

## Nomura i-Income Fund 2 - Class I

May 2026

### Fund Manager's Commentary

In May, persistently high energy prices stemming from prolonged geopolitical tensions in the Middle East reignited inflation concerns. In line with global yield movements, though at a smaller quantum, GII yields rose across the curve. In particular, yields increased by 1-5 bps MoM.

In its May Monetary Policy Committee meeting, Bank Negara Malaysia (BNM) kept its Overnight Policy Rate (OPR) unchanged at 2.75%, consistent with market expectations following the pre-emptive adjustment in July 2025. In its monetary policy statement, while maintaining its neutral tone, BNM sounded cautious, acknowledging the heightened uncertainty stemming from volatile energy and commodity prices, alongside supply chain disruptions linked to Middle East geopolitical tensions, which pose downside risks to growth through potential tightening of global financial conditions and elevated asset valuation concerns. Despite these headwinds, domestic growth momentum in 1Q26 remained robust, underpinned by resilient domestic demand—with household consumption supported by wage growth and targeted fiscal measures, and investment activity bolstered by public infrastructure projects and materialization of approved FDI commitments. BNM anticipates a modest uptick in inflation through 2026, though both headline and core measures are projected to remain contained, reflecting effective domestic policy interventions and stable aggregate demand conditions. All in all, BNM assesses the current monetary policy stance as appropriately calibrated to balance price stability with sustainable growth objectives.

Malaysia's gross domestic product (GDP) remained robust, though moderated, recording at +5.4% in 1Q26 \*4Q25: +6.2%). Domestic economic growth showed sustained strength, driven by services (+5.6%), manufacturing (+5.9%), and construction (+7.7%) sectors, albeit at a moderate pace. On the demand side, private consumption (4.7%) persisted as the key driver of Malaysia's economic growth. Total investments, government spending, and net trade also contributed positively to the headline GDP.

Significant portfolio flows have necessitated maintaining high liquidity levels. Nevertheless, we remain committed to our rigorous investment discipline, pursuing opportunities to enhance yield while upholding our cautious stance on duration. We foresee advantageous conditions for lengthening portfolio duration as local yield curves maintain their rising trend. In light of the changing interest rate landscape, we expect progressively more compelling yield opportunities to materialize in the months ahead.

### Cumulative Fund Returns (%)

	YTD	1 Month	3 Month	6 Month
	31/12/2025	30/04/2026	28/02/2026	30/11/2025
	To	To	To	To
	31/05/2026	31/05/2026	31/05/2026	31/05/2026
<b>Fund</b>	1.17	0.18	0.70	1.52
<b>Benchmark</b>	0.79	0.15	0.47	0.96

### Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	31/05/2025	31/05/2023	21/7/2021
	To	To	To
	31/05/2026	31/05/2026	31/05/2026
<b>Fund</b>	3.18	11.02	15.05
<b>Benchmark</b>	2.02	7.55	11.92

Source: LSEG Lipper

#### Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

**FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE**

### Investment Objective

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

### Benchmark

Maybank 3-month Islamic Fixed Deposit Rate

### Distribution Policy

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

### Key Facts

Launch Date	30-Jun-21
Fund Category	Islamic Fixed Income
Year End	31 October
Fund Size	MYR 213.23 million
Class Size	MYR 31.88 million
Units in Circulation (Class I)	31.03 million
NAV per Unit (Class I)	MYR 1.0280
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 2 business days

### Sales charge

Nil

### Management fee

Up to 0.25% per annum of the NAV of the Class.

### Trustee fee

Up to 0.03% per annum of the NAV of the Fund subject to a minimum of RM12,000.00 per annum (excluding foreign custodian fees and charges).

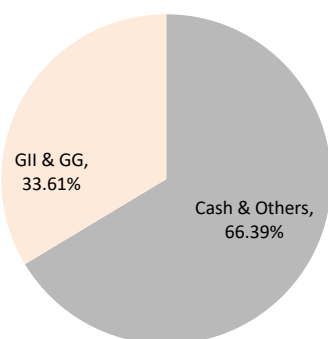
**Nomura i-Income Fund 2 - Class I**
**May 2026**
**Calendar Year Returns (%)**

	2025	2024	2023	2022	2021
<b>Fund</b>	4.10	3.66	4.14	1.31	-0.11
<b>Benchmark</b>	2.23	2.61	2.89	2.11	0.77

Source: LSEG Lipper

**Notes:**

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Calendar year returns for 2021 are measured from its commencement date of 21 July 2021.

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**Asset Allocation\***


\*Presented as a % of NAV as at 31 May 2026

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

Included in 'Cash & Others' are cash on hand and Islamic deposits and other net current assets/liabilities.

**Top Holdings\***

Cash & Others	66.39%
Government of Malaysia	33.61%

**Sector Breakdown\***

Public Administration	33.61%
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**Distribution By Financial Year**

	2025	2024	2023	2022
<b>Distribution (RM)</b>	0.0246	0.0272	0.0328	0.0167
<b>Distribution Yield (%)</b>	2.41	2.71	3.31	1.70

**Disclaimer:**

Based on the Fund's portfolio returns as at 30 April 2026, the Volatility Factor (VF) for the Fund is 0.77 and is classified as "Very Low" (Source: LSEG Lipper). "Very Low" includes funds with VF that are above 0.00 but not more than 4.635. The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by LSEG Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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