

Term Investment Account - i

Wholesale Fund Performance Report for
Quarter Ended 31 December 2025



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Fund Information

Product Name Term Investment Account-i (“TIA-i”)

Shariah Contract ***Mudarabah*** - A profit sharing contract between the Bank as fund manager and the customer as Investment Account Holder (IAH) or the Investor(s).

Investment Account Type **Unrestricted Investment Account** – IAH provides the Bank with a mandate to make an ultimate investment decision without specifying specific restrictions or conditions.

Fund Inception 8 January 2019

Investment Objective

The fund aims to generate stable returns over an agreed investment interval through low to medium risk investment activities.

Investor Profile

- Category of Investor(s):
 - Wholesale(s)
- Investor(s) with low to medium risk
- Investor(s) who seeks stable profits

Note:

IAH are advised to understand the risk(s) related to TIA-i before making an investment decision. Further explanation of each risk is in Product Disclosure Sheet (PDS) available on Hong Leong Islamic Bank’s website.

Profit Payment Policy

Profit distribution is upon maturity.

Nature of Investment Account

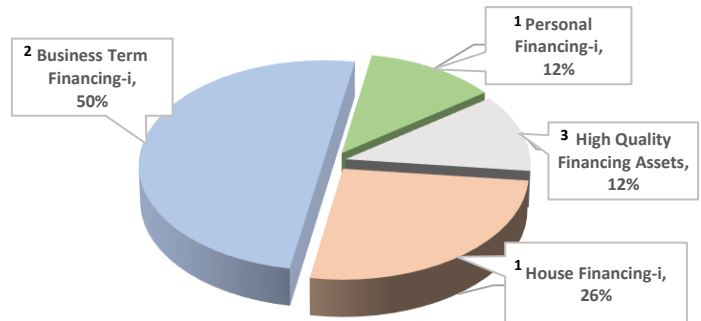
A renewable term investment type of 1 to 12 months tenure.

Fund Investment Strategies

Investment into selective Shariah-compliant financing assets within the risk parameters prescribed under the Fund Investment Objective. Portfolio rebalancing is also executed to ensure the performance of the particular assets is aligned with the Investment Objective. Any profit generated from the investment will be shared between the IAH and the Bank according to mutually pre-agreed Profit Sharing Ratio (PSR) whilst losses (if any) will be borne by the Investor(s).

Investment Asset Allocation

The fund is invested in a portfolio of Hong Leong Islamic Bank’s retail assets¹, non-retail assets² and HQLA³ as per chart below.



Note:

¹ Retail financing assets consist of House Financing-i and Personal Financing-i .

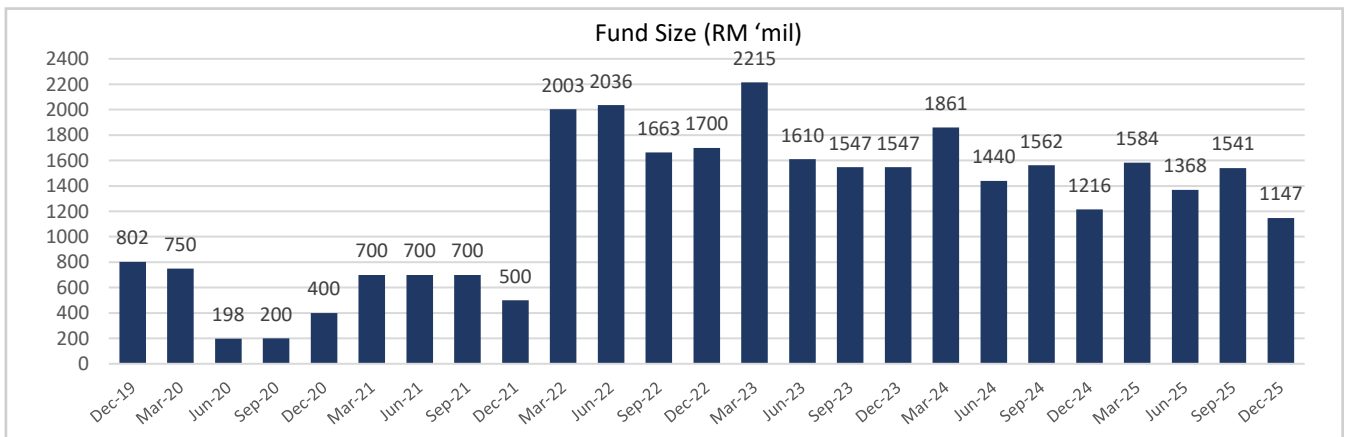
² Non-retail financing assets consist of Business Term Financing-i.

³ High Quality Liquid Assets (HQLA) are assets that can be easily and immediately converted into cash at little or no loss of value .

Fund Performance

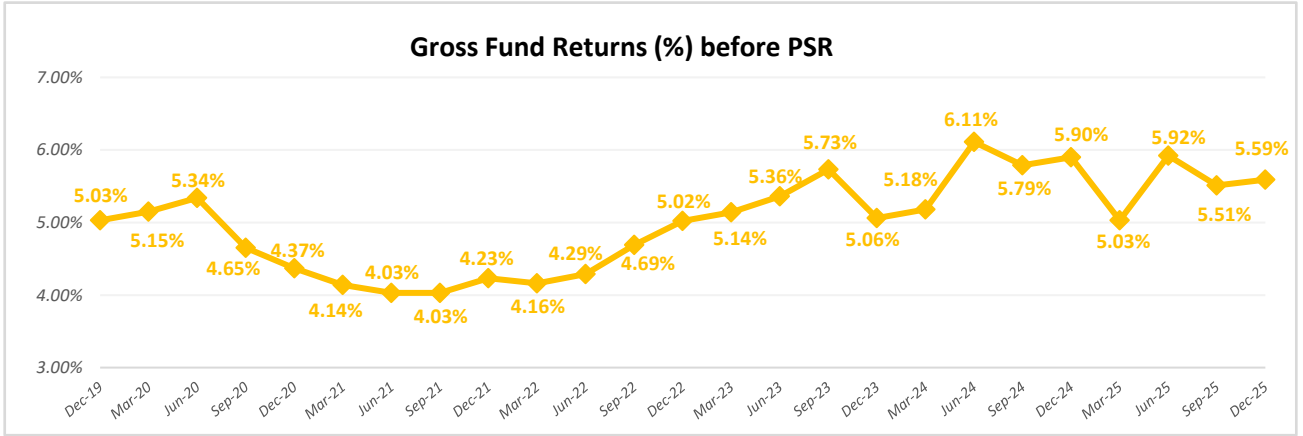
1. Fund Size and Returns

As at 31 **December 2025**, TIA-i’s Wholesale Fund Balance was recorded at **RM1,147 million**.



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2. Rate of Return of TIA-i for Wholesale IAH

This section is applicable to Wholesale IAH for the quarter period ended **December 2025**.

1 Month

Month ⁴	Gross Rate of Return (Gross RoR % p.a.) ⁵	Rate of Return to IAH % (p.a.) ⁶	
		Wholesale Rate	
		Indicative	Actual
Oct	5.55	3.10	3.10
		3.30	3.30
Nov	5.57	3.30	3.30
Dec	5.59	3.30	3.30
		3.40	3.40
		3.45	3.45

2 Months

Month ⁴	Gross Rate of Return (Gross RoR % p.a.) ⁵	Rate of Return to IAH % (p.a.) ⁶	
		Wholesale Rate	
		Indicative	Actual
Oct	5.55	3.20	3.20
		3.40	3.40
Nov	5.57	3.20	3.20
		3.40	3.40
Dec	5.59	3.20	3.20
		3.40	3.40
		3.50	3.50
		3.55	3.55

4 Months

Month ⁴	Gross Rate of Return (Gross RoR % p.a.) ⁵	Rate of Return to IAH % (p.a.) ⁶	
		Wholesale Rate	
		Indicative	Actual
Oct	5.55	3.40	3.40
Nov	5.57	3.40	3.40
		3.65	3.65
Dec	5.59	3.40	3.40
		3.65	3.65

3 Months

Month ⁴	Gross Rate of Return (Gross RoR % p.a.) ⁵	Rate of Return to IAH % (p.a.) ⁶	
		Wholesale Rate	
		Indicative	Actual
Oct	5.55	3.30	3.30
		3.40	3.40
		3.45	3.45
		3.55	3.55
		3.60	3.60
		3.80	3.80
		3.85	3.85
Nov	5.57	3.30	3.30
		3.40	3.40
		3.45	3.45
		3.55	3.55
		3.65	3.65
		3.80	3.80
		3.85	3.85
Dec	5.59	3.30	3.30
		3.40	3.40
		3.55	3.55
		3.60	3.60
		3.80	3.80
		3.85	3.85

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6 Months

Month ⁴	Gross Rate of Return (Gross RoR % p.a.) ⁵	Rate of Return to IAH % (p.a.) ⁶	
		Wholesale Rate	
		Indicative	Actual
Oct	5.55	3.50	3.50
		3.60	3.60
		3.80	3.80
		3.85	3.85
Nov	5.57	3.50	3.50
		3.60	3.60
		3.80	3.80
		3.85	3.85
Dec	5.59	3.50	3.50
		3.60	3.60
		3.80	3.80
		3.85	3.85

PSR Table	Tenure (months)	Profit Sharing Ratio (PSR) (IAH:Bank)
Board	1 to 12	85:15

Note:

⁴ Maturity Month.

⁵ Gross RoR is the return from investment before the application of PSR.

⁶ [Indicative] Rate of Return to IAH % p.a. is the target rate advertised by the Bank to the IAH.

⁶ [Actual] Rate of Return to IAH % p.a. is the net profit rate to IAH after applying PSR (refer to the PSR table above) to Gross RoR. Any excess profit after PSR generated more than the Indicative Rate of Return to IAH will be waived under the Shariah concept of Tanazul where the excess profit shall be retained by the Bank.

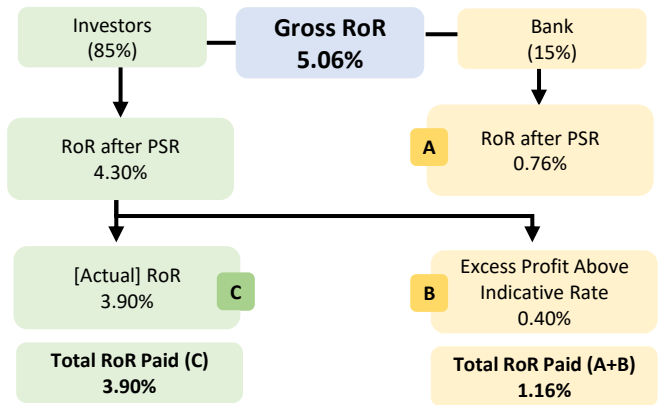
Profit & Loss Statement

Profit & Loss Statement for Quarter Ended 31 December 2025

	RM' October 2025	RM' November 2025	RM' December 2025
Total Gross Income	6,934,202	6,205,545	5,920,262
Net Income Distributed to IAH	4,699,208	3,700,174	3,830,819
Net Income Distributed to Bank	2,234,994	2,505,371	2,089,443

Profit Calculation Illustration

(6 Months Indicative Rate: 3.90% p.a.)



Statement of Any Changes

There have been no changes in the Investment Objectives, Strategies, restrictions and limitations during the quarter period.

Underlying Asset Outlook

Based on the Fund Investment Strategies during this review period, the Bank is optimistic on the future performance of the fund until the next review period.

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Market Outlook

The latest indicators point towards a continued expansion in global growth. While the impact of higher tariffs would continue to weigh on global growth, the outlook remains supported by resilient labour market conditions, moderating inflation, less restrictive monetary policy and supportive fiscal policy. The conclusion of more trade negotiations has, to some extent, eased global uncertainty. Downside risks remain, arising from potentially higher tariffs, especially product-specific ones, and escalation in geopolitical tensions. Additionally, there are concerns over the elevated valuations in financial markets. Upside potential includes a milder tariff impact on economic activity and pro-growth policies in major economies.

For the Malaysian economy, latest developments indicate better-than-expected growth in the third quarter, driven by sustained domestic demand, resilient electrical and electronics (E&E) exports, and recovery in commodity production. Looking ahead, resilient domestic demand will continue to support growth going into 2026. Employment, wage growth and income-related policy measures will remain supportive of household spending. The expansion in investment activity will be driven by the progress of multi-year projects in both the private and public sectors, the continued high realisation of approved investments, as well as the ongoing implementation of catalytic initiatives under national master plans and the Thirteenth Malaysia Plan (RMK13). Measures under Budget 2026 will also support growth. This growth outlook remains subject to uncertainties, in particular surrounding global developments. Downside risks to the growth outlook remain from slower global trade, weaker sentiment, as well as lower-than-expected commodity production. Meanwhile, upside potential to growth could arise from a better global growth outlook, stronger demand for E&E goods, and robust tourism activity.

Year-to-date, headline and core inflation averaged 1.4% and 1.9%, respectively. Moving forward, headline inflation is expected to remain moderate in 2026 amid the continued easing in global cost conditions. Global commodity prices are expected to remain modest, contributing to contained domestic cost conditions. Meanwhile, core inflation in 2026 is expected to remain stable and close to its long-term average, reflecting continued expansion in economic activity and the absence of excessive demand pressures. In this environment, the overall impact of the implemented domestic policy reforms on inflation in 2026 is expected to be limited.

At the current Overnight Policy Rate (OPR) level, the Monetary Policy Stance (MPC) considers the monetary policy stance to be appropriate and supportive of the economy amid price stability. The MPC will continue to monitor ongoing developments and assess the balance of risks surrounding the outlook for domestic growth and inflation.

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