

INVESTMENT-i ACCOUNT RAKYAT MUDARABAH FUND 1

Fund Performance Report for the Quarter Ended 30th June 2025

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 30th June 2025.

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.).

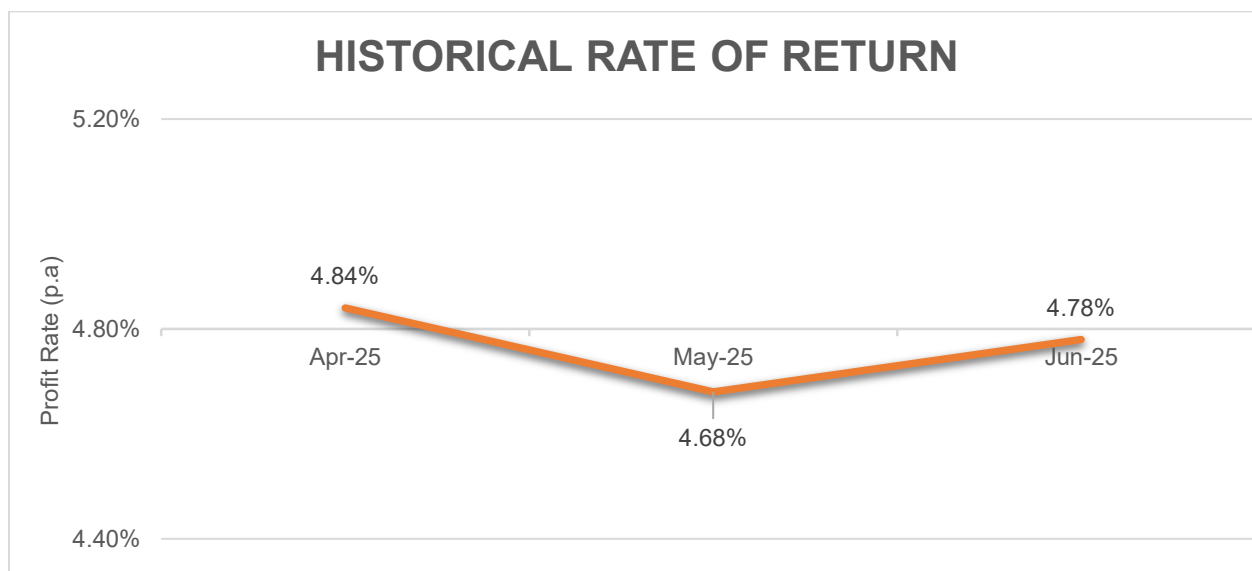
The framework and policies have been established in tandem with the relevant regulatory requirements issued by BNM.

3.0 FUND PERFORMANCE

- Investment-i Account Rizq Plus performance for the Quarter Ended 30/06/2025:

PERIOD	ACCUMULATED FUND SIZE	RETURN ON ASSET (ROA) % p.a	PROFIT SHARING RATIO (CUSTOMER: BANK)	RETURN ON INVESTMENT (ROI)
15/04/2025 – 14/05/2025	619,943,109	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%
15/05/2025 – 14/06/2025	663,218,371	4.68%		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: 0.98% 1,000,000 and above: 2.38%
15/06/2025 – 30/06/2025	701,073,350	4.78%		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: 1.00% 1,000,000 and above: 2.43%

- Historical rate of return for Investment-i Account as at Quarter Ended 30/06/2025 are as follows:

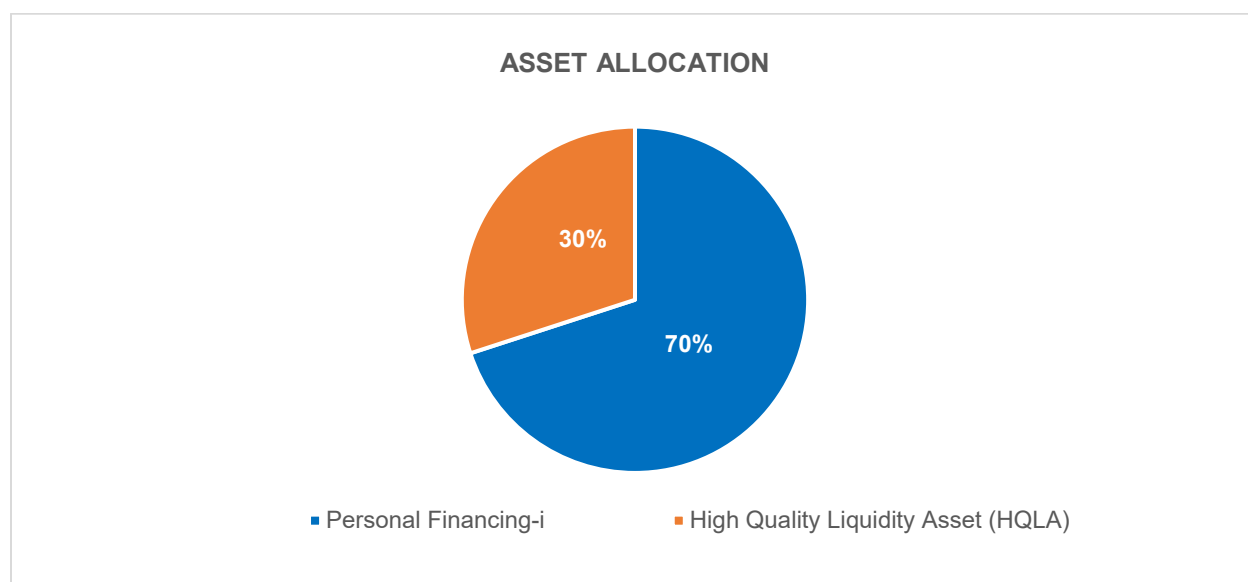


Note:

- 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 30/06/2025 are as follows:



4.0 MARKET OUTLOOK

Malaysia Economic Review and Outlook

Malaysia's advance GDP estimates by the Department of Statistics Malaysia (DOSM) shows that GDP increased by 4.5% YoY in 2Q25 (1Q25: 4.4% YoY, 2Q24: 5.9% YoY) driven by positive growth in services and manufacturing sectors (released on 18 July 2025). In addition, the construction and agriculture sectors recorded better growth during the quarter. Conversely, the mining & quarrying sector continued to experience a contraction since 3Q24. The performance was attributed by lower production in the natural gas and crude oil & condensate sub-sectors in 2Q25. In term of QoQ performance, Malaysia's economy grew 1.0% vs a contraction of 3.5% in the 1Q25. Official 2Q25 GDP will be released by Bank Negara Malaysia (BNM) on 15 August 2025. Other economic indicators showed continued resilience in mid-2025. The unemployment rate held steady at 3.0% in May (Apr'25: 3.0%, May'24: 3.3%), marking the fourth consecutive month at its lowest level since Jan'20. Domestic activity remained firm, with the wholesale & retail trade expanding 4.4% YoY in May'25 to RM154.3 billion, supported by broad-based growth across sub-sectors. On the external front, total trade fell by -1.2% YoY in Jun'25 (May'25: +2.6% YoY) – marking the first decline since Dec'23. The decline stemmed from the steeper fall in exports (-3.5% YoY; May'25: -1.1% YoY), marking the second consecutive month of contraction. Meanwhile, inflation eased further in Jun'25, rising by just 1.2% YoY (May'25: 1.4% YoY) – the lowest level recorded since 2021, driven by softer price increases across major components, particularly food, transport, and housing. Given the economic conditions, BNM has maintained the overnight policy rate (OPR) at 3.0% on 8 May. At the time of writing, BNM has slashed the OPR by 25 bps to 2.75% during the Monetary Policy Committee meeting on 9 July 2025, marks the first-rate reduction in five years.

On another note, Donald Trump has declared a reciprocal tariff policy, triggering a sweeping wave of duties aimed at resetting trade balances with the rest of the world, including Malaysia – with an additional 24% tariff on all Malaysian goods exported to the U.S. However, the U.S. implemented a 90-day pause (effective 9 April to 8 July), with the 10% base tariff to country-specific tariffs (excluding China), including Malaysia. Despite the temporary reprieve, the move raised concerns about long-term trade disruptions, particularly for Malaysia's export-oriented sectors. Negotiations between both governments remain ongoing to seek

resolution and avoid further escalation. At the time of writing, Malaysia is expected to face a 25% trade tariff, effective 1st August. Meanwhile, the military conflict between Iran and Israel has further escalated geopolitical risks in the Middle East. Crude oil surged near around USD75/bbl from USD68/bbl thus fueling safe-haven demand and adding pressure to trade-sensitive economies.

In May'25, the government has indicated to revise the 2025 growth forecast downward due to risks from U.S. tariffs and trade tensions (2025f: 4.5%-5.5% YoY). Inflation is projected to stay manageable within the range of 2.0% to 3.5% YoY in 2025 (2024: 1.8% YoY). In addition to the stable and relatively low inflation environment, private consumption will sustain its expansion, underpinned by a robust job market on the back of higher employment and wage growth. The continued growth in the domestic spending will help to cushion the impact of global trade uncertainties and heightened geopolitical tensions. Additionally, the expanding tourism sector, driven by rising tourist arrivals, will boost spending and support overall consumption. Investment activity will remain supported by the ongoing multi-year projects and the continued realization of approved investments. Downside risks particularly from external pressure persist. These include potential escalations in geopolitical and trade tensions as well as a weaker-than-expected global demand environment.

Global Economy

The Organisation for Economic Co-operation and Development (OECD) has revised its global growth forecast downward to 2.9% YoY for 2025 (prev.: 3.1% YoY; 2024e: 3.1% YoY), reflecting a deterioration in global economic prospects. The downgrade is attributed to intensifying trade barriers, tightened financial conditions, waning business and consumer confidence, and elevated policy uncertainty. Meanwhile, the International Monetary Fund (IMF) has cautioned that the implementation of broad-based tariffs by Donald Trump represents a significant downside risk to global economic stability. Inflation is expected to average 4.2% YoY in 2025, (prev.: 3.7% YoY) due to persistent core inflation and rising trade-related costs, even though commodity prices are generally lower.

On the policy front, the U.S. Federal Reserve postponed rate cuts amid concerns over tariff-driven inflation and strong labour data. For other countries, policy easing has been adopted as one of the measures to ensure continued support to the economy in view of heightened uncertainties affecting the global economy and international trade.