

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

Unrestricted Investment Account refers to a type of investment account where the Investment Account Holder (IAH), without specifying any particular restrictions or conditions provides the Bank with the mandate to make the ultimate decision to invest.

1.5 Investment Objectives

To provide IAHS with a combination of steady and recurring income whilst, at the same time, allowing the balances to be placed and withdrawn via the counter, cheque, internet banking channels, etc.

1.6 Investment Strategies

- To ensure investment is within the investment objective of the Fund with its asset allocation safeguarding the investment portfolio.
- Currently, the Bank invests in its existing House & Fixed Asset Financing (HFA) portfolio which is aimed at protecting the principal and generating 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

The Bank will allocate IAHS' funds in its existing HFA Financing Portfolio which generates stable profits.

1.9 Valuation of Allocated Asset

To be carried out on a monthly basis as part of the process to determine the returns to the IAH. The returns on this investment account will be affected by the performance of the allocated assets including, but not limited to, the quality of assets (i.e. impairment) and the movement of the Effective Profit Rate (EPR) in relation to financing assets that are priced based on floating rate methods, etc. The principal and returns are not guaranteed and an IAH may be exposed to a risk of no returns at all.

This investment account is not protected by Perbadanan Insurans Deposit Malaysia (PIDM). However, the product structure was designed to mitigate the risk of losing the principal amount. In the event of a liquidation scenario, the IAHS are ranked ahead of depositors.

1.10 Distribution Policy

Profit to be distributed on a monthly basis, but the profit will be calculated on a daily basis. The profit is 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)
 - Corporate:
 - Corporation
 - Government Agencies
 - Government Accounts
 - Universities
 - Companies and Partnerships
 - Other Business and Non- Business Entities
- Investors with either a short or medium term investment horizon
- Investors who require a portfolio of Shariah-compliant investments
- Investors with low to medium risk tolerance
- Investors who seek stable profits

Note: Investors are advised to carefully consider all risk factors before making an investment decision. Investors will be exposed to the following risks; market risk, credit risk, liquidity risk, operational risk, legal risk and Shariah non-compliance risk. Please visit Bank Islam's website for further explanation of each risk.

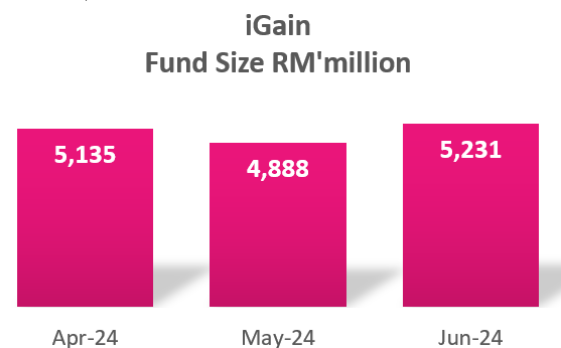
2.0 RISK STATEMENT

The Board of Directors of Bank Islam has the ultimate responsibility to manage risks related to its operations and business activities by setting risk appetite and tolerance levels that are consistent with the Bank's overall business objectives and desired risk profile. The Board Risk Committee, which is assisted by the Group Risk Management Division, ensures that there is an effective oversight on development of strategies, policies, procedures and infrastructure to manage the Bank's risks.

3.0 FUND PERFORMANCE

3.1 Fund Size & Growth

As at June 2024, iGain fund balance was recorded at RM5.2bil.



3.2 Rate of Return

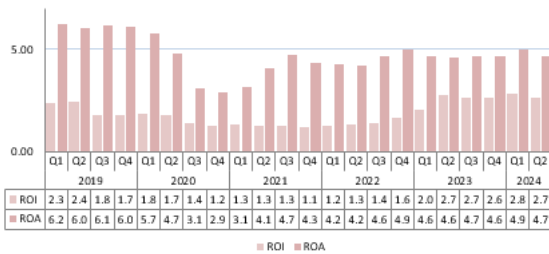
Position 2023	Return on Asset (ROA)* % (p.a.)	Profit Sharing Ratio (Customer: Bank)	Return on Investment (ROI) % (p.a.)
April	4.66%	Based on the agreed profit-sharing ratio upon placement of fund, subject to Terms & Conditions	
May	4.64%		
June	4.65%		

*ROA - allocated asset of the fund.

Note: For further illustration, please refer to the Product Disclosure Sheet (PDS), Terms & Conditions and Investment Confirmation Notice (where applicable).

THE FUND PERFORMANCE REPORT IS PROVIDED SOLELY FOR THE BENEFIT OF THE INVESTMENT ACCOUNT HOLDERS AND IS NOT TO BE COPIED, QUOTED, OR REFERRED TO IN WHOLE OR IN PART WITHOUT BANK ISLAM'S PRIOR WRITTEN CONSENT. BANK ISLAM ACCEPTS NO RESPONSIBILITY TO ANYONE OTHER THAN THE PARTIES IDENTIFIED IN THE FUND PERFORMANCE REPORT FOR THE INFORMATION CONTAINED IN THIS DOCUMENT

3.3 Historical Rate of Return



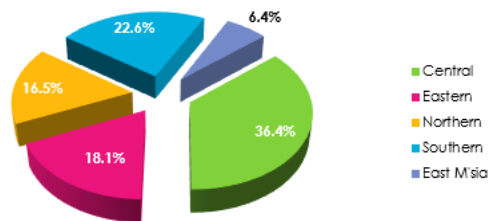
Note: The rates above are average annual rate of return on quarterly basis in percentage (%)

3.4 Income Statement

Income Statement for the Quarter ended 30 June 2024			
	April	May	June
	RM'000	RM'000	RM'000
Profit from financing	18,269	19,566	14,757
Direct expenses*	-	-	-
Allowance for impairment on financing	463	395	405
Total Profit	18,732	19,961	15,162
Return on Asset (p.a.)	4.66%	4.64%	4.65%
Return on Investment (p.a.)	Based on the agreed profit-sharing ratio upon placement of fund, subject to Terms & Conditions		

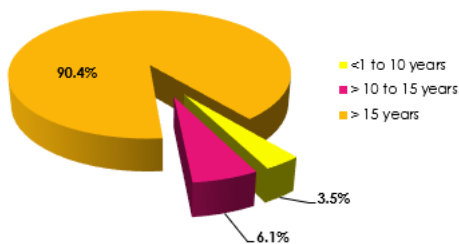
*Currently there are no charges imposed to this fund.

3.5 HFA Financing Portfolio by Geographical Location in Malaysia



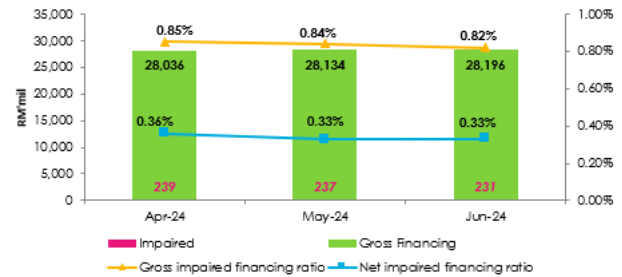
A total of 36.4% of the total HFA Financing Portfolio originates from the Central region. This reflects the concentration of the HFA portfolio in developed areas such as the Klang Valley.

3.6 HFA Financing Portfolio by Remaining Maturity of Facilities



The majority of the HFA Financing Portfolio has a maturity of more than 15 years. This will ensure stability in the profit stream of the HFA portfolio which can then benefit the investment return expectations, especially for long-term IAH.

3.7 Asset Quality of HFA Portfolio



The portfolio's low impaired financing ratio reflects strong asset quality.

4.0 ECONOMIC REVIEW & PROSPECT

Malaysia's growth momentum thus far has aligned with our expectations at the start of the year. According to the official advance estimates, GDP growth in 2Q2024 have accelerated to 5.8% y-o-y, up from 4.2% in 1Q2024, bringing overall growth in 1H2024 to 5.0% (1H2023: 4.1%). Recent data releases indicate robust economic conditions, supporting our view that the economy will remain well-supported due to the bottoming out of the global semiconductor downcycle, increased investment spending in line with the government's medium-term economic development agenda and resilient household spending. Notably, exports of electronics and electrical products (E&E) turned positive in 2Q2024, rising by 2.0% after four consecutive quarters of declines. This upturn is expected to continue and bolster net exports, which have been a drag to growth in 2023, and could potentially become a positive contributor in the coming months. Investments are also gaining traction with increasing news flow about FDIs into Malaysia's integrated circuit (IC) design parks, data centres and renewable energy projects to date.

While concerns about higher living costs could weigh on consumer sentiment, the newly implemented Employee Provident Fund (EPF) Flexible Account 3, which allows anytime withdrawals, is likely to provide an additional support to private consumption alongside the healthy labour market conditions and the government's cash transfers. Retail sales came in higher-than-expected in June, rising at a faster pace of 8.7% compared to a 5.5% expansion recorded in May.

5.0 PROPERTY MARKET & HFA PORTFOLIO REVIEW

According to the latest data published by the National Property Information Centre (NAPIC), the property market sector recorded 104,297 transactions worth RM56.53bil in Q12024, up by 17.2% in volume and 34.2% in value as compared to Q12023 (89,024;RM42.11bil).

The residential segment remains the mainstay of the property market with 60.2% of total transaction. The residential sub-sector's market recorded 62,823 transactions worth RM25.25bil, up by 16.5% in volume and 21.0% in value as compared to Q12023 (53,923;RM20.87bil). By price range, demand continued to focus on properties worth RM300K and below, as indicated by almost 53.0% of the total residential transactions. There were 5,585 units residential launched in Q12024. Terraced houses dominated the new launches with 52.5% (2,933 units), followed by high-rise units at 35.1% (1,961 units) and semi-detached units at 9.3% (518 units).

As at Q12024, the number of residential overhang dropped in term of volume and value. There were 24,208 units worth RM16.49bil, down by 6.2% in volume and 6.7% in value as compared to Q42023 (25,816;RM17.68bil). Perak recorded the highest number of overhang in the country with 18.95% (4,588 units). High-rise units dominated overhang with 61.0% (14,771 units). The Malaysian House Price Index (MHPI) in

Q12024 stood at 216.9 points (RM467,997).

Bank Islam's Housing and Fixed Asset (HFA) portfolio stood at RM28.19bil, reflecting a month-on-month increase of 0.21% from RM28.13bil in the previous month. The Gross Impairment Ratio (GIR) remained stable at 0.82% in June 2024, slightly lower than the previous month's figure. This ratio is considered low compared to the industry level for the purchase of residential property, which was 1.33% in May 2024. The HFA asset yield slightly decreased to 4.54% in June 2024 from 4.55% in March 2024 (the previous quarter).