

1.0 KEY FUND INFORMATION

1.1 Shariah Concept	1.2 Investment Currency	1.3 Fund Inception
Mudarabah	Ringgit Malaysia	April 2017 (Corporate) September 2018 (Retail)

1.4 Product Classification

An Unrestricted Investment Account (UA) is a type of investment account in which the Investment Account Holder (IAH), without specifying any specific restrictions or conditions, authorizes the Bank to make investment decisions on their behalf.

1.5 Investment Objective

To provide IAHs with stable and recurring returns while offering convenient fund placement and withdrawal through counters, cheques and other available channels.

1.6 Investment Strategy

The Bank adopts a disciplined investment approach that is aligned with the Fund's objectives and supports portfolio stability.

Currently, funds are invested in the House & Fixed Asset Financing (HFA) portfolio which aims to preserve capital and generate stable returns.

1.7 Nature of Investment Account

On demand, whereby IAHs are able to withdraw at any point in time.

1.8 Investment Asset Allocation

IAHs' funds are allocated to the Bank's existing HFA Financing Portfolio to support the generation of stable returns.

1.9 Valuation of Allocated Assets

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 Distribution Policy

Profit is calculated on a daily basis and distributed monthly, based on the performance of the HFA Financing Portfolio.

1.11 Statement on Any Changes

There have been no changes in the investment objectives, strategies, restrictions and limitations during the quarter period.

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

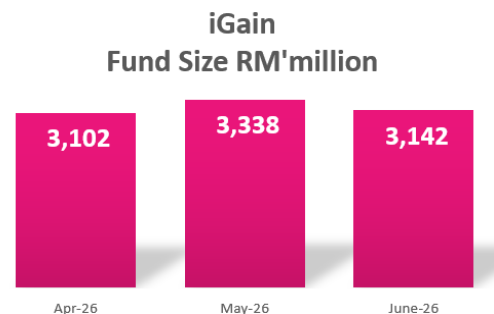
The Board of Directors of Bank Islam holds ultimate responsibility for risk management, including setting the Bank's risk appetite and tolerance levels in line with the Bank's overall business objectives.

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 iGain fund size stood at RM3.1 billion.



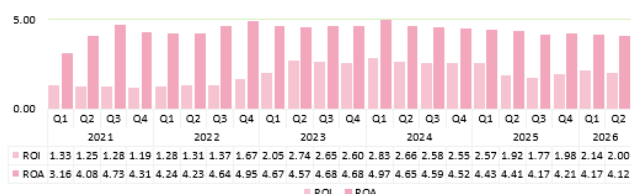
3.2 Rate of Return

Position 2026	Return on Asset (ROA)*	Profit Sharing Ratio (Customer:Bank)	Return on Investment (ROI)
April	4.15% p.a.	Based on the agreed profit-sharing ratio upon placement of funds. Subject to Terms & Conditions.	
May	4.08% p.a.		
June	4.13% 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



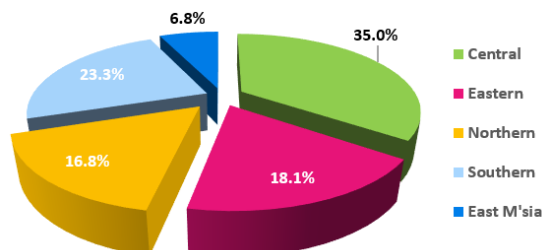
Note: The rates above are the average annual rate of return on a quarterly basis in percentage (%).

3.4 Income Statement

Income Statement for the Quarter Ended 30 June 2026			
	Apr	May	June
	RM'000	RM'000	RM'000
Profit from financing	11,305	11,577	11,506
Direct expenses*	-	-	-
Allowance for impairment on financing	(96)	(207)	(193)
Total Profit	11,209	11,370	11,313
Return on Asset (p.a.)	4.15%	4.08%	4.13%
Return on Investment (p.a.)	Based on the agreed profit-sharing ratio upon placement of funds, subject to Terms & Conditions.		

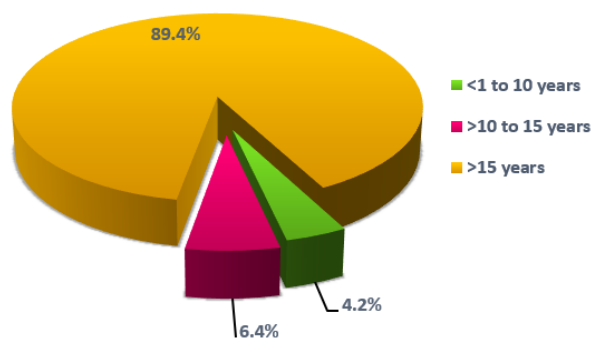
*Currently there are no charges imposed on this fund.

3.5 HFA Financing Portfolio by Geographical Location



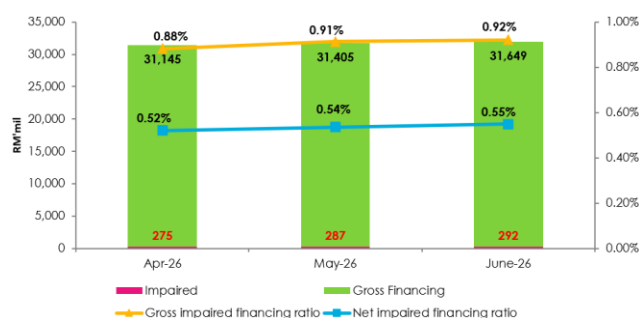
A total of 35.0% of the HFA Financing portfolio is concentrated in the Central Region, reflecting greater exposure to key economic areas such as Klang Valley.

3.6 HFA Financing Portfolio by Remaining Maturity of Facilities



The majority of the HFA Financing 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 evidenced by its consistently low impaired financing ratio.

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.