



**NOMURA**

# Nomura Ringgit Bond Fund 1

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

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

TRUSTEE: CIMB COMMERCE TRUSTEE BERHAD  
Business Registration No.: 199401027349 (313031-A)

AUDITOR: ERNST & YOUNG PLT  
Business Registration No.: 202006000003 (LLP0022760-LCA) & AF0039

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## **ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

## MANAGER'S REPORT

### Category, Objective and Distribution Policy

Nomura Ringgit Bond Fund 1 (the "Fund") is a wholesale fixed income fund which seeks to optimize returns to its investors by mainly investing in fixed income securities denominated in Ringgit Malaysia.

The Fund will distribute income on a quarterly basis, subject to availability of income.

### Fund Type

Income

### Benchmark

40% FTSE BPAM Corporate 3Y – 7Y All Bond Index + 20% FTSE BPAM Corporate 1Y – 3Y All Bond Index + 20% FTSE BPAM Government 3Y – 7Y All Bond Index + 20% FTSE BPAM Government 1Y – 3Y All Bond Index.

*With effect from 31 January 2025, the performance benchmark has been changed from 12-month Malayan Banking Berhad Fixed Deposit Account Rate to 40% FTSE BPAM Corporate 3Y – 7Y All Bond Index + 20% FTSE BPAM Corporate 1Y – 3Y All Bond Index + 20% FTSE BPAM Government 3Y – 7Y All Bond Index + 20% FTSE BPAM Government 1Y – 3Y All Bond Index.*

### Performance as at 31 December 2025

For the period under review from 1 January 2025 to 31 December 2025, the Fund has registered a 5.82% return. Compared to the Benchmark return of 4.72%, the Fund has outperformed the Benchmark by 1.10%. The last published Net Asset Value ("NAV") per unit of the Fund as at 31 December 2024 was RM1.0514 as compared to the NAV per unit as at 31 December 2025 of RM 1.0644. On the total NAV basis, the Fund's NAV stood at RM 711.47 million as at 31 December 2025.

### Performance as at 31 December 2025 (%)

	1 Month 01/12/2025 To 31/12/2025	3 Months 01/10/2025 To 31/12/2025	6 Months 01/07/2025 To 31/12/2025	1 Year 01/01/2025 To 31/12/2025	3 Years 01/01/2022 To 31/12/2025	5 Years 01/01/2020 To 31/12/2025	Since Commencement 02/07/2019 To 31/12/2025
<b>Fund</b>	0.38	0.87	2.05	5.82	17.52	20.14	31.54
<b>Benchmark</b>	0.34	0.82	1.96	4.72	10.76	15.39	19.49
<b>Outperformance/ (Underperformance)</b>	0.04	0.05	0.09	1.10	6.76	4.75	12.05

Source of Fund and Benchmark Returns: LSEG Lipper, NAMM

### Volatility as at 31 December 2025

	3 Years
<b>Fund</b>	1.38

Source: LSEG Lipper

*This information is prepared by Nomura Asset Management Malaysia Sdn Bhd ("NAMM") for information purposes only. Past earnings of 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 January 2025 to 31 December 2025)

The Fund demonstrated exceptionally robust performance throughout the 2025 calendar year, delivering compelling returns that significantly exceeded benchmark expectations. This outstanding performance trajectory was primarily attributable to our strategic repositioning into high-yielding, investment-grade credit instruments during the course of 2025, complemented by a comprehensive strategic realignment that was implemented to optimize portfolio positioning in response to evolving market dynamics. The strategic recalibration of our investment approach emerged from our comprehensive assessment of the prevailing macroeconomic environment, particularly our concerns regarding the anticipated lower interest rate regime that characterized much of 2025, coupled with the gradual emergence of heightened risk premiums across various asset classes and credit segments that began manifesting throughout the year. In response to these market conditions, we undertook a deliberate and measured approach to portfolio construction by substantially increasing our allocation to government securities and high-quality cash deposit instruments. This strategic decision served a dual purpose: firstly, to establish a robust and stable foundational core within the portfolio architecture, and secondly, to provide a defensive buffer that would help insulate portfolio returns during the second half of 2025 and beyond from potential adverse impacts arising from concerns surrounding a flattening or inverting yield curve environment, particularly at the longer duration segments of the interest rate spectrum. Concurrently, we implemented a sophisticated diversification strategy across the shorter-duration segment of the portfolio, strategically deploying capital into carefully selected high-yielding credit instruments with strong fundamental characteristics. This tactical allocation was designed to enhance overall portfolio performance while simultaneously capturing attractive rolldown returns inherent in the credit securities held within our investment universe. We maintain heightened awareness and active monitoring of both inflow and outflow patterns affecting the portfolio, recognizing the critical importance of liquidity management in the current market environment. Accordingly, we remain committed to progressively increasing our holdings of conservative, highly liquid credit instruments to ensure we maintain adequate liquidity buffers and can effectively meet all redemption requirements and liquidity obligations of the portfolio under various market scenarios.

### Summary of Asset Allocation

	<u>31 December 2025</u>	<u>31 December 2024</u>
Government Investment Issue and Malaysian Government Securities	12.28%	4.33%
Corporate Bonds	75.84%	78.22%
Cash and other net current assets / liabilities	11.88%	17.45%
Total	100.0%	100.0%

## Review of Market (1 January 2025 to 31 December 2025)

In tandem with global yield movements, domestic bond market experienced a volatile quarter amid the highly-anticipated US presidential election that was held in November and market expectations that the US Federal Reserve could hold back from performing further jumbo rate cuts. Malaysian Government Securities (MGS) yields surged initially before rallying into year-end. All in all, MGS yield curve bear-flattened with the front-end to belly of the curve leading the underperformance while the long-end of the curve remained relatively supported.

Malaysia's gross domestic product (GDP) continued to expand, posting at +5.3% in 3Q24 (2Q24: +5.9%). Domestic growth was largely broad-based, save for the mining & quarrying sector which contracted by 3.9%. Notably, construction (+19.9%), manufacturing (+5.6%), and services (+5.2%) sector sustained its robust growth while agriculture sector growth eased (+3.9%). On the demand side, private consumption (+4.8%), though moderated, remained as the key driver of Malaysia's economic growth. Meanwhile, acceleration in government spending and total investments offset the marginal decline in net trade.

As widely expected, in its final Monetary Policy Committee meeting of the year, Bank Negara Malaysia (BNM) continued to maintain its Overnight Policy Rate (OPR) unchanged at 3%. BNM retained its neutral tone with a balanced outlook for both global and domestic economies. Global growth is expected to be sustained by resilient labour markets and less restrictive monetary policy amid lingering downside risks. On the domestic front, economic activity remained robust with modest domestic inflation. Domestic growth is expected to continue to be supported by the global tech upcycle, positive domestic demand, implementation of catalytic initiatives under the national master plans, as well as supportive Budget 2025 measures. Meanwhile, domestic inflation for the year ahead is forecasted to remain manageable, subject to the implementation of several announced domestic policies. All in all, BNM reiterated that the current monetary policy stance remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects.

## TRANSACTIONS WITH FINANCIAL INSTITUTIONS AND BROKERS/DEALERS

### Cross Trades (1 January 2025 to 31 December 2025)

During the financial year under review, three (3) cross trades were conducted between the Fund and an account managed by the Manager.

	<u>Total Value of trades (RM)</u>
Nomura Ringgit Bond Fund 2	15,177,000
<b>Total</b>	<b>15,177,000</b>

All transactions were in the best interest of the Fund and executed through Hong Leong Investment Bank Berhad on an arm's length and fair value basis.

## 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 year under review, the Manager did not receive any soft commission.

## INCOME DISTRIBUTION

Nomura Ringgit Bond Fund 1 distributed a gross total of RM 0.0472 per unit to investors of the Fund over the financial year ended 31 December 2025.

The Net Asset Value per Unit prior and subsequent to the distributions were as follows:

Cum-Distribution Date	Cum-Distribution (RM)	Ex-Distribution Date	Ex-Distribution (RM)	Distribution per Unit (RM)
17-Mar-25	1.0633	19-Mar-25	1.0546	0.0093
16-Jun-25	1.0783	17-Jun-25	1.0597	0.0187
17-Sep-25	1.0746	18-Sep-25	1.0642	0.0108
17-Dec-25	1.0707	18-Dec-25	1.0624	0.0084

### Income Distribution Breakdown

Ex-Distribution Date	Income per Unit (RM)	Income (%)	Capital per Unit (RM)	Capital (%)
17-Mar-25	0.0093	100.00	-	-
16-Jun-25	0.0109	58.29	0.0078	41.71
17-Sep-25	0.0108	100.00	-	-
17-Dec-25	0.0084	100.00	-	-

## FUND PERFORMANCE DATA

	As at 31 December 2025	As at 31 December 2024
<b>Total NAV (RM)</b>	711,471,113	698,342,104
<b>NAV per Unit (RM)</b>	1.0644	1.0514
<b>Unit in Circulation</b>	668,408,020	664,180,015
<b>Highest NAV (RM)</b>	1.0783	1.0640
<b>Lowest NAV (RM)</b>	1.0519	1.0427

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

NOMURA RINGGIT BOND FUND 1

FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

# NOMURA RINGGIT BOND FUND 1

## FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF NOMURA RINGGIT BOND FUND 1 ("Fund")**

We have acted as Trustee of the Fund for the financial year ended 31 December 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, **Nomura Asset Management Malaysia Sdn Bhd** has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on 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.

We are of the opinion that the distributions of income by the Fund are appropriate and reflect the investment objective of the Fund.

For and on behalf of  
**CIMB Commerce Trustee Berhad**



**Tok Puan Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
26 February 2026

**NOMURA RINGGIT BOND FUND 1****STATEMENT BY THE MANAGER**

We, Leslie Yap Kim Loong and Atsushi Ichii, being two of the Directors of Nomura Asset Management Malaysia Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Directors of the Manager, the accompanying financial statements set out on pages 7 to 49 are drawn up in accordance with MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of Fund as at 31 December 2025 and of its financial performance, changes in net assets attributable to unitholder and cash flows for the financial year then ended and comply with the requirements of the Deed.

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



LESLIE YAP KIM LOONG  
Managing Director



ATSUSHI ICHII  
Director

Kuala Lumpur

**26 FEB 2026**

## Independent auditors' report to the unit holders of Nomura Ringgit Bond Fund 1

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Nomura Ringgit Bond Fund 1 ("the Fund"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 49.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its financial performance and cash flows for the financial year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

#### *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 audit 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 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 ("the Manager") is responsible for the other information. The other information comprises the information included in the Manager's report and annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

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.

**Independent auditors' report to the unit holders of  
Nomura Ringgit Bond Fund 1 (cont'd.)**

*Information other than the financial statements and auditors' report thereon (cont'd.)*

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 and Trustee for the financial statements*

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting 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 cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

*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 unit holders of  
Nomura Ringgit Bond Fund 1 (cont'd.)**

*Auditors' responsibilities for the audit of the financial statements (cont'd.)*

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 skepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- 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.
- 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 unit holders of  
Nomura Ringgit Bond Fund 1 (cont'd.)**

**Other matters**

This report is made solely to the unitholders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PRT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Yap Kah Foo  
No. 03574/05/2027J  
Chartered Accountant

Kuala Lumpur, Malaysia  
26 February 2026

## NOMURA RINGGIT BOND FUND 1

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> <b>RM</b>	<u>2024</u> <b>RM</b>
<b>INVESTMENT INCOME</b>			
Interest income from financial assets at fair value through profit or loss ("FVTPL")		28,302,136	28,896,345
Interest income from deposits with licensed financial institution		1,644,209	1,431,847
Net gain on financial assets at FVTPL	5	12,594,202	1,732,315
Amortisation of premium, net of accretion of discount		(1,099,985)	(1,114,000)
		<u>41,440,562</u>	<u>30,946,507</u>
<b>EXPENSES</b>			
Management fee	2	(1,406,823)	(1,330,957)
Trustee's fee	3	(211,023)	(204,452)
Audit fee		(11,000)	(11,000)
Tax agent's fee		(4,350)	(4,611)
Other expenses		(54,616)	(2,182)
		<u>(1,687,812)</u>	<u>(1,553,202)</u>
<b>PROFIT BEFORE TAXATION</b>		39,752,750	29,393,305
TAXATION	4	-	-
		<u>39,752,750</u>	<u>29,393,305</u>
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<u>39,752,750</u>	<u>29,393,305</u>
Profit after taxation is made up of the following:			
Realised income		30,996,144	29,211,335
Unrealised gain		8,756,606	181,970
		<u>39,752,750</u>	<u>29,393,305</u>
Distributions for the financial year:			
Net distributions	10	<u>30,937,195</u>	<u>23,844,345</u>
Gross/net distributions per unit	10	<u>0.0472</u>	<u>0.0367</u>

The accompanying notes form an integral part of these financial statements.

# NOMURA RINGGIT BOND FUND 1

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> <b>RM</b>	<u>2024</u> <b>RM</b>
<b>ASSETS</b>			
Financial assets at FVTPL	5	626,948,343	576,492,118
Cash at bank	6	10,073	10,234
Deposit with licensed financial institution	7	84,694,260	70,052,103
Amount due from broker	8	-	61,449,052
<b>TOTAL ASSETS</b>		<u>711,652,676</u>	<u>708,003,507</u>
<b>LIABILITIES</b>			
Amount due to Manager		129,304	191,242
Amount due to Trustee	3	18,084	17,698
Other payables and accruals		34,175	20,617
Amount due to broker	8	-	9,431,846
<b>TOTAL LIABILITIES</b>		<u>181,563</u>	<u>9,661,403</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		711,471,113	698,342,104
<b>EQUITY</b>			
Unitholders' capital	9 (a)	688,405,672	684,092,218
Retained earnings	9 (b) & (c)	23,065,441	14,249,886
<b>NET ASSET ATTRIBUTABLE TO UNITHOLDERS</b>		<u>711,471,113</u>	<u>698,342,104</u>
<b>UNITS IN CIRCULATION</b>	9 (a)	<u>668,408,020</u>	<u>664,180,015</u>
<b>NAV PER UNIT (RM) (EX-DISTRIBUTION)</b>		<u>1.0644</u>	<u>1.0514</u>

The accompanying notes form an integral part of these financial statements.

## NOMURA RINGGIT BOND FUND 1

### STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	<b>Unitholders' capital RM</b>	<b>Retained earnings RM</b>	<b>Total RM</b>
Balance as at 1 January 2025	684,092,218	14,249,886	698,342,104
Total comprehensive income for the financial year	-	39,752,750	39,752,750
Creation of units	10,127,091	-	10,127,091
Reinvestment of distributions	30,937,195	-	30,937,195
Cancellation of units	(36,750,832)	-	(36,750,832)
Distributions (Note 10)	-	(30,937,195)	(30,937,195)
	<u>688,405,672</u>	<u>23,065,441</u>	<u>711,471,113</u>
Balance as at 31 December 2025	<u><u>688,405,672</u></u>	<u><u>23,065,441</u></u>	<u><u>711,471,113</u></u>
	<b>Unitholders' capital RM</b>	<b>Retained earnings RM</b>	<b>Total RM</b>
Balance as at 1 January 2024	639,922,532	8,700,926	648,623,458
Total comprehensive income for the financial year	-	29,393,305	29,393,305
Creation of units	22,120,377	-	22,120,377
Reinvestment of distributions	23,844,345	-	23,844,345
Cancellation of units	(1,795,036)	-	(1,795,036)
Distributions (Note 10)	-	(23,844,345)	(23,844,345)
	<u>684,092,218</u>	<u>14,249,886</u>	<u>698,342,104</u>
Balance as at 31 December 2024	<u><u>684,092,218</u></u>	<u><u>14,249,886</u></u>	<u><u>698,342,104</u></u>

The accompanying notes form an integral part of these financial statements.

## NOMURA RINGGIT BOND FUND 1

### STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> RM	<u>2024</u> RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>			
Proceed from redemption		77,710,492	-
Proceeds from sale of financial assets		242,608,602	67,531,063
Purchase of financial assets		(306,453,346)	(136,335,154)
Income received from unquoted fixed income securities		27,491,586	28,113,169
Income received from deposit with licensed financial institution		1,234,052	1,449,073
Deposit with licensed financial institution more than 3 months		(64,278,000)	-
Manager's fee paid		(1,404,249)	(1,305,762)
Trustee's fee paid		(210,637)	(203,129)
Payment for other fees and expenses		(56,408)	(13,182)
Net cash used in operating and investing activities		<u>(23,357,908)</u>	<u>(40,763,922)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		10,127,091	22,120,377
Cash paid for units cancelled		(36,815,344)	(1,721,780)
Net cash (used in)/generated from financing activities		<u>(26,688,253)</u>	<u>20,398,597</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(50,046,161)	(20,365,325)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>		70,056,234	90,421,559
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>		<u>20,010,073</u>	<u>70,056,234</u>
Cash and cash equivalents comprise:			
Cash at bank	6	10,073	10,234
Deposit with licensed financial institution	7	84,278,000	70,046,000
		<u>84,288,073</u>	<u>70,056,234</u>
Less: Deposit with original maturity more than 3 months		(64,278,000)	-
		<u>20,010,073</u>	<u>70,056,234</u>

The accompanying notes form an integral part of these financial statements.

## NOMURA RINGGIT BOND FUND 1

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

#### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of NOMURA RINGGIT BOND FUND 1 ("the Fund") have been prepared under the historical cost convention except for financial assets measured at FVTPL, in accordance with MFRS Accounting Standards ("MFRS") and IFRS Accounting Standards ("IFRS").

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

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

The financial statements are presented in Ringgit Malaysia ("RM").

## NOMURA RINGGIT BOND FUND 1

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

#### B STANDARDS AND AMENDMENTS ISSUED BUT NOT EFFECTIVE

The following are standards, amendments to standards and interpretations issued by the MASB, but not yet effective, up to the date of issuance of the Fund's financial statements. The Fund intends to adopt the relevant standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures)	1 January 2026
Amendments that are part of Annual Improvements - Volume 11:	1 January 2026
<ul style="list-style-type: none"> <li>• Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards</li> <li>• Amendments to MFRS 7 Financial Instruments: Disclosures</li> <li>• Amendments to MFRS 9 Financial Instruments</li> <li>• Amendments to MFRS 10 Consolidated Financial Statements *</li> <li>• Amendments to MFRS 107 Statement of Cash Flows</li> </ul>	
Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures) *	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures *	1 January 2027
Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures *	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates) *	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

\* These MFRS Accounting Standards and Amendments are not relevant to the Fund.

Other than MFRS 18, the Fund expects that the adoption of the above standards will not have any material impact on the financial statements in the period of initial application. The Fund is still currently in the process of assessing the impact, if any, on the initial adoption of MFRS 18.

## NOMURA RINGGIT BOND FUND 1

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

#### C INCOME RECOGNITION

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Interest income from government and corporate bond and deposit with licensed financial institutions are recognised on an accrual basis using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired.

Realised gain and loss on sale of government and corporate bond is measured by the difference between the net disposal proceeds and the carrying amounts of the investments (adjusted for accretion of discount or amortisation of premium).

#### D TAXATION

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

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

## NOMURA RINGGIT BOND FUND 1

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

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES

##### (i) Classification

The Fund designates its investments in government and corporate bond as financial assets at FVTPL on initial recognition.

Financial assets are designated as FVTPL when they are managed and their performance evaluated on a fair value basis.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in assets. The Fund's receivables comprise of interest receivables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

The Fund classifies amount due to Manager, amount due to Trustee, trade payable, and other payables and accruals as financial liabilities.

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

- those to be measured subsequently at fair value (either through other comprehensive income or 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 contractual cash flows of the Fund's debt securities are solely principal and interest. However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies interest receivable, trade receivable and cash and cash equivalents 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, trade payable, and other payables and accruals as financial liabilities measured at amortised cost.

## NOMURA RINGGIT BOND FUND 1

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

#### E 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 or loss are measured at fair value.

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

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

Financial liabilities are derecognised 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 FVTPL' category are presented in the statement of comprehensive income for the financial year ended 31 December 2025 in which they arise.

Government and corporate bond denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by Bond Pricing Agency Malaysia Sdn Bhd ("BPAM") registered with the Securities Commission of Malaysia ("SC") as per the SC's Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework.

Receivables are subsequently carried at amortised cost using the effective interest method.

## NOMURA RINGGIT BOND FUND 1

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

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (iii) Impairment

The Fund measures credit risk and expected credit losses ("ECL") using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management 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 expected credit losses as any such impairment would be wholly insignificant to the Fund.

##### Significant increase in credit risk

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

##### Definition of default and credit-impaired financial assets

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

##### Write-off

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

##### (iv) Fair value estimation

The fair value of financial assets and liabilities traded in an active market (such as publicly traded derivatives and 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.

## NOMURA RINGGIT BOND FUND 1

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

#### E FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (iv) Fair value estimation (continued)

For instruments for which there is no active market, the Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted government and corporate bond, for which market were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

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

- (i) The carrying value is a reasonable estimate of fair value for cash and cash equivalent.
- (ii) Ringgit-denominated government and corporate bond are valued using indicative prices quoted by BPAM plus accrued interest, which includes the accretion of discount and amortisation of premium. Adjusted cost of investments relates to the purchase cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee. The difference between adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss. Unrealised gains or losses recognised in profit or loss are not distributable in nature. Where the Manager is of the view that the price quoted by BPAM for a specific government and corporate bond differs from the market price by more than 20 basis points, the Manager may use market price, provided that the Manager records its basis for using a non-BPAM price, and obtains necessary internal approvals to use the non-BPAM price.

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

## NOMURA RINGGIT BOND FUND 1

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

#### F CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balance and deposit with licensed financial institution that is readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### G UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under the revised MFRS 132 'Financial Instruments: Presentation'.

- The units entitle the unitholders to a pro-rata share of the net asset of the Fund.
- The units are subordinated and have identical features.
- There is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units.
- The total expected cash flows from the units in the Fund over the life of the units are based on the change in the net asset of the Fund.

#### H CREATION AND CANCELLATION OF UNITS

The Fund issues cancellable units, which are cancelled at the unitholder's option and are classified as equity. Cancellable units can be returned to the Fund at any time for cash equal to a proportionate share of the Fund's NAV. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net asset attributable to unitholders with the total number of outstanding units.

#### I DISTRIBUTIONS

Distributions are at the discretion of the Fund. A distribution to the Fund's unitholders is accounted for as a deduction from realised reserves. A proposed distribution is recognised as a liability in the year in which it is approved.

## NOMURA RINGGIT BOND FUND 1

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

#### J MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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.

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## NOMURA RINGGIT BOND FUND 1

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

#### 1 INFORMATION ON THE FUND

NOMURA RINGGIT BOND FUND 1 (the "Fund") was constituted pursuant to the execution of a Master Deed (the "Deed") dated 25 June 2019 and First Supplemental Deed dated 7 March 2023 entered into between Nomura Asset Management Malaysia Sdn Bhd (the "Manager") and CIMB Commerce Trustee Berhad (the "Trustee").

The Fund was launched on 01 July 2019 and will continue its operations until being terminated by the Manager or the Trustee as provided under Clause 25 of the Deed.

The Fund shall invest primarily in fixed income securities with sound and quality credit fundamentals. The Fund would largely maintain a buy and hold strategy for its core holdings.

For liquidity purpose, the Fund may also invest in fixed income instruments which are relatively liquid in nature including deposit placements with banks and debt securities issued by the Malaysian Government and denominated in Ringgit Malaysia.

The permitted investments will be rebalanced during appropriate times such as when there is a change in the credit fundamentals to ensure stable capital growth and consistent income stream to investors. During any unfavourable credit event, the Manager shall exercise its discretion to act based on the best interest of the Fund. The Manager could continue to hold the affected security should the Manager believes it to be more beneficial to the Fund.

## NOMURA RINGGIT BOND FUND 1

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

#### 2 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the NAV of the Fund calculated and accrued daily before deducting Manager's fee for the particular day.

The management fee provided in the financial statements is not exceeding 0.20% per annum based on the NAV of the Fund calculated and accrued on a daily basis for the financial year.

#### 3 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 the Fund calculated and accrued daily before deducting Trustee's fee for the particular day, subject to a minimum fee of RM9,000 per annum.

The trustee fee provided in the financial statements is recognized at a rate of 0.03% per annum based on the NAV of the Fund calculated and accrued on a daily basis for the financial year.

#### 4 TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the financial year. Dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

The taxation charge for the financial year is on the taxable income earned by the Fund after deducting tax allowable expense. In accordance with Schedule 6 of the Income Tax Act 1967, interest income and dividend income earned by the Fund is exempted from Malaysian tax.

The reconciliation of income tax expense applicable to net income before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	<u>2025</u> RM	<u>2024</u> RM
Profit before taxation	39,752,750	29,393,305
Tax at Malaysian statutory rate of 24%	9,540,660	7,054,393
Investment income not subject to tax	(9,945,735)	(7,427,162)
Expenses not deductible for tax purposes	64,797	82,716
Restriction on tax deductible expenses for wholesale funds	340,278	290,053
Tax expense for the financial year	-	-

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL

	<u>2025</u> RM	<u>2024</u> RM
Financial assets at FVTPL:		
- Government and corporate bonds	<u>626,948,343</u>	<u>576,492,118</u>
Net gain on financial assets at FVTPL comprised:		
- Net realised gain on sale of financial assets at FVTPL	3,837,596	1,550,345
- Net unrealised gain on financial assets at FVTPL	8,756,606	181,970
	<u>12,594,202</u>	<u>1,732,315</u>

Nominal	Name of Counter	Adjusted Cost	Fair value as at 31.12.2025	Percentage of NAV 31.12.2025
Unit/RM		RM	RM	%
10,000,000	AEON CREDIT SENIOR SUKUK (S10T1) 3.870% 17.09.2032	10,139,206	10,159,029	1.43%
20,000,000	AEON CREDIT SENIOR SUKUK (S8T1) 4.130% 06.03.2030	20,306,488	20,570,847	2.89%
5,000,000	AEON CREDIT SENIOR SUKUK (SERIES 1 TRANCHE 1)	5,069,449	5,085,988	0.72%
5,000,000	AIR SELANGOR IMTN T3 S1 SRI SUKUK KAS 26.07.2029	5,194,275	5,303,177	0.75%
1,000,000	AL DZAHAB ABS-IMTN 30.12.2033 CLASS B TRANCHE 6	1,000,243	1,002,483	0.14%
9,000,000	AZRB CAPITAL IMTN 5.000% 24.12.2026	9,030,218	9,057,527	1.27%
5,000,000	AZRB CAPITAL IMTN 5.100% 26.12.2028	4,898,656	5,078,042	0.71%
5,000,000	BERAPIT IMTN 4.700% 11.11.2033 SERIES 7	5,045,393	5,210,992	0.73%
11,000,000	BERMAZ IMTN 3.99% 25.09.2028 Tranche 2 Series 1	11,117,842	11,109,372	1.56%

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal	Name of Counter	Adjusted Cost	Fair value as at 31.12.2025	Percentage of NAV 31.12.2025
Unit/RM		RM	RM	%
3,000,000	BPMB IMTN 4.050% 06.06.2031	3,007,989	3,073,179	0.43%
5,000,000	CCB IMTN 4.740% 30.03.2029 (Tranche 6)	5,060,386	5,154,936	0.72%
5,000,000	CIMB 4.000% 12.08.2038-T2 Sukuk Wakalah S8 T2	5,077,808	5,097,208	0.72%
5,000,000	CIMB 4.300% 08.03.2033-T2 Sukuk Wakalah S4 T1	5,067,740	5,132,790	0.72%
10,000,000	CIMB THAI 3.900% 11.07.2031 - Tranche No 5	10,182,712	10,191,312	1.43%
10,000,000	CIMB THAI 4.700% 29.03.2033 - Tranche No 6	10,121,041	10,300,341	1.45%
5,000,000	DIALOG SENIOR SUKUK WAKALAH TRANCHE NO. 2	5,097,426	5,319,876	0.75%
5,000,000	DIALOG SENIOR SUKUK WAKALAH TRANCHE NO. 3	5,069,415	5,049,665	0.71%
5,000,000	EDRA ENERGY IMTN 6.030% 05.01.2029 - Tranche No 15	5,400,690	5,481,233	0.77%
5,000,000	EDRA ENERGY IMTN 6.060% 05.07.2029 - Tranche No 16	5,424,302	5,536,664	0.78%
5,000,000	ESSB IMTN 4.500% 11.10.2029	5,049,315	5,178,265	0.73%
5,000,000	ESSB IMTN 4.650% 10.10.2031	4,905,464	5,266,159	0.74%
15,000,000	EWPCB 4.500% Perpetual Sukuk Wakalah - S1 T1	15,247,808	15,534,758	2.18%
5,000,000	FARM FRESH IMTN 3.720% 28.05.2026-S1/Tranche 1	5,017,326	5,022,476	0.71%
5,000,000	GELM MTN 4383D 18.12.2037	5,007,384	5,010,634	0.70%

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2025 RM	Percentage of NAV 31.12.2025 %
10,000,000	GENM CAPITAL MTN 3653D 05.5.2033	10,086,203	10,766,203	1.51%
5,000,000	GENTING RMTN MTN 3653D 08.11.2029 - Tranche 1	4,841,849	5,038,875	0.71%
40,000,000	GII MURABAHAH 2/2024 3.804% 08.10.2031	40,234,234	41,359,319	5.81%
15,000,000	GUAN CHONG IMTN 5.070% 28.01.2028	15,322,173	15,468,152	2.17%
3,500,000	LESB IMTN 4.150% 16.07.2027 Series 7	3,564,355	3,586,433	0.50%
3,500,000	LESB IMTN 4.500% 16.07.2030 Series 10	3,568,392	3,659,690	0.51%
5,000,000	LESB IMTN 4.600% 16.07.2031 Series 11	4,840,476	5,271,093	0.74%
5,000,000	MAHB IMTN 3.600% 06.11.2030 - Tranche 4	4,850,523	5,016,866	0.71%
15,000,000	MALAYAN CEMENT IMTN 4.120% 02.07.2027	15,312,185	15,396,503	2.16%
15,000,000	MALAYAN CEMENT IMTN 4.240% 03.07.2029	15,337,908	15,531,479	2.18%
40,000,000	MGS 1/2022 3.582% 15.07.2032	40,284,859	41,161,891	5.79%
5,000,000	MGS 2/2020 2.632% 15.04.2031	4,740,981	4,858,200	0.68%
5,000,000	MMC CORP IMTN 5.400% 30.11.2029	5,025,382	5,322,201	0.75%
5,000,000	MMC CORP IMTN 5.950% 12.11.2027	5,221,106	5,245,603	0.74%
10,000,000	MUMTAZ IMTN 3.780% 25.06.2031	10,006,214	10,006,714	1.41%
5,000,000	NBAD 4.75% 09.12.2027	5,082,308	5,115,815	0.72%
5,000,000	PLUS BERHAD IMTN 4.960% 12.01.2029 - Sukuk PLUS T7	5,412,060	5,315,386	0.75%
13,000,000	PRESS METAL IMTN 4.300% 17.10.2029	13,092,593	13,453,095	1.89%

NOMURA RINGGIT BOND FUND 1

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

5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2025 RM	Percentage of NAV 31.12.2025 %
11,000,000	PSEP IMTN 5.220% 09.11.2029 (Tr2 Sr2)	11,081,551	11,714,161	1.65%
15,000,000	PTP IMTN 3.950% 18.06.2027	14,984,037	15,119,476	2.13%
5,000,000	QSB 6.000% Perpetual Sukuk - Series 1 Tranche 1	5,077,260	5,030,210	0.71%
5,000,000	QSB IMTN 4.750% 28.03.2028 Series 1 Tranche 1	5,061,164	5,122,914	0.72%
5,000,000	QSPS Green SRI Sukuk 5.760% 05.04.2030 - T23	5,198,841	5,437,097	0.76%
10,000,000	QSPS Green SRI Sukuk 5.800% 04.10.2030 - T24	10,370,021	10,959,647	1.54%
15,000,000	RHBBANK IMTN 4.380% 17.11.2028	15,081,000	15,386,850	2.16%
5,000,000	RHBBANK MTN 3652D 28.4.2031	5,032,500	5,033,600	0.71%
10,000,000	SHT IMTN 4.000% 26.03.2032	10,110,965	10,254,214	1.44%
5,000,000	SMS IMTN 4.380% 19.10.2029	5,059,626	5,062,500	0.71%
5,000,000	SMS IMTN 4.530% 21.10.2030	5,076,584	5,090,979	0.72%
10,000,000	STMKB 3.830% 28.09.2035 - Tranche 1	10,098,636	10,111,936	1.42%
5,000,000	STMSB MTN23 1826D 28.6.2029	5,010,834	5,139,630	0.72%
15,000,000	STSSB IMTN Rated Tranche 23 Series 1 15.03.2027	15,177,974	15,274,845	2.15%
5,000,000	SUNREIT PERP BONDS SERIES 3 14.04.2119	5,077,190	5,176,218	0.73%
15,000,000	UDA IMTN 4.840% 30.04.2026 Series 001 Tranche 001	15,127,717	15,161,153	2.13%
5,000,000	UEMS IMTN 4.600% 20.05.2026 - Series No. 13	5,024,838	5,044,716	0.71%
3,000,000	UEMS IMTN 5.340% 07.04.2026	3,042,306	3,050,886	0.43%

NOMURA RINGGIT BOND FUND 1

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

5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2025 RM	Percentage of NAV 31.12.2025 %
7,500,000	UEMS IMTN 5.390% 05.03.2026	7,624,840	7,649,791	1.08%
35,000,000	YHB Series 1 Tranche 2 IMTN 5.20% 10.12.2032	35,099,726	35,292,576	4.96%
10,000,000	YTL CORP MTN 2922D 10.4.2031	10,113,186	10,665,016	1.50%
10,000,000	YTL POWER IMTN 4.990% 24.03.2033	10,150,527	10,941,745	1.54%
10,000,000	YTL POWER IMTN 5.050% 03.05.2027	10,225,877	10,280,430	1.44%
5,000,000	ZAMARAD ABS-IMTN 07.03.2029 CLASS B TRANCHE 4	4,919,345	5,092,576	0.72%
3,500,000	ZAMARAD ABS-IMTN 07.07.2028 CLASS A S4 TRANCHE 6	3,572,982	3,605,532	0.51%
2,500,000	ZAMARAD ABS-IMTN 07.09.2027 CLASS A S4 TRANCHE 4	2,527,175	2,522,775	0.35%
2,000,000	ZAMARAD ABS-IMTN 08.01.2030 CLASS B TRANCHE 6	1,968,933	2,072,014	0.29%
5,000,000	ZAMARAD ABS-IMTN 26.01.2028 (Class B Tranche 2)	5,109,686	5,154,385	0.72%
TOTAL GOVERNMENT AND CORPORATE BOND		615,367,698	626,948,343	88.12%
UNREALISED GAIN ON CHANGES IN FAIR VALUE		11,580,645		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		626,948,343		

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2024 RM	Percentage of NAV 31.12.2024 %
5,000,000	AEON CREDIT SENIOR SUKUK (S5T1) 4.260% 20.04.2029	5,055,699	5,089,883	0.73%
5,000,000	AEON CREDIT SENIOR SUKUK (SERIES 1 TRANCHE 1)	5,067,189	5,066,568	0.73%
5,000,000	AEON CREDIT SENIOR SUKUK (SERIES 1 TRANCHE 2)	5,074,890	5,061,690	0.72%
5,000,000	AIBB IMTN7 SENIOR SUKUK MURABAAH	5,011,401	5,034,801	0.72%
5,000,000	AIR SELANGOR IMTN T3 S1 SRI SUKUK KAS 26.07.2029	5,221,926	5,273,323	0.76%
5,000,000	ALDZAHAB ABS-IMTN 15.09.2026 (CLASS B TRANCHE 5)	5,195,966	5,105,073	0.73%
9,000,000	AZRB CAPITAL IMTN 5.000% 24.12.2026	9,060,056	9,045,197	1.30%
5,000,000	AZRB CAPITAL IMTN 5.100% 26.12.2028	4,871,453	5,038,642	0.72%
5,000,000	BERAPIT IMTN 4.700% 11.11.2033 SERIES 7	5,049,602	5,061,092	0.72%
3,000,000	BPMB IMTN 4.050% 06.06.2031	3,005,992	3,014,512	0.43%
5,000,000	BSN IMTN 3.890% 20.10.2028	5,038,367	5,047,267	0.72%
5,000,000	CCB IMTN 4.740% 30.03.2029 (Tranche 6)	5,060,386	5,114,186	0.73%
5,000,000	CIMB 3.150% 12.11.2030 - Tranche 6	5,021,575	4,996,225	0.72%
5,000,000	CIMB 4.300% 08.03.2033-T2 Sukuk Wakalah S4 T1	5,067,151	5,117,101	0.73%
10,000,000	CIMB THAI 3.900% 11.07.2031 - Tranche No 5	10,184,849	10,143,149	1.45%

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal value	Name of Counter	Adjusted Cost	Fair value as at 31.12.2024	Percentage of NAV 31.12.2024
Unit/RM		RM	RM	%
10,000,000	CIMB THAI 4.700% 29.03.2033 - Tranche No 6	10,119,753	10,231,053	1.47%
5,000,000	COUNTRY GDN IMTN 5.250% 27.03.2025- Issue No 7	5,067,316	127,391	0.02%
5,000,000	DIALOG SENIOR SUKUK WAKALAH TRANCHE NO. 2	5,096,805	5,208,655	0.75%
5,000,000	EDRA ENERGY IMTN 5.820% 04.07.2025 - Tranche No 8	5,194,612	5,194,507	0.74%
5,000,000	EDRA ENERGY IMTN 6.030% 05.01.2029 - Tranche No 15	5,483,354	5,518,885	0.79%
5,000,000	EDRA ENERGY IMTN 6.060% 05.07.2029 - Tranche No 16	5,501,118	5,563,275	0.80%
15,000,000	ESMSB IMTN 4.050% 30.12.2025	14,854,821	15,035,129	2.15%
5,000,000	ESSB IMTN 4.500% 11.10.2029	5,050,548	5,144,848	0.74%
5,000,000	ESSB IMTN 4.650% 10.10.2031	4,888,896	5,202,033	0.74%

^ Country Garden Real Estate Sdn Bhd's credit rating suffered a multi-notch downgrade from AA3 to B3 in 2023. This was reaffirmed in March 2024 by RAM Ratings at B3/Negative. During the financial year, the sukukholders to Country Garden Real Estate Sdn Bhd's secured Islamic Medium Term Notes programme ("Programme") agreed to waive certain events of default associated with (amongst others) failure by its guarantors to observe its obligations under the corporate guarantee, subject to (amongst other conditions) maintenance of a security cover of two point five times (2.5x) the outstanding amount of sukuk under the Programme. Country Garden Real Estate Sdn Bhd has until 21 June 2025 (or some further period that may be agreed by the security trustee) to perfect and effect these charges to maintain the 2.5x security cover.

Recently, in January 2025, the Country Garden Real Estate Sdn Bhd conveyed that restructuring plans announced by its ultimate parent company, Country Garden Holdings, will not affect the creditors in Malaysia. Country Garden Real Estate Sdn Bhd also reiterated its commitment to pay into the finance service account the amounts necessary to meet its financial obligations, as required by the transaction documents.

NOMURA RINGGIT BOND FUND 1

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

5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2024 RM	Percentage of NAV 31.12.2024 %
5,000,000	FARM FRESH IMTN 3.720% 28.05.2026- S1/Tranche 1	5,017,326	5,005,326	0.72%
10,000,000	GENM CAPITAL MTN 3653D 05.5.2033	10,086,203	10,413,203	1.49%
5,000,000	GENTING RMTN MTN 3653D 08.11.2029 - Tranche 1	4,803,121	4,872,121	0.70%
20,000,000	GII MURABAHAH 1/2019 4.130% 09.07.2029	20,637,993	20,805,043	2.98%
15,000,000	GUAN CHONG IMTN 5.070% 28.01.2028	15,333,457	15,639,902	2.24%
5,000,000	HLA Sub Notes 31.01.2030 (Tranche 1)	5,078,582	5,078,882	0.73%
2,000,000	JEP IMTN 5.450% 04.12.2025 - Tranche 10	2,029,325	2,036,462	0.29%
3,500,000	LESB IMTN 4.150% 16.07.2027 Series 7	3,564,532	3,541,983	0.51%
3,500,000	LESB IMTN 4.500% 16.07.2030 Series 10	3,569,455	3,552,240	0.51%
5,000,000	LESB IMTN 4.600% 16.07.2031 Series 11	4,804,210	5,076,593	0.73%
5,000,000	MAHB IMTN 3.600% 06.11.2030 - Tranche 4	4,820,591	4,949,966	0.71%
15,000,000	MALAYAN CEMENT IMTN 4.120% 02.07.2027	15,322,921	15,369,653	2.20%
15,000,000	MALAYAN CEMENT IMTN 4.240% 03.07.2029	15,350,794	15,383,579	2.20%
4,000,000	MANJUNG IMTN 4.430% 25.11.2025 - Series 1 (10)	4,038,738	4,045,643	0.62%
10,000,000	MGS 2/2020 2.632% 15.04.2031	9,431,846	9,431,846	1.45%
5,000,000	MMC CORP IMTN 5.400% 30.11.2029	5,028,702	5,311,511	0.82%
4,000,000	MMC CORP IMTN 5.800% 12.11.2025	4,057,112	4,100,621	0.63%
5,000,000	MMC CORP IMTN 5.950% 12.11.2027	5,316,289	5,305,253	0.82%

NOMURA RINGGIT BOND FUND 1

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

5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal	Name of Counter	Adjusted Cost	Fair value as at 31.12.2024	Percentage of NAV 31.12.2024
Unit/RM		RM	RM	%
10,000,000	MMC PORT IMTN 4.660% 06.04.2029 (Tranche 2)	10,105,967	10,353,667	1.60%
10,000,000	MUMTAZ IMTN 3.780% 25.06.2031	10,006,214	9,963,414	1.54%
5,000,000	NBAD 4.75% 09.12.2027	5,118,340	5,122,315	0.79%
5,000,000	PLUS BERHAD IMTN 4.960% 12.01.2029 - Sukuk PLUS T7	5,507,517	5,315,245	0.82%
10,000,000	POINT ZONE IMTN 4.860% 11.03.2033	10,146,466	10,677,966	1.65%
20,000,000	POSEIDON ABS CLASS A SENIOR MTN 1096D 03.8.2026	20,099,161	20,071,323	3.09%
13,000,000	PRESS METAL IMTN 4.300% 17.10.2029	13,093,697	13,261,605	2.04%
7,000,000	PRESS METAL IMTN 4.810% 07.12.2028	6,922,724	7,224,427	1.11%
5,000,000	PSEP IMTN 3.900% 24.05.2027 (Tr4 Sr1)	5,019,767	5,032,217	0.78%
10,000,000	PSEP IMTN 5.080% 11.11.2027 (Tr2 Sr1)	10,073,709	10,403,081	1.60%
11,000,000	PSEP IMTN 5.220% 09.11.2029 (Tr2 Sr2)	11,090,100	11,683,031	1.80%
15,000,000	PTP IMTN 3.950% 18.06.2027	14,966,789	15,053,476	2.32%

NOMURA RINGGIT BOND FUND 1

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

5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2024 RM	Percentage of NAV 31.12.2024 %
5,000,000	QSPS Green SRI Sukuk 5.760% 05.04.2030 - T23	5,228,782	5,415,158	0.83%
10,000,000	QSPS Green SRI Sukuk 5.800% 04.10.2030 - T24	10,418,493	10,894,858	1.68%
15,000,000	RHBBANK IMTN 4.380% 17.11.2028	15,079,200	15,358,350	2.37%
5,000,000	RHBBANK MTN 3652D 28.4.2031	5,032,500	5,022,600	0.77%
5,000,000	SAMALAJU IMTN 5.45% 28.12.2027 - Issue No. 5	5,160,151	5,227,293	0.81%
7,500,000	SAMALAJU IMTN 5.65% 28.12.2029 - Issue No. 7	7,857,299	8,068,647	1.24%
2,500,000	SEB IMTN 5.320% 03.12.2032	2,690,075	2,743,888	0.42%
5,000,000	SMS IMTN 4.380% 19.10.2029	5,066,130	4,966,450	0.77%
5,000,000	SMS IMTN 4.530% 21.10.2030	5,085,116	5,010,929	0.77%
5,000,000	STMSB MTN23 1826D 28.6.2029	5,015,785	5,034,903	0.78%
15,000,000	STSSB IMTN Rated Tranche 23 Series 1 15.03.2027	15,184,826	15,280,095	2.36%
15,000,000	UDA IMTN 4.840% 30.04.2026 Series 001 Tranche 001	15,173,142	15,216,464	2.35%
5,000,000	UEMS IMTN 4.600% 20.05.2026 - Series No. 13	5,025,778	5,077,566	0.78%
5,000,000	UEMS IMTN 5.150% 31.10.2025	5,093,698	5,099,845	0.79%

## NOMURA RINGGIT BOND FUND 1

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

#### 5 FINANCIAL ASSETS AT FVTPL (CONTINUED)

Nominal Unit/RM	Name of Counter	Adjusted Cost RM	Fair value as at 31.12.2024 RM	Percentage of NAV 31.12.2024 %
3,000,000	UEMS IMTN 5.340% 07.04.2026	3,063,349	3,093,126	0.48%
7,500,000	UEMS IMTN 5.390% 05.03.2026	7,624,331	7,760,284	1.20%
10,000,000	YTL CORP MTN 2922D 10.4.2031	10,119,818	10,630,916	1.64%
10,000,000	YTL POWER IMTN 4.990% 24.03.2033	10,158,701	10,804,245	1.67%
10,000,000	YTL POWER IMTN 5.050% 03.05.2027	10,334,374	10,350,247	1.60%
2,500,000	ZAMARAD ABS-IMTN 05.09.2025 CLASS A S3 TRANCHE 4	2,525,767	2,518,767	0.39%
5,000,000	ZAMARAD ABS-IMTN 07.03.2029 CLASS B TRANCHE 4	4,881,020	5,062,835	0.78%
3,500,000	ZAMARAD ABS-IMTN 07.07.2028 CLASS A S4 TRANCHE 6	3,572,570	3,567,810	0.55%
2,500,000	ZAMARAD ABS-IMTN 07.09.2027 CLASS A S4 TRANCHE 4	2,526,938	2,497,038	0.38%
2,000,000	ZAMARAD ABS-IMTN 08.01.2030 CLASS B TRANCHE 6	1,953,781	2,042,942	0.31%
5,000,000	ZAMARAD ABS-IMTN 26.01.2028 (Class B Tranche 2)	5,111,082	5,200,782	0.80%
TOTAL GOVERNMENT AND CORPORATE BOND		573,668,079	576,492,118	82.55%
UNREALISED GAIN ON CHANGES IN FAIR VALUE		2,824,039		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		576,492,118		

NOMURA RINGGIT BOND FUND 1

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

6 CASH AT BANK

	<u>2025</u> RM	<u>2024</u> RM
Cash balances in a licensed bank	<u>10,073</u>	<u>10,234</u>

7 DEPOSIT WITH LICENSED FINANCIAL INSTITUTION

	<u>2025</u> RM	<u>2024</u> RM
Deposit with licensed financial institution	84,278,000	70,046,000
Interest receivables	416,260	6,103
	<u>84,694,260</u>	<u>70,052,103</u>

Weighted average rates of return for the financial year and the average remaining maturities of deposits with licensed financial institutions as of the financial year end are as follows:

	Weighted Average Rate of Return		Average Remaining Maturities	
	<u>2026</u> %	<u>2025</u> %	<u>2026</u> Days	<u>2025</u> Days
Deposit with licensed financial institution	<u>3.07</u>	<u>3.13</u>	<u>4.7</u>	<u>1.7</u>

8 AMOUNT DUE FROM/TO BROKER

Amount due from/to broker trade transactions as at year end.

NOMURA RINGGIT BOND FUND 1

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

9 EQUITY

	Note	<u>2025</u> RM	<u>2024</u> RM
Unitholders' capital	(a)	688,405,672	684,092,218
Accumulated realised income	(b)	11,484,796	11,425,847
Accumulated unrealised gain	(c)	11,580,645	2,824,039
		<u>711,471,113</u>	<u>698,342,104</u>

a) Unitholders' capital

	<u>2025</u> Units	<u>2025</u> RM
As at beginning of the financial year	664,180,015	684,092,218
Creation of units during the financial year:		
- Sale	9,476,028	10,127,091
- Distribution reinvested	29,176,456	30,937,195
Cancellation of units	(34,424,479)	(36,750,832)
As at end of the financial year	<u>668,408,020</u>	<u>688,405,672</u>

	<u>2024</u> Units	<u>2024</u> RM
As at beginning of the financial year	622,214,707	639,922,532
Creation of units during the financial year:		
- Sale	20,991,651	22,120,377
- Distribution reinvested	22,672,067	23,844,345
Cancellation of units	(1,698,410)	(1,795,036)
As at end of the financial year	<u>664,180,015</u>	<u>684,092,218</u>

b) Accumulated realised income

	<u>2025</u> RM	<u>2024</u> RM
As at beginning of the financial year	11,425,847	6,058,857
Net realised income for the financial year	30,996,144	29,211,335
Distributions out of retained earnings	(30,937,195)	(23,844,345)
As at end of the financial year	<u>11,484,796</u>	<u>11,425,847</u>

## NOMURA RINGGIT BOND FUND 1

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

#### 9 EQUITY (CONTINUED)

##### c) Accumulated unrealised gain

	<u>2025</u> RM	<u>2024</u> RM
As at beginning of the financial year	2,824,039	2,642,069
Net unrealised gain for the financial year	8,756,606	181,970
As at end of the financial year	<u>11,580,645</u>	<u>2,824,039</u>

#### 10 DISTRIBUTIONS

Distributions to unitholders are from the following sources:

	<u>2025</u> RM	<u>2024</u> RM
Interest income	28,846,360	25,397,547
Net realised gain on sale of financial assets at FVTPL	3,778,646	-
	<u>32,625,006</u>	<u>25,397,547</u>
Less: Expenses	(1,687,811)	(1,553,202)
Distributions for the financial year	<u>30,937,195</u>	<u>23,844,345</u>

# NOMURA RINGGIT BOND FUND 1

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

### 10 DISTRIBUTIONS (CONTINUED)

During the financial year ended 31 December 2025, distributions were made as follows:

	Gross/net distribution per unit RM/sen
<u>2025</u>	
19 March 2025	0.0093
17 June 2025	0.0187
18 September 2025	0.0108
18 December 2025	0.0084

	Gross/net distribution per unit RM/sen
<u>2024</u>	
19 March 2024	0.0047
19 June 2024	0.0119
18 September 2024	0.0087
23 December 2024	0.0114

<u>2025</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
19 March 2025	6,183,216	100.00	-	-
17 June 2025	7,025,602	58.29	5,027,495	41.71
18 September 2025	7,130,154	100.00	-	-
18 December 2025	5,570,728	100.00	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

<u>2024</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
19 March 2024	3,013,485	100.00	-	-
19 June 2024	7,664,575	100.00	-	-
18 September 2024	5,676,132	100.00	-	-
23 December 2024	7,491,153	100.00	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## NOMURA RINGGIT BOND FUND 1

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

#### 11 TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transactions with the financial institutions for the financial year ended 31 December 2025 are as follows:

<u>2025</u>	<u>Value of trade</u> RM	<u>Percentage</u> <u>of total trade</u> %
Standard Chartered Bank Malaysia Berhad	121,032,000	25.30
Hong Leong Bank Berhad	118,967,050	24.88
CIMB Bank Berhad	112,975,500	23.63
HSBC Bank Malaysia Berhad	35,000,000	7.32
Malayan Banking Berhad	30,100,500	6.29
Citibank Berhad	29,700,000	6.21
JP Morgan Chase Bank Berhad	20,406,000	4.27
Ambank (M) Berhad	5,000,000	1.05
OCBC Bank	5,000,000	1.05
	<u>478,181,050</u>	<u>100.00</u>

All financial institutions above are not related to the Manager.

The above transactions were in respect of money market placements and fixed income transactions. Transactions in these investments do not involve any commission or brokerage.

NOMURA RINGGIT BOND FUND 1

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

11 TRANSACTIONS WITH FINANCIAL INSTITUTIONS (CONTINUED)

Details of transactions with the financial institutions for the financial year ended 31 December 2024 are as follows:

	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %
<u>2024</u>		
Public Bank Berhad	7,448,305,883	73.47
CIMB Bank Berhad	2,538,485,712	25.04
RHB Investment Bank Berhad	50,718,911	0.50
Standard Chartered Bank Malaysia Berhad	41,865,734	0.41
Hong Leong Bank Berhad	28,355,499	0.28
Malayan Banking Berhad	25,435,019	0.25
AmBank (M) Berhad	5,018,000	0.05
	<u>10,138,184,758</u>	<u>100.00</u>

All financial institutions above are not related to the Manager.  
The above transactions were in respect of money market placements and fixed income transactions.  
Transactions in these investments do not involve any commission or brokerage.

## NOMURA RINGGIT BOND FUND 1

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

#### 12 TOTAL EXPENSE RATIO ("TER")

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, audit fee, tax agent's fee and other administrative expenses. For the financial year ended 31 December 2025, the TER of the Fund stood at 0.24% (2024: 0.23%).

#### 13 PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 December 2025, the PTR of the Fund stood at 0.45 times (2024: 0.20 times).

#### 14 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position as at the reporting date by the classes of financial instrument to which they are assigned, and therefore by the measurement basis:

	<u>Note</u>	Financial assets at <u>FVTPL</u> RM	Financial asset/liabilities at amortised <u>cost</u> RM	<u>Total</u> RM
<u>2025</u>				
Assets				
Financial assets at FVTPL	5	626,948,343	-	626,948,343
Cash at bank	6	-	10,073	10,073
Deposits with licensed financial institution	7	-	84,694,260	84,694,260
Total financial assets		<u>626,948,343</u>	<u>84,704,333</u>	<u>711,652,676</u>
Liabilities				
Amount due to Manager		-	129,304	129,304
Amount due to Trustee	3	-	18,084	18,084
Other payables and accruals		-	34,175	34,175
Total financial liabilities		<u>-</u>	<u>181,563</u>	<u>181,563</u>

## NOMURA RINGGIT BOND FUND 1

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

	<u>Note</u>	Financial assets at <u>FVTPL</u> RM	Financial asset/liabilities at amortised <u>cost</u> RM	<u>Total</u> RM
<u>2024</u>				
Assets				
Financial assets at FVTPL	5	576,492,118	-	576,492,118
Cash at bank	6	-	10,234	10,234
Deposits with licensed financial institution	7	-	70,052,103	70,052,103
Amount due from broker	8	-	61,449,052	61,449,052
		<hr/>	<hr/>	<hr/>
Total financial assets		576,492,118	131,511,389	708,003,507
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities				
Amount due to Manager		-	191,242	191,242
Amount due to Trustee	3	-	17,698	17,698
Other payables and accruals		-	20,617	20,617
Amount due to broker	8	-	9,431,846	9,431,846
		<hr/>	<hr/>	<hr/>
Total financial liabilities		-	9,661,403	9,661,403
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## NOMURA RINGGIT BOND FUND 1

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### a) Introduction

The Fund is exposed to a variety of risks which include market risk (inclusive of interest rate risk), liquidity risk, credit/default risk, capital risk, regulatory risk, management risk and non-compliance 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, SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and Capital Markets & Services Act, 2007.

##### b) Interest rate risk

In general, when interest rates rise, valuation for government and corporate bond will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise when interest rates fall. However, investors should be aware that should the Fund hold and government and corporate bond till maturity, such fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial since government and corporate bond portfolio management depends on forecasting interest rate movements. Government and corporate bond with longer maturity and lower interest rates are more susceptible to interest rate movements.

Investors should note that government and corporate bond is subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

NOMURA RINGGIT BOND FUND 1

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

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

b) Interest rate risk (continued)

The table below summarises the sensitivity of the Fund's NAV and profit after tax to movements in prices of government and corporate bond held by the Fund as a result of movement in interest rates. The analysis is based on the assumptions that the interest rates increased and decreased by 1% with all other variables held constant.

	<u>Change in interest rate</u> %	<u>Impact on profit after tax/NAV</u> RM
<u>2025</u>		
Financial assets at FVTPL	+1	(1,150,584)
	-1	<u>1,158,713</u>
		<u>                    </u>
		<u>                    </u>
		<u>                    </u>
<u>2024</u>		
Financial assets at FVTPL	+1	(856,312)
	-1	<u>857,140</u>
		<u>                    </u>
		<u>                    </u>
		<u>                    </u>

The Fund's deposit with licensed financial institution are short term in nature. Therefore, exposure to interest rate fluctuations is minimal.

## NOMURA RINGGIT BOND FUND 1

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### c) Liquidity risk

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions, and government and corporate bond 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.

	<u>Less than 1 month</u> RM	<u>Between 1 month to 1 year</u> RM	<u>Total</u> RM
<u>2025</u>			
Amount due to Manager	129,304	-	129,304
Amount due to Trustee	18,084	-	18,084
Other payables and accruals	-	34,175	34,175
	<u>147,388</u>	<u>34,175</u>	<u>181,563</u>
Contractual cash outflows	<u><u>147,388</u></u>	<u><u>34,175</u></u>	<u><u>181,563</u></u>
	<u>Less than 1 month</u> RM	<u>Between 1 month to 1 year</u> RM	<u>Total</u> RM
<u>2024</u>			
Amount due to Manager	191,242	-	191,242
Amount due to Trustee	17,698	-	17,698
Other payables and accruals	-	20,617	20,617
Trade payable	9,431,846	-	9,431,846
	<u>9,640,786</u>	<u>20,617</u>	<u>9,661,403</u>
Contractual cash outflows	<u><u>9,640,786</u></u>	<u><u>20,617</u></u>	<u><u>9,661,403</u></u>

## NOMURA RINGGIT BOND FUND 1

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### d) Credit/default risk

Credit risk refers to the ability of an issuer or a counterparty 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 issues with prescribed and acceptable credit ratings.

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

For government and corporate bond, the Manager regularly reviews the rating assigned by the issuer so that necessary steps can be taken if the rating falls below those described by the Deed and SC's Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework.

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

<u>2025</u>	Financial assets at FVTPL RM	Cash and cash equivalent RM	Other assets RM	Total RM
BASIC MATERIALS				
- AA1	13,453,095	-	-	13,453,095
COMMUNICATION SERVICES				
- AA IS	5,154,936	-	-	5,154,936
CONSUMER DISCRETIONARY				
- AA-	5,139,630	-	-	5,139,630
- AA1 (S)	15,805,078	-	-	15,805,078
- AA3	11,109,372	-	-	11,109,372
CONSUMER STAPLES				
- AA- IS	20,490,628	-	-	20,490,628
ENERGY AND UTILITIES				
- AAA	17,017,338	-	-	17,017,338
- AA1	31,887,192	-	-	31,887,192
- AA2	20,813,965	-	-	20,813,965
- AA3	21,171,377	-	-	21,171,377
- AA - IS	28,913,959	-	-	28,913,959
- A+ IS	35,292,576	-	-	35,292,576
FINANCIAL				
- AAA	16,375,268	84,704,333	-	101,079,601
- AAA IS	3,073,179	-	-	3,073,179

# NOMURA RINGGIT BOND FUND 1

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

### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### d) Credit/default risk (continued)

The following table sets out the credit risk quality and concentration of the Fund (continued):

<u>2025</u> (continued)	Financial assets at FVTPL RM	Cash and cash equivalent RM	Other assets RM	Total RM
FINANCIAL (CONTINUED)				
- AA1	25,513,299	-	-	25,513,299
- AA2	18,338,094	-	-	18,338,094
- AA3	66,419,453	-	-	66,419,453
- AA3 (S)	10,006,714	-	-	10,006,714
HEALTHCARE AND SOCIAL WORK				
- AA3 (S)	5,122,914	-	-	5,122,914
- AA IS (CG)	10,254,214	-	-	10,254,214
- A2 (S)	5,030,210	-	-	5,030,210
INDUSTRIALS				
- AA1	30,927,982	-	-	30,927,982
- AA- IS	15,274,845	-	-	15,274,845
PUBLIC ADMINISTRATION				
- NR (LT)	87,379,410	-	-	87,379,410
REAL ESTATE				
- AA - IS	45,042,115	-	-	45,042,115
- A1 (S)	5,176,218	-	-	5,176,218
- A IS (CG)	15,534,758	-	-	15,534,758
TRANSPORTATION AND STORAGE				
- AAA	5,016,866	-	-	5,016,866
- AAA IS (S)	5,315,386	-	-	5,315,386
- AA IS	20,330,468	-	-	20,330,468
- AA - IS	10,567,804	-	-	10,567,804
	<u>626,948,343</u>	<u>84,704,333</u>	<u>-</u>	<u>711,652,676</u>

NOMURA RINGGIT BOND FUND 1

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

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

d) Credit/default risk (continued)

The following table sets out the credit risk quality and concentration of the Fund (continued):

<u>2024</u>	Financial assets <u>at FVTPL</u> RM	Cash and cash <u>equivalent</u> RM	Other <u>assets</u> RM	<u>Total</u> RM
BASIC MATERIALS				
- AA2	20,486,032	-	-	20,486,032
COMMUNICATION SERVICES				
- AA IS	5,114,186	-	-	5,114,186
CONSUMER DISCRETIONARY				
- AA-	5,034,903	-	-	5,034,903
- AA1 (S)	15,285,324	-	-	15,285,324
CONSUMER STAPLES				
- AA IS	15,035,129	-	-	15,035,129
- AA- IS	20,645,228	-	-	20,645,228
ENERGY AND UTILITIES				
- AAA	39,181,183	-	-	39,181,183
- AA1	31,785,408	-	-	31,785,408
- AA2	15,555,536	-	-	15,555,536
- AA3	26,284,046	-	-	26,284,046
- AA - IS	30,517,294	-	-	30,517,294
FINANCIAL				
- AAA	28,999,573	70,062,337	-	99,016,910
- AAA IS	3,014,512	-	-	3,014,512
- AA1	25,559,547	-	-	25,559,547
- AA2	32,253,966	-	-	32,253,966
- AA3	40,627,144	-	-	40,627,144
- AA3 (S)	9,963,414	-	-	9,963,414

NOMURA RINGGIT BOND FUND 1

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

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

d) Credit/default risk (continued)

The following table sets out the credit risk quality and concentration of the Fund (continued):

<u>2024</u> (continued)	Financial assets at FVTPL RM	Cash and cash equivalent RM	Other assets RM	Total RM
FINANCIAL (CONTINUED)				
- AA	4,996,225	-	-	4,996,225
- Others	-	-	61,449,052	61,449,052
HEALTHCARE AND SOCIAL WORK				
- AA IS (CG)	10,677,966	-	-	10,677,966
INDUSTRIALS				
- AA3	30,753,232	-	-	30,753,232
- AA- IS	15,280,095	-	-	15,280,095
PUBLIC ADMINISTRATION				
- NR (LT)	30,236,889	-	-	30,236,889
REAL ESTATE				
- AA - IS	50,331,124	-	-	50,331,124
- B3	127,391	-	-	127,391
TRANSPORTATION AND STORAGE				
- AAA	4,949,966	-	-	4,949,966
- AAA (S)	13,295,940	-	-	13,295,940
- AAA IS (S)	5,315,245	-	-	5,315,245
- AA IS	20,114,568	-	-	20,114,568
- AA - IS	25,071,052	-	-	25,071,052
	576,492,118	70,062,337	61,449,052	708,003,507

## NOMURA RINGGIT BOND FUND 1

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

#### 15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2025</u>				
Financial assets at FVTPL:				
- Government and corporate bonds	-	626,948,343	-	626,948,343
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2024</u>				
Financial assets at FVTPL:				
- Government and corporate bonds	-	576,492,118	-	576,492,118
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

The carrying value of the other financial assets and financial liabilities of the Fund approximates their fair value due to their short-term nature.

## NOMURA RINGGIT BOND FUND 1

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

#### 16 CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and expected returns indicated in its Information Memorandum;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to ensure that the operations of the Fund are cost-efficient.

#### 17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 26 February 2026.