Portfolio Investment Account-i

Quarterly Fund Performance Report for
Series 1 (Oct 2025 – Dec 2025)

HLB Islamic

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Fund Information

Product Name	Portfolio Investment Account-i ("PIA-i")
Shariah Contract	***Wakalah bi Al-Istithmar*** *- An agency contract where the Investor (Muwakkil) authorizes Hong Leong Islamic Bank Berhad (HLISB) as Agent (Wakil) to perform a particular task for the purpose of investment.*
Investment Account Type	**Restricted Investment Account** – Investor(s) provides the Bank with a specific investment mandate such as purpose, asset class, economic sector and/ or period of investment.
Fund Inception	21 December 2021

Investment Objective

The fund aims for capital growth and regular income through medium risk investment.

Investor Profile

- Category of Investor(s):
  - Individual(s)
  - Sole-Proprietorship(s)
- Investor(s) with medium risk tolerance

Note:
Investor(s) are advised to understand the risk(s) related to PIA-i before making an investment decision. Further explanation of each risk is in Product Disclosure Sheet (PDS) available on HLISB's website.

Nature of Investment Account

An investment fund with semi-annual Profit Distribution Period (PDP).

Fund Investment Strategies

The fund will be invested into three (3) Shariah Compliant Unit Trust funds managed by Hong Leong Islamic Asset Management (HLISAM) which are known as Dana Al-Izdihar (Money Market), Dana Maa'rof (Balanced) and Dana Makmur (Equity). The investment into the three (3) Dana mentioned above will be based on respective asset allocations within the allowable threshold as specified in the PDS to achieve the Expected Profit Rate (EPR) while exercising appropriate defensive mechanisms to moderate market volatility.

Profit Payment Policy

Profit (if any) payment will be credited into Investor's CASA-i (HLISB) / CASA (HLBB) within four (4) Business Days after Profit Distribution Period (PDP).

Fees & Charges

Fee Type	Fee Amount
Management Fee	Dana Al- Izdihar: 0.10% Dana Ma'rof: 1.50% Dana Makmur: 1.50% (*Charged by HLISAM*)
Upfront Fee	1% (*Charged by the bank upfront upon placement by Investor during SP*)
Incentive Fee	0% (*No Incentive Fee was charged by the bank as the performance did not exceed the expected profit rate of 6% p.a.*)

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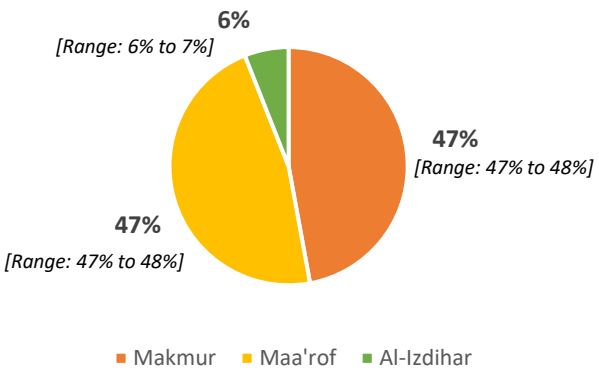
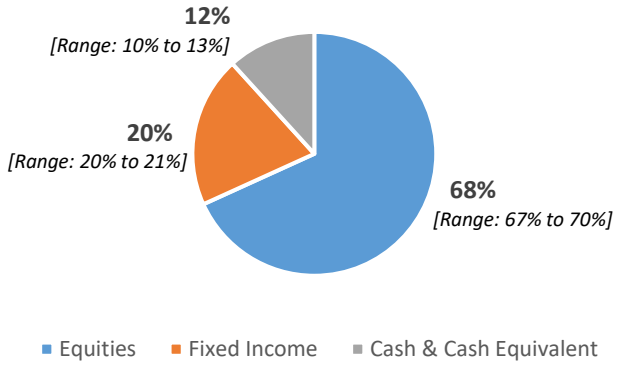
Investment Dana Allocation

The fund is invested in a portfolio that consist of Dana Al-Izdihar[1], Dana Maa'rof[2] and Dana Makmur[3] as per chart below (with the allocation range throughout the investment period).



Investment Asset Class Allocation

Dana Al-Izdihar, Dana Maa'rof and Dana Makmur are invested in a portfolio of Equities, Fixed Income, and Cash & Cash Equivalent as per chart below (with the allocation range throughout the investment period).



Note:

[1] Dana Al-Izdihar assets consist of Islamic deposits and Islamic money market instruments.

[2] Dana Maa'rof assets consist of Shariah-compliant equities, Islamic money market instruments and sukuk.

[3] Dana Makmur assets consist of Shariah-compliant equities, Islamic money market instruments and sukuk.

[Range]: The range mentioned above indicates the percentage of the asset and dana breakdown and movements during the investment period.

Fund Performance

Note:

- Benchmark = 50% FTSE Bursa Malaysia EMAS Sharia return + 30% 3-months KLIBOR + 20% BNM Islamic Interbank Rate.
- Source: Bloomberg

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Fund Performance Review (October 2025 – December 2025)

The FBMKLCI recorded its strongest monthly gain in December 2025, rising 4.7% Month-on-Month (MoM) to 1,680 points, lifting its full-year 2025 performance to a positive 2.3%. This marked the index's second consecutive year of positive returns, achieved despite an 81% MoM increase in foreign net selling, which was offset by sustained buying from domestic institutional investors. Foreign investors were the largest net sellers, with cumulative outflows rising to RM22.3 billion in 2025 which is 5.3x higher Year-on-Year (YoY) than RM4.2 billion in 2024. As a result, foreign shareholding by market capitalisation declined to 19.0% in December 2025 from 19.7% in December 2024. Local institutions were the largest net buyers, recording cumulative net buying of RM20.9 billion in 2025, up 1.8x YoY from RM11.6 billion in 2024. The top-performing sectors in 2025 were Plantation (+8.8%), REITs (+8.3%), and Financial Services (+2.8%), while the worst-performing sectors were Healthcare (-35.9%), Technology (-14.5%), and Telecommunications (-13.6%).

On the corporate front, Mr DIY Group (M) Bhd posted an 11.9% rise in net profit for the third quarter, driven by stronger gross profit margins and higher revenue from new store openings. Total outlets amounting to 1,528 as at September 30, 2025, up 10% YoY. The margin expansion was attributed to lower average inventory costs from economies of scale and a firmer ringgit. Net profit climbed to RM136.12 million from RM121.65 million a year earlier, as gross profit margin improved to 47.3% from 45.4%. IHH Healthcare Bhd's net profit rose 15.36% to RM616 million for the third quarter ended September 30, 2025 (3QFY25) from RM534 million a year earlier, supported by stronger contributions from day care services and improved cost containment, particularly in Malaysia and India.

Series 1 underperformed against the benchmark return of 1.5% during the period with a return of -1.0%, mainly attributed by the underperformance of the top three sectors in our portfolio (Dana Makmur and Dana Maa'rof). The Malaysia Technology index (KLTEC) and Malaysia Construction Index (KLCON) was down by -3.3% and -8.9% respectively while the Malaysia Industrial Production Index (KLPRO) was slightly up by 1.8% during the period.

Reference: Hong Leong Islamic Asset Management Sdn Bhd

Market Outlook & Strategy (October 2025 – December 2025)

Outlook

Growth expectations for 2026 remained around 4.5%, driven by strong consumer and tourism momentum. Despite external trade headwinds and policy uncertainty globally, the domestic outlook remains cautiously positive, anchored by resilient internal demand, policy continuity, as well as targeted fiscal support and infrastructure push.

Strategy

Our strategy for 2026: Overweight structural winners; selectively trade cyclical rebounds and themes with valuation discipline. We will also continue to overweight high credit quality corporate Sukuk over government and government guaranteed papers for yield pickup.

Reference: Hong Leong Islamic Asset Management Sdn Bhd

Statement of Any Changes

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

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Prepared by: