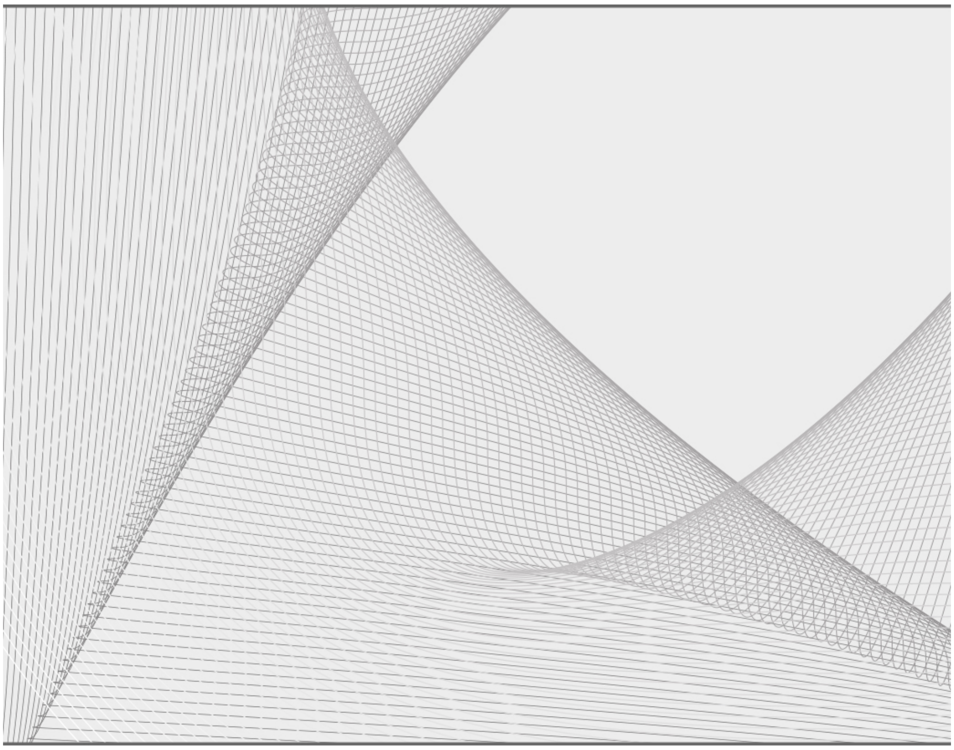
PICTET
Asset Management



BB Global Islamic Thematic Opportunities
TFI Funds Programme

Monthly report as at
30 April 2025

CONTENT

EXECUTIVE SUMMARY

Key information

Fund name	BB Global Islamic Thematic Opportunities
Reference index	MSCI World Islamic (NRI)
Client reference currency	USD
Inception date	30.09.2020
Performance inception date	31.12.2022
Market value as of 30.04.2025	USD 36,956,078

Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1M	2.31	0.51	1.80
3M	-8.12	-5.53	-2.59
YTD	-3.33	-3.14	-0.19
1Y	-2.02	0.80	-2.82

Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

1. MARKET REVIEW

April saw some spectacular swings in global markets – after Trump first unveiled his Liberation Day tariff plans, the S&P 500 posted its biggest daily fall since the pandemic, with some USD2.5 trillion wiped off its market value. But, with Trump dialling down some of his initial plans, stocks subsequently recovered, with both the US benchmark and the global MSCI ACWI finishing the month little changed in local currency terms. Market volatility, as measured by the VIX put/call ratio - which compares bearish investor bets to bullish ones - also retraced back to average after an initial spike. Some of the sharpest moves were seen in gold, which added nearly 6% - taking its year-to-date gains to a whopping 26% - as market volatility sent investors in search of safe havens. The price of gold hit a record high of over USD3,400 an ounce. Conversely, oil shed some 14% and commodities lost over 8% on concerns that geopolitical tension and tariff wars would crimp global growth. As a result, energy stocks were the worst performing sector in equities, down 11%, while relatively defensive sectors, like staples and utilities, outperformed. Regionally, most developed markets were broadly flat. The dollar lost 4.6% against a basket of currencies, hitting three-year lows. Against the safe haven Swiss franc, the US currency dropped to its lowest in a decade.

2. PERFORMANCE

2.1 Performance breakdown

Monthly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Apr 2025	2.31	0.51	1.80
Mar 2025	-6.63	-3.33	-3.30
Feb 2025	-3.82	-2.77	-1.05

Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Quarterly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Q1 2025	-5.51	-3.63	-1.88
Q4 2024	-5.64	-3.67	-1.97
Q3 2024	1.57	3.92	-2.35

Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1Y	-2.02	0.80	-2.82

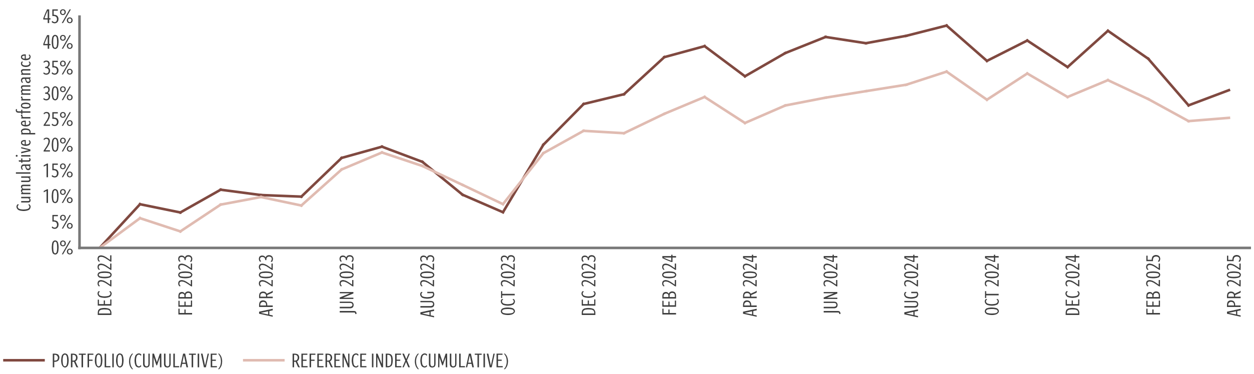
Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Calendar year performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
YTD	-3.33	-3.14	-0.19
2024	5.62	5.37	0.25
2023	28.00	22.78	5.22

Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Performance since 31.12.2022



Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

2.2 Performance analysis

The portfolio returned positively in April, outperforming the reference index by +1.80%. Allocation was the largest driver of positive effect, as the Energy sector – the portfolio has a structural underweight there – lost approximately -12.8% while markets recovered. Consumer Staples and Utilities were other sources of positive contribution (through L'Oreal and Sabesp, respectively), partially offset by Information Technology. At the stock level, L'Oreal, Sabesp, DSM Firmenich, and Trane Technologies were the top performers, whereas Meta, Roper Technologies, and Revvity lagged.

L'Oreal's share price snapped back in April, on the back of better-than-feared 1Q2025 sales and revenue figures that were released on April 17th after hours. Its organic sales grew 3.5% to €11.73bn, surpassing consensus estimates of 1.26%, driven by robust European demand (+4.9%) and stabilization in China (+1% sellout vs. flat market). The Luxe division outperformed (+5.8%), fueled by fragrances and innovations like YSL's Make Me Blush, while the U.S. faced headwinds (-1.4%) due to subdued makeup trends. Management maintained full-year guidance for 4–4.5% global beauty market growth, anticipating H2 acceleration from new launches under its Beauty Stimulus Plan – off to "a promising start" – and easier comparables. In terms of further commentary, CEO Nicolas Hieronimus emphasized resilience through premiumization and geographic diversification, noting that 76% of U.S. products are locally manufactured to mitigate potential 25% tariffs on EU imports. Additionally, he expressed confidence in offsetting tariff impacts (if any) on the imported Luxe items, mostly through leveraging pricing power. We remain cautiously optimistic on the name, as despite the current positive momentum in Luxe and the proven track record from the company in navigating macro headwinds, valuation multiples are still fairly demanding at approximately 30x 2025 P/E (in line with its 10-year average).

Revvity, a diversified provider of scientific instruments, consumables, & services, ended April with the stock price down -15%. This decline occurred despite the company reporting Q1 results that slightly exceeded consensus on both revenue ($665M vs. $661.9M expected) and adjusted EPS ($1.01 vs. $0.95 expected). The company raised its full-year revenue guidance to $2.83–$2.87B but kept its EPS outlook unchanged at $4.90–$5.00, citing ongoing tariff headwinds that would have a $135m annual tariff impact to adjusted operating income if there was no mitigation effort. Tariffs will bring gross margins closer to 60% in 2Q, and adjusted operating margins for the full year will only be 60bps lower than originally guided at 27.9-28.1% due to tariff impacts. Mitigation strategies include shifting supply chains and automation ($40M savings). While pharma demand stabilized, academic markets weakened (-2%) due to funding cuts. The management was proactive, claiming that these tariff headwinds would be mitigated by 2Q through adjusting supply chain (~75%), changing suppliers, and price, as many initiatives were already underway and implemented before the new administration took office. This confidence in being able to offset the impact of tariffs by the end of 2Q was addressed during much of the Q&A session, as there was some concern that this timing was perceived as a bit aggressive, given that other peers in Tools (ThermoFisher, Danaher, Avantor) will take longer for offsets to be in place. We added to Revvity on the weakness and remain positive on its portfolio transformation and improving growth profile.

3. PORTFOLIO COMPOSITION

In April, we exited the remaining positions in Assa Abloy, Idex Corp, and Pool Corp. We had started reducing these names that were still trading at rich valuation multiples, pricing in recovery in their end-markets, despite their relatively high exposure to tariff headwinds. As we foresaw diminishing chances of the expected end-markets recoveries – especially in the Home-building/Construction segment -, we deployed the proceeds across Danaher, Revvity, and Siemens which had turned Shariah-compliant once again according to IdealRatings' latest update. We also took the opportunity to add to recently beaten-down names such as Novo Nordisk, Marvell Technology, and Meta Platforms. Last but not least, we had significantly increased our holding in Microsoft early in the month, as we were getting increasingly positive on the name given the setup for a stronger second half of the year and 2026.

4. MARKET OUTLOOK

4.1 Outlook

The longer-term consequences of a full-blown trade war include slower economic growth, particularly in the US and lower corporate earnings. We believe this uncertain environment warrants caution – the risks that concern us haven't been adequately reflected in asset prices. As we have much lower expectations for corporate earnings than consensus forecasts, we downgrade equities to underweight. For now, our global business activity indicator is still neutral, although we have revised down our forecasts for the US economy. The average effective tariff on foreign imports into the US is now at 13.6%, and we believe this will amount to a 1.7 pp increase in inflation and an equal drag on GDP growth. Taking into consideration offsetting factors such as the substitution of an imported product for a domestically manufactured alternative, we revise US growth lower to just 1.3% for 2025. Equally discouraging, the recovery next year is going to be tepid, meaning the world's biggest economy is on course for an unprecedented two full years of well below-trend growth. And there is limited room for authorities to support growth – the government is constrained by already hefty borrowing, while the US Federal Reserve is constrained by inflationary pressures. This is the key difference between the US and Europe, where we see more scope for both fiscal and monetary easing.

4.2 Strategy

Despite the strong performance of global markets in 2024, the market continues to underprice the persistence of secular growth. We pick stocks with value drivers (sales growth and margins) linked to megatrends, where our research leads us to believe that margins and sales growth will not fade. The resulting unnecessary risk premium is our source of value creation relative to a passive investment in the global equity market. We expect companies that benefit from secular tailwinds to outgrow the market over a full economic cycle but especially during parts of the economic cycle where cyclical growth is under pressure. We focus on those secular growth stocks where we believe the market significantly undervalues their long-term potential. We currently find many of these investment opportunities in companies related to secular growth drivers in Enabling Technology, Health Innovators, Digital Disruption, Smart Construction and Industrial Automation. The portfolio generates a weighted return on invested capital today of 22.81% while the market currently prices in only 17.56%, leaving significant upside potential.

For more information, please contact your Client Relationship Manager.

Pictet Asset Management
Moor House, Level 11
120 London Wall
London EC2Y 5ET
pictet.com/assetmanagement

Client Servicing Manager
Apex Dossa
Tel: +44 20 7847 5419
Email: apdossa@pictet.com