Term Investment Account-i

Wholesale Fund Performance Report for
Quarter Ended 30 June 2021

HongLeong Islamic Bank

https://www.hlisb.com.my

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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** – Investor(s) 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:
Investor(s) 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 Corporate website.

Profit Payment Policy

Profit distribution is upon maturity.

Nature of Investment Account

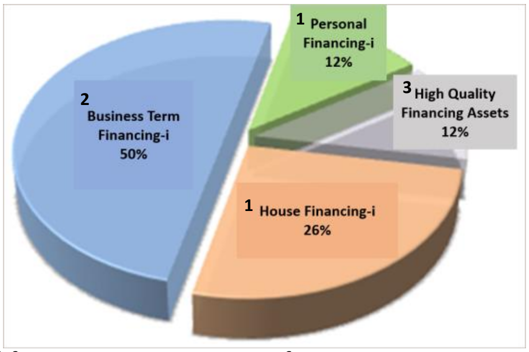
A renewable term investment type of 1 to 12 months tenure.

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 Investor(s) 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 assets[1], non-retail assets[2] and HQLA[3] as per chart below.

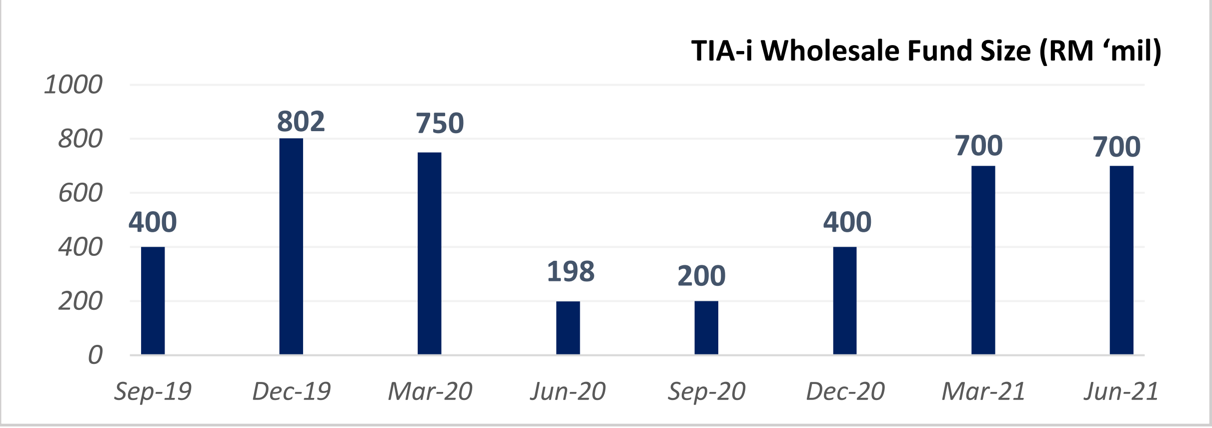


Note:
[1] Retail financing assets consist of House Financing-i and Personal Financing-i .
[2] Non-retail financing asset consists of Business Term Financing-i.
[3] High Quality Liquid Assets (HQLA) are assets that can be easily and immediately converted into cash at little or no loss of value .

Fund Performance

1. Fund Size and Returns

As at June 2021, Term Investment Account-i wholesale fund balance was recorded at RM700 million. Wholesale Fund Balance was nil prior to September 2019.



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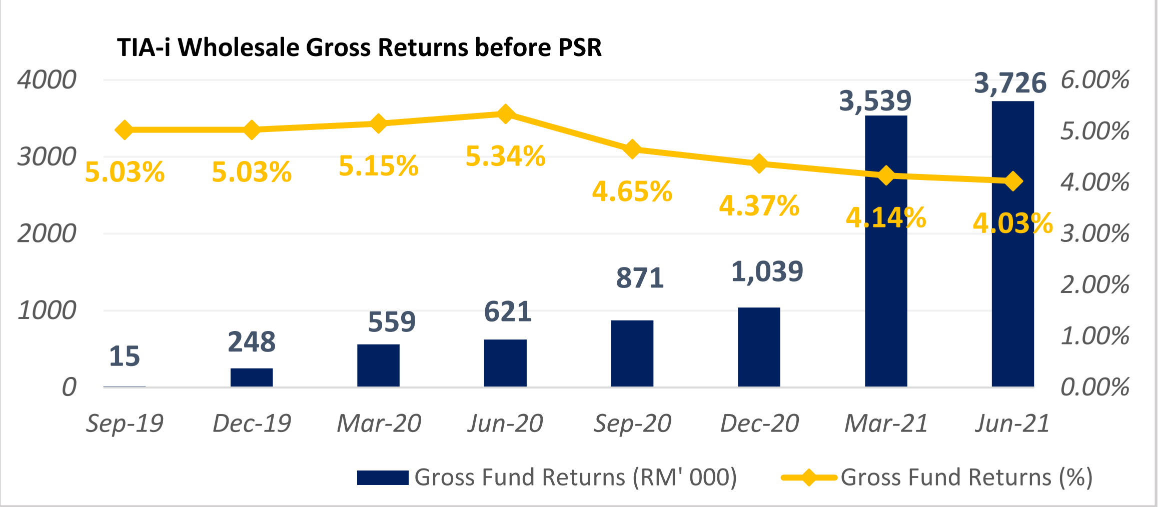

2. Rate of Return of TIA-i for Wholesale Investors

This section is applicable to wholesale Investor(s) for the quarter period ended June 2021.

6 Month

Month[4]	Rate of Return to Investors % (p.a.)[5] Wholesale Rate		Gross Rate of Return (Gross RoR)[6]
	Indicative	Actual	
Apr	2.35	2.35	4.03

9 Month

Month[4]	Rate of Return to Investors % (p.a.)[5] Wholesale Rate		Gross Rate of Return (Gross RoR)[6]
	Indicative	Actual	
Apr	2.40	2.40	4.03
May	2.40	2.40	4.16
Jun	2.40	2.40	4.03

12 Month

Month[4]	Rate of Return to Investors % (p.a.)[5] Wholesale Rate		Gross Rate of Return (Gross RoR)[6]
	Indicative	Actual	
Apr	2.50	2.50	4.03
May	2.50	2.50	4.16
Jun	2.50	2.50	4.03

[4] Subscription Month.

[5] Rate of Return after PSR (net profit to Investor(s)) that were offered to Investor(s) in the respective months.

[6] Gross RoR is the return from investment before the application of the PSR.

Profit & Loss Statement

Profit & Loss Statement for Quarter Ended 30th June 2021	RM' Apr 2021	RM' May 2021	RM' Jun 2021
Total Gross Income	2,659,833	2,472,658	2,316,660
Net Income Distributed to Investors	1,610,411	1,469,315	1,421,918
Net Income Distributed to Bank	1,049,422	1,003,343	894,742

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.

Statement of Any Changes

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

Term Investment Account-i

Wholesale Fund Performance Report for Quarter Ended 30 June 2021

Market Outlook

The outlook for the finance industry continues to face a challenging operating environment following the COVID-19 pandemic. However, the financial system is expected to remain resilient, backed by strong buffers in capital, liquidity and financing provisioning built over the years.

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Prepared by: