



NOMURA

Nomura Ringgit Bond Fund 1

Quarterly Report For The Period Ended 31 March 2026

MANAGER:

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

TRUSTEE:

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

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MANAGER'S REPORT

Category, Objective and Distribution Policy

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

Subject to availability of income, distribution will be on quarterly basis.

Fund Type

Income

Benchmark

12-month Malayan Banking Berhad Fixed Deposit Account Rate.

Performance as at 31 March 2026

For the period under review from 1 January 2026 to 31 March 2026, the Fund has registered a 0.77% return. Compared to the Benchmark return of 0.62%, the Fund has outperformed its Benchmark by 0.15%. The last published Net Asset Value ("NAV") per unit of the Fund as at 31 December 2025 was RM1.0644 as compared to the NAV per unit as at 31 March 2026 of RM 1.0640. On the total NAV basis, the Fund's NAV stood at RM 671.94 million as at 31 March 2026.

Performance as at 31 March 2026 (%)

	3 months (01/01/2026- 31/03/2026)	6 Months (01/10/2025- 31/03/2026)	1 Year (01/04/2025- 31/03/2026)	3 Years (01/04/2023- 31/03/2026)	5 Years (01/04/2021- 31/03/2026)	Since Commencement (02/07/2019- 31/03/2026)
Fund	0.77	1.64	4.55	15.68	23.17	32.55
Benchmark	0.62	1.44	4.23	10.66	15.57	20.23
Outperformance/ (Underperformance)	0.15	0.20	0.32	5.02	7.60	12.32

Source of Fund and Benchmark Returns: LSEG Lipper, NAMM

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.

Volatility as at 31 March 2026

	3-Year
Fund	1.30

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 2026 to 31 March 2026)

While global yield curves experienced downward pressure, Malaysia's domestic yield curve demonstrated relative stability and resilience, contributing positively to portfolio performance. Nevertheless, we maintain a cautious stance on interest rate movements and have adopted a selective approach, tactically allocating capital to corporate bonds when attractive opportunities arise, while remaining prepared to extend portfolio duration should the yield curve present compelling value propositions. Our current asset allocation strategy continues to emphasize short-dated corporate securities, where the roll-down effect—the natural yield enhancement as bonds approach maturity—offers more favorable risk-adjusted returns. Additionally, we have deliberately increased credit exposure rather than expanding holdings in government bonds, a strategic positioning driven by expectations of heightened market volatility and potential economic disruptions stemming from evolving trade policies and macroeconomic uncertainties throughout 2026.

Summary of Asset Allocation

	<u>31 March 2026</u>	<u>31 December 2025</u>
Government Investment Issue	12.91%	12.28%
Corporate Bonds	77.09%	75.84%
Cash and other net current assets / liabilities	10.01%	11.88%
Total	100.0%	100.0%

Note: Percentages may not add up to 100% due to rounding.

Review of Market (1 January 2026 to 31 March 2026)

Global bond markets experienced significant volatility through 1Q26, with domestic yields tracking global yield movements. January saw a bear-steepening driven by heavy long duration supply, while February brought a brief rally as dovish US Fed commentary and quick US-Venezuela conflict resolution provided temporary relief amid low market liquidity. March proved most volatile as the US-Israel attack on Iran triggered widespread market turbulence, resulting in the US Fed and market participants reassessing inflation, employment, and growth risks. All in all, MGS yield curve bear-flattened in 1Q26 with yields across 3Y-7Y surging 16-26 bps QoQ while the rest of the curve rose 13-15 bps QoQ.

In its March Monetary Policy Committee meeting, Bank Negara Malaysia (BNM) kept its Overnight Policy Rate (OPR) unchanged at 2.75%. In its monetary policy statement, while maintaining its neutral tone, BNM sounded cautious, acknowledging the rising downside risks on the back of the evolving Middle East conflict and heightened volatility in global financial markets. Nevertheless, BNM continued to expect strong domestic economic growth momentum in 2026, anchored by sustained domestic demand, supported by income-related measures, ongoing implementation of national master plans, and higher tourist spending. Meanwhile, domestic inflation for the year is expected to remain moderate with the impact of volatile global commodity prices expected to be contained. All in all, BNM highlighted the uncertainties arising from the escalation in geopolitical tensions while maintaining a constructive view on the domestic outlook. BNM reiterated that the current monetary policy stance remains supportive of the economy amid price stability.

TRANSACTIONS WITH FINANCIAL INSTITUTIONS AND BROKERS/DEALERS

Cross Trades (1 January 2026 to 31 March 2026)

There were no cross trades conducted during the financial period under review.

SOFT COMMISSIONS RECEIVED FROM BROKERS

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

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

DISTRIBUTION

The Fund distributed a gross total of RM 0.0086 per unit to investors of the Fund over the period under review.

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)
16-Mar-26	1.0722	17-Mar-26	1.0637	0.0086

Distribution Breakdown

Ex-Distribution Date	Income Distribution per Unit (RM)	Income Distribution (%)	Capital Distribution per Unit (RM)	Capital Distribution (%)
17-Mar-26	0.0086	100.00	-	-

FUND PERFORMANCE DATA

	As at 31 March 2026	As at 31 December 2025
Total NAV (RM)	671,936,525	711,471,113
NAV per Unit (RM)	1.0640	1.0644
Units in Circulation	631,531,394	668,408,020
Highest NAV (RM)	1.0722	1.0783
Lowest NAV (RM)	1.0635	1.0519

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 PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026

NOMURA RINGGIT BOND FUND 1

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026
(UNAUDITED)

	<u>01.01.2026</u> to <u>31.03.2026</u> RM	<u>01.01.2025</u> to <u>31.03.2025</u> RM
INVESTMENT INCOME		
Interest income from financial assets at fair value through profit or loss ("FVTPL")	6,284,285	6,318,580
Interest income from deposits with licensed financial institution	601,811	721,650
Net (loss)/gain on financial assets at FVPTL	<u>(1,187,622)</u>	<u>7,548,488</u>
	<u>5,698,474</u>	<u>14,588,718</u>
EXPENSES		
Management fee	(339,464)	(346,758)
Trustee's fee	(50,919)	(52,014)
Audit fee	(2,836)	(2,930)
Tax agent's fee	(1,073)	(1,158)
Other expenses	(36,566)	(4,076)
	<u>(430,858)</u>	<u>(406,936)</u>
PROFIT BEFORE TAXATION	5,267,616	14,181,782
TAXATION	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>5,267,616</u>	<u>14,181,782</u>
Profit after taxation is made up of the following:		
Realised income	7,092,087	7,586,787
Unrealised (loss)/gain	<u>(1,824,471)</u>	<u>6,594,995</u>
	<u>5,267,616</u>	<u>14,181,782</u>
Distributions for the financial period:		
Net distributions	<u>5,548,359</u>	<u>6,183,216</u>
Gross/net distributions per unit	<u>0.0086</u>	<u>0.0093</u>

NOMURA RINGGIT BOND FUND 1

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026 (UNAUDITED)

	<u>31.03.2026</u>	<u>31.03.2025</u>
	RM	RM
ASSETS		
Financial assets at FVPTL	604,674,867	656,459,137
Cash at bank	128,838	357,685
Deposit with licensed financial institution	62,265,580	56,578,524
Amount due from manager	5,074,851	-
TOTAL ASSETS	<u>672,144,136</u>	<u>713,395,346</u>
LIABILITIES		
Amount due to Manager	116,096	120,102
Amount due to Trustee	50,919	18,015
Other payables and accruals	40,596	26,225
TOTAL LIABILITIES	<u>207,611</u>	<u>164,342</u>
NET ASSET VALUE ("NAV") OF THE FUND	<u>671,936,525</u>	<u>713,231,004</u>
EQUITY		
Unitholders' capital	649,151,827	690,982,552
Retained earnings	22,784,698	22,248,452
NET ASSET ATTRIBUTABLE TO UNITHOLDERS	<u>671,936,525</u>	<u>713,231,004</u>
UNITS IN CIRCULATION (UNITS)	<u>631,531,394</u>	<u>670,709,389</u>
NET ASSET VALUE PER UNIT (RM) (EX-DISTRIBUTION)	<u>1.0640</u>	<u>1.0634</u>

NOMURA RINGGIT BOND FUND 1

STATEMENT OF CHANGES IN NET ASSETS VALUE
FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026
(UNAUDITED)

	<u>Unitholders' capital</u> RM	<u>Retained earnings</u> RM	<u>Total</u> RM
Balance as at 1 January 2026	688,405,672	23,065,441	711,471,113
Total comprehensive income for the financial period	-	5,267,616	5,267,616
Creation of units	109,889	-	109,889
Reinvestment of distributions	5,548,359	-	5,548,359
Cancellation of units	(44,912,093)	-	(44,912,092)
Distributions	-	(5,548,359)	(5,548,359)
Balance as at 31 March 2026	<u>649,151,827</u>	<u>22,784,698</u>	<u>671,936,525</u>

	<u>Unitholders' capital</u> RM	<u>Retained earnings</u> RM	<u>Total</u> RM
Balance as at 1 January 2025	684,092,218	14,249,886	698,342,104
Total comprehensive income for the financial period	-	14,181,782	14,181,782
Creation of units	774,793	-	774,793
Reinvestment of distributions	6,183,216	-	6,183,216
Cancellation of units	(67,675)	-	(67,675)
Distributions	-	(6,183,216)	(6,183,216)
Balance as at 31 March 2025	<u>690,982,552</u>	<u>22,248,452</u>	<u>713,231,004</u>

NOMURA RINGGIT BOND FUND 1

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 01 JANUARY 2026 TO 31 MARCH 2026
(UNAUDITED)

	<u>01.01.2026</u> to <u>31.03.2026</u> RM	<u>01.01.2025</u> to <u>31.03.2025</u> RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceed from redemption	7,500,000	-
Proceeds from sale of financial assets	20,628,649	135,579,216
Purchase of financial assets	(12,578,250)	(154,397,846)
Interest received from unquoted fixed income securities	6,744,889	4,735,886
Interest received from deposit with licensed financial institution	94,491	708,228
Manager's fee paid	(343,928)	(344,642)
Trustee's fee paid	(18,084)	(51,697)
Payment for other fees and expenses	(34,054)	(2,556)
Net cash generated from/(used in) operating and investing activities	<u>21,993,713</u>	<u>(13,773,411)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	109,889	774,793
Cash paid for units cancelled	(44,920,837)	(140,931)
Net cash (used in)/generated from financing activities	<u>(44,810,948)</u>	<u>633,862</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(22,817,235)	(13,139,549)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>28,488,073</u>	<u>70,056,234</u>
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD	<u>5,670,838</u>	<u>56,916,685</u>
Cash and cash equivalents comprises:		
Cash at bank	128,838	357,685
Deposit with licensed financial institution	61,342,000	56,559,000
	<u>61,470,838</u>	<u>56,916,685</u>
Less: Deposit with original maturity more than 3 months	(55,800,000)	-
	<u>5,670,838</u>	<u>56,916,685</u>