health Care and Information Technology. The fund benefited from being overweight in Consumer Discretionary, while the overweight in Health Care was a drag to performance.

The main positive contributors were AIA (+27%), Daikin Industries (+11%) and Tractor Supply (+9%), with the first two benefiting from a strong rebound in Chinese markets at the end of September, after the Government announced new stimulus measures. AIA is exposed directly to China and its capital markets, while Daikin has a profitable Chinese division and had been underperforming in 2024. Tractor Supply benefited from a more positive consumer sentiment after the first US rate cuts of 50bps.

On the detractors' side, Novo Nordisk (-15%) and AstraZeneca (-11%), corrected after being among the main positive contributors in August. Novo Nordisk announced the clinical results from Monlunabant, a cannabinoid receptor molecule in development for anti-obesity treatment that disappointed investors. AstraZeneca also had a disappointment with the results of Dato-DXd, a lung cancer drug. Adobe was weak (-10%), after reporting Q4 guidance at their results in mid-September that came in below investor expectations.

We also started a new position in Waste Management (WM), the North American leader in both solid waste collection and disposal as well as recycling processing. We see it as a high quality business with steady cash flows, defensive characteristics and strong returns to shareholders through growing dividend and a significant share buyback programme. The industry is fragmented and still in consolidation phase, so top players continue to do tuck-in acquisitions, which are the main reason for expanding margins, through increased route density. Although recycling processing is still a relatively small portion of overall business mix (6-7% of revenues) it is the primary area for growth capital, along with RNG (2%).

Cumulative Fund Returns (%)

	YTD 31/12/2023 To 30/9/2024	1 Month 31/8/2024 To 30/9/2024	3 Months 30/6/2024 To 30/9/2024	6 Months 31/3/2024 To 30/9/2024
Fund	12.94	0.46	1.45	7.03
Benchmark	19.08	2.36	6.72	9.93

Cumulative Fund Returns (%)

	1 year 30/9/2023 To 30/9/2024	3 year 30/9/2021 To 30/9/2024	Since Commencement 23/10/2020 To 30/9/2024
Fund	22.98	10.61	30.43
Benchmark	32.35	28.09	59.08

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 0.95 million
Class Size	USD 0.084 million
Units in Circulation (Class USD)	0.064 million
NAV per Unit (Class USD)	USD 1.3074
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 (%)

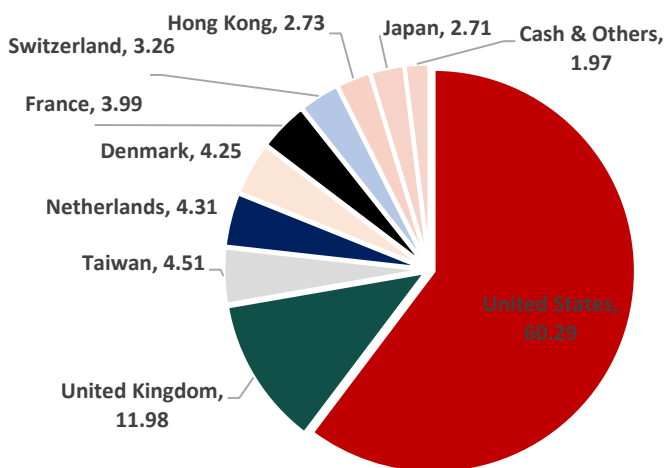
Target Fund	99.48
Cash and Others*	0.52

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	8.18
Amazon.com, Inc.	6.64
Apple Inc.	6.13
Alphabet Inc. Class A	5.99
Mastercard Incorporated Class A	4.99

Country Breakdown of Target Fund (%)



Sector Breakdown of Target Fund (%)

Information Technology	26.60
Consumer Discretionary	20.28
Health Care	17.94
Financials	12.76
Industrials	11.20
Communication Services	5.99
Consumer Staples	3.26
Cash & Others	1.97

All data presented are as of 30 September 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 August 2024, the Volatility Factor (VF) for the Fund is 14.35 and is classified as "High" (Source: Refinitiv Lipper). "High" includes funds with VF that are between 12.03 and 16.265. 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.

This marketing material was prepared by Nomura Asset Management Malaysia Sdn. Bhd. (Registration No. 200601028939 (748695-A)) ("NAMM") based on data available to NAMM as of 30 September 2024 for information purposes only and is not intended as an offer, solicitation or recommendation with respect to the purchase or sale of any particular investment. This marketing material has not been reviewed by the Securities Commission Malaysia ("SC"). Before investing in Nomura Global High Conviction Fund ("Fund"), investors are advised to read and understand the contents of the Fund's Prospectus dated 1 October 2022, the First Supplementary Prospectus dated 16 February 2024 ("Prospectus") and Product Highlights Sheet ("PHS") which highlights the key features and risks of the Fund. Both the Prospectus and PHS have been registered/lodged with the SC. The authorisation of the Fund and the registration/lodgement of the Prospectus and the PHS should not be taken to indicate that SC recommends the Fund. SC takes no responsibility for the contents of the Prospectus, the PHS and this marketing material; makes no representations as to their accuracy or completeness; and expressly disclaims all liability arising from, or in reliance upon the whole or any part of their contents. Though the information contained herein has been obtained from sources believed in good faith to be reliable upon the issuance date, NAMM reserves the right to make changes or corrections to the information herein at any time without notice. Copies of the Prospectus and PHS can be obtained from our office and application for units can only be made on receipt of an application form referred to and accompanying a copy of the Prospectus. Among others, investors should be aware: i) of the risks and costs involved in investing in the Fund; ii) that the price of units (in the Fund) and distributions payable (if any) may go down as well as up; and iii) that past performance of the Fund and target fund (if any) should not be taken as an indication of its future performance. Investors should make their own risk assessment and seek professional advice, where necessary.