

1.0 KEY FUND INFORMATION

1.1 Shariah Concept	1.2 Investment Currency	1.3 Fund Inception
Wakalah	Ringgit Malaysia	May 2016 (Corporate) September 2016 (Retail)

1.4 Product Classification

An Unrestricted Investment Account (UA) is an investment account where the Investment Account Holder (IAH), without imposing any specifying restrictions or conditions, authorizes the Bank to make the investment decisions on their behalf.

1.5 Investment Objective

To generate moderate and stable returns over an agreed investment period, in line with the underlying risk profile of the assets.

1.6 Investment Strategy

The Bank adopts a diversified investment approach that is aligned to the Fund's objectives.

Funds are allocated across a blended portfolio comprising:

- House & Fixed Asset Financing (HFA)
- Personal Financing (PF)
- Vehicle Financing (VF)

This strategy aims to deliver stable and sustainable returns over the long term.

1.7 Nature of Investment Account

Term Investment Account. For retail customers, the tenure offered is from 1 month to 24 months. For corporate customers, the minimum tenure is 1 day to a maximum of 10 years or as specified by the Bank on a case-to-case basis.

1.8 Investment Asset Allocation

IAH funds are allocated to the Bank's existing HFA, PF and VF portfolios to support the generation of stable and sustainable returns.

1.9 Valuation of Allocated Asset

Asset valuation is conducted on a monthly basis to determine the returns to be distributed to IAHs.

Returns are influenced by:

- Performance of allocated assets
- Asset quality (namely, impairment levels)
- Movements in the Effective Profit Rates (EPR)

The principal and returns are not guaranteed, and IAHs may be exposed to the risk of no returns.

This investment account is not protected by Perbadanan Insurans

Deposit Malaysia (PIDM). However, the product structure is designed to mitigate the risk of capital loss. In the event of liquidation, IAHs rank ahead of depositors.

1.10 Payment Policy

Profits will be disbursed upon maturity or based on an agreed payment frequency (for tenures exceeding 15 months), such as monthly, quarterly, half-yearly or annually.

1.11 Statement on Changes

There were no changes to the Fund's investment objectives, strategies, restrictions or limitations during the quarter.

1.12 Investor Profile

Category of Investors:

- **Retail:**
 - Individuals (Residents and Non-Residents)
 - Small and Medium Enterprises (SMEs)
- **Corporate:**
 - Corporations
 - Government agencies and accounts
 - Universities
 - Companies and partnerships
 - Other business and non-business entities

Suitable for investors who:

- Have a short- to medium-term investment horizon
- Seek a portfolio of Shariah-compliant investments
- Have a low to moderate risk tolerance
- Prefer stable and consistent returns

Note: Investors are advised to carefully consider all associated risks including market, credit, liquidity, operational, legal and Shariah non-compliance risks. Please refer to Bank Islam's website for further details on each risk.

2.0 RISK STATEMENT

The Board of Directors of Bank Islam holds ultimate responsibility for risk management, including setting the Bank's risk appetite and tolerance levels in line with the Bank's overall business objectives.

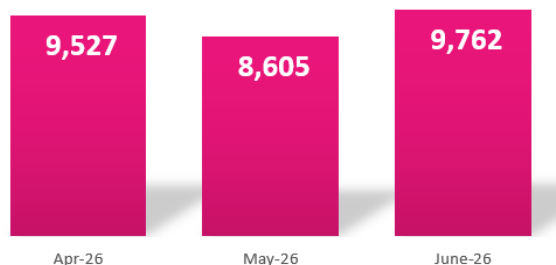
The Board Risk Committee, supported by the Management Risk Control Committee, provides oversight of the implementation of the Bank's risk management strategies, policies and frameworks.

3.0 FUND PERFORMANCE

3.1 Fund Size & Growth

As at June 2026, the Wafiyah Investment Account fund size stood at RM9.8 billion.

Wafiyah Investment Account Fund Size RM'million



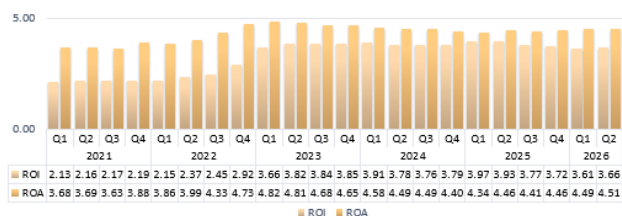
3.2 Rate of Return

Position 2026	Return on Asset (ROA)*	Return on Investment (ROI)
April	4.55% p.a.	Based on the expected rate agreed upon at placement, subject to Terms & Conditions.
May	4.48% p.a.	
June	4.49% p.a.	

*ROA - allocated assets of the fund.

Note: For further illustration, please refer to the Product Disclosure Sheet (PDS), Terms & Conditions and Investment Confirmation Notice (where applicable).

3.3 Historical Rate of Return



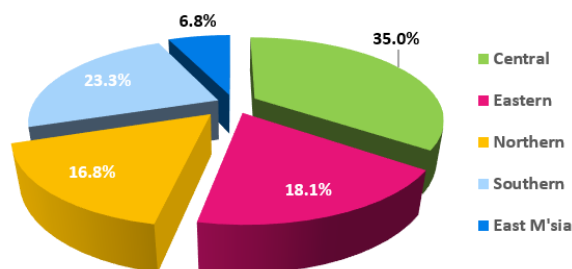
Note: The rates above are the average annual rate of return on a quarterly basis in percentage (%).

3.4 Income Statement

Income Statement for the Quarter Ended 30 June 2026			
	Apr RM'000	May RM'000	June RM'000
Profit from financing	39,789	38,807	36,911
Direct expenses*	-	-	-
Allowance for impairment on financing	(4,238)	(4,334)	(4,411)
Total Profit	35,551	34,473	32,500
Return on Asset (p.a.)	4.55%	4.48%	4.49%
Return on Investment (p.a.)	Based on the agreed expected return upon placement of funds, subject to Terms & Conditions.		

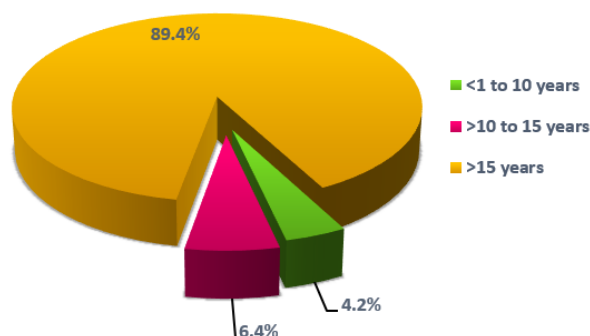
*Currently there are no charges imposed on this fund.

3.5 HFA Financing Portfolio by Geographical Location



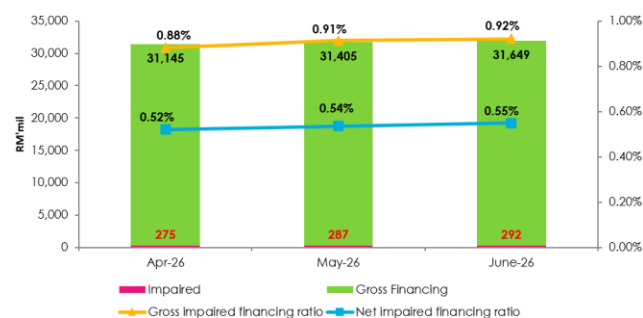
A total of 35.0% of the total HFA Financing portfolio is concentrated in the Central Region, reflecting greater exposure to key economic areas such as the Klang Valley.

3.6 HFA Financing Portfolio by Remaining Maturity of Facilities



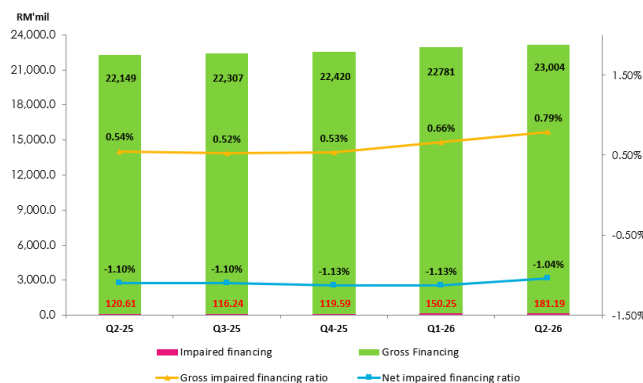
The majority of the HFA portfolio has a remaining maturity exceeding 15 years, supporting a stable profit stream and providing long-term return potential for investors.

3.7 Asset Quality of HFA Portfolio



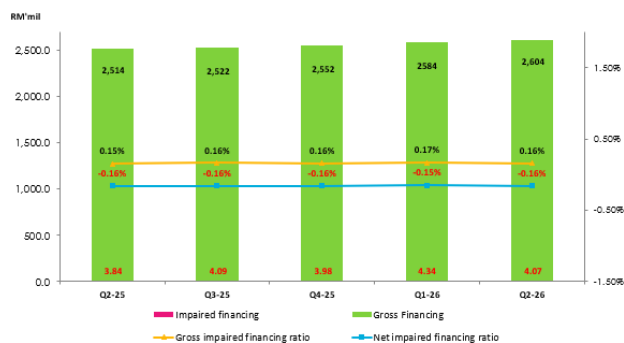
The portfolio continues to demonstrate strong asset quality as reflected by its low impaired financing ratio.

3.8 Asset Quality for PF Portfolio



The portfolio continues to demonstrate strong asset quality as reflected by its low impaired financing ratio.

3.9 Asset Quality of Vehicle Financing Portfolio



4.0 ECONOMIC REVIEW & PROSPECT

Malaysia's economy is expected to remain relatively resilient, with GDP growth projected at 4.7% in 2026, supported by sound domestic fundamentals. Growth is expected to continue to be driven by domestic demand, household spending, investment activity, Electrical & Electronic (E&E) exports and travel-related services.

The economy is also benefiting from the ongoing AI-driven technology upcycle, which is supporting electronics production and exports, while higher energy prices have improved Malaysia's terms of trade as a net energy exporter. Meanwhile, inflation remains manageable, with CPI moderating at 2.0% YoY in May 2026, marking a third consecutive month of gradual increases. Although elevated energy prices pose some upside inflation risks, stable domestic conditions should provide a buffer against external uncertainties, including potential volatility arising from US monetary policy developments.

5.0 PROPERTY MARKET & HFA PORTFOLIO REVIEW

According to the latest data published by the National Property Information Centre (NAPIC), the Malaysian property market recorded 89,966 transactions worth RM51.09 billion in Q1 2026, showing a decline of 8.0% in transaction volume and 0.6% in value as compared to Q1 2025 (97,739; RM51.40 billion).

The residential segment remained the largest contributor to the property market, accounting for 58.8% of total transactions. A total of 52,936 residential transactions valued at RM22.60 billion were recorded during the quarter, down by 10.7% in volume and 7.8% in value as compared to Q1 2025 (59,306; RM24.51 billion).

By price range, demand continued to focus on properties worth RM300K and below, as indicated by almost 51.4% of the total residential transactions. There were 9,112 residential units launched in Q1 2026. Terraced houses dominated the new launches with 47.4% (4,320 units), followed by high-rise units at 38.94% (3,549 units) and semi-detached units at 4.3% (398 units). Sale performance for new launches recorded at 11.5%, slightly higher compared to Q1 2025 (10.8%).

In Q1 2026, a total of 32,801 completed residential units remained unsold, with a total value of RM16.37 billion. This represented a quarter-on-quarter increase of 7.6% in volume, while the total value declined by 7.7% compared to Q4 2025 (30,471; RM17.73 billion). Perak recorded the highest number of unsold completed residential units in the country, accounting for 12.3% (4,063 units). Landed dominated the unsold completed residential units that formed 55.4% (18,180 units) of the national total. Meanwhile, the Malaysian House Price Index (MHPI) stood at 235.2 points in Q1 2026, with the average house price recorded at RM507,533 per unit.

As of June 2026, the HFA portfolio reached RM31.65 billion, marking a month-on-month increase of 0.77% from RM31.40 billion in the previous month. The Gross Impairment Ratio (GIR) increased marginally to 0.92% in June 2026 from 0.91% in the previous month.

Nevertheless, the ratio remained below the industry average of 1.12% for residential property financing as at May 2026, reflecting the portfolio's resilient asset quality.

The HFA portfolio yield moderated slightly to 4.18% in June 2026 from 4.20% in the preceding quarter, while remaining broadly stable and supportive of the fund's overall performance.

6.0 PERSONAL FINANCING (PF) PORTFOLIO REVIEW

As of June 2026, the PF portfolio stood at RM23.00 billion, reflecting a month-on-month increase in growth of 0.04% from RM22.99 billion in the previous month. The Gross Impairment Ratio (GIR) improved to 0.79% in June 2026, down from 0.92% in the preceding month. This ratio remains significantly lower than the industry average for personal financing, which stood at 2.54% in May, highlighting the bank's prudent credit assessment practices.

The PF portfolio yield moderated slightly to 5.64% in June 2026 from 5.66% in the previous quarter.

7.0 VEHICLE FINANCING (VF) PORTFOLIO REVIEW

As of June 2026, the VF portfolio stood at RM2.604 billion, reflecting a month-on-month decline of 0.16% from RM2.608 billion in the previous month. The Gross Impairment Ratio (GIR) remained stable at 0.16 % in June 2026. This ratio remains significantly lower than the industry average for vehicle financing, which stood at 0.64% in May 2026, highlighting the bank's prudent credit assessment practices.

The VF portfolio yield eased slightly to 4.44% in June 2026 from 4.46% in the preceding quarter (March 2026).