Nomura Global Dynamic Bond Fund

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

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

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

AUDITOR:
Pricewaterhouse Coopers PLT
Business Registration No.: LLP0014401-LCA & AF1146

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MANAGER'S REPORT

Category, Objective and Distribution Policy
Nomura Global Dynamic Bond Fund (the "**Fund**") is a wholesale feeder fund which aims to achieve long term capital growth by investing in a collective investment scheme (namely, Nomura Funds Ireland – Global Dynamic Bond Fund ("**Target Fund**")) which invests in foreign fixed income securities.

Distribution of income, if any, is incidental and subject to the availability of income and shall be in line with the dividend policy of the Target Fund.

Fund Type
Growth

Benchmark
The Fund adheres to the benchmark of the Target Fund for performance comparison. Currently, the Fund has no benchmark.

Performance as at 31 January 2024

	1 Month (01/Jan/23-31/Jan/24)	**3 Months** (01/Nov/23 – 31/Jan/24)	**6 Months** (01/Aug/23 – 31/Jan/24)	**1 Year** (01/Feb/23– 31/Jan/24)	**3 Year** (01/Feb/21– 31/Jan/24)	**Since Commencement** (09/Feb/21 – 31/Jan/24)*
Fund – Class MYR	2.37	6.36	9.50	13.39	N/A	4.42
Fund – Class USD*	-0.59	7.15	4.40	2.27	N/A	-8.54

Source of Fund Returns: Refinitiv Lipper

*There were no units in circulation for Class USD during the period from 09 February 2021 to 05 March 2021. Hence, the since commencement performance calculation commenced from 08 March 2021 for the Class USD as shown above.

Volatility as at 31 January 2024

	3-Year
Fund – Class USD	N/A
Fund – Class MYR	N/A

Volatility is measured by calculating the annualised standard deviation on the Fund's month-end returns for the immediate preceding 36 months.

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

Strategies Employed (1 February 2023 to 31 January 2024)

There were no significant changes to the strategies employed during the period under review.

Performance Review of the Target Fund (1 February 2023 to 31 January 2024)

In the first quarter, long-term US inflation expectations rose a little in February, leading to a further small negative contribution of around -11bps from the remaining inflation swap position. In March, AT1 prices in the portfolio suffered as the Credit Suisse credit concerns unfolded and pressure grew on Deutsche Bank. Though the panic subsided towards month end, AT1 were responsible for just over 100bps of negative return for the Target Fund in the month. Other negative contributions were Egypt, which led to a detraction of just over 20bps; the entire exposure to High Yield ("**HY**") bonds detracted almost 30bps. Conversely, over the month, the active duration management of the Target Fund contributed, with physical US Treasury and futures exposure together adding approximately 80bps of return. Returns from Convertible bonds were slightly positive – they added approximately 10bps over the month.

During the second quarter, April saw the relatively large Target Fund's exposure to Emerging Markets ("**EMs**") produced mixed results, with Egypt and South Africa negative whilst Brazil and (to a lesser extent) Central and Eastern Europe ("**CEE**") exposures were positive. The overall contribution was small. Financials, on the other hand, were strong, with AT1 exposures continuing to recover from the March contributing 25bps. Duration positioning was also positive; the elevated duration, achieved through US Treasury and Treasury futures positions, also contributing approximately 25bps. South Africa was negative in May, by just over 30bps when the (positive) impact of currency hedging is taken into account. This has to be seen in the context of the longer-term relative strength of this long term holding, particularly in 2022. However, duration was the major culprit for the negative performance in May, detracting more than 1% in total. By contrast, HY holdings contributed approximately 20bps and AT1s another 25bps as that market continued to recover from the turmoil surrounding the Credit Suisse takeover. Exposure to Brazil was another bright spot, contributing a little over 10bps. In June, US Treasury yields moved higher, as duration exposures detracted more than 1% over the month of June. The impact of the Credit Default Swap ("**CDS**")-based credit hedges was far more muted at less than 20bps. The only other negative of note over the month was a small exposure to Thames Water, whose bonds sold off after fears arose that the firm could collapse.

In the third quarter, September, the negative return of the Target Fund was almost entirely due to duration. The impact was mitigated to a degree by a reduction in duration sensitivity following the Fed's "hawkish pause". Exposure to EMs and Convertibles were also marginally negative, whilst there were some areas of strength in the portfolio, including HY, AT1s and Egypt sovereign exposure. Convertibles detracted 10bps from performance; our relatively conservative positioning within the asset class helping to limit losses. Cocos / AT1s contributed positively a few basis points, despite the asset class as a whole giving negative returns over the month. Some EMs exposures (Brazil, Egypt) held up well amidst the gloom, but exposure to Mexico detracted approximately 15bps. CDS-based hedging contributed a few bps positively, but index spread levels remained stubbornly low.

In the fourth quarter, duration was strongly contributory in the month of December, and attribution analysis suggests it was responsible for approximately two thirds of the overall return. EMs were strong too; Mexican Sovereign exposures contributed approximately 30bps, whilst Egypt and Brazil contributed 20bps each. HY and Convertibles exposures contributed approximately 30bps and 20bps respectively and the only real negative was CDS protection but the detraction was small – just -5bps.

However, coming into the month January 2024, duration was the driver of negative returns over the month. US Treasury conditional duration via call options was limited in scale but still detracted almost 20bps, as did both outright and conditional duration to the Bund curve – approximately 25bps. An exposure to the long end of the gilt curve also detracted just over 30bps. Credit exposures by contrast were generally positive. Since the beginning of the year, the large allocation to financials added approximately 35bps. HY exposures (principally via Corporate Hybrids) added almost 10bps. EMs allocations were negative overall, with Brazil and Mexico contributing negatively whilst South Africa, Bahrain and Egypt were only slight detractors. Strong security selection within Convertibles meant that the contribution to the Fund was essentially flat, despite the asset class as a whole giving negative returns over the month.

Source: Nomura Asset Management U.K. Limited.

NOMURA

Summary of Asset Allocation

	31 January 2024	31 January 2023
Target Fund	100.21%	99.81%
Cash and Others#	-0.21%	0.19%
Total	100.00%	100.00%

 # Included in Cash and Others are cash on hand and net current assets/ liabilities.

Review of Market (1 February 2023 to 31 January 2024)

In February, the narrative of sticky inflation and ever-higher rates re-established itself. The US economy in particular showed continued resilience; the job market demonstrating strength, with non-farm payroll statistics recording more than half a million jobs created. Moreover, the Federal Reserve ("**Fed**") monitored core Personal Consumption Expenditure ("**PCE**") measure of inflation accelerated from the previous reading to 4.7% YoY (0.6% MoM), suggesting (as Chair Jerome Powell has repeatedly stated) that the Fed has further work to do in order to bring down US inflation. Eurozone inflation measures also remained elevated and European Central Bank ("**ECB**") members continued to expect further significant rate hikes in the short term. As a result, bond yields rose significantly, the US Dollar strengthened against all major peers and most risk markets sold off (UK and Japanese equities were exceptions). Virtually all global bond markets produced negative returns, both from duration sensitivity and credit spreads moving wider.

We experienced a crisis of confidence in a number of banks in March. In the US, Silicon Valley Bank experienced a mass withdrawal of deposits from its relatively narrow depositor base, triggering its collapse. A number of other small US banks followed in its wake. The Federal Deposit Insurance Corporation stepped in to support the system and prevent further contagion. The Swiss authorities then declared a non-viability event for Credit Suisse, allowing them to permanently write down the AT1 debt of the bank as part of a sale to UBS. This in turn caused disquiet in the broader European AT1 market, with many of these deeply subordinated bonds being priced to extend, rather than be called, as is the norm. Deutsche Bank was the next to come under pressure. That bank's management seemed rather non-pulsed by the turmoil in markets and calmly bought back some of their own Tier 2 debt whilst risk-off sentiment swirled around them. Sentiment then calmed towards month end and AT1 pricing recovered to a significant degree. The bank crisis led to wild swings in US Treasury and global sovereign bond yields. Expectations of Fed interest rate hikes dropped dramatically and the US yield curve steepened to price in rate cuts before the end of 2023, with investors anticipating a tightening in lending conditions and lower economic growth as a result. Credit spreads moved wider, in general, but also recovered to an extent before month end. By contrast, equity markets responded well to lower rate hike expectations, leading to positive returns. The UK market, heavy in bank stocks and oil companies (the oil price fell significantly) was a notable exception.

April saw a recovery in sentiment around banks on both sides of the Atlantic, despite a small number of US regional banks continuing to show stress. That allowed bank credit (in general) to perform strongly and the AT1/CoCo market in Europe in particular to continue to recover. Risk assets in general were strong with equity markets (EMs aside) leading the way. US data was in general a little weaker. The widely followed Non-Farm Payroll ("**NFP**") statistic showed another 236k jobs added to the US economy over the previous month – this was strong, although not as strong as previous prints. Inflation slowed but remained well above the Fed's target. Inflation in Europe and the UK remained stubbornly high. Kazuo Ueda took up his seat as the Governor of the Bank of Japan. In his first speech, he indicated that the current monetary policy stance and yield curve control remained appropriate. However, given he has previously stated that any change to yield curve control must come as a surprise to markets, his comments were unsurprising.

Throughout much of May, financial media focused on the debt ceiling negotiations in the US. The markets looked through this, expecting the situation to be resolved. Shortly after month end, the markets were proved correct. Early in May, the Fed hiked by 25bps. As did the ECB and the Bank of England ("**BoE**"). The Bank of Japan stuck to its monetary easing and yield curve control policies. None of these decisions surprised markets. However, in the weeks that followed, strong employment data led investors to anticipate a greater probability of Fed hikes in June and less recessionary risk. Inflation data in Europe, including the UK, continued to be worryingly high, indicating further need for tighter monetary policy. Bond yields rose significantly along the US curve, pulling global bond yields with them. Credit spreads, by contrast, performed generally well. Equity markets were generally negative (Japan a notable exception) and the US dollar was strong against all major peers.

Core sovereign yields moved higher over the month of June, particularly at the front end of yield curves, as investors priced in higher terminal rates of central banks. Inflation remained elevated on both sides of the Atlantic, but showed further signs of slowing other than in the UK, where Consumer Price Index ("**CPI**") remained stubbornly high. The Fed paused, but prepared the market for a likely resumption of rate hikes in July and potentially beyond. The ECB hiked by a further 25bps, and the BoE hiked by 50bps. Credit spreads in general tightened in over the month, resulting in stronger performance from riskier credit areas such as HY and AT1s. Indeed risk markets generally rallied strongly, with equity markets seemingly taking comfort that inflation was in the early stages of falling in most jurisdictions at least. The USD was weaker against most global peers, the notable exception being the Japanese Yen.

The US CPI figures released in early July showed headline inflation slowing to 3.0% and core inflation slowing to 4.8%. Coming shortly after weaker employment data, this reassured the market that the need for significantly higher rates had diminished, and the US yield curve steepened considerably. Risk markets responded positively, with equity markets and more credit-sensitive areas of the bond markets performing strongly over the month. The US Dollar was weaker against major peers. Economic data from Europe was generally discouraging. Purchasing Managers' Index (PMIs) reflected continued weakness in manufacturing and less positivity in the services sector. Inflation measures fell, but not significantly. The Fed and the ECB both hiked rates by 25bps and left the door open for further future hikes if required. The Bank of Japan made a change to its yield curve control framework; although they did not change the target band of the 10 year yield, they indicated that intervention to control the curve would be "nimble" and occur between the upper band of 0.5% and a hard limit of 1%. The 10 Year Japan Government Bond yield ended the month close to 0.6%.

Bond yield curves moved higher and steeper in August. Equity markets were generally negative, EMs were particularly weak, credit spreads widened. HY markets performed relatively well, supported by the coupon. September was another brutal month for bond markets, with US Treasury yields surging higher and steeper and pushing almost all bond market returns negative. To an extent the driver was "higher for longer" rate expectations from the Fed and more optimism that the US could avoid a recession in the near term, but there was also a sense towards month end of large-scale position changing and a lack of buyers.

Economic data from the US have been weaker and inflation has continued to trend lower during the month of November. The Fed has not yet fully ruled out further rate hikes, but Federal Open Market Committee ("**FOMC**") members' recent comments suggest that even the most traditionally hawkish amongst them believe that interest rates are sufficiently restrictive to bring inflation down. Europe's economy is more severely challenged but the ECB's path to cut rates is made more difficult by more embedded services and wage inflation.

After an exceptionally strong bond market rally into year end, January saw markets begin to doubt the degree of rate cuts that had been priced into markets globally. Accordingly, bond yields moved higher along the curve, before weak European data and ECB comments that were perceived as slightly dovish drove front end yields lower again towards month end. Amongst developed market bond yields, UK gilts were particularly weak due to persistent (and rising, at least in the short term) inflation prints that pushed back expectations for the BoE to cut rates. Credit spreads held up well, whilst equity markets gave mixed returns. China proposed measures to prop up its ailing stock market, but this prompted little cheer, whilst Japan's stock market experienced strong returns with a weaker yen and no sign of movement away from the Bank of Japan's ultra-accommodative policy stance. Attacks on cargo ships in the Red Sea led a number of companies to suspend shipping through the area. The incidents increased the potential for an escalation of tensions in the region as a whole and the oil price climbed.

Source: Nomura Asset Management U.K. Limited.

SOFT COMMISSIONS RECEIVED FROM BROKERS

Soft commissions received from brokers/dealers are retained by the Manager only if the goods and services provided are of demonstrable benefit to unit holders of the Fund.

During the financial period under review, the Manager did not receive any soft commission.

INCOME DISTRIBUTION

The Fund did not declare any income over the period under review.

FUND DATA

As at 31 January 2024*	Class USD	Class MYR
Total NAV (USD)	316,289	2,666,083
NAV per Unit	0.9127	1.0442
Unit in Circulation	346,542	12,069,100
Highest NAV	0.9214	1.0442
Lowest NAV	0.8437	0.9139

** All information is in its respective class currency unless otherwise stated.*

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

NOMURA GLOBAL DYNAMIC BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

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FINANCIAL STATEMENTS
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NOMURA GLOBAL DYNAMIC BOND FUND

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

	Note	2024 USD	2023 USD
INVESTMENT INCOME/(LOSS)			
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")	6	196,088	(412,510)
Net (loss)/gain on foreign currency exchange		(20,513)	1,402
		175,575	(411,108)
EXPENSES			
Management fee	3	(52,580)	(49,482)
Trustee's fee	4	(2,829)	(4,314)
Audit fee		(2,492)	(2,408)
Tax agent's fee		(1,149)	(1,105)
Other expenses		(532)	(649)
		(59,582)	(57,958)
PROFIT/(LOSS) BEFORE TAXATION		115,993	(469,066)
TAXATION	5	-	-
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		115,993	(469,066)
Increase/(decrease) in net assets attributable to unitholders is made of the following:			
Realised amount		(123,431)	(172,320)
Unrealised amount		239,424	(296,746)
		115,993	(469,066)

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

NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2024

	Note	As at 31.1.2024 USD	As at 31.1.2023 USD
ASSETS			
Cash and cash equivalents	7	36,304	15,961
Financial assets at fair value through profit or loss ("FVTPL")	6	2,988,572	3,645,333
Amount due from Manager - creation of units		14,812	-
Amount due from Manager of Target Fund - management fee rebate receivable		3,114	3,666
Amount due from Provider		18,849	-
TOTAL ASSETS		3,061,651	3,664,960
LIABILITIES			
Accrued management fee	3	3,685	4,291
Amount due to Manager		71,863	4,843
Amount due to Trustee	4	240	258
Other payables and accruals		3,491	3,422
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		79,279	12,814
NET ASSET VALUE OF THE FUND		2,982,372	3,652,146
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		2,982,372	3,652,146
REPRESENTED BY			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
Class MYR		2,666,083	3,342,907
Class USD		316,289	309,239
NUMBER OF UNIT IN CIRCULATION (UNITS)			
Class MYR	8(a)	12,069,100	15,475,313
Class USD	8(b)	346,542	346,542

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

NOMURA GLOBAL DYNAMIC BOND FUND

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

	Note	As at 31.1.2024 USD	As at 31.1.2023 USD
NET ASSET VALUE PER UNIT (USD)			
Class MYR		0.2209	0.2160
Class USD		0.9127	0.8924
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
Class MYR		1.0442	0.9209
Class USD		0.9127	0.8924

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

NOMURA GLOBAL DYNAMIC BOND FUND

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

	2024 USD	2023 USD
Net assets attributable to unitholders at the beginning of financial year	3,652,146	5,925,477
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
Class MYR	1,210,757	745,119
Class USD	21,837	-
	1,232,594	745,119
Cancellation of units		
Class MYR	(1,996,952)	(2,458,263)
Class USD	(21,409)	(91,121)
	(2,018,361)	(2,549,384)
(Increase)/decrease in net assets attributable to unitholders during the financial year	115,993	(469,066)
Net assets attributable to unitholders at the end of financial year	2,982,372	3,652,146

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

NOMURA GLOBAL DYNAMIC BOND FUND

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

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceed from sale of investments		1,928,955	3,263,192
Purchase of investments		(1,139,689)	(791,454)
Management fee paid		(53,186)	(53,018)
Rebate on management fee		45,285	65,597
Trustee fee paid		(2,847)	(4,224)
Tax agent fee paid		(1,164)	(971)
Payment for other fees and expenses		(2,939)	(3,138)
Net realised foreign exchange (loss)/gain		(20,526)	602
Net cash generated from operating activities		753,889	2,476,586
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		1,217,782	745,119
Payments for cancellation of units		(1,951,341)	(3,307,782)
Net cash used in financing activities		(733,559)	(2,562,663)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		20,330	(86,077)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		13	800
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		15,961	101,238
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	36,304	15,961

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

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

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The preparation of financial statements in conformity with the MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their 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 K.

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

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

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

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

B PRESENTATION AND FUNCTIONAL CURRENCY

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

The financial statements are presented in 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 United States Dollar ("USD") primarily due to the following factors:

i) Significant portion of the net asset value ("NAV") is invested in the form of collective investment scheme denominated in USD.
ii) Significant portion of the Fund's expenses are denominated in USD.

<u>Transactions and balances</u>

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.

C INCOME RECOGNITION

For collective investment scheme ("CIS"), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

D TAXATION

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

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.

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, 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.

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

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from Manager of Target Fund and amount due from Provider 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 Manager, amount due to Trustee, other payables and accruals as financial liabilities measured at amortised cost.

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Subsequent to initial recognition, financial assets at fair value through profit of 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 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 in the financial year in which they arise.

Collective investment scheme is valued based on the most recent published NAV per unit or share of such collective investment scheme or, if unavailable, on the last published price of such unit or share (excluding any sales charge included in such selling price).

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 ("ECL") using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any ECL. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month ECL as any such impairment would be wholly insignificant to the Fund.

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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 write 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.

G UNITHOLDERS' CAPITAL

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

The Fund issues cancellable units, in two classes of units, known respectively as the Class USD and Class MYR, which are cancelled at the unitholders' option and do not have identical features subject to restrictions as stipulated in the Information Memorandum and Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. The units are classified as financial liabilities.

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

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

H AMOUNT DUE FROM/TO PROVIDER

Amounts due from/to Provider represent receivables for collective investment scheme sold and payables for collective investment scheme 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 provider 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 Provider, probability that the Provider will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by the Provider as any contractual payment which is more than 30 days past due.

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

I MANAGEMENT FEE REBATE

Management fee rebate derived from the Manager on an accrual basis to ensure no double charging of management fee. It is accrued daily based on the fair value of collective investment scheme held.

J INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

K CRITICAL ACCOUNTING ESTIMATES AND 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 Funds' 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 judgement to be exercised.

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

1 INFORMATION ON THE FUND

Nomura Global Dynamic Bond Fund (the "Fund") was constituted pursuant to the execution of a Master Deed (the "Deed") dated 19 November 2020 entered into between Nomura Asset Management Malaysia Sdn Bhd (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee").

The Fund was launched on 2 February 2021 and will continue its operations until terminated by the Manager or the Trustee as provided under Clause 25 of the Deed.

The Fund may invest in one (1) collective investment scheme, deposits and money market instruments, derivatives instruments including but not limited to options, futures contracts, forward contracts and swaps for hedging purposes, and any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objective.

The Fund aims to achieve long term capital growth by investing in a collective investment scheme which invests primarily in foreign fixed income securities.

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

The financial statements were authorised for issue by the Manager on 22 March 2024.

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At fair value through profit or loss USD	At amortised cost USD	Total USD
As at 31.1.2024				
Financial assets				
Cash and cash equivalents	7	-	36,304	36,304
Amount due from Provider		-	18,849	18,849
Amount due from Manager - creation of units		-	14,812	14,812
Amount due from Manager of Target Fund - management fee rebate receivable		-	3,114	3,114
Financial assets at fair value through profit or loss ("FVTPL")	6	2,988,572	-	2,988,572
Total		2,988,572	73,079	3,061,651
Financial liabilities				
Accrued management fee		-	3,685	3,685
Amount due to Manager		-	71,863	71,863
Amount due to Trustee		-	240	240
Other payables and accruals		-	3,491	3,491
Total		-	79,279	79,279

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

Financial instruments are as follows: (continued)

	Note	At fair value through profit or loss USD	At amortised cost USD	Total USD
As at 31.1.2023				
Financial assets				
Cash and cash equivalents	7	-	15,961	15,961
Amount due from Manager of Target Fund - management fee rebate receivable		-	3,666	3,666
Financial assets at fair value through profit or loss ("FVTPL")	6	3,645,333	-	3,645,333
Total		3,645,333	19,627	3,664,960
Financial liabilities				
Accrued management fee		-	4,291	4,291
Amount due to Manager		-	4,843	4,843
Amount due to Trustee		-	258	258
Other payables and accruals		-	3,422	3,422
Total		-	12,814	12,814

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, concentration 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 Unlisted Capital Market Products under the Lodge and Launch Framework.

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

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 exposure to price risk are as follows:

	As at 31.1.2024 USD	As at 31.1.2023 USD
Financial assets at fair value through profit or loss		
Collective investment scheme	2,988,572	3,645,333

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

% Change in price	Market value USD	Impact on profit/(loss) after tax/NAV USD
As at 31.1.2024		
+5%	3,138,001	149,429
-5%	2,839,143	(149,429)
As at 31.1.2023		
+5%	3,827,600	182,267
-5%	3,463,066	(182,267)

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

Market risk (continued)

(b) Currency risk

Currency risk is associated with investments denominated in Ringgit Malaysia. When the foreign currency fluctuates 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:

	Ringgit Malaysia USD	Total USD
As at 31.1.2024		
Financial assets		
Cash and cash equivalents	13,489	13,489
Amount due from Manager	14,812	14,812
	28,301	28,301
Financial liabilities		
Amount due to Manager	71,863	71,863
Other payables and accruals	3,491	3,491
Net assets attributable to unitholders	2,666,083	2,666,083
	2,741,437	2,741,437

	Ringgit Malaysia USD	Total USD
As at 31.1.2023		
Financial assets		
Cash and cash equivalents	5,093	5,093

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

Market risk (continued)

(b) Currency risk (continued)

	Ringgit Malaysia USD	Total USD
As at 31.1.2023		
Financial liabilities		
Amount due to Manager	4,843	4,843
Other payables and accruals	3,422	3,422
Net assets attributable to unitholders	3,342,907	3,342,907
	3,351,172	3,351,172

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

	Change in foreign exchange rate %	Impact on profit/(loss) after tax/NAV USD
As at 31.1.2024		
Ringgit Malaysia	5	(135,657)

	Change in foreign exchange rate %	Impact on profit/(loss) after tax/NAV USD
As at 31.1.2023		
Ringgit Malaysia	5	(167,304)

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

Liquidity risk

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

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

	Less than 1 month	Between 1 month to 1 year	Total
	USD	USD	USD
As at 31.1.2024			
Accrued management fee	3,685	-	3,685
Amount due to Manager	71,863	-	71,863
Amount due to Trustee	240	-	240
Other payables and accruals	-	3,491	3,491
Net assets attributable to unitholders*	-	2,982,372	2,982,372
Contractual cash out flows	75,788	2,985,863	3,061,651

	Less than 1 month	Between 1 month to 1 year	Total
	USD	USD	USD
As at 31.1.2023			
Accrued management fee	4,291	-	4,291
Amount due from Manager	4,843	-	4,843
Amount due to Trustee	258	-	258
Other payables and accruals	-	3,422	3,422
Net assets attributable to unitholders*	-	3,652,146	3,652,146
Contractual cash out flows	9,392	3,655,568	3,664,960

* 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 holders of these instruments typically retain them for the medium to long term.

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

Credit risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest 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.

The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

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

	Cash and cash equivalents USD	Amount due from Manager /Provider USD	Total USD
As at 31.1.2024			
Financial institutions			
- AA1	36,304	-	36,304
- A+	-	18,849	18,849
Other			
- Not Rated	-	17,926	17,926
	36,304	36,775	73,079

	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
As at 31.1.2023			
Financial institutions			
- AA1	15,961	-	15,961
Other			
- Not Rated	-	3,666	3,666
	15,961	3,666	19,627

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

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

Capital risk

The capital of the Fund is represented by net assets attributable to unitholders of USD2,982,372 (2023: USD3,652,146). The amount of net assets attributable to unitholder 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 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.

Concentration Risk

The Fund, as a feeder fund, invests significantly all its assets in a CIS, any adverse effect on the CIS will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the CIS. This risk may be mitigated as the Manager is allowed to take temporary defensive positions in response to adverse market conditions. The Manager is also able to substitute the CIS with another fund with similar objective of the Fund if, in the Manager's opinion, the CIS no longer meets the Fund's objective subject to the unitholders' approval.

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.

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 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 year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

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

(i) For bank balance, the carrying value is a reasonable estimate of fair value.

(ii) The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The carrying value of the financial assets and financial liabilities approximate their fair value due to their short term nature.

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

Fair value hierarchy

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

- 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).

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.

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

Fair value hierarchy (continued)

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:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
As at 31.1.2024				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	2,988,572	-	-	2,988,572

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
As at 31.1.2023				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	3,645,333	-	-	3,645,333

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, amount due from Manager, amount due from Provider and all current liabilities are reasonable approximation of the fair value due to their short-term nature.

3 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 1.40% per annum of the NAV of each Class of the Fund calculated and accrued on a daily basis.

For the financial year ended 31 January 2024, the management fee is recognised at a rate of 1.40% (31.1.2023: 1.40%) per annum on 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.

4 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.03% per annum of the NAV of each Class of the Fund but total trustee fee is subject to a minimum fee of RM12,000 (equivalent to USD2,539) per annum (excluding foreign sub-custodian fees and charges).

For the financial year ended 31 January 2024, the Trustee fee is recognised at a rate of 0.03% (31.1.2023: 0.03%) per annum on the NAV of the Fund, including local custodian fees and charges but excluding foreign sub-custodian fees and charges, calculated on a daily basis for the financial year.

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

5 TAXATION

	2024 USD	2023 USD
Current taxation - local	-	-

5 TAXATION (CONTINUED)

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

	2024 USD	2023 USD
Profit/(loss) before taxation	115,993	(469,066)
Tax at applicable rate of 24% (2023: 24%)	27,838	(112,576)
Tax effect of:		
Investment income not subject to tax	(57,462)	(336)
Investment loss not deductible for tax purposes	26,060	108,945
Expenses not deductible for tax purposes	2,268	2,259
Restriction on tax deductible expenses for wholesale fund	1,296	1,708
Taxation	-	-

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

	As at 31.1.2024 USD	As at 31.1.2023 USD
Financial assets at FVTPL:		
- Collective investment scheme – foreign	2,988,572	3,645,333

	2024 USD	2023 USD
Net gain/(loss) on financial assets at FVTPL comprised:		
- Net realised loss on sale of financial assets at FVTPL	(88,056)	(156,394)
- Net unrealised gain/(loss) on changes in fair values	239,411	(297,546)
- Management fee rebate on collective investment scheme #	44,733	41,430
	196,088	(412,510)

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

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

Collective investment scheme – foreign as at 31 January 2024 is as follows:

	Quantity Units	Aggregate cost USD	Fair value USD	Percentage of NAV %
Nomura Funds Ireland – Global Dynamic Bond Fund (Class A USD)	28,540	3,080,193	2,988,572	100.21
Total collective investment scheme	28,540	3,080,193	2,988,572	100.21
UNREALISED LOSS ON CHANGES IN FAIR VALUE		(91,621)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		2,988,572		

Collective investment scheme – foreign as at 31 January 2023 is as follows:

	Quantity Units	Aggregate cost USD	Fair value USD	Percentage of NAV %
Nomura Funds Ireland – Global Dynamic Bond Fund (Class A USD)	35,731	3,976,365	3,645,333	99.81
Total collective investment scheme	35,731	3,976,365	3,645,333	99.81
UNREALISED LOSS ON CHANGES IN FAIR VALUE		(331,032)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		3,645,333		

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

Target Fund's top 10 holdings are as follows:

31.1.2024	Percentage of Target Fund's NAV %
United Kingdom Gilt 4 10/22/63	4.80
Mexican Bonos 8 07/31/53	3.21
US Treasury 5 08/31/25	1.72
Treasury Bill 04/25/24	1.69
Brazil Notes do Tesouro Nacional Serie F 10 01/01/27	1.48
Mexican Bonos 7 3/4 05/29/31	1.43
Treasury Bill 06/06/24	1.38
Barclays Plc 8 7/8 PERP	1.25
Bahrain Government International Bond 6 1/4 01/25/51	1.20
Bulgaria Government International Bond 4 7/8 05/13/36	1.09
	19.25

31.1.2023	Percentage of Target Fund's NAV %
US Treasury N/B 2.875% 05/15/32	6.88
US Treasury N/B 3.25% 05/15/42	6.03
US Treasury N/B 2.375% 03/31/29	5.39
United State Treasury Bill ZCP 03/14/23	2.70
Republic of South Africa 8.875% 02/28/35	1.79
Republic of South Africa 9% 01/31/40	1.71
Kingdom of Bahrain 6.25 01/25/51	1.41
Kingdom of Bahrain 5.45% 09/16/32	1.36
Ibercaja Banco PERP/EUR	1.13
Barclays Plc V/R /PERP	1.04
	29.44

7 CASH AND CASH EQUIVALENTS

	As at 31.1.2024 USD	As at 31.1.2023 USD
Cash and bank balances	36,304	15,961

8 NUMBER OF UNITS IN CIRCULATION

	2024 No. of units	2023 No. of units
(a) Class MYR		
At beginning of the financial year	15,475,313	22,737,026
Creation of units during the financial year arising from applications	5,723,989	3,582,301
Cancellation of units	(9,130,202)	(10,844,014)
At end of the financial year	12,069,100	15,475,313

	2024 No. of units	2023 No. of units
(b) Class USD		
At beginning of the financial year	346,542	444,460
Creation of units during the financial year arising from applications	24,608	-
Cancellation of units	(24,608)	(97,918)
At end of the financial year	346,542	346,542

9 TRANSACTIONS WITH PROVIDER

Details of transactions with the provider of the CIS as follows:

	Value of trade USD	Percentage of total trade %
2024		
Brown Brothers Harriman and Co.	3,087,494	100.00

The provider above is not related to the Manager.

The above transactions with provider do not involve any commission or brokerage.

	Value of trade USD	Percentage of total trade %
2023		
Brown Brothers Harriman and Co.	3,263,792	100.00

The provider above is not related to the Manager.

The above transactions with provider do not involve any commission or brokerage.

10 TOTAL EXPENSE RATIO ("TER")

	2024 %	2023 %
TER	0.40	0.47

TER is derived from the following calculation:

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

A = Management fee (net of management fee rebate)
B = Trustee's fee
C = Audit fee
D = Tax agent's fee
E = Other expenses
F = Average NAV of Fund calculated on daily basis

The average NAV of the Fund for the financial year calculated on daily basis is USD3,755,624 (31.1.2023: USD3,534,338).

11 PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	0.41	0.46

PTR is derived from the following calculation:

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

Where: total acquisition for the financial year = USD1,139,689 (2023: USD791,454)
total disposal for the financial year = USD1,947,805 (2023: USD2,472,338)

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:

Related party	Relationship
Nomura Asset Management Malaysia Sdn Bhd	The Manager

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

13 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 22 March 2024.

NOMURA

NOMURA GLOBAL DYNAMIC BOND FUND

STATEMENT BY THE MANAGER

We, Leslie Yap Kim Loong and Atsushi Ichii, being two of the Directors of Nomura Asset Management Malaysia Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 1 to 28 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 January 2024 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 January 2024 in accordance with the Malaysian Financial Reporting Standards, and International Financial Reporting Standards.

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

LESLIE YAP KIM LOONG
Managing Director

ATSUSHI ICHII
Director

Kuala Lumpur
22 March 2024

Deutsche Bank

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TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF NOMURA GLOBAL DYNAMIC BOND FUND ("Fund")

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

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework:

2. Valuation and pricing is carried out in accordance with the deed; and

3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
22 March 2024

INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF NOMURA GLOBAL DYNAMIC BOND FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

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

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 January 2024, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, comprising material accounting policy information and other explanatory information, as set out on pages 1 to 28.

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.

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INDEPENDENT AUDITORS' REPORT
TO THE UNITHOLDERS OF NOMURA GLOBAL DYNAMIC BOND 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 DYNAMIC BOND 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 DYNAMIC BOND 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
22 March 2024