

# Annual Report

<b>Alternative investment fund manager (“the AIFM”)</b>	<b>Nomura Asset Management Co., Ltd.</b>
<b>Alternative investment fund (“the AIF”)</b>	<b>NEXT FUNDS Nikkei 225 Exchange Traded Fund</b>
<b>Reporting period (“the year”)</b>	<b>23rd Reporting Period (July 9, 2023 - July 8, 2024)</b>

26<sup>TH</sup> SEPTEMBER 2024

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This document sets out the disclosures required under Article 22 of the “DIRECTIVE 2011/61/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010” (hereinafter, “AIFMD”) as well as Articles 103, 104, 105, and 106 of the “COMMISSION DELEGATED REGULATION (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision” (hereinafter, “Level II Regs”).

The information required by AIFMD and Level II Regs is included in the Explanatory Booklet on the Investment Trust (hereinafter, “the Prospectus”) of the AIF and this Annual Report supplements it by providing additional information which is not included in the Prospectus.

The AIF Prospectus is also available on the AIFM website.

[https://global.nomura-am.co.jp/nextfunds/products/1321\\_Pros.pdf](https://global.nomura-am.co.jp/nextfunds/products/1321_Pros.pdf)

## Relevant Information

Information	Description
Balance sheet (point (a) of Article 22(2) of AIFMD)	<ul style="list-style-type: none"> <li>Please refer to page 57 of the Prospectus.</li> </ul>
Income and expenditure account for the financial year (point (b) of Article 22(2) of AIFMD)	<ul style="list-style-type: none"> <li>Please refer to pages 58 of the Prospectus.</li> <li>Realized and unrealized gain/loss details on the AIF's investment activities are in Appendix A.</li> </ul>
Report on the activities of the financial year (point (c) of Article 22(2) of AIFMD)	<ul style="list-style-type: none"> <li>“Management Report” information is published on the AIFM website below. <a href="https://nextfunds.jp/data/management_report_1321.pdf">https://nextfunds.jp/data/management_report_1321.pdf</a></li> </ul>
Any material changes (point (d) of Article 22(2) of AIFMD)	<ul style="list-style-type: none"> <li>No material changes during the year.</li> </ul>
Total amount of remuneration for the financial year (point (e) of Article 22(2) of AIFMD)	<ul style="list-style-type: none"> <li>“Remuneration Disclosure” information is published on the AIFM website below. <a href="https://nextfunds.jp/data/remuneration_disclosure_1321.pdf">https://nextfunds.jp/data/remuneration_disclosure_1321.pdf</a></li> </ul>
Aggregate amount of remuneration broken down by senior management and members of staff of the AIFM whose actions have a material impact on the risk profile of the AIF (point (f) of Article 22(2) of AIFMD)	
Auditor's report (Article 22(3) of AIFMD)	<ul style="list-style-type: none"> <li>Please refer to pages 55-56 of the Prospectus.</li> </ul>

## Appendix A. Realized and Unrealized Gains/Losses on the AIF's investment activities

### A.1 Breakdown of profit and loss on buying and selling of securities

(Unit: JPY)

	Net	Gain (gross)	Loss (gross)
<b>Realized gain/loss</b>	169,127,306,714	220,120,544,929	50,993,238,215
<b>Unrealized gain/loss</b>	2,069,494,914,972	2,349,130,658,624	279,635,743,652
<b>Total</b>	2,238,622,221,686	-	-

\* Net unrealized gain/loss is shown on "Matters concerning Securities" in "Notes to Financial Statements". (Page 62 of the Prospectus)

\*\* Total gain/loss is equal to "Profit and loss on buying and selling of securities and other" on "Statement of Income and Retained Earnings". (Page 58 of the Prospectus)

### A.2 Breakdown of profit and loss on dealing of derivatives (futures)

(Unit: JPY)

	Net	Gain (gross)	Loss (gross)
<b>Realized gain / loss</b>	53,393,773,430	68,585,616,907	15,191,843,477
<b>Unrealized gain / loss</b>	7,503,010,835	7,503,010,835	0
<b>Total</b>	60,896,784,265	-	-

\* Net unrealized gain/loss is shown on "Matters concerning Derivative Transactions" in "Notes to Financial Statements". (Page 62 of the Prospectus)

\*\* Total gain/loss is equal to "Profit and loss on trading of derivatives" on "Statement of Income and Retained Earnings". (Page 58 of the Prospectus)

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1. The Nikkei Stock Average ("Index") is a copyrighted material calculated in a methodology independently developed and created by Nikkei Inc. and Nikkei Inc. is the sole exclusive owner of the copyright and other intellectual property rights in the Index itself and the methodology to calculate the Index;
2. The intellectual property and any other rights in the marks to indicate Nikkei and the Index shall be vested in Nikkei Inc.;
3. Nikkei Inc. does not sponsor, support, sell or market the Investment Trust. Nikkei Inc. has - besides granting the license to the Nomura Asset Management Co., Ltd. to use certain trademarks and to use the Index for the Investment Trust – no connection with the Investment Trust. The license agreement between Nikkei Inc. and the Licensee does not provide any rights to any third parties.
4. The Investment Trust is managed exclusively at the risk of the Nomura Asset Management Co., Ltd. and Nikkei Inc. shall assume no obligation or responsibility for its management and transactions of the Investment Trust. Nikkei Inc. is not responsible for the accuracy and the calculation of the Investment Trust or the data contained therein.
5. Nikkei Inc. shall not have the obligation to continuously announce the Index and shall not be liable for any error, delay, interruption, suspension or cessation of announcement thereof; and
6. Nikkei Inc. shall have the right to change the description of the stocks included in the Index, the calculation methodology of the Index or any other details of the Index and shall have the right to suspend or cease the announcement of the Index without owning any liability to the Nomura Asset Management Co., Ltd. or any other third party.

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