



**NOMURA**

# Nomura i-Income Fund 2

Semi-Annual Report and Unaudited Financial Statements for the  
Period Ended 30 April 2026

**MANAGER:**

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

**TRUSTEE:**

DEUTSCHE TRUSTEES MALAYSIA BERHAD  
Business Registration No.: 200701005591 (763590-H)

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*This Semi-Annual Report is available, upon request, to unit holders without charge*

## 1. FUND PROFILE

### 1.1 Fund Name

Nomura i-Income Fund 2 (“Fund”)

### 1.2 Type and Category of Fund

Income – Fixed Income (Islamic)

### 1.3 Duration of the Fund

The Fund is an open-ended fund.

### 1.4 Investment Objectives

The Fund seeks to provide investors with recurring income on its investments.

### 1.5 Distribution Policy

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

### 1.6 Performance Benchmark

Maybank 3-month Islamic Fixed Deposit Rate (“Benchmark”).

## 2. FUND PERFORMANCE

### 2.1 Key Fund Performance Data

Asset Allocation / Portfolio Composition	30 Apr 2026	31 Oct 2025	31 Oct 2024	31 Oct 2023
Unquoted sukuk – Government of Malaysia	29.37%	50.82%	60.88%	63.31%
Cash and Others <sup>#</sup>	70.63%^	49.18%	39.12%	36.69%
<b>Total (%)</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>#</sup> Included in ‘Cash and Others’ are cash on hand and Islamic deposits and other net current assets/liabilities.

<sup>^</sup> Significant portfolio flows during month end have resulted in high liquidity levels.

1. A maximum of 50% of the Fund’s NAV to be invested in Islamic deposits, placement of money at call with financial institutions and/or held in cash. The exposure of the non-compliance issue was above the threshold from 09.04.2025 onward. This is due to the market has been rallying aggressively since the start of April 2025 hence Portfolio Manager decided to raise liquidity level and take temporary defensive measure for the fund as disclosed in the fund’s investment strategy.

2. A minimum of 50% of the Fund’s NAV to be invested in Islamic fixed income instruments denominated in Ringgit Malaysia, including Government Investment Issues (GII) and/or other Islamic fixed income instruments issued or guaranteed by the Malaysian government or BNM or its subsidiaries. The exposure of the non-compliance issue was below the threshold from 07.04.2025 onward. This is due to the market has been rallying aggressively since the start of April 2025 hence Portfolio Manager decided to raise liquidity level and take temporary defensive measure for the fund as disclosed in the fund’s investment strategy. Portfolio Manager is taking temporary defensive mode for the fund and will deploy when opportunity arises and plans to deploy within 3 months.

**Fund – Class S**

<b>Category</b>	<b>1 Nov 2025 to 30 Apr 2026</b>	<b>1 Nov 2024 to 31 Oct 2025</b>	<b>1 Nov 2023 to 31 Oct 2024</b>	<b>1 Nov 2022 to 31 Oct 2023</b>
Highest NAV per Unit (RM) <sup>1</sup>	1.0286	1.0293	1.0162	1.0045
Lowest NAV per Unit (RM) <sup>1</sup>	1.0189	1.0075	0.9930	0.9722
Total Return (%) <sup>2</sup>				
- Capital growth (%)	0.68	1.68	1.44	1.03
- Income (%)	1.30	2.61	2.70	3.30
Gross/Net Distribution per unit (RM sen)	1.34	2.67	2.72	3.28
Total NAV (RM) <sup>1</sup>	201,879,543	41,160,993	40,482,299	39,909,701
NAV per Unit (RM)	1.0277	1.0241	1.0072	0.9929
Unit in Circulation	196,428,993	40,194,035	40,194,006	40,193,977

**Fund – Class I**

<b>Category</b>	<b>1 Nov 2025 to 30 Apr 2026</b>	<b>1 Nov 2024 to 31 Oct 2025</b>	<b>1 Nov 2023 to 31 Oct 2024</b>	<b>1 Nov 2022 to 31 Oct 2023</b>
Highest NAV per Unit (RM) <sup>1</sup>	1.0291	1.0242	1.0122	1.0023
Lowest NAV per Unit (RM) <sup>1</sup>	1.0211	1.0034	0.9901	0.9703
Total Return (%) <sup>2</sup>				
- Capital growth (%)	0.23	1.77	1.32	0.92
- Income (%)	1.10	2.41	2.71	3.31
Gross/Net Distribution per unit (RM sen)	1.13	2.46	2.72	3.28
Total NAV (RM) <sup>1</sup>	31,837,682	31,674,365	31,123,041	30,716,402
NAV per Unit (RM)	1.0262	1.0209	1.0031	0.9900
Unit in Circulation	31,026,247	31,026,235	31,026,208	31,026,179

**Fund – Class R**

Category	1 Nov 2025 to 30 Apr 2026	1 Nov 2024 to 31 Oct 2025	1 Nov 2023 to 31 Oct 2024	1 Nov 2022 to 31 Oct 2023
Highest NAV per Unit (RM) <sup>1</sup>	1.0222	1.0178	1.0075	1.0000
Lowest NAV per Unit (RM) <sup>1</sup>	1.0143	0.9985	0.9869	0.9686
Total Return (%) <sup>2</sup>				
- Capital growth (%)	0.29	1.59	1.16	0.77
- Income (%)	0.93	2.45	2.72	3.32
Gross/Net Distribution per unit (RM sen)	0.95	2.48	2.72	3.28
Total NAV (RM) <sup>1</sup>	9,558,882	7,867,640	3,081,361	5,826,554
NAV per Unit (RM)	1.0202	1.0141	0.9982	0.9868
Unit in Circulation	9,369,591	7,758,610	3,086,868	5,904,643

**Fund – Class H (Hedged)**

Category	1 Nov 2025 to 30 Apr 2026	1 Nov 2024 to 31 Oct 2025	1 Nov 2023 to 31 Oct 2024	1 Nov 2022 to 31 Oct 2023
Highest NAV per Unit (USD) <sup>1</sup>	1.1608	1.1672	1.1132	1.0523
Lowest NAV per Unit (USD) <sup>1</sup>	1.1444	1.1106	1.0526	0.9914
Total Return (%) <sup>2</sup>				
- Capital growth (%)	(0.39)	3.36	5.79	5.71
- Income (%)	0.75	2.07	0.54	0.67
Gross/Net Distribution per unit (USD sen)	0.87	2.38	0.60	0.70
Total NAV (RM) <sup>1</sup>	677,581	806,367	1,302,989	923,946
NAV per Unit (USD)	1.1528	1.1506	1.1132	1.0523
Unit in Circulation	148,164	167,502	267,536	184,386

Category	1 Nov 2025 to 30 Apr 2026	1 Nov 2024 to 31 Oct 2025	1 Nov 2023 to 31 Oct 2024	1 Nov 2022 to 31 Oct 2023
Total Expense Ratio (%) <sup>3</sup>	0.13	0.28	0.29	0.29
Portfolio Turnover Ratio (time) <sup>4</sup>	0.12	0.56	0.36	1.64

**Notes:**

(1) Figures shown as ex-distribution.

(2) Total Return of the Fund and its Benchmark for a period are calculated based on the absolute return of the Fund for that period. The calculation of the Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from LSEG Lipper. Fund performances include reinvestment of income distributions into the Fund. The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distributions payable (if any) during the stipulated period:

- **Capital Return**= {NAV per Unit End / NAV per Unit Beginning – 1} x 100
- **Income Return**= {Income Distribution per Unit / NAV per Unit Ex-Distribution} x 100

(3) Total Expense Ratio (“TER”) is calculated based on the total fees and expenses incurred by the Fund divided by the average net asset value of the Fund for the financial period calculated on daily basis.

(4) Portfolio Turnover Ratio (“PTR”) is calculated based on the total acquisitions and total disposals of investment securities of the Fund for the financial period divided by the average net asset value of the Fund for the financial period calculated on daily basis.

## 2.2 Average Total Return of the Fund

### Fund – Class S

	1 Year to 30 Apr 2026	3 Year to 30 Apr 2026	Since commencement 21 Jul 2021 to 30 Apr 2026
<b>Average Total Return (%)</b>	3.55	3.69	3.05

Source: LSEG Lipper

### Fund – Class I

	1 Year to 30 Apr 2026	3 Year to 30 Apr 2026	5 Year to 30 Apr 2026
<b>Average Total Return (%)</b>	3.39	4.88	3.98

Source: LSEG Lipper

### Fund – Class R

	1 Year to 30 Apr 2026	3 Year to 30 Apr 2026	5 Year to 30 Apr 2026
<b>Average Total Return (%)</b>	3.29	3.43	2.79

Source: LSEG Lipper

**Fund – Class H (Hedged)**

	1 Year to 30 Apr 2026	3 Year to 30 Apr 2026	5 Year to 30 Apr 2026
<b>Average Total Return (%)</b>	3.39	4.88	3.98

Source: LSEG Lipper

**2.3 Annual Total Return of the Fund**
**Fund – Class S**

	FY2025	FY2024	FY2023	Since Commencement, 21 Jul 2021 to 31 Oct 2022
<b>Total Return (%)<sup>1</sup></b>	4.38	4.22	4.42	(0.04)
<b>Benchmark (%)</b>	2.31	2.69	2.84	2.43

Source: LSEG Lipper

**Fund – Class I**

	FY2025	FY2024	FY2023	Since Commencement, 21 Jul 2021 to 31 Oct 2022
<b>Total Return (%)<sup>1</sup></b>	4.28	4.11	4.31	(0.22)
<b>Benchmark (%)</b>	2.31	2.69	2.84	2.43

Source: LSEG Lipper

**Fund – Class R**

	FY2025	FY2024	FY2023	Since Commencement, 21 Jul 2021 to 31 Oct 2022
<b>Total Return (%)<sup>1</sup></b>	4.13	3.95	4.16	(0.39)
<b>Benchmark (%)</b>	2.31	2.69	2.84	2.43

Source: LSEG Lipper

### Fund – Class H (Hedged)

	FY2025	FY2024	FY2023	Since Commencement, 21 Jul 2021 to 31 Oct 2022
<b>Total Return (%)<sup>1 &amp; 2</sup></b>	5.51	6.37	6.43	(0.08)
<b>Benchmark (%)<sup>2</sup></b>	2.31	11.73	2.06	(8.47)

Source: LSEG Lipper

#### Notes:

- (1) Annual Total Return of the Fund and its Benchmark for a period are calculated based on the absolute return of the Fund for that period. The calculation of the Annual Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from LSEG Lipper. Fund performances include reinvestment of income distributions into the Fund. Further details on basis of calculation and assumption made in calculating returns is as follows:

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distributions payable (if any) during the stipulated period:

- **Capital Return** = {NAV per Unit End / NAV per Unit Beginning – 1} x 100
- **Income Return** = {Income Distribution per Unit / NAV per Unit Ex-Distribution} x 100
- **Total Return** = (1 + Percentage Growth)<sup>1/n</sup> – 1

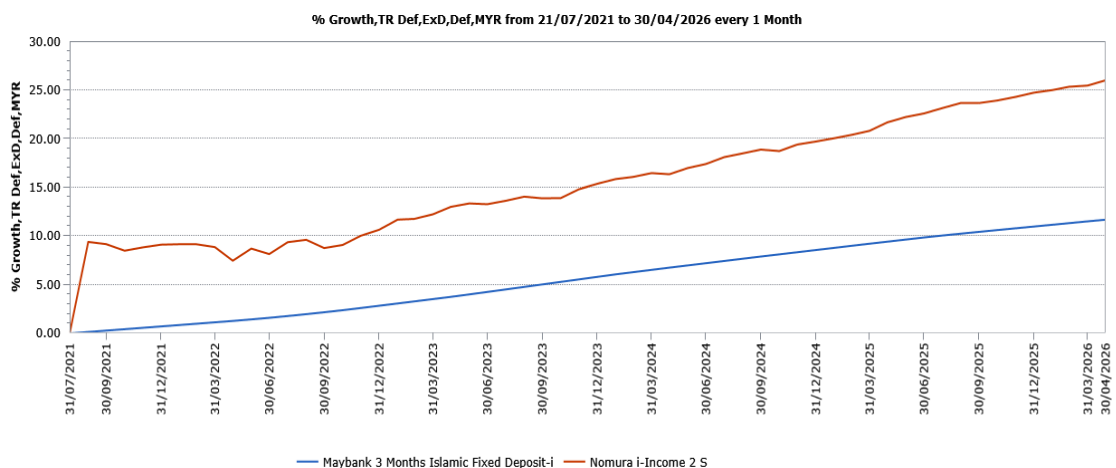
- (2) Class H performance figures are quoted in USD and benchmark performance comparisons are measured in MYR.

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

### 3. MANAGER'S REPORT

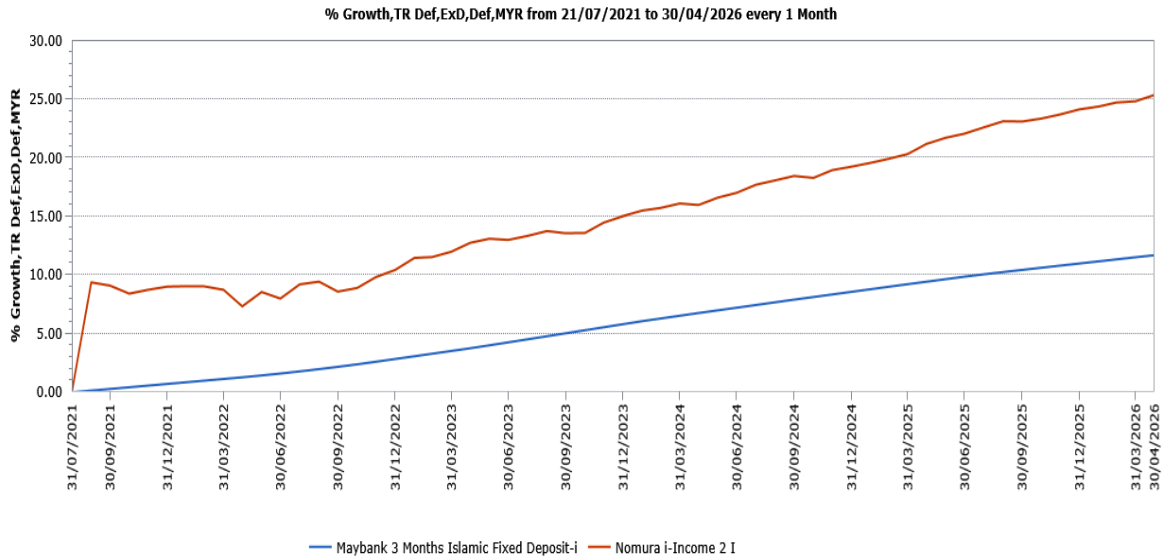
#### Performance of Nomura i-Income Fund 2 from 21 July 2021 to 30 April 2026

##### Fund – Class S



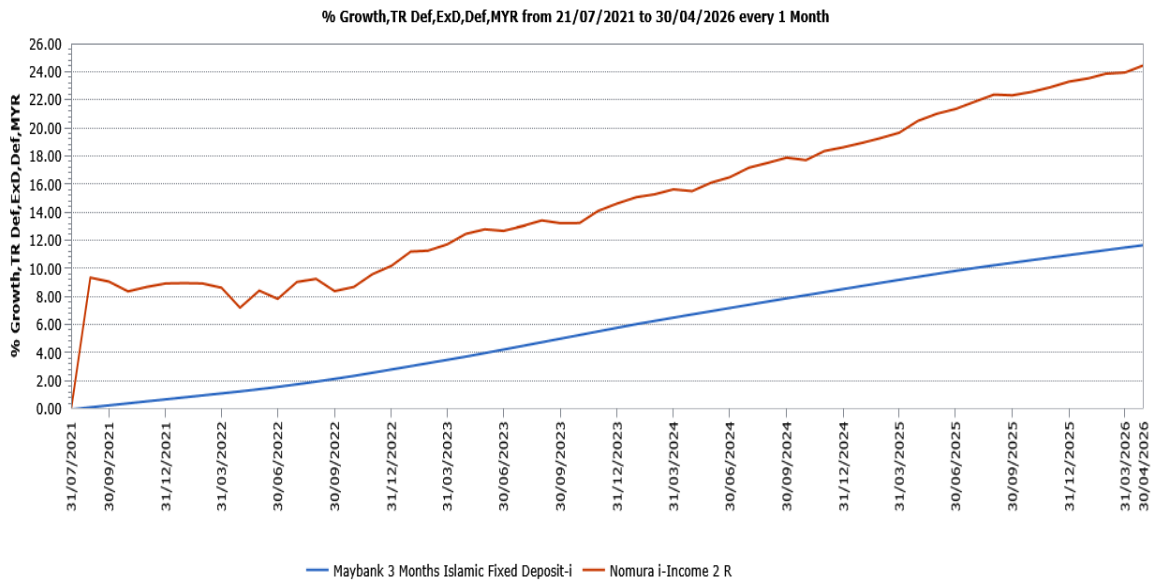
Source Lipper

## Fund – Class I



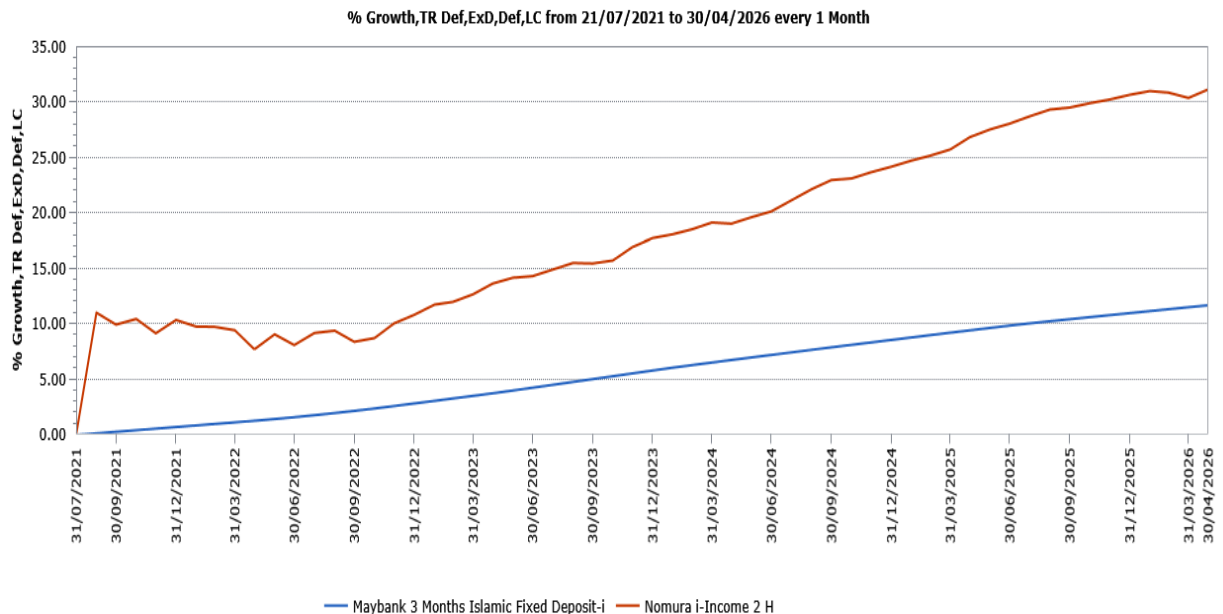
Source Lipper

## Fund – Class R



Source Lipper

## Fund – Class H (Hedged)



Source Lipper

**Benchmark:** Maybank 3-month Islamic Fixed Deposit Rate

**Note:** Class H performance figures are quoted in USD and benchmark performance comparisons are measured in MYR.

**Source:** The calculation of the Annual Total Return of the Fund is based on NAV-to-NAV basis, and is sourced from LSEG Lipper. Fund performances include reinvestment of income distributions into the Fund.

### 3.1 Performance for the period from 1 November 2025 to 30 April 2026

#### Fund – Class S

For the period under review from 1 November 2025 to 30 April 2026, Class S has registered 1.02% return. Compared to the Benchmark return of 0.64%, Class S has outperformed the Benchmark by 0.38%. The Net Asset Value (NAV) per unit of Class S as at 31 October 2025 was RM 1.0241 compared to the NAV per unit as at 30 April 2026 of RM 1.0277. On the total NAV basis, Class S's NAV stood at RM 201.88 million as at 30 April 2026. During the period under review, Class S has declared a total income distribution of RM 0.0134 per unit.

#### Fund – Class I

For the period under review from 1 November 2025 to 30 April 2026, Class I has registered 0.99% return. Compared to the Benchmark return of 0.64%, Class I has outperformed the Benchmark by 0.35%. The Net Asset Value (NAV) per unit of Class I as at 31 October 2025 was RM 1.0209 compared to the NAV per unit as at 30 April 2026 of RM 1.0262. On the total NAV basis, Class I's NAV stood at RM 31.84 million as at 30 April 2026. During the period under review, Class I has declared a total income distribution of RM 0.0113 per unit.

#### Fund – Class R

For the period under review from 1 November 2025 to 30 April 2026, Class R has registered 0.94% return. Compared to the Benchmark return of 0.64%, Class R has outperformed the Benchmark by 0.30%. The Net Asset Value (NAV) per unit of Class R as at 31 October 2025 was RM 1.0141 compared to the NAV per unit as at 30 April 2026 of RM 1.0202. On the total NAV basis, Class R's NAV stood at RM 9.56 million as at 30 April 2026. During the period under review, Class R has declared a total income distribution of RM 0.0095 per unit.

### **Fund – Class H (Hedged)**

For the period under review from 1 November 2025 to 30 April 2026, Class H (Hedged) has registered 0.37% return\*. Compared to the Benchmark return of 0.64%, Class H (Hedged) has underperformed the Benchmark by 0.27%\*. The Net Asset Value (NAV) per unit of Class H (Hedged) as at 31 October 2025 was USD 1.1506 compared to the NAV per unit as at 30 April 2026 of USD 1.1528. On the total NAV basis, Class H (Hedged)'s NAV stood at RM 0.17 million as at 30 April 2026. During the period under review, Class H (Hedged) has declared a total income distribution of USD 0.0087 per unit.

*\*Class H performance figures are quoted in USD and benchmark performance comparisons are measured in MYR.*

### **3.2 Review of Market for the period from 1 November 2025 to 30 April 2026**

Major global Central Banks performed a series of rate cut over the period under review. Domestically, Bank Negara Malaysia (“BNM”) adopted an increasingly accommodative monetary policy stance, responding to the heightened global uncertainties surrounding US tariff measures in 2Q25 and 3Q25. BNM’s policy trajectory began with a dovish pivot in May, and a surprise announcement of 100 bps reduction in the Statutory Reserve Requirement Ratio to 1.00%, releasing approximately MYR 19 billion worth of liquidity into the banking system. BNM followed through with a 25 bps Overnight Policy Rate (“OPR”) cut to 2.75% in July-25, as a pre-emptive measure to safeguard Malaysia’s growth momentum amid elevated downside risks. Following the adjustment in July-25, BNM kept its OPR stable at 2.75% for the rest of the period under review. In its latest Monetary Policy Committee meeting that was held in March-26, 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. Despite these headwinds, 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.

### **3.3 Investment Outlook**

We anticipate heightened volatility in 2H26 as the US-Israeli military intervention in Iran enters its 16th week, with escalating repercussions across the Middle East and global markets. The prolonged conflict poses significant risks to regional stability and economic conditions. Asia faces the most acute exposure to a sustained Strait of Hormuz closure, given the region’s heavy reliance on Middle Eastern energy imports. However, vulnerability levels vary considerably across Asian economies, depending on strategic petroleum reserve capacity, supply chain diversification strategies, economic structure and energy intensity, and alternative sourcing capabilities. A protracted conflict scenario is likely to trigger elevated volatility in regional currencies and financial assets, persistent pressure on energy-dependent sectors, potential risk-off sentiment affecting equity and credit markets, and widening yield spreads as risk premium adjust. We maintain a defensive posture with elevated cash positions, allowing tactical flexibility. Should government bond yields rise to levels offering compelling value particularly in the medium-term segment will strategically deploy capital into short to medium-dated Government Investment Issues (GII). This positioning aims to capture attractive risk-adjusted returns as yields normalize, enhance portfolio resilience through high-quality fixed income exposure, and position advantageously for the anticipated market environment in subsequent periods. We continue to monitor geopolitical developments closely and will adjust our strategy as conditions evolve.

### 3.4 Strategies Employed for the period from 1 November 2025 to 30 April 2026

We maintained a defensive duration posture throughout the period, reflecting our cautious outlook amid elevated market uncertainty. Despite persistent yield curve weakness, we prioritized capital preservation and portfolio flexibility over duration extension. This approach proved prudent given heightened macroeconomic and geopolitical volatility, evolving central bank policy trajectories and uncertain inflations dynamics. Significant portfolio inflows and outflows during the period necessitated elevated cash holdings to manage liquidity requirements effectively. While this temporarily constrained yield enhancement opportunities, it ensured operational flexibility and our ability to meet redemption obligations without forced asset sales at unfavorable prices. Despite our cautious duration stance, we remained disciplined in identifying selective opportunities to enhance portfolio yield through tactical positioning in the short end of the curve to capture favorable rolldown benefits, security selection within our duration constraints and opportunistic trading around market dislocations. We anticipate increasingly attractive entry points for duration extension as local yield curves continue their upward trajectory. Our strategy contemplates maximizing rolldown opportunities in the 1-3 year segment while yields remain elevated in the short term, while gradually extending duration when the belly to long end of the curve when they offer compelling risk-adjusted value. We would maintain sufficient liquidity to deploy capital decisively when yield improve. As the interest rate environment continues to evolve, we expect progressively more attractive opportunities to emerge for strategic duration positioning in the coming quarters.

### 3.5 Asset Allocation

Asset Allocation / Portfolio Composition	30 Apr 2026	31 Oct 2025	31 Oct 2024	31 Oct 2023
Unquoted sukuk - Government of Malaysia	29.37%	50.82%	60.88%	63.31%
Cash and Others <sup>#</sup>	70.63% <sup>^</sup>	49.18%	39.12%	36.69%
<b>Total (%)</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<sup>#</sup> Included in 'Cash and Others' are cash on hand and Islamic deposits and other net current assets/liabilities.

<sup>^</sup> Significant portfolio flows during month end have resulted in high liquidity levels.

1. A maximum of 50% of the Fund's NAV to be invested in Islamic deposits, placement of money at call with financial institutions and/or held in cash. The exposure of the non-compliance issue was above the threshold from 09.04.2025 onward. This is due to the market has been rallying aggressively since the start of April 2025 hence Portfolio Manager decided to raise liquidity level and take temporary defensive measure for the fund as disclosed in the fund's investment strategy.

2. A minimum of 50% of the Fund's NAV to be invested in Islamic fixed income instruments denominated in Ringgit Malaysia, including Government Investment Issues (GII) and/or other Islamic fixed income instruments issued or guaranteed by the Malaysian government or BNM or its subsidiaries. The exposure of the non-compliance issue was below the threshold from 07.04.2025 onward. This is due to the market has been rallying aggressively since the start of April 2025 hence Portfolio Manager decided to raise liquidity level and take temporary defensive measure for the fund as disclosed in the fund's investment strategy. Portfolio Manager is taking temporary defensive mode for the fund and will deploy when opportunity arises and plans to deploy within 3 months.

### 3.6 Securities Lending or Repurchase Transactions

The Fund has not undertaken any securities lending or repurchase transactions during the financial period under review.

### 3.7 Income Distribution

The Manager has distributed a total of gross/net of RM0.0134 per unit for unit holders of Class S, RM0.0113 per unit for unit holders of Class I and RM0.0095 per unit for unit holders of Class R, and USD0.0087 per unit for unit holders of Class H (Hedged) over the financial period ended 30 April 2026.

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

#### Fund – Class S

Cum-Distribution Date	Cum-Distribution (RM)	Ex-Distribution Date	Ex-Distribution (RM)	Distribution per Unit (RM)
17-Dec-25	1.0286	18-Dec-25	1.0189	0.0099
16-Mar-26	1.0263	17-Mar-26	1.0229	0.0035

#### Fund – Class I

Cum-Distribution Date	Cum-Distribution (RM)	Ex-Distribution Date	Ex-Distribution (RM)	Distribution per Unit (RM)
17-Dec-25	1.0253	18-Dec-25	1.0219	0.0036
16-Mar-26	1.0291	17-Mar-26	1.0215	0.0077

#### Fund – Class R

Cum-Distribution Date	Cum-Distribution (RM)	Ex-Distribution Date	Ex-Distribution (RM)	Distribution per Unit (RM)
17-Dec-25	1.0182	18-Dec-25	1.0154	0.0030
16-Mar-26	1.0222	17-Mar-26	1.0157	0.0065

#### Fund – Class H (Hedged)

Cum-Distribution Date	Cum-Distribution (USD)	Ex-Distribution Date	Ex-Distribution (USD)	Distribution per Unit (USD)
-	-	-	-	-
16-Mar-26	1.1551	17-Mar-26	1.1464	0.0087

#### Distribution Breakdown

##### Fund – Class S

Ex-Distribution Date	Income Distribution per Unit (RM)	Income Distribution (%)	Capital Distribution per Unit (RM)	Capital Distribution (%)
18-Dec-25	0.0037	37.37	0.0062	62.63
17-Mar-26	0.0035	100.00	-	-

**Fund – Class I**

Ex-Distribution Date	Income Distribution per Unit (RM)	Income Distribution (%)	Capital Distribution per Unit (RM)	Capital Distribution (%)
18-Dec-25	0.0036	100.00	-	-
17-Mar-26	0.0077	100.00	-	-

**Fund – Class R**

Ex-Distribution Date	Income Distribution per Unit (RM)	Income Distribution (%)	Capital Distribution per Unit (RM)	Capital Distribution (%)
18-Dec-25	0.0030	100.00	-	-
17-Mar-26	0.0065	100.00	-	-

**Fund – Class H (Hedged)**

Ex-Distribution Date	Income Distribution per Unit (USD)	Income Distribution (%)	Capital Distribution per Unit (USD)	Capital Distribution (%)
-	-	-	-	-
17-Mar-26	0.0087	100.00	-	-

**3.8 Details of Any Unit Split Exercise**

There was no unit split exercise during the financial period under review.

**3.9 Significant Changes in the State of Affairs of the Fund**

There were no significant changes in the state of affairs of the Fund during the financial period under review.

**3.10 Circumstances that Materially Affect Any Interest of Unit Holders**

There were no circumstances that had materially affected the interest of the unit holders during the financial period under review.

**3.11 Cross Trades Transactions**

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

**3.12 Soft Commissions Received From Brokers**

The Manager did not receive any soft commission during the financial period under review.

*This Semi-Annual Report is prepared by the Manager of the Fund, Nomura Asset Management Malaysia Sdn. Bhd., for information purposes only. Past earnings of the Fund's distribution record is not a guarantee or reflection of the Fund's future earnings or future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down, as well as up.*

NOMURA i-INCOME FUND 2

SEMI-ANNUAL REPORT  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED)

## NOMURA i-INCOME FUND 2

### SEMI-ANNUAL REPORT FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED)

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NOMURA i-INCOME FUND 2

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED)

	<u>Note</u>	<u>2026</u> RM	<u>2025</u> RM
<b>INVESTMENT INCOME</b>			
Profit income from unquoted sukuk at fair value through profit or loss ("FVTPL")		812,311	769,462
Profit income from Islamic deposits with licensed financial institutions and term deposits at amortised cost		1,274,288	602,041
Net loss on Islamic forward foreign currency contracts	9	(44,503)	(11,005)
Net gain on financial assets at fair value through profit or loss ("FVTPL")	6	202,485	569,999
Net gain on foreign currency exchange		256	12,468
		<u>2,244,837</u>	<u>1,942,965</u>
<b>EXPENSES</b>			
Management fee	3	(118,072)	(75,970)
Trustee's fee	4	(17,986)	(11,228)
Shariah Adviser's fee		(3,098)	(3,213)
Audit fee		(7,605)	(7,311)
Tax agent's fee		(2,731)	(2,463)
Other expenses		(12,875)	(1,700)
		<u>(162,367)</u>	<u>(101,885)</u>
<b>NET INCOME BEFORE FINANCE COST AND TAXATION</b>		2,082,470	1,841,080
<b>FINANCE COST</b>			
Distributions	11	<u>(1,202,187)</u>	<u>(1,145,541)</u>
<b>NET INCOME AFTER FINANCE COST AND BEFORE TAXATION</b>		880,283	695,539
<b>TAXATION</b>	5	<u>-</u>	<u>-</u>
<b>INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>880,283</u>	<u>695,539</u>
Increase in net assets attributable to unitholders is made of the following:			
Realised amount		675,079	201,666
Unrealised amount		205,204	493,873
		<u>880,283</u>	<u>695,539</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these unaudited financial statements.

NOMURA i-INCOME FUND 2

STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2026 (UNAUDITED)

	<u>Note</u>	<u>2026</u> RM	<u>2025</u> RM
<b>ASSETS</b>			
Financial assets at fair value through profit or loss ("FVTPL")	6	71,641,169	20,595,684
Term deposits	8	61,157,402	48,212,890
Islamic forward foreign currency contract	9	-	1,106
Cash and cash equivalents	7	111,338,319	6,557,179
Amount due from Manager		-	46,123
<b>TOTAL ASSETS</b>		<u>244,136,890</u>	<u>75,412,982</u>
<b>LIABILITIES</b>			
Islamic forward foreign currency contract	9	748	24,110
Accrued management fee	3	34,769	12,474
Amount due to Manager		121,301	-
Amount due to Trustee	4	6,008	1,854
Amount due to Shariah Adviser		1,534	1,170
Auditors' remuneration		7,605	7,311
Tax agent fees		7,975	-
Other payables and accruals		3,262	7,339
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>183,202</u>	<u>54,258</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>243,953,688</u>	<u>75,358,724</u>
<b>NET ASSET ATTRIBUTABLE TO UNITHOLDERS</b>		<u>243,953,688</u>	<u>75,358,724</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these unaudited financial statements.

NOMURA i-INCOME FUND 2

STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2026 (UNAUDITED)

	<u>Note</u>	<u>2026</u> RM	<u>2025</u> RM
<b>REPRESENTED BY</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (RM)</b>			
Class S		201,879,543	40,862,357
Class I		31,837,682	31,397,565
Class R		9,558,882	2,234,146
Class H (Hedged)		<u>677,581</u>	<u>864,656</u>
<b>NUMBER OF UNIT IN CIRCULATION (UNITS)</b>			
Class S	10	196,428,993	40,194,023
Class I	10	31,026,247	31,026,225
Class R	10	9,369,591	2,220,366
Class H (Hedged)	10	<u>148,164</u>	<u>175,390</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
Class S		1.0277	1.0166
Class I		1.0262	1.0120
Class R		1.0202	1.0062
Class H (Hedged)		<u>4.5732</u>	<u>4.9299</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
Class S		1.0277	1.0166
Class I		1.0262	1.0120
Class R		1.0202	1.0062
Class H (Hedged)		<u>1.1528</u>	<u>1.1433</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these unaudited financial statements.

NOMURA i-INCOME FUND 2

STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNITHOLDERS  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED)

	<u>2026</u> RM	<u>2025</u> RM
<b>Net assets attributable to unitholders at the beginning of financial period</b>	81,509,365	75,989,690
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
Class S	160,000,000	-
Class R	8,498,475	194,789
Class H (Hedged)	-	243,894
	<u>168,498,475</u>	<u>438,683</u>
Creation of units from distributions		
Class S	15	17
Class I	13	17
Class R	103,217	38,403
Class H (Hedged)	5,015	3,225
	<u>108,260</u>	<u>41,662</u>
Cancellation of units		
Class R	(6,946,999)	(1,099,002)
Class H (Hedged)	(95,696)	(707,848)
	<u>(7,042,695)</u>	<u>(1,806,850)</u>
Increase in net assets attributable to unitholders during the financial period	<u>880,283</u>	<u>695,539</u>
<b>Net assets attributable to unitholders at the end of financial period</b>	<u>243,953,688</u>	<u>75,358,724</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these unaudited financial statements.

NOMURA i-INCOME FUND 2

STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED)

	<u>Note</u>	<u>2026</u> RM	<u>2025</u> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Purchase of Shariah-compliant investments		(29,998,200)	-
Placement of term deposits		(61,100,000)	(47,791,000)
Proceeds from maturity of term deposits		24,877,000	26,349,000
Proceeds from sale of Shariah-compliant investments		-	25,695,000
Profit income from unquoted sukuk		796,550	1,311,775
Profit income from Islamic deposits with licensed financial institutions		900,597	888,571
Management fee paid		(98,156)	(76,718)
Trustee's fee paid		(14,050)	(11,306)
Shariah adviser's fee paid		(3,000)	(3,000)
Payment for other fees and expenses		(25,709)	(16,169)
Net realised loss on Islamic forward foreign currency contracts		(47,221)	(25,359)
Net realised foreign exchange gain		256	12,468
Net cash (used in)/generated from operating activities		<u>(64,711,933)</u>	<u>6,333,262</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		168,498,475	392,560
Payment for cancellation of units		(6,931,393)	(1,817,271)
Distributions paid		(1,093,927)	(1,103,880)
Net cash generated from/(used in) financing activities		<u>160,473,155</u>	<u>(2,528,591)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		95,761,222	3,804,671
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		<u>15,577,097</u>	<u>2,752,508</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	7	<u>111,338,319</u>	<u>6,557,179</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these unaudited financial statements.

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED)

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 have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS and International Financial Reporting 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 period. 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 I to the financial statements.

(i) Standards, amendments to published standards and interpretations that are applicable and effective:

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 May 2025 that have a material effect on the financial statements of the Fund.

(ii) Standards and amendments that have been issued that are applicable to the Fund but not yet effective:

- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026):
  - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition);
  - There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
  - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
  - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED)

#### A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(ii) Standards and amendments that have been issued that are applicable to the Fund but not yet effective: (continued)

- Annual Improvements to MFRS Accounting Standards for enhanced consistency (effective 1 January 2026).
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
  - The new MFRS introduces a new structure of profit or loss statement.
    - (a) Income and expenses are classified into 3 new main categories:
      - i. Operating category which typically includes results from the main business activities;
      - ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
      - iii. Financing category that presents income and expenses from financing liabilities.
    - (b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
  - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
  - Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

#### B PRESENTATION AND FUNCTIONAL CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Fund's presentation and functional currency.

#### C FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### D INCOME RECOGNITION

Profit income from unquoted sukuk and Islamic deposits with licensed financial institutions are recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain and loss on sale of unquoted sukuk is measured by the difference between the net disposal proceeds and the carrying amounts of the Shariah-compliant investments (adjusted for accretion of discount or amortisation of premium).

Realised gain or loss on Islamic forward foreign currency contracts are measured by the net settlement amount as per the Islamic forward foreign currency contract.

#### E TAXATION

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

#### F FINANCIAL ASSETS AND FINANCIAL LIABILITIES

##### (i) Classification

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

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its Shariah-compliant 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 sukuk are solely principal and profit, however, these Shariah-compliant 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 Shariah-compliant investments are measured at fair value through profit or loss.

The Fund classifies amount due from Manager 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 accrued management fee, amount due to Trustee, amount due to Shariah Adviser, auditors' remuneration and other payables and accruals as financial liabilities measured at amortised cost.

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### F 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 Shariah-compliant financial instrument.

Financial assets are derecognised 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 fair value through profit or loss" category are recognised in the statement of comprehensive income with net gain or loss on financial assets at fair value through profit or loss in the financial year in which they arise.

Unquoted sukuk denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission of Malaysia ("SC") as per the SC's Guidelines on Unit Trust Funds. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted sukuk differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (a) Records its basis for using a non-BPA price;
- (b) Obtains necessary internal approvals to use the non-BPA price; and
- (c) Keeps an audit trail of all decisions and basis for adopting the market price.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of maturity of the respective Islamic deposits, which is a reasonable estimate of fair value due to the short-term nature of the Islamic deposits.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective profit method.

##### (iii) Impairment

The Fund measures credit risk and expected credit losses 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 Shariah-compliant 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.

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

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

##### (iii) Impairment (continued)

###### 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 period.

#### G CASH AND CASH EQUIVALENTS

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

#### H CREATION AND CANCELLATION OF UNITS

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

The Fund issues cancellable units, in four classes of units, known respectively as the Class S, Class I, Class R and Class H (Hedged), which are cancelled at the unitholders' option and do not have identical features subject to restrictions as stipulated in the Prospectus and Securities Commission's ("SC") Guidelines on Unit Trust Funds. The units are classified as financial liabilities.

Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholders exercise the right to put back the unit to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net asset attributable to unitholders of respective classes with the total number of outstanding units of respective classes.

## NOMURA i-INCOME FUND 2

### MATERIAL ACCOUNTING POLICY INFORMATION FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### I DISTRIBUTIONS

Distributions are at the discretion of the Fund. A distribution to the Fund's unitholders is accounted for as a finance cost in the statement of comprehensive income when they are appropriately authorized and no longer at the discretion of the Fund. A proposed distribution is recognised as a liability in the year in which it is approved by the Trustee.

#### J DERIVATIVE

A derivative is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Fund's derivative comprise Islamic forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains or losses on the derivative are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative. Derivative instruments that have a negative fair value are presented as liabilities as fair value through profit or loss.

The fair value of Islamic forward foreign currency contracts is determined using forward exchange rates on the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

#### K INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Income not distributed is included in net assets attributable to unitholders.

#### L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

#### M REALISED AND UNREALISED PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised amount in increase or decrease in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED)

#### 1 INFORMATION ON THE FUND

Nomura i-Income Fund 2 (the “Fund”) was constituted pursuant to the execution of a Master Deed dated 3 May 2021, a First Supplemental Deed dated 2 September 2022 and a Second Supplemental Deed dated 7 March 2023 (collectively referred to as the “Deed”) entered into between Nomura Asset Management Malaysia Sdn Bhd (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund was launched on 30 June 2021 and will continue its operations until being terminated by the Manager or the Trustee as provided under Clause 12 of the Deed.

The Fund will invest in RM-denominated Islamic fixed income instruments which are liquid and carries minimal risk of default. The Fund primarily invests in Islamic fixed income instruments including sukuk issued or guaranteed by the Malaysia government, Islamic deposits and/or placement of money at call with financial institutions.

The Fund seeks to provide investors with recurring income on its investments.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds and asset management including providing fund management services to private clients.

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	Financial assets at fair value through <u>profit or loss</u> RM	Financial assets at <u>amortised cost</u> RM	<u>Total</u> RM
<u>2026</u>				
<u>Financial assets</u>				
Cash and cash equivalents	7	-	111,338,319	111,338,319
Term deposits	8	-	61,157,402	61,157,402
Unquoted sukuk	6	71,641,169	-	71,641,169
Total		<u>71,641,169</u>	<u>172,495,721</u>	<u>244,136,890</u>
<u>Financial liabilities</u>				
Islamic forward foreign currency contracts		748	-	748
Accrued management fee		-	34,769	34,769
Amount due to Manager		-	121,301	121,301
Amount due to Trustee		-	6,008	6,008
Amount due to Shariah Adviser		-	1,534	1,534
Auditor's remuneration		-	7,605	7,605
Tax agent fees		-	7,975	7,975
Other payables and accruals		-	3,262	3,262
Total		<u>748</u>	<u>182,454</u>	<u>183,202</u>

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments are as follows (continued):

	<u>Note</u>	Financial assets at fair value through <u>profit or loss</u> RM	Financial assets at <u>amortised cost</u> RM	<u>Total</u> RM
<u>2025</u>				
<u>Financial assets</u>				
Cash and cash equivalents	7	-	6,557,179	6,557,179
Term deposits	8	-	48,212,890	48,212,890
Amount due from Manager		-	46,123	46,123
Unquoted sukuk	6	20,595,684	-	20,595,684
Islamic forward foreign currency contracts		1,106	-	1,106
Total		<u>20,596,790</u>	<u>54,816,192</u>	<u>75,412,982</u>
<u>Financial liabilities</u>				
Islamic forward foreign currency contracts		24,110	-	24,110
Accrued management fee		-	12,474	12,474
Amount due to Trustee		-	1,854	1,854
Amount due to Shariah Adviser		-	1,170	1,170
Auditor's remuneration		-	7,311	7,311
Other payables and accruals		-	7,339	7,339
Total		<u>24,110</u>	<u>30,148</u>	<u>54,258</u>

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, profit rate risk and currency risk), liquidity risk, credit/default risk, capital risk and fund management 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 and SC's Guidelines on Unit Trust Funds.

#### Price risk

Price risk is the risk that the fair value of an investment of the Fund will fluctuate because of changes in market prices (other than those arising from profit rate risk).

The Fund's overall exposure to price risk are as follows:

	<u>2026</u> RM	<u>2025</u> RM
Financial assets at fair value through profit or loss*	<u>71,641,169</u>	<u>20,595,684</u>

\* Includes profit receivable of RM295,169 (2025: RM151,684).

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Price risk (continued)

The table below summarises the sensitivity of the Fund's net asset value and profit after tax to movements in prices of Shariah-compliant investments. The analysis is based on the assumptions that the price of the investments fluctuates by 5% with all other variables held constant.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit</u> <u>after tax/NAV</u> RM
<u>2026</u>		
+5	74,913,300	3,567,300
-5	67,778,700	(3,567,300)
	<u>                    </u>	<u>                    </u>
<u>2025</u>		
+5	21,466,200	1,022,200
-5	19,421,800	(1,022,200)
	<u>                    </u>	<u>                    </u>

##### Profit rate risk

In general, when profit rates rise, valuation for unquoted sukuk will tend to fall and vice versa. Therefore, the net asset value of the Fund may also tend to fall when profit rates rise or are expected to rise when profit rates fall. However, investors should be aware that should the Fund hold an unquoted sukuk till maturity, such fluctuations would dissipate as it approaches maturity, and thus the growth of the net asset value shall not be affected at maturity. In order to mitigate profit 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 profit rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial since sukuk portfolio management depends on forecasting profit rate movements. Sukuk with longer maturity and lower profit rates are more susceptible to profit rate movements.

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

The above profit rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

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

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Profit rate risk (continued)

	<u>Impact on profit after tax/NAV</u>	
	<u>2026</u>	<u>2025</u>
	RM	RM
<u>% Change in profit rate</u>		
+ 1%	(125,558)	(32,427)
- 1%	125,828	32,490
	<u>                    </u>	<u>                    </u>

The Fund's Islamic deposits with licensed financial institutions are short term in nature. Therefore, exposure to profit rate fluctuations is minimal.

Currency risk

Currency risk is associated with cash holding denominated in United States Dollar. When the foreign currency fluctuates in an unfavorable movement against Ringgit Malaysia, the investments will face currency losses. The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest differentials, balance of payments position, debt levels, and technical chart of considerations.

The following tables set out the foreign currency risk concentrations and counterparties of the Fund:

	<u>Islamic forward foreign currency contracts</u>	<u>Net assets attributable to unitholders</u> RM	<u>Total</u> RM
<u>2026</u>			
USD	(748)	677,581	676,833
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2025</u>			
USD	(23,004)	864,656	841,652
	<u>                    </u>	<u>                    </u>	<u>                    </u>

The table below summarises the sensitivity of the Fund's profit after tax and NAV to changes in foreign exchange movements at the end of each reporting period. The analysis is based on the assumption that the foreign exchange rate changes by 5%, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in a foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholder by approximately 5%. Disclosures below are shown in absolute terms, changes and impacts could be positive and negative.

	<u>Change in foreign exchange rate</u> %	<u>Impact on profit after tax/NAV</u> RM
<u>2026</u>		
USD	5	33,842
	<u>                    </u>	<u>                    </u>
<u>2025</u>		
USD	5	42,083
	<u>                    </u>	<u>                    </u>

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

The Fund maintains sufficient level of Islamic liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Islamic liquid assets comprise cash, Islamic deposits with licensed financial institutions, and unquoted sukuk 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 Islamic 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 RM</u>	<u>Between 1 month to 1 year RM</u>	<u>Total RM</u>
<u>2026</u>			
Islamic forward foreign currency contract	-	748	748
Accrued management fee	34,769	-	34,769
Amount due to Manager	121,301	-	121,301
Amount due to Trustee	6,008	-	6,008
Amount due to Shariah Adviser	-	1,534	1,534
Auditors' remuneration	-	7,605	7,605
Tax agent fees	-	7,975	7,975
Other payables and accruals	-	3,262	3,262
	<u>162,078</u>	<u>21,124</u>	<u>183,202</u>
<u>2025</u>			
Islamic forward foreign currency contract	-	24,110	24,110
Accrued management fee	12,474	-	12,474
Amount due to Trustee	1,854	-	1,854
Amount due to Shariah Adviser	-	1,170	1,170
Auditors' remuneration	-	7,311	7,311
Other payables and accruals	-	7,339	7,339
	<u>14,328</u>	<u>39,930</u>	<u>54,258</u>

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Credit/default risk

Credit risk refers to the ability of an issuer or a counterparty to make timely payments of profit or principals payment on the maturity date. This may lead to a default in the payment of principal and profit 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 Islamic deposits with licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

For unquoted sukuk, 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 Unit Trust Funds.

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

	Financial assets at FVTPL RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2026</u>				
Financial services				
- AAA	-	102,001,322	-	102,001,322
- AA2	-	25,642,800	-	25,642,800
- AA3	-	4,964,076	-	4,964,076
- AA+	-	28,992,060	-	28,992,060
- A1	-	2,994,221	-	2,994,221
- A	-	7,901,242	-	7,901,242
Public Administration				
- Not Rated	71,641,169	-	-	71,641,169
	<u>71,641,169</u>	<u>172,495,721</u>	<u>-</u>	<u>244,136,890</u>
<u>2025</u>				
Financial services				
- AAA	-	30,207,390	-	30,207,390
- AA2	-	12,528,630	-	12,528,630
- AA+	-	12,034,049	-	12,034,049
Public Administration				
- Not Rated	20,595,684	-	-	20,595,684
Others				
- AAA	-	-	1,106	1,106
- Not Rated	-	-	46,123	46,123
	<u>20,595,684</u>	<u>54,770,069</u>	<u>47,229</u>	<u>75,412,982</u>

\*Other assets consist of amount due from Manager and Islamic forward foreign currency contract

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Capital risk

The capital of the Fund is represented by net assets attributable to unitholders of RM243,953,688 (2025: RM75,358,724). The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the Shariah-compliant investment activities of the Fund.

##### Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective Fund. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of unitholders.

##### Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets and liabilities traded in an active market (such as publicly traded Islamic derivatives and Shariah-compliant securities) are based on quoted market prices at the close of trading on the period 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 period end date. Valuation techniques used for non-standardised Shariah-compliant financial instruments such as Islamic options, Islamic currency swaps and other over-the-counter Islamic derivatives, include the use of comparable recent arm's length transactions, reference to other Shariah-compliant 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.

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 sukuk, for which market were or have been inactive during the financial period. 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.

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Fair value estimation (continued)

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

- (ii) Ringgit-denominated unquoted sukuk are valued using fair value prices quoted by a bond pricing agency ("BPA"). Where the Manager is of the view that the price quoted by BPA for a specific unquoted sukuk 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-BPA price, and obtains necessary internal approvals to use the non-BPA price.

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

##### Fair value hierarchy

The Fund adopted MFRS 13 "Fair Value Measurement" in respect of disclosures about the degree of reliability affair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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 level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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>2026</u>				
Financial assets at fair value through profit or loss:				
- Unquoted sukuk	-	71,641,169	-	71,641,169

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

##### Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2026 (continued)</u>				
Financial liabilities at fair value through profit or loss:				
- Islamic forward foreign currency contracts	-	748	-	748
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2025</u>				
Financial assets at fair value through profit or loss:				
- Unquoted sukuk	-	20,595,684	-	20,595,684
- Islamic forward foreign currency contracts	-	1,106	-	1,106
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Financial liabilities at fair value through profit or loss:				
- Islamic forward foreign currency contracts	-	24,110	-	24,110
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, including collective investment schemes. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. Level 2 instruments include unquoted sukuk. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note F.

The carrying values of financial assets (other than financial assets at FVTPL) and financial liabilities (other than Islamic forward foreign currency contracts) are reasonable approximation of the fair value due to their short-term nature.

#### 3 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum of the Net Asset Value (NAV) of the Fund calculated and accrued on a daily basis.

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 3 MANAGEMENT FEE (CONTINUED)

For the financial period from 01 November 2025 to 30 April 2026, the management fee is recognised at a rate of 0.15% (01.11.2025 - 30.04.2026: 0.15%) per annum of the NAV of Class S, at the rate of 0.25% (01.11.2025 - 30.04.2026: %) per annum of the NAV of Class I and at the rate of 0.40% (01.11.2025 - 30.04.2026: 0.40%) per annum of the NAV of Class R and Class H (Hedged) respectively, calculated on a daily basis for the financial period.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

#### 4 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum of the NAV of the Fund (including local custodian fees and expenses but excluding foreign custodian fees and charges), subject to a minimum fee of RM12,000 per annum.

For the financial period from 01 November 2025 to 30 April 2026, the trustee fee is recognised at a rate of 0.03% (01.11.2024 - 30.04.2025: 0.03%) per annum on the NAV of the Fund, calculated on a daily basis for the financial period (including local custodian fees and expenses but excluding foreign custodian fees and charges), subject to a minimum fee of RM12,000 per annum.

There will be no further liability to the Trustee in respect of the trustee fee other than the amounts recognised above.

#### 5 TAXATION

	<u>2026</u> RM	<u>2025</u> RM
Current taxation - local	-	-

The numerical reconciliation between net income after finance cost and before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	<u>2026</u> RM	<u>2025</u> RM
Net income after finance cost and before taxation	2,082,470	695,539
Tax at applicable rate of 24% (2025: 24%)	499,793	166,929
Tax effect of:		
Shariah-compliant Investment income exempt from tax	(550,032)	(469,405)
Profit not deductible for tax purposes	11,272	3,094
Expenses not deductible for tax purposes	297,330	279,552
Restriction on tax deductible expenses for unit trust Funds	30,162	19,830
Taxation	-	-

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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(UNAUDITED) (CONTINUED)

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2026</u> RM	<u>2025</u> RM
Financial assets at FVTPL:		
- Unquoted sukuk	71,641,169	20,595,684
Net gain on financial assets at FVTPL comprised:		
- Realised gain on sale of financial assets at FVTPL	-	90,480
- Unrealised gain on changes in fair values	202,485	479,519
	<u>202,485</u>	<u>569,999</u>

Financial assets at fair value through profit or loss as at 30 April 2026 are as follows:

Unquoted Sukuk

<u>Nominal</u> <u>value</u> RM	<u>Name of Counter</u>	<u>Rating</u>	<u>Cost</u> RM	<u>Fair value</u> RM	<u>Percentage</u> <u>of net</u> <u>assets value</u> %
10,000,000	Government of Malaysia	Not Rated	10,261,023	10,402,779	4.26
20,000,000	Government of Malaysia	Not Rated	20,311,869	20,480,810	8.40
10,000,000	Government of Malaysia	Not Rated	10,459,528	10,440,495	4.28
30,000,000	Government of Malaysia	Not Rated	30,089,636	30,317,085	12.43
TOTAL UNQUOTED SUKUK			<u>71,122,056</u>	<u>71,641,169</u>	<u>29.37</u>
UNREALISED GAIN ON CHANGES IN FAIR VALUE			<u>519,113</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>71,641,169</u>		

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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(UNAUDITED) (CONTINUED)

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Financial assets at fair value through profit or loss as at 30 April 2025 are as follows:

Unquoted Sukuk

<u>Nominal value</u> RM	<u>Name of Counter</u>	<u>Rating</u>	<u>Cost</u> RM	<u>Fair value</u> RM	<u>Percentage of net assets value</u> %
10,000,000	Government of Malaysia	Not Rated	10,299,785	10,412,779	13.82
10,000,000	Government of Malaysia	Not Rated	10,016,716	10,182,905	13.51
TOTAL UNQUOTED SUKUK			<u>20,316,501</u>	<u>20,595,684</u>	<u>27.33</u>
UNREALISED GAIN ON CHANGES IN FAIR VALUE			<u>279,183</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>20,595,684</u>		

7 CASH AND CASH EQUIVALENTS

	<u>2026</u> RM	<u>2025</u> RM
Islamic deposits with licensed financial institutions	111,287,752	6,503,099
Bank balances in a licensed bank	50,567	54,080
	<u>111,338,319</u>	<u>6,557,179</u>

Weighted average effective profit rates per annum is as follows:

	<u>2026</u> %	<u>2025</u> %
Islamic deposits with licensed financial institutions	<u>3.38</u>	<u>2.90</u>

Islamic deposits with licensed financial institutions have an average maturity of 21 days (01.11.2025 - 30.04.2026: 132 days).

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED) (CONTINUED)

8 TERM DEPOSITS

	<u>2026</u> RM	<u>2025</u> RM
Islamic deposits with licensed financial institutions	61,157,402	48,212,890

Weighted average effective profit rates per annum is as follows:

	<u>2026</u> %	<u>2025</u> %
Islamic deposits with licensed financial institutions	3.65	3.81

Islamic deposits with licensed financial institutions have an average maturity of 185 days (01.11.2025 - 30.04.2026: 80 days).

9 DERIVATIVE AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	<u>2026</u> RM	<u>2025</u> RM
Financial assets at fair value through profit or loss:		
- Islamic forward foreign currency contracts	-	1,106

Financial liabilities at fair value through profit or loss:		
- Islamic forward foreign currency contracts	748	24,110

	<u>2026</u> RM	<u>2025</u> RM
Net loss on Islamic forward foreign currency contracts at fair value through profit or loss:		
- realised loss on Islamic forward foreign currency contracts	(47,221)	(25,359)
- unrealised gain on Islamic forward foreign currency contracts	2,718	14,354
	<u>(44,503)</u>	<u>(11,005)</u>

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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(UNAUDITED) (CONTINUED)

9 DERIVATIVE AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONTINUED)

Islamic forward foreign currency contracts as at 30 April 2026 is as follows:

<u>Name of issuer</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair value</u> RM	Percentage of net asset value of the Fund %
CIMB Islamic Bank Berhad	672,227	672,975	(748)	-*

\*Less than 0.01%.

Islamic forward foreign currency contracts as at 30 April 2025 is as follows:

<u>Name of issuer</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair value</u> RM	Percentage of net asset value of the Fund %
CIMB Islamic Bank Berhad	947,828	970,832	(23,004)	(0.03)

The Islamic forward foreign currency contracts are transacted with CIMB Islamic Bank Berhad (2025: Standard Chartered Saadiq Bank Malaysia Berhad). The Islamic foreign currency forward agreement entered into during the financial year to minimise the risk of foreign exchange exposure between the USD and MYR for the Fund.

As at 30 April 2026, the notional principal amount for Islamic forward foreign currency contract is RM672,227 (2025: RM947,828).

As the Fund has not adopted hedge accounting, the change in the fair value of the Islamic foreign currency forward contracts are recognised immediately in the statement of income and expenses.

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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(UNAUDITED) (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

	<u>2026</u>	<u>2025</u>
	No. of units	No. of units
<u>Class S</u>		
At beginning of the financial period	40,194,035	40,194,006
Creation of units during the financial period:		
Arising from creations	156,234,944	-
Arising from distributions	14	17
	<u>196,428,993</u>	<u>40,194,023</u>
At end of the financial period	<u>196,428,993</u>	<u>40,194,023</u>
<u>Class I</u>		
At beginning of the financial period	31,026,235	31,026,208
Creation of units during the financial period:		
Arising from distributions	12	17
	<u>31,026,247</u>	<u>31,026,225</u>
At end of the financial period	<u>31,026,247</u>	<u>31,026,225</u>
<u>Class R</u>		
At beginning of the financial period	7,758,610	3,086,868
Creation of units during the financial period:		
Arising from creations	8,331,646	194,209
Arising from distributions	101,597	38,433
Cancellation of units	(6,822,262)	(1,099,144)
	<u>9,369,591</u>	<u>2,220,366</u>
At end of the financial period	<u>9,369,591</u>	<u>2,220,366</u>
<u>Class H (Hedged)</u>		
At beginning of the financial period	167,502	267,536
Creation of units during the financial period:		
Arising from creations	-	48,825
Arising from distributions	1,115	641
Cancellation of units	(20,453)	(141,612)
	<u>148,164</u>	<u>175,390</u>
At end of the financial period	<u>148,164</u>	<u>175,390</u>

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
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(UNAUDITED) (CONTINUED)

11 DISTRIBUTIONS

	<u>2025</u> RM	<u>2024</u> RM
Distribution to unit holders are from the following sources:		
Gross/net distribution amount.	<u>1,202,187</u>	<u>1,145,541</u>

During the financial period ended 30 April 2026, distributions per unit were made as follows:

<u>Ex date</u>	Gross/net distribution per unit			
	<u>Class S</u> RM	<u>Class I</u> RM	<u>Class R</u> RM	<u>Class H</u> (Hedged) USD
18 December 2025	0.0099	0.0036	0.0030	-
17 March 2026	0.0035	0.0077	0.0065	0.0087
	<u>0.0134</u>	<u>0.0113</u>	<u>0.0095</u>	<u>0.0087</u>
<u>Class S</u>	<u>Income</u> <u>distribution</u> RM	<u>Income</u> <u>distribution</u> %	<u>Capital</u> <u>distribution</u> RM	<u>Capital</u> <u>distribution</u> %
18 December 2025	397,921	100.00	-	-
17 March 2026	345,437	100.00	-	-
	<u>397,921</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
<u>Class I</u>	<u>Income</u> <u>distribution</u> RM	<u>Income</u> <u>distribution</u> %	<u>Capital</u> <u>distribution</u> RM	<u>Capital</u> <u>distribution</u> %
18 December 2025	111,695	100.00	-	-
17 March 2026	238,902	100.00	-	-
	<u>111,695</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
<u>Class R</u>	<u>Income</u> <u>distribution</u> RM	<u>Income</u> <u>distribution</u> %	<u>Capital</u> <u>distribution</u> RM	<u>Capital</u> <u>distribution</u> %
18 December 2025	27,102	100.00	-	-
17 March 2026	76,115	100.00	-	-
	<u>27,102</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
<u>Class H</u>	<u>Income</u> <u>distribution</u> RM	<u>Income</u> <u>distribution</u> %	<u>Capital</u> <u>distribution</u> RM	<u>Capital</u> <u>distribution</u> %
17 March 2026	5,015	100.00	-	-
	<u>5,015</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED) (CONTINUED)

11 DISTRIBUTIONS (CONTINUED)

During the financial period ended 30 April 2025, distributions per unit were made as follows:

<u>Ex date</u>	Gross/net distribution per unit			
	<u>Class S</u>	<u>Class I</u>	<u>Class R</u>	<u>Class H</u> <u>(Hedged)</u>
	RM	RM	RM	USD
23 December 2024	0.0055	0.0055	0.0055	0.0012
19 March 2025	0.0100	0.0100	0.0100	0.0023
	<u>0.0155</u>	<u>0.0155</u>	<u>0.0155</u>	<u>0.0035</u>
<u>Class S</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
23 December 2024	221,067	100.00	-	-
19 March 2025	401,940	100.00	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
<u>Class I</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
23 December 2024	170,644	100.00	-	-
19 March 2025	310,262	100.00	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
<u>Class R</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
23 December 2024	17,033	100.00	-	-
19 March 2025	21,371	100.00	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
<u>Class H</u>	<u>Income distribution</u> RM	<u>Income distribution</u> %	<u>Capital distribution</u> RM	<u>Capital distribution</u> %
23 December 2024	1,441	100.00	-	-
19 March 2025	1,783	100.00	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

Gross distribution is derived using total income less total expenses.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution for unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

#### 12 TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transactions with the top 10 financial institutions are as follows:

	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %
<u>2026</u>		
Alliance Islamic Bank Bhd	137,502,000	37.21
CIMB Islamic Bank Berhad	47,400,000	12.83
Hong Leong Islamic Bank Berhad	44,500,000	12.04
Al Rajhi Banking & Investment (Malaysia) Bhd	40,900,000	11.07
Standard Chartered Bank Malaysia Berhad	29,998,200	8.12
Kuwait Finance House (Malaysia) Berhad	27,800,000	7.52
AmBank Islamic Berhad	25,500,000	6.90
Public Islamic Bank Berhad	11,000,000	2.98
Bank Islam Malaysia Berhad	4,900,000	1.33
	<u>369,500,200</u>	<u>100.00</u>
<u>2025</u>		
Maybank Islamic Berhad	91,721,000	55.52
CIMB Islamic Bank Berhad	31,912,000	19.32
AmBank Islamic Berhad	12,500,000	7.57
Public Islamic Bank Berhad	12,077,000	7.30
Kuwait Finance House (Malaysia) Berhad	11,972,000	7.25
CIMB Bank Berhad	5,025,000	3.04
	<u>165,207,000</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 Shariah-compliant investments do not involve any commission or brokerage.

NOMURA i-INCOME FUND 2

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026  
(UNAUDITED) (CONTINUED)

13 TOTAL EXPENSE RATIO (“TER”)

	<u>2026</u> %	<u>2025</u> %
TER	<u>0.13</u>	<u>0.13</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E + F)}{G} \times 100$$

A	=	Management fee
B	=	Trustee’s fee
C	=	Shariah Adviser’s fee
D	=	Audit fee
E	=	Tax agent’s fee
F	=	Other expenses
G	=	Average net asset value of Fund calculated on daily basis

The average net asset value of the Fund for the financial period calculated on daily basis is RM120,897,910 (2025: RM75,487,092).

14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2026</u>	<u>2025</u>
PTR (times)	<u>0.12</u>	<u>0.17</u>

PTR is derived from the following calculation:

(Total acquisition for the financial period + total disposal for the financial period) ÷ 2

—————  
Average net asset value of the Fund for the financial period calculated on daily basis

Where: total acquisition for the financial period = RM29,998,200 (2025: RM Nil)  
total disposal for the financial period = RM Nil (2025: RM26,173,175)

## NOMURA i-INCOME FUND 2

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 01 NOVEMBER 2025 TO 30 APRIL 2026 (UNAUDITED) (CONTINUED)

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

The related party of and its relationship with the Fund are as follows:

<u>Related party</u>			<u>Relationship</u>		
Nomura Asset Management Malaysia Sdn Bhd Senior Management of the Manager			The Manager		
			Director(s) of the Manager		
				<u>2026</u>	<u>2025</u>
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>	
Nomura Asset Management Malaysia Sdn Bhd					
Class S	1,123	1,154	1,097	1,115	
Class I	1,119	1,148	1,097	1,110	
Class R	1,118	1,141	1,097	1,104	
Class H (Hedged)	1,045	1,210	1,019	5,204	

The units held by the Manager are held legally for booking purposes.

In addition to the related party disclosure mentioned elsewhere in the financial statements, there were no other significant related party transactions and balances.

Other than the above, there were no units held by parties related to the Manager.

#### 16 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser has confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- i) cash placement and liquid assets that are placed in investments and/or instruments in the local market that have been classified as Shariah-compliant by the Shariah Advisory Council ("SAC") of Bank Negara Malaysia; and
- ii) investments of Government Investment Issues and any other Islamic fixed income instruments which have been classified as Shariah-compliant by the SAC of the Securities Commission Malaysia or Bank Negara Malaysia.

#### 17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 25 June 2026.

**NOMURA i-INCOME FUND 2****STATEMENT BY THE MANAGER**

We, Leslie Yap Kim Loong and Chooi Su May, 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 1 to 31 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 30 April 2026 and of its financial performance, changes in net asset value and cash flows for the financial period from 01 November 2025 to 30 April 2026 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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



LESLIE YAP KIM LOONG  
Managing Director



CHOOI SU MAY  
Director

Kuala Lumpur

25 JUN 2026



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## TRUSTEE'S REPORT

### TO THE UNIT HOLDERS OF NOMURA i-INCOME FUND 2 ("Fund")

We have acted as Trustee of the Fund for the financial period ended 30 April 2026 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 period 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 Unit Trust Funds;
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 distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For Deutsche Trustees Malaysia Berhad

  
**Ng Hon Leong**  
Head, Fund Operations

  
**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur

**25 JUN 2026**

**SHARIAH ADVISER'S REPORT**


TO THE UNIT HOLDERS OF  
NOMURA i-INCOME FUND 2

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 financial period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia or Bank Negara Malaysia pertaining to Shariah matters; and

The assets of the Fund comprise instruments that have been classified as Shariah-compliant by the Shariah Advisory Council ("SAC") of the Securities Commission Malaysia or Bank Negara Malaysia. As for the instruments which are not classified as Shariah-compliant by the SAC of the Securities Commission Malaysia or Bank Negara Malaysia, we have reviewed the said instruments and confirmed that these instruments are Shariah-compliant.

For ZICO Shariah Advisory Services Sdn Bhd



DR. AIDA OTHMAN

Designated Person Responsible for Shariah Matters Relating to the Fund

Kuala Lumpur

25 JUN 2025