

# Term Investment Account-i

Retail Fund Performance Report for  
Quarter Ended 31 December 2023

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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):
  - Individual(s)
  - Sole-Proprietorship(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’s website.

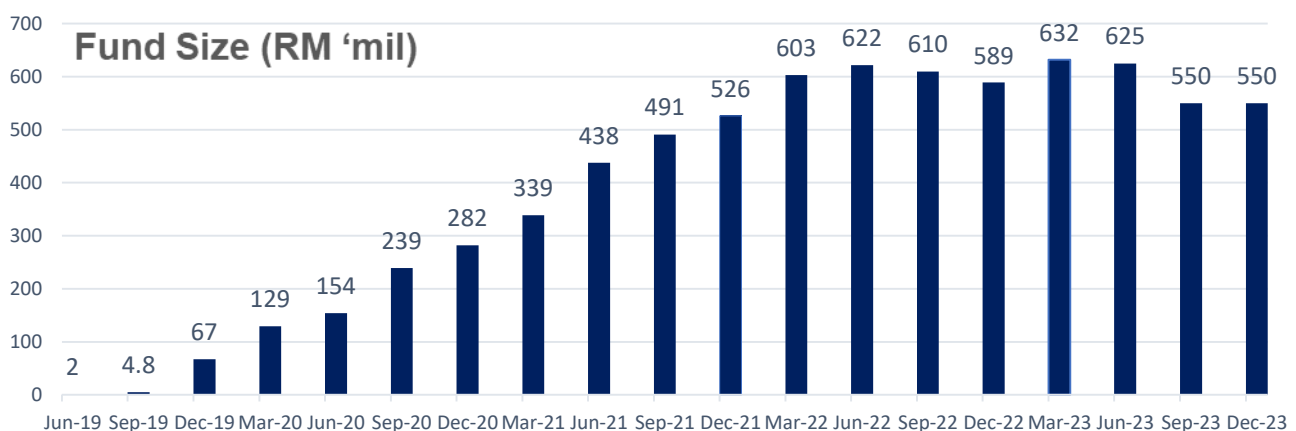
### Profit Payment Policy

Profit distribution is upon maturity.

### Fund Performance

#### 1. Fund Size and Returns

As at December 2023, Term Investment Account-i retail fund balance was recorded at RM 550 million.



### Nature of Investment Account

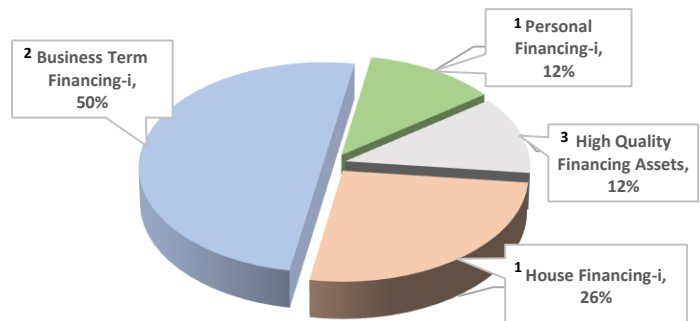
A renewable term investment type of 3, 6 and 12 months tenure.

### 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<sup>1</sup>, non-retail assets<sup>2</sup> and HQLA<sup>3</sup> as per chart below.



#### Note:

<sup>1</sup> Retail financing assets consist of House Financing-i and Personal Financing-i .

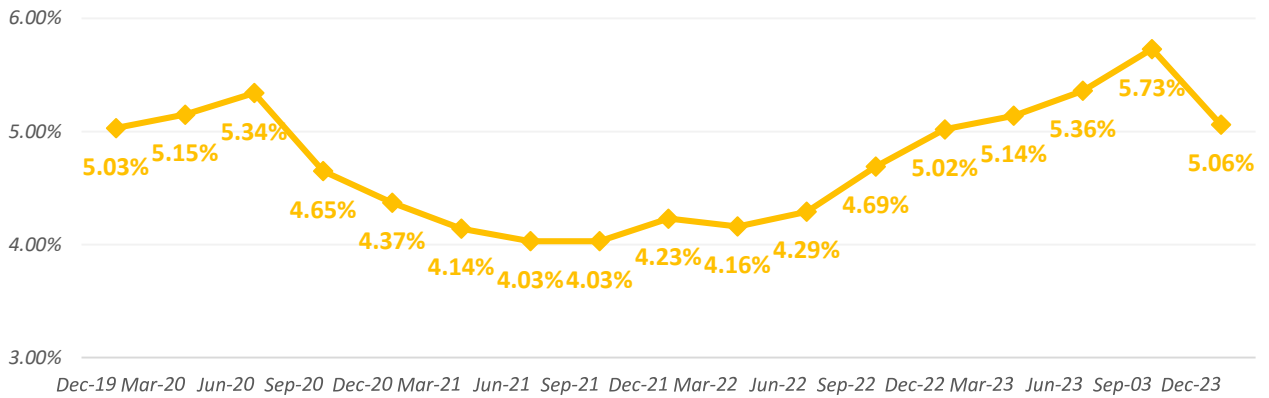
<sup>2</sup> Non-retail financing assets consist of Business Term Financing-i.

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

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### Gross Fund Returns (%) before PSR



## 2. Rate of Return of TIA-i for Retail Investors

This section is applicable to Investor(s) who have made subscription under the TIA-i 3-months, 6-months and 12-months tenure.

### 3 Months

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a) <sup>6</sup>			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Oct	5.27	1.75	1.75	3.80	3.80
		1.95	1.95	3.80	3.80
		2.40	2.40	3.85	3.85
		2.45	2.45	3.95	3.95
		2.55	2.55	3.95	3.95
Nov	6.12	1.75	1.75	3.60	3.60
		1.95	1.95	3.80	3.80
		2.40	2.40	3.85	3.85
		2.45	2.45	3.88	3.88
		2.55	2.55	3.95	3.95
Dec	5.06	1.75	1.75	3.60	3.60
		1.95	1.95	3.80	3.80
		2.40	2.40	3.80	3.80
		2.45	2.45	3.85	3.85
		2.55	2.55	3.88	3.88

### 6 Months

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a) <sup>6</sup>			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Oct	5.27	2.55	2.55	3.90	3.90
		2.60	2.60	3.95	3.95
		2.70	2.70	3.99	3.99
Nov	6.12	2.60	2.60	3.85	3.85
		2.60	2.60	3.90	3.90
		2.70	2.70	3.95	3.95
		2.70	2.70	3.95	3.95
		2.70	2.70	3.99	3.99
Dec	5.06	2.60	2.60	3.85	3.85
		2.60	2.60	3.90	3.90
		2.70	2.70	3.95	3.95
		2.70	2.70	3.95	3.95
		2.70	2.70	3.99	3.99

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### 12 Months

Month <sup>4</sup>	Gross Rate of Return (Gross RoR) <sup>5</sup>	Rate of Return to Investors % (p.a) <sup>6</sup>			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Oct	5.27	2.60	2.60	3.50	3.50
		2.65	2.65	3.60	3.60
		2.70	2.70	3.80	3.80
				3.85	3.85
		2.70	2.70	3.85	3.85
				3.90	3.90
		2.75	2.75	3.95	3.95
				3.99	3.99
2.85	2.85	4.05	4.05		
		4.25	4.25		
Nov	6.12	2.60	2.60	3.60	3.60
				3.80	3.80
		2.65	2.65	3.80	3.80
				3.80	3.80
		2.70	2.70	3.85	3.85
				3.85	3.85
		2.75	2.75	3.90	3.90
				3.95	3.95
2.85	2.85	3.99	3.99		
		4.02	4.05		
4.25	4.25				
Dec	5.06	2.75	2.75	3.80	3.80
				3.80	3.80
		2.80	2.80	3.80	3.80
				3.85	3.85
		2.85	2.85	3.85	3.85
				3.90	3.90
		2.85	2.85	3.95	3.95
				3.99	3.99
2.85	2.85	4.05	4.05		
		4.25	4.25		

### Profit & Loss Statement

Profit & Loss Statement for Quarter Ended 31 December 2023			
	RM' October 2023	RM' November 2023	RM' December 2023
<b>Total Gross Income</b>	2,485,216	2,827,071	2,493,545
<b>Net Income Distributed to Investors</b>	1,791,383	1,756,563	1,862,388
<b>Net Income Distributed to Bank</b>	693,833	1,070,508	631,157

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**Note:**

PSR Table	Tenure (months)	Profit Sharing Ratio (PSR) (Investors:Bank)
Board	3	65:35
	6 & 12	68:32
Promo	3, 6 & 12	85:15

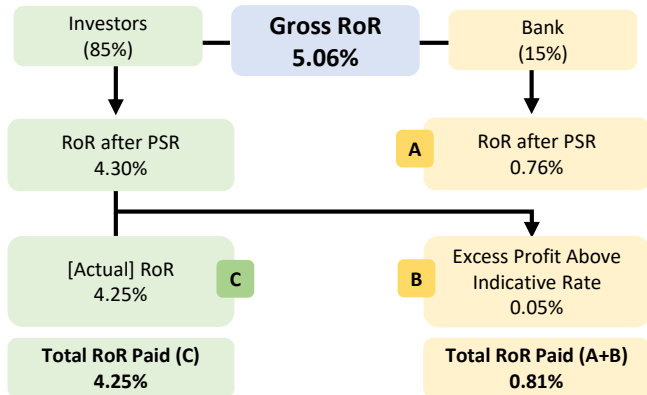
<sup>4</sup> Maturity Month

<sup>5</sup> Gross RoR is the return from investment before the application of PSR.

<sup>6</sup> [Indicative] Rate of Return to Investors % p.a is the target rate advertised by the Bank to the Investors.

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

Profit Calculation Illustration (12 Months Promo Indicative Rate in December 2023: 4.25% p.a)



### 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.

### Market Outlook

The outlook for the finance industry is expected to remain stable and resilient, backed by adequate buffers in capital, liquidity and financing provision built.

### IMPORTANT/DISCLAIMER

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Prepared by: