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NOMURA ASSET MANAGEMENT

3-year Fund Volatility
7.5
Low
Lipper Analytics
31-Jul-2026

Nomura i-Income Fund 2 - Class H (Hedged)

August 2026

Fund Manager's Commentary

Volatility remained the mainstay over the month, as heightened global market swings and policy uncertainty set the tone. Against this backdrop, the domestic bond market came under sustained selling pressure through August, dragged by global volatility and heavy domestic bond supply. All in all, GII yield curve bear-steepened with yields across 5Y-30Y surging 9-17 bps MoM while 3Y GII rose marginally by 2 bps MoM.

Exceeding market expectations, Malaysia's gross domestic product (GDP) accelerated to +6.0% (1Q26: +5.4%). Domestic economic growth showed sustained strength, supported by robust external demand and stable domestic labour market conditions. Solid construction sector (+6.5%), a turnaround in the mining & quarrying sector (+9.2%), and further expansion in the services (+5.9%) and manufacturing (+7.3%) sectors fully offset the contraction in agriculture sector (-3.7%). On the demand side, private consumption (+4.8%) remained as the key driver of Malaysia's economic growth. Total investments, government spending, and net trade also contributed positively to the headline GDP.

Recent capital inflows have strengthened our ability to execute strategic repositioning in response to the significant dislocation across global fixed income markets. We are maintaining elevated liquidity reserves to capitalize on compelling valuations emerging across intermediate and long-dated maturities as the repricing cycle continues. Current cash holdings are deployed in institutional money market instruments, generating competitive short-term returns while preserving immediate deployment capacity. This approach ensures we maintain optionality without sacrificing yield on uninvested capital. We expect the ongoing yield curve adjustment to create attractive risk-adjusted entry points over the coming quarters. The portfolio is positioned to move decisively as these opportunities materialize.

Cumulative Fund Returns (%)

	YTD 31/12/2025 To 31/8/2026	1 Month 31/7/2026 To 31/8/2026	3 Month 31/5/2026 To 31/8/2026	6 Month 28/2/2026 To 31/8/2026
Fund (USD Hedged)	0.90	0.06	0.38	0.74
Benchmark (MYR)	1.24	0.15	0.45	0.92

Cumulative Fund Returns (%)

	1 Year 31/8/2025 To 31/8/2026	3 Year 31/8/2023 To 31/8/2026	5 Year 31/8/2021 To 31/8/2026	Since Commencement 21/7/2021 To 31/8/2026
Fund (USD Hedged)	1.94	14.13	18.73	21.13
Benchmark (MYR)	1.91	7.24	12.20	12.42

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 283.14 million
Class Size	USD 0.17 million
Units in Circulation (Class H)	0.15 million
NAV per Unit (Class H)	USD 1.1456
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 3 business days

Sales charge
Nil

Management fee
Up to 0.40% 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).

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Nomura i-Income Fund 2 - Class H (Hedged)

August 2026

Calendar Year Returns (%)

	2025	2024	2023	2022	2021
Fund (USD Hedged)	5.22	5.47	6.22	0.42	1.41
Benchmark (MYR)	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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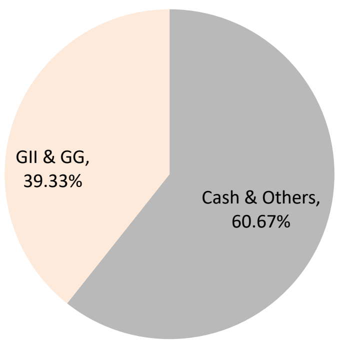
Asset Allocation*



**Presented as a % of NAV as at 28 Aug 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	60.67%
Government of Malaysia	39.33%

Sector Breakdown*

Public Administration	39.33%

Distribution By Financial Year

	2025	2024	2023	2022
Distribution (RM)	0.0238	0.0060	0.0070	0.00364
Distribution Yield (%)	2.07	0.54	0.67	0.37

Disclaimer:

Based on the Fund's portfolio returns as at 31 July 2026, the Volatility Factor (VF) for the Fund is 7.53 and is classified as "Low" (Source: LSEG Lipper). "Low" includes funds with VF that are between 4.635 and 8.725. 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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