

Term Investment Account - i

Retail Fund Performance Report for
Quarter Ended 30 June 2024

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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** - IAH 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:

IAH 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.

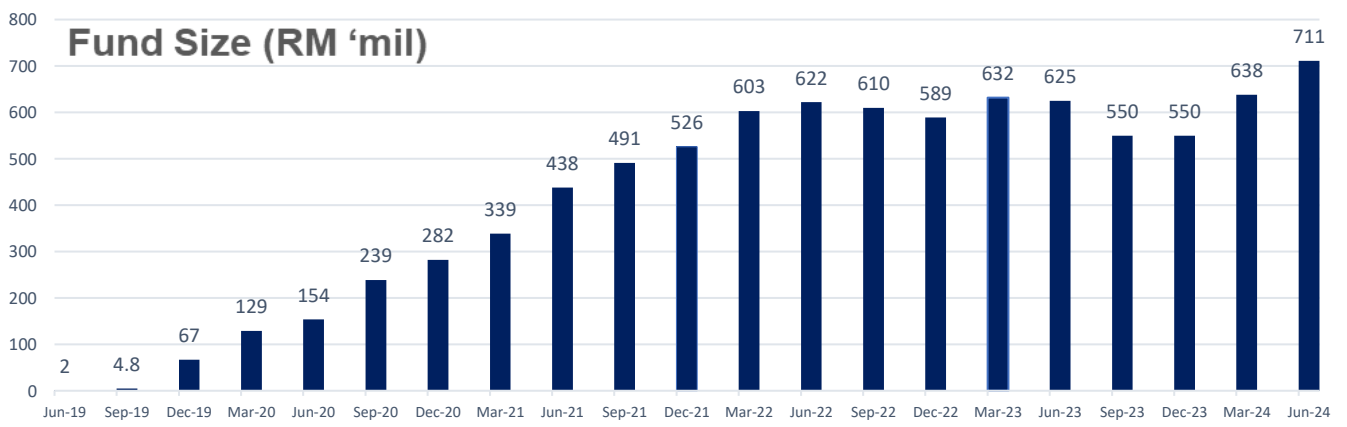
Profit Payment Policy

Profit distribution is upon maturity.

Fund Performance

1. Fund Size and Returns

As at June 2024, TIA-i’s Retail Fund Balance was recorded at RM711 million.



Nature of Investment Account

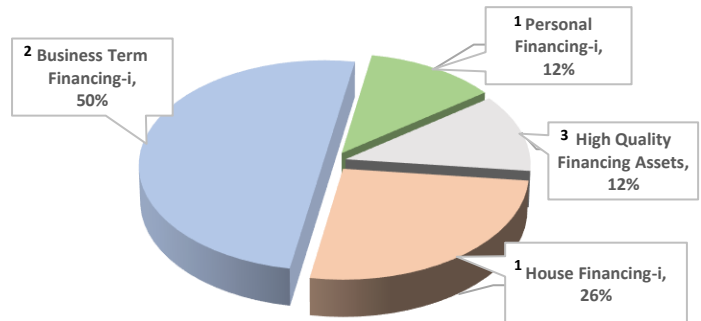
A renewable term investment type of 1, 3, 6, 9 and 12 months tenure.

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 IAH and the Bank according to mutually pre-agreed Profit Sharing Ratio (PSR) whilst losses (if any) will be borne by the IAH.

Investment Asset Allocation

The fund is invested in a portfolio of Hong Leong Islamic Bank’s retail assets¹, non-retail assets² and HQLA³ as per chart below.



Note:

¹ Retail financing assets consist of House Financing-i and Personal Financing-i.

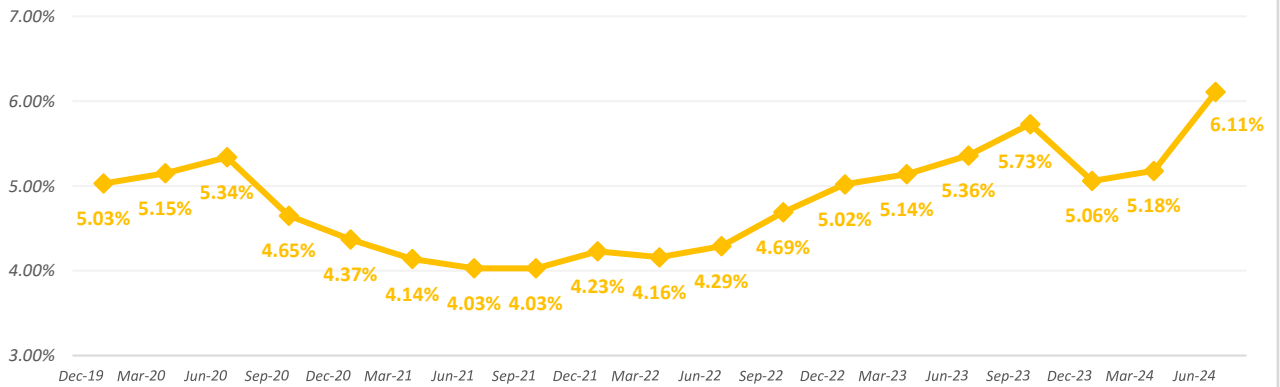
² Non-retail financing assets consist of Business Term Financing-i.

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

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Gross Fund Returns (%) before PSR



2. Rate of Return of TIA-i for Retail IAH

This section is applicable to IAH who have subscribed under the TIA-i's 1 month, 3 months, 6 months, 9 months and 12 months tenures.

1 Month

Month ⁴	Gross Rate of Return (Gross RoR) ⁵	Rate of Return to IAH % (p.a.) ⁶			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Apr	5.95	2.45	2.45	-	-
May	5.25	2.45	2.45	-	-
Jun	6.11	2.45	2.45	-	-

6 Months

Month ⁴	Gross Rate of Return (Gross RoR) ⁵	Rate of Return to IAH % (p.a.) ⁶			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Apr	5.95	1.90	1.90	3.85	3.85
		2.10	2.10	3.90	3.90
		2.60	2.60	3.95	3.95
		2.70	2.70		
May	5.25	1.90	1.90	3.75	3.75
		2.10	2.10		
		2.60	2.60	3.85	3.85
		2.70	2.70	3.90	3.90
Jun	6.11	2.80	2.80	3.95	3.95
		1.90	1.90	3.75	3.75
		2.10	2.10		
		2.55	2.55	3.85	3.85
Jun	6.11	2.60	2.60	3.85	3.85
		2.70	2.70	3.90	3.90
		2.80	2.80	3.95	3.95

3 Months

Month ⁴	Gross Rate of Return (Gross RoR) ⁵	Rate of Return to IAH % (p.a.) ⁶			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Apr	5.95	1.75	1.75	3.55	3.55
		1.95	1.95		
		2.40	2.40	3.60	3.60
		2.45	2.45	3.70	3.70
		2.55	2.55	3.80	3.80
		2.65	2.65		
May	5.25	1.75	1.75	3.50	3.50
		1.95	1.95		
		2.40	2.40	3.55	3.55
		2.45	2.45	3.60	3.60
		2.55	2.55		
		2.65	2.65		
Jun	6.11	1.75	1.75	3.50	3.50
		2.40	2.40	3.55	3.55
		2.45	2.45	3.60	3.60
		2.55	2.55		
		2.65	2.65		

9 Months

Month ⁴	Gross Rate of Return (Gross RoR) ⁵	Rate of Return to IAH % (p.a.) ⁶			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Apr	5.95	2.70	2.70	-	-
May	5.25	2.70	2.70	-	-
Jun	-	-	-	-	-

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12 Months

Month ⁴	Gross Rate of Return (Gross RoR) ⁵	Rate of Return to IAH % (p.a.) ⁶			
		Board		Promo	
		Indicative	Actual	Indicative	Actual
Apr	5.95	2.65	2.65	3.65	3.65
				3.70	3.70
		2.70	2.70	3.80	3.80
				3.85	3.85
		2.75	2.75	3.90	3.90
				3.95	3.95
May	5.25	2.65	2.65	3.65	3.65
				3.70	3.70
		2.70	2.70	3.80	3.80
				3.85	3.85
		2.75	2.75	3.90	3.90
				3.95	3.95
Jun	6.11	2.65	2.65	3.65	3.65
				3.70	3.70
		2.70	2.70	3.80	3.80
				3.85	3.85
		2.75	2.75	3.90	3.90
				3.95	3.95
		3.99	3.99		

Profit & Loss Statement

Profit & Loss Statement for Quarter Ended 30 June 2024			
	RM' April 2024	RM' May 2024	RM' June 2024
Total Gross Income	3,256,733	3,282,459	3,548,238
Net Income Distributed to IAH	2,060,748	2,250,847	2,172,190
Net Income Distributed to Bank	1,195,985	1,031,613	1,376,048

Note:

PSR Table	Tenure (months)	Profit Sharing Ratio (PSR) (IAH:Bank)
Board	1 & 3	65:35
	6, 9 & 12	68:32
Promo	1, 3, 6, 9 & 12	85:15

⁴ Maturity Month.

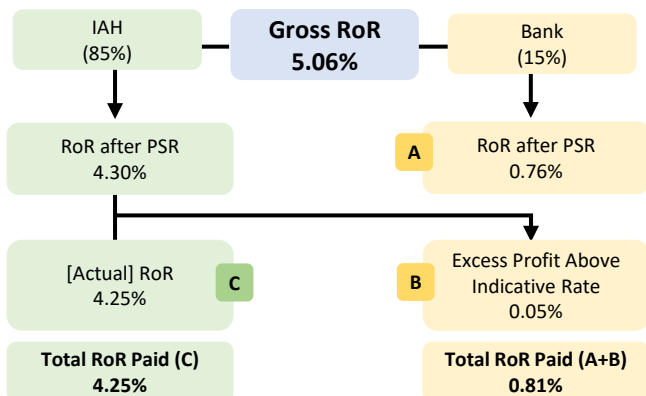
⁵ Gross RoR is the return from investment before the application of PSR.

⁶ [Indicative] Rate of Return to IAH % p.a. is the target rate advertised by the Bank to the IAH.

⁶ [Actual] Rate of Return to IAH % p.a. is the net profit rate to IAH after applying PSR (refer to the PSR table above) to Gross RoR. Any excess profit after PSR generated more than the Indicative Rate of Return to IAH 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 June 2024: 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.

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Prepared by: