

Mudarabah Term Investment Account-i (MTIA-i)

Fund Performance Report for the Quarter Ended 31 December 2025

Dear Valued Investment Account Holder,

We are pleased to present the following fund performance report for the quarter ended 31 December 2025.

1.0 Key Fund Information

1.1. Product Name

Mudarabah Term Investment Account-i (MTIA-i): MTIA-i is a type of an unrestricted investment account opened and maintained by the Investment Account Holder (“IAH”) with the Bank. Monies placed in MTIA-i (“Investment Amount”) is mandated by IAH to be utilized by the Bank, to fund its stable Shariah-compliant financing as investment assets of the Bank (“Investment Asset”). Distribution of returns of the Investment is based on the pre-agreed Profit Sharing Ratio (“PSR”), the amount of which dependent on the performance of the Investment Asset.

1.2. Investment Account Type

The MTIA-i is a form of an unrestricted investment account in which the Bank invests in the Investment Asset in accordance with the investment mandate given by IAH.

1.3. Fund Investment Objective

MTIA-i presents the opportunity to the public to invest in a low risk investment account product that funds the Investment Asset.

1.4. Fund Investment Strategies

MTIA-i fund is invested in Investment Asset with competitive pricing and good asset quality. The Investment Asset subscribes to the Bank’s internal credit controls as regulated by Bank Negara Malaysia (“BNM”).

1.5. Nature of Investment Account

Term Investment Account. For retail IAH, the tenure offered is 1 month, 3 months, 6 months or 12 months. For corporate IAH, the minimum tenure is 1 day to a maximum of 12

months or as specified by the Bank on a case-to-case basis.

1.6. Investment Asset Allocation

Investment Asset allocated is stable Shariah-compliant financing portfolio of the Bank. The Bank shall manage the investment return in a manner that is consistent with IAH investment objective and the related governing rules and regulations.

The asset allocation for the past two quarters is outlined in the table below.

Type of Assets	30 Sept	31 Dec
MTIA-i 1.0		
Retail Financing ^{note 1}	100%	100%
MTIA-i 2.0		
Retail Financing ^{note 2}	100%	75%
Non-Retail Financing ^{note 3}	-	25%

Note 1: Home financing

Note 2: Auto financing and personal financing

Note 3: Financing to an institutional customer

1.7. Investor Profile

Type of Investor:

- Individuals (Residents and Non-Residents)
- Small and Medium Enterprises (“SMEs”)
- Corporate
- Corporate Agencies
- Universities
- Companies & Partnerships
- Government
- Government Agencies
- Statutory Bodies
- Government-Linked Companies (“GLC”)
- Other Business & Non-Business Entities deemed fit by the Bank.

1.8. Valuation of the Allocated Asset

Valuation methodology employed is in accordance with sound industry practice and consistent with the Malaysian Financial Reporting Standards (“MFRS”). The Bank will be monitoring the performance of the Investment Asset on monthly basis. The net returns/loss on the MTIA-i will be displayed at our branches and published on our website at www.ambank.com.my every 16th of the month.

In the event of any impairment assessment on illiquid Investment Asset, such

assessment shall be reflected in its current valuation. Adequate mechanism will be put in place by the Bank to ensure timely and fair recognition and measurement of impairment loss during the period in which it arises.

1.9. Profit Payment Policy

Profit distribution is upon maturity.

1.10. Statement on Any Changes

There have been no changes in the investment objectives, strategies, restrictions and limitations during the quarter period.

2.0 Risk Statement

The AmBank Group is committed to managing risks effectively to support its business strategy, protect capital and optimize profitability. The Board of Directors oversees the establishment of risk appetite and tolerance levels, ensuring risks such as credit, market, liquidity, operational, Shariah non-compliance and industry-specific risks are controlled through robust policies, procedures and infrastructure. This approach ensures a balanced and sustainable risk profile while maintaining safe and minimal-risk investment practices.

3.0 Fund Performance for the Quarter ended 31 December 2025

3.1. Profit and Loss Statement for the Quarter ended 31 December 2025

	October (RM '000)	November (RM '000)	December (RM '000)
Total Profit	902	2,036	3,625
Return on Asset (ROA) ¹ (p.a.) %	5.00*	5.00*	5.00*
Return on Investment (p.a.) %	As mutually agreed based on Profit Sharing Ratio (PSR) between the Bank and the IAH, subject to the Terms and Conditions.		

¹ ROA: Return on Asset of the allocated portfolio to the Investment Account fund.

* Average returns of all tenures of placement

3.2. Historical Gross Rate of Return



The rates above are the average annual rate of return on a quarterly basis in percentage (%).

3.3. Performance for the Quarter ended 31 December 2025

Product	Month	Fund Size (RM'000)	Return on Investment ² % p.a. based on Board PSR			
			1 Month	3 Months	6 Months	12 Months
MTIA 1.0	Oct	905	1.72	2.02	2.16	
	Nov	906	1.72	2.00	2.18	
	Dec	907	1.75	2.00	2.17	
MTIA 2.0	Oct	348,985	1.85	2.15	2.30	2.35
	Nov	643,749	1.85	2.15	2.30	2.35
	Dec	1,018,153	1.85	2.15	2.30	2.35

² Subject to Profit Sharing Ratio between the Bank and the IAH as well as the Terms and Conditions.

Note: For further information, please refer to the Specific Terms and Conditions, Product Disclosure Sheet and Term Investment Account Placement Summary/ Confirmation Notice.

4.0 Economic Review and Prospect

December's major central bank meetings signalled a more cautious approach to further monetary easing as mixed economic data fuelled differing views among policymakers on the outlook. The US Federal Reserve's ("Fed") December rate cut – its third in a row – was widely expected but drew notable dissents, with two members favouring a hold. Meeting minutes revealed that the Fed intends to pause further rate cuts until it gains greater confidence that inflation is firmly on track to its 2% target, following three 25bp rate cuts in 2025. Looking ahead, most Fed policymakers project only one cut in 2026 and another in 2027. However, with Fed Chair Jerome Powell's term expiring in May and expectations that Trump will appoint more dovish members to the rate-setting committee, markets are pricing in at least two cuts in 2026.

Meanwhile, the Bank of England ("BOE") delivered a 25 bp cut at its December meeting, lowering the policy rate to 3.75%. The move was seen as a hawkish cut, with an almost evenly split 5-4 vote as policymakers weighed labour market weakness against persistent inflationary pressures. The BOE is expected to resume rate cuts amid signs of a deteriorating economic outlook. However, the timing is highly uncertain as guidance continues to stress that further easing will be gradual.

With persistent inflation pressures intact, the Bank of Japan (“BOJ”) opted for a 25bp rate hike in line with broad consensus. Governor Ueda reaffirmed the BOJ’s commitment to move the negative real interest rate closer to zero, indicating that further rate increases are assured. However, he refrained from guiding the timing or scale of future hikes. Market consensus suggests the next hike will come no earlier than April.

We expect the Malaysian economy to hold up well in 2026 at 4.5%, despite persistent external headwinds as the full impact of higher US tariffs manifests globally. This projection marks a moderation from the 5.2% growth in 2025. Additionally, we are already seeing some bits of moderation, as the November 2025 Diffusion Index for the Leading Index fell below the 50-point mark. While the fading front-loading effect will likely weigh on exports, the slowdown is expected to be mild, supported by the ongoing AI-capex supercycle, among other factors. We posit that private consumption will be the mainstay of the economy, supported by favourable labour market conditions as evidenced by a record-low unemployment rate at 2.9% as of December 2025. At the same time, the strength in investment growth is expected to persist into this year, driven by strategic initiatives under the National Industrial Master Plan (“NIMP”) 2030 and the National Energy Transition Roadmap (“NETR”), alongside the data centre boom, and continued realisation of massive approved private sector investments.

We expect the Overnight Policy Rate (“OPR”) to remain unchanged at 2.75% throughout 2026, consistent with market consensus that anticipates no major hikes or cuts unless there is a significant shift in economic data. With a tight labour market and well-contained inflation expected in 2026, we find no compelling reason for Bank Negara Malaysia (“BNM”) to alter its policy stance. The current monetary policy stance remains accommodative, supporting growth expected to remain within a healthy range.

5.0 Underlying Asset Outlook

In line with the bank's commitment to capital preservation and delivering stable returns to IAH, the bank continues to prioritize low to moderate risk investment strategies. To further strengthen this approach, the bank has broadened its portfolio of underlying assets by incorporating additional Shariah-compliant financing assets. The bank aims to provide more predictable and consistent performance, ensuring that IAH receive returns that are both stable and aligned with their risk appetite.

IMPORTANT

MTIA-i IS AN INVESTMENT ACCOUNT PRODUCT. THE PROFIT AND LOSS OF WHICH IS BASED ON THE PERFORMANCE OF INVESTMENT ASSETS AND THEREFORE, IS NOT A DEPOSIT PRODUCT. THE RETURNS ON MTIA-i WILL BE BASED UPON THE PERFORMANCE OF THE INVESTMENT ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND IAH HAS THE RISK OF EARNING NO RETURNS AT ALL AND AT WORST, RISK OF LOSING THE INVESTMENT AMOUNT AT ANY POINT OF TIME UPON MATURITY OR EARLY WITHDRAWAL. NONETHELESS, SUCH RISKS ARE MITIGATED BY THE BANK'S PRUDENT INTERNAL CREDIT AND RISK POLICIES. MTIA-i IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA (PIDM).

THIS PERFORMANCE REPORT HAS BEEN PREPARED FOR THE BENEFIT AND INTERNAL USE OF THE IAH TO INDICATE, ON A PRELIMINARY BASIS, THE PERFORMANCE OF THE INVESTMENT AS DESCRIBED HEREIN. IT IS FURNISHED SOLELY TO THE IAH AND MAY NOT BE REPRODUCED OR OTHERWISE DISSEMINATED IN WHOLE OR IN PART WITHOUT THE BANK'S PRIOR WRITTEN CONSENT.

THE INFORMATION IN THIS PERFORMANCE REPORT REFLECTS PREVAILING CONDITIONS AND OUR VIEWS AS OF THIS DATE. NOTHING CONTAINED IN THIS REPORT IS, OR SHALL BE, RELIED UPON AS A PROMISE OR REPRESENTATION AS TO THE FUTURE. PAST PERFORMANCE OF THE INVESTMENT IS NOT A GUARANTEE OF FUTURE PERFORMANCE. THE BANK ACCEPTS NO RESPONSIBILITY TO ANYONE OTHER THAN THE PARTIES IDENTIFIED IN THE FUND PERFORMANCE REPORT FOR THE INFORMATION CONTAINED IN THIS DOCUMENT.

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