

INVESTMENT-i ACCOUNT RAKYAT MUDARABAH FUND 1

Fund Performance Report for the Quarter Ended 31st December 2024

Dear Valued Investment Account Holder (IAH),

We are pleased to present the following Fund Performance Report of Investment-i Account RAKYAT MUDARABAH FUND 1 for the quarter ended 31st December 2024.

1.0 KEY FUND INFORMATION

<p>Type of Investment Account</p> <ul style="list-style-type: none"> Unrestricted Investment Account where the investor provides Bank Rakyat with the mandate to make ultimate investment decision without specifying any restrictions or conditions on the management of the funds. <p>Fund Investment Objective</p> <ul style="list-style-type: none"> To invest in low to medium risk investment which utilizing the Bank's stable retail financing asset. To provide capital stability and optimal return to the investors. The Bank's risk appetite is to invest into retail portfolio based on the Bank's expertise. <p>Fund Investment Strategies</p> <ul style="list-style-type: none"> The fund aims to give stable return to the investor mainly from profit distribution through diversified investment. 	<p>Type of Investor</p> <ul style="list-style-type: none"> Individual/ Joint/ Trustee <p>Profit Distribution Frequency</p> <ul style="list-style-type: none"> Profit will be paid on daily basis based on the profit rate which tentatively declared on every 15th of every month. <p>Valuation</p> <ul style="list-style-type: none"> The Bank will perform valuation of the underlying assets of the Fund in accordance with the Malaysia Financial Reporting Standards ("MFRS") which will be carried out on a monthly basis. <p>Statement on any changes</p> <ul style="list-style-type: none"> There have been no changes in the investment objectives, strategies, restrictions, and limitation during the quarter period.
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2.0 RISK STATEMENT

- Second Line of Defense Functions

The second line of defense functions assist the Bank in building and/or monitoring the first line of defense controls to ensure that the controls embedded in the operation processes are properly designed, in place, and functioning as intended.

- Risk Management Sector

Risk Management Sector performs independent assessment and monitoring of risk-taking activities and ensure the risk profile and policies remained accommodative for business growth without transgressing the Bank's Risk Appetite Statement.

In promoting sound implementation of risk management, the Bank has established relevant framework and policies in managing the risk-taking activities, for example, Group Risk Management Framework and dedicated policy for each type of risk (e.g., Credit Risk, Market Risk, Liquidity Risk, Operational Risk etc.).

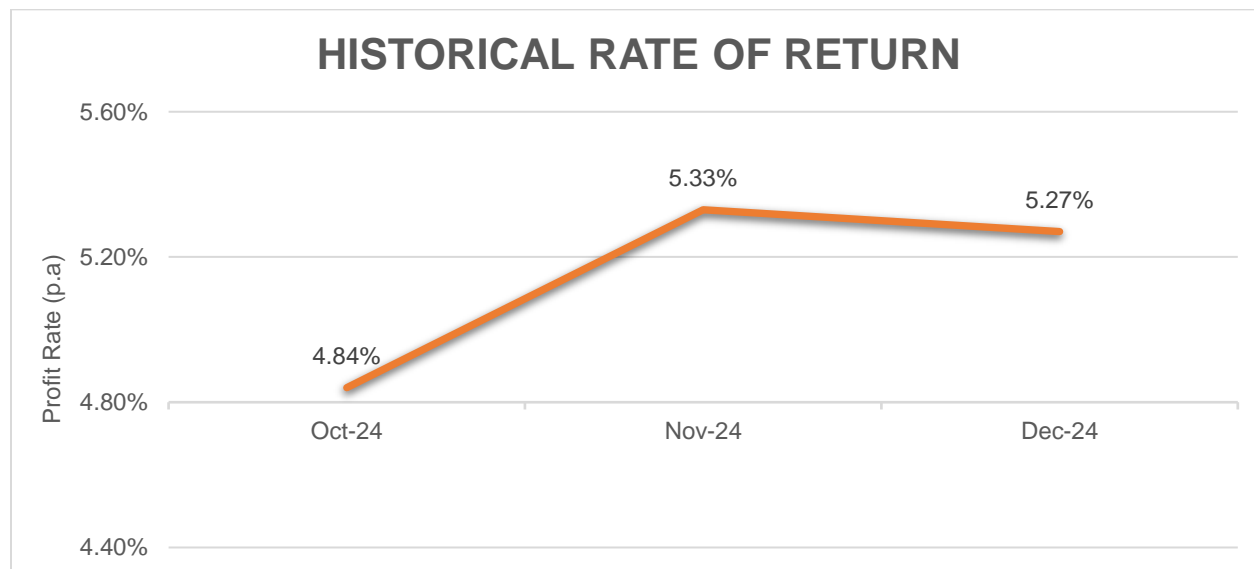
The framework and policies have been established in tandem with the relevant regulatory requirements issued by BNM.

3.0 FUND PERFORMANCE

- Investment-i Account Rizq Plus performance for the Quarter Ended 31/12/2024:

PERIOD	ACCUMULATED FUND SIZE	RETURN ON ASSET (ROA) % p.a	PROFIT SHARING RATIO (CUSTOMER: BANK)	RETURN ON INVESTMENT (ROI)
15/10/2024 – 14/11/2024	381,078,765	4.84%	0 – 4,999.99: 1:99 5,000 – 9,999.99: 2:98 10,000 – 49,999.99: 3:97 50,000 – 999,999.99: 21:79 1,000,000 and above: 51:49	0 – 4,999.99: 0.04% 5,000 – 9,999.99: 0.09% 10,000 – 49,999.99: 0.14% 50,000 – 999,999.99: 1.01% 1,000,000 and above: 2.46%
15/11/2024 – 14/12/2024	401,123,623	5.33%		0 – 4,999.99: 0.05% 5,000 – 9,999.99: 0.10% 10,000 – 49,999.99: 0.15% 50,000 – 999,999.99: 1.11% 1,000,000 and above: 2.71%
15/12/2024 – 31/12/2024	469,900,781	5.27%		0 – 4,999.99: 0.05% 5,000 – 9,999.99: 0.10% 10,000 – 49,999.99: 0.15% 50,000 – 999,999.99: 1.10% 1,000,000 and above: 2.68%

- Historical rate of return for Investment-i Account as at Quarter Ended 31/12/2024 are as follows:

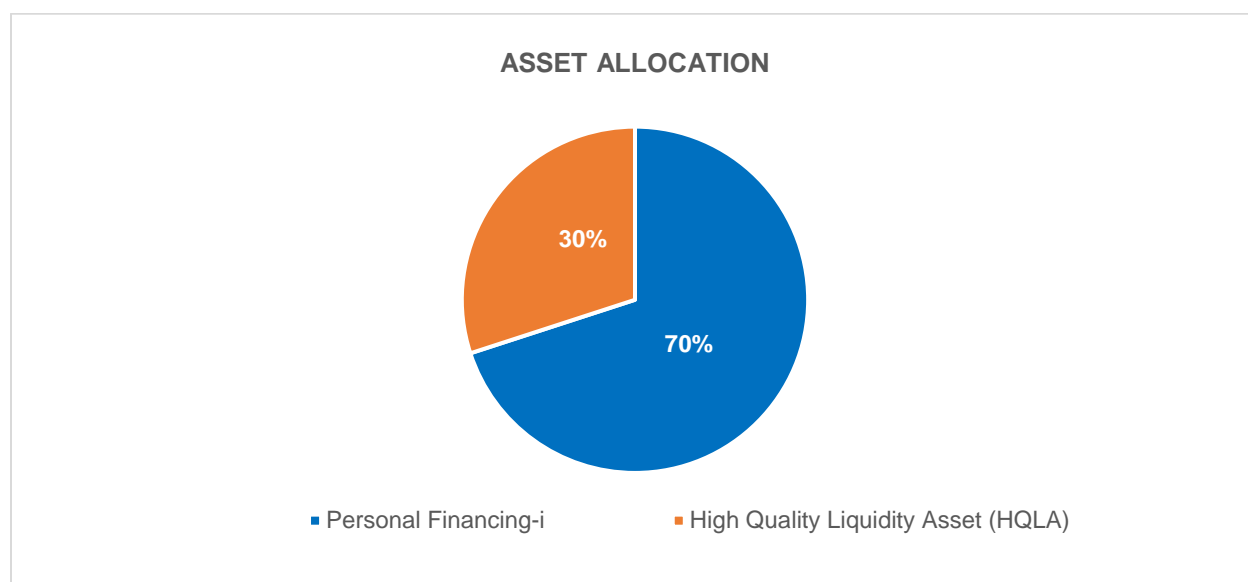


Note:

- The fund rate of return represents the net rate of return to the IAH and is computed based on the following formula:

$$\text{Rate of Return} = (\text{Total Income} - \text{Impairment Allowances}) \times \text{PSR}$$
- Past performance is not reflective of future performance.

- Asset Allocation as at Quarter Ended 31/12/2024 are as follows:



4.0 MARKET OUTLOOK

According to Department of Statistics Malaysia's GDP advance estimates, Malaysia's economy is expected to grow by 4.8% YoY in 4Q24 (3Q24: 5.3% YoY) supported by growth across major economic sectors. This could bring the full-year GDP growth for 2024 to 5.1% YoY, remains well within the official forecast range of 4.8% to 5.3% YoY. The economic performance could be largely attributed to growth in the services, manufacturing and construction sectors. However, agriculture and mining & quarrying sectors could have experienced contraction during the quarter.

Further supporting growth, other key economic indicators continue to demonstrate positive momentum. The unemployment rate remained stable at 3.2% in Nov'24 (Oct'24: 3.2%), staying at its lowest level since Jan'20 for the fourth consecutive month. Domestic expenditure also remained supportive as the wholesale and retail trade grew by 4.7% YoY in Nov'24 (Oct'24: 5.5% YoY) to RM149.3 bil - the second highest in the year. The leading index which indicates the direction of the Malaysian economy, registered a 1.5% YoY growth in Oct'24, marking eleventh consecutive month of expansion. This improvement signals that the country's economy is poised for sustained growth in the near term. On trade activities, Malaysia's total trade growth surged to 14.6% YoY in Dec'24 (Nov'24: 2.8% YoY) due to stronger growth in both export and import which accelerated to 16.9% YoY (Nov'24: 3.9% YoY) and 11.9% YoY (Nov'24: 1.6% YoY), respectively.

Meanwhile, Malaysia's inflation rate eased slightly to 1.8% YoY in Nov'24 (Oct'24: 1.9% YoY) due to slower non-food inflation. Given the favorable economic conditions, Bank Negara Malaysia (BNM) has maintained the overnight policy rate (OPR) at 3.0% amid manageable inflation.

Looking ahead, Malaysia's economy is set to grow further in the range of 4.5%-5.5% YoY in 2025 (2024e: 4.8%-5.3% YoY), driven by resilient domestic demand and recovering trade activity. Favorable investment conditions (e.g., increased approved investment, development in Johor-Singapore Special Economic Zone), ongoing implementation of mega-infrastructure projects (e.g. ECRL, Pan Borneo, RTS link) and

global tech upcycle should provide support to the economic landscape for Malaysia. The labour market is expected to remain on a stable path in tandem with the upbeat momentum in the domestic economy. Inflation is expected to remain manageable in the range of 2.0%-3.5% YoY in 2025 (2024e: 1.5%- 2.5% YoY), but the outlook remains subject to the implication of further subsidy rationalization by the government and global commodity prices movement. Meanwhile, the OPR is projected to remain steady at 3.00% amid stable economic and inflation growth. Risks to the growth could arise from further escalation of geopolitical and trade tensions and weaker-than-expected global demand.

Global Economy

The Organization for Economic Co-operation and Development (OECD) in its December 2024 Economic Outlook, projected global GDP to improve slightly to 3.3% YoY in 2025 (2024e: 3.2% YoY). The growth will be underpinned by low inflation, steady employment growth, and less restrictive monetary policies. However, uncertainties persist due to geopolitical tensions and rising trade conflicts which could potentially heighten inflationary pressures and dampen economic activity. On monetary policies, major central banks are expected to further cut interest rates as inflationary pressures continue to ease