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Date: 4 March 2024

Dear Unit Holder,

**NOTIFICATION OF THE ISSUANCE OF SECOND SUPPLEMENTARY PROSPECTUS FOR
NOMURA i-INCOME FUND 2 ("FUND")**


We would like to inform that the second supplementary prospectus of the Fund has been registered with the Securities Commission Malaysia, and will be made effective on 25 March 2024.

A copy of the second supplementary prospectus of the Fund will be published on our website at <https://www.nomura-asset.com.my/funds/nomura-i-income-fund-2/> on the 25 March 2024.

Please refer to the separate document sent together with this letter on the changes made to the existing prospectus of the Fund.

Should you require any information or clarification regarding the aforesaid changes, you may contact your client services manager or email us at marketing@nomura-asset.com.my.

Yours faithfully,
Nomura Asset Management Malaysia Sdn Bhd



Leslie Yap
Managing Director

NOMURA i-INCOME FUND 2 (“FUND”)

LIST HIGHLIGHTING THE AMENDMENTS FROM PROSPECTUS DATED 1 DECEMBER 2022 (AS AMENDED BY THE FIRST SUPPLEMENTARY PROSPECTUS DATED 1 MAY 2023) (“PRINCIPAL PROSPECTUS”) AND THE SECOND SUPPLEMENTARY PROSPECTUS (“SECOND SUPPLEMENTARY PROSPECTUS”) IN RELATION TO THE FUND

NO.	PRINCIPAL PROSPECTUS	SECOND SUPPLEMENTARY PROSPECTUS
	<p>General:</p> <p>We are of the view that all of the proposed amendments to the Principal Prospectus as set out in the Second Supplementary Prospectus are not significant changes that will affect unit holders’ decision to stay invested in the Fund as there is no change in investment strategy, distribution policy or minimum balance of the Fund as provided under the guidance to paragraph 9.71(a) of the GUTF.</p> <p>As the proposed amendments are not a significant change that will affect unit holders’ decision to stay invested in the Fund, we will inform unit holders of the amendment via a written notice at least 14 days before the date of the Second Supplementary Prospectus.</p>	
1.	<p>Section 2 – Glossary, Eligible Market</p> <p>An exchange, government securities market or an over-the-counter market –</p> <p>(a) that is regulated by a regulatory authority of that jurisdiction;</p> <p>(b) that is open to the public or to a substantial number of market participants; and</p> <p>(c) on which financial instruments are regularly traded.</p>	<p>Section 2 – Glossary, Eligible Market</p> <p>An exchange, government securities market or an OTC market –</p> <p>(a) that is regulated by a regulatory authority of that jurisdiction;</p> <p>(b) that is open to the public or to a substantial number of market participants; and</p> <p>(c) on which financial instruments are regularly traded.</p>
2.	<p>Section 4 - Understanding the Risks of the Fund, Specific Risks of the Fund</p> <p>Reinvestment Risk</p> <p>This is a risk that future proceeds (profit and/or capital) are reinvested at a lower potential profit rate for Islamic deposits which are placed with financial institutions. Reinvestment risk is especially evident during periods of falling interest rates where the profit payments are reinvested at a lower profit rate compared to the initial profit rate. For investments in sukuk, the reinvestment risk will be apparent during periods of falling profit rates as the Fund will be reinvesting at higher prices (there is an inverse relationship between interest rates and prices of sukuk).</p> <p>Shariah Non-compliance Risk</p>	<p>Section 4 - Understanding the Risks of the Fund, Specific Risks of the Fund</p> <p>Reinvestment Risk</p> <p>This is a risk that future proceeds (profit and/or capital) are reinvested at a lower potential profit rate for Islamic deposits which are placed with financial institutions. Reinvestment risk is especially evident during periods of falling profit rates where the profit payments are reinvested at a lower profit rate compared to the initial profit rate. For investments in sukuk, the reinvestment risk will be apparent during periods of falling profit rates as the Fund will be reinvesting at higher prices (there is an inverse relationship between interest rates and prices of sukuk).</p> <p>Shariah Non-compliance Risk</p>

	<p>This risk refers to the risk that the Manager may wrongly invest in a Shariah non-compliant investment in the Fund. The said Shariah non-compliant investment will be withdrawn within one month of knowing the status of the investment. In the event the Shariah non-compliant investment resulted in gain (through gain and/ or profit), the gain is to be channelled to <i>baitulmal</i> and/or any other charitable bodies as advised by the Shariah Adviser.</p>	<p>This risk refers to the risk that the Manager may wrongly invest in a Shariah non-compliant investment in the Fund. The said Shariah non-compliant investment will be withdrawn within one month of knowing the status of the investment. In the event the Shariah non-compliant investment resulted in gain (through capital gain and/ or interest), the gain is to be channelled to <i>baitulmal</i> and/or any other charitable bodies as advised by the Shariah Adviser.</p>
3.	<p>Section 6.8 - Temporary Suspension, 2nd paragraph</p> <p>To avoid suspension of the Fund, the Fund will hold adequate Islamic liquid assets (50% of the Fund's NAV) and if the Islamic liquid assets are insufficient to meet redemption requests, we will either liquidate the investments of the Fund or seek temporary financing, considering which is in the best interests of Unit Holders. If we have exhausted all possible avenues to avoid a suspension of the Fund, we may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and repurchase of Units where it is impractical for us to calculate the NAV of the Fund due to but not limited to the following:</p> <ul style="list-style-type: none"> (i) the closure of a securities exchange or trading restrictions on a securities exchange where the Fund has substantial investment in such securities exchange; or (ii) an emergency or other state of affairs; or (iii) the realisation of the material portion of the assets of the Fund not being able to be effected at prices which would be realised if such material portion of the assets of the Fund were realised in an orderly fashion over a reasonable period in a stable market. 	<p>Section 6.8 - Temporary Suspension, 2nd paragraph</p> <p>To avoid suspension of the Fund, the Fund will hold adequate Islamic liquid assets (50% of the Fund's NAV) and if the Islamic liquid assets are insufficient to meet redemption requests, we will either liquidate the investments of the Fund or seek temporary financing, considering which is in the best interests of Unit Holders. If we have exhausted all possible avenues to avoid a suspension of the Fund, we may as a last resort, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and repurchase of Units where it is impractical for us to calculate the NAV of the Fund due to the following:</p> <ul style="list-style-type: none"> (i) the closure of a securities exchange or trading restrictions on a securities exchange where the Fund has substantial investment in such securities exchange; or (ii) an emergency or other state of affairs. (iii) the realisation of the material portion of the assets of the Fund not being able to be effected at prices which would be realised if such material portion of the assets of the Fund were realised in an orderly fashion over a reasonable period in a stable market.
4.	<p>Section 8.4 - Investment Team</p> <p>Mr Joel Lim Soo Min – Designated Fund Manager Joel joined NAMM's Fixed Income team in August 2013. He has been involved in credit analysis, macroeconomic research and portfolio management. Prior to joining NAMM, he was an equity analyst with a local asset management firm for 2 years.</p>	<p>Section 8.4 - Investment Team</p> <p>Mr Eugene Ray Martin – Designated Fund Manager Eugene joined NAMM in August 2019 as Portfolio Manager attached to the Malaysian Fixed Income and Global Sukuk team. Prior to joining NAMM, Eugene was a strategist for Fixed Income Currency and</p>

	<p>He earned a Bachelor of Actuarial Studies from the Australian National University, Australia. He holds a Capital Markets Services Representative's Licence for fund management under the CMSA.</p>	<p>Commodities of CIMB Investment Bank. He was also Fund Manager and Senior Credit Analyst for AmFunds Management.</p> <p>As Portfolio Manager at NAMM, Eugene is a contributing member of the Emerging Bond Investment meetings held regularly and jointly with other Emerging Bond market specialists from Nomura Asset Management offices in New York, Singapore, Tokyo, London and Frankfurt.</p> <p>Eugene holds a Masters of Applied Economics from the Australian National University and a Bachelor in Health Sciences (Hons) Biomedicine from Universiti Sains Malaysia.</p>
5.	<p>Section 9.4.1 - Shariah Investment Guidelines, Islamic derivatives</p> <p>We may use Islamic derivatives approved by the Shariah Adviser, such as Islamic foreign exchange forward contracts, for hedging purposes. If Islamic derivatives are not available or are not commercially viable, we may use conventional derivatives subject to prior approval from the Shariah Adviser being obtained.</p>	<p>Section 9.4.1 - Shariah Investment Guidelines, Islamic derivatives</p> <p>The Fund may use Islamic derivatives approved by the Shariah Adviser, such as Islamic foreign exchange forward contracts, for hedging purposes. If Islamic derivatives are not available or are not commercially viable, the Fund may use conventional derivatives subject to prior approval from the Shariah Adviser being obtained.</p>
6.	<p>Section 9.4.2 - Cleansing/Purification Process For The Fund, Shariah Non-compliant Investment</p> <p>This refers to Shariah non-compliant investment made by the Manager. The said Shariah noncompliant investment will be disposed/withdrawn within 1 month of knowing the status of the investment. In the event the Shariah non-compliant investment resulted in gain (through capital gain and/or profit) before or after the withdrawal of the investment, the gain is to be channelled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. If the withdrawal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager.</p>	<p>Section 9.4.2 - Cleansing/Purification Process For The Fund, Shariah Non-compliant Investment</p> <p>This refers to Shariah non-compliant investment made by the Manager. The said Shariah non-compliant investment will be disposed/withdrawn within 1 month of knowing the status of the investment. In the event the Shariah non-compliant investment resulted in gain (through capital gain and/or interest) received before or after the withdrawal of the investment, the gain is to be channelled to <i>baitulmal</i> and/or any other charitable bodies as advised by the Shariah Adviser. If the withdrawal of the investment resulted in losses to the Fund, the losses are to be borne by the Manager. The Fund has a right to retain only the investment cost.</p>