

1.0 KEY FUND INFORMATION

1.1. Product Type

The PrimeInvest Investment Account-i ("IA-i") is an Unrestricted Investment Account which refers to a type of investment account where the Investment Account Holder (IAH) provides the Bank with the mandate to make the ultimate decision without specifying any particular restrictions or conditions.

1.2. Investment Objective

The fund's objective is to generate attractive and steady return while taking into account the capital preservation factor.

1.3. Investment Strategy

The fund will be invested in selected Bank's portfolio of asset(s) with competitive pricing and with a conservative risk profile.

1.4. Investment Asset Allocation

The fund will be invested in Shariah-compliant Personal Financing ("PF-i") 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.

1.5. Valuation of Allocated Asset

The Bank will perform valuation of the underlying asset(s) of the fund in accordance with the Malaysian Financial Reporting Standards ("MFRS") which will be carried out on a monthly basis.

1.6. Nature of Investment

The Investment Account-i is offered to Non-individual IAH with minimum tenure of 1 day to a maximum of 60 months (5 years).

1.7. Profit Payment Policy

Profit is distributed upon maturity or on periodical basis.

1.8. Investor Profile

Type of investors:

- Business entities such as Corporations, Commercials, SMEs.
- Government bodies.
- All legitimate entities registered with Registrar of Business / Registrar of Companies / Registrar of Societies / Companies Commission of Malaysia.
- Local financial institutions.
- Foreign financial institutions that are permitted.

1.9. Statement of Any Changes

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

2.0 RISK STATEMENT

The Board of Directors of MBSB Bank 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 and Compliance Committee, which is assisted by the 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 and Growth (3Q 2022)

Month	July	August	September
Fund Size (RM'000)	1,763,092	1,709,905	2,026,447

3.2. Rate of Return on Underlying Assets (3Q 2022)

Period	Rate of Return (ROR) % p.a.	Return on Investment (ROI) % p.a.
July	5.766	Based on the Expected Profit Rate agreed upon placement of the fund
August	5.158	
September	4.296	

*ROR of IA-i assets which consist of selected PF-i accounts.

3.3. Historical Return on Assets (ROA)

Year	2021	2020	2019	2018	2017	2016
ROA* % p.a.	7.17	6.31	5.71	7.23	4.73	5.73

*ROA of total PF-i portfolio of the Bank. Please refer to IA-i Product Disclosure Sheet for more explanation.

3.4. Income Statement

Month	July	August	September
Total Profit (RM)	8,605,810	8,224,462	6,406,979
ROR* % p.a.	5.766	5.158	4.296

Refer to 3.2 for explanation on the ROR

4.0 UNDERLYING ASSET OUTLOOK

The ROR dropped from 5.77% in Jul-22 to 5.16% in Aug-22 and subsequently 4.30% in Sep-22 mainly due to higher expected credit losses.

MBSB Bank's PF-i portfolio stood at RM19.3 billion in Sep-22 with optimistic outlook throughout the year.

5.0 MARKET OUTLOOK

THIS FUND PERFORMANCE REPORT IS PREPARED SOLELY FOR THE BENEFIT OF THE IAH TO INDICATE, ON A PRELIMINARY BASIS, THE PERFORMANCE OF THE INVESTMENT AS DESCRIBED HEREIN. NO PART OF THIS DOCUMENT MAY BE REPRODUCED OR COPIED IN ANY FORM OR BY ANY MEANS WITHOUT PRIOR WRITTEN CONSENT OF MBSB BANK.

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 FUTURE PERFORMANCE. PAST PERFORMANCE OF THE INVESTMENT IS NOT A GUARANTEE OF FUTURE PERFORMANCE.

Malaysia's economy advanced 14.2% yoy in Q3 of 2022, exceeding market forecasts of 11.7% and picking up from an 8.9% growth in Q2. This was the fastest pace of expansion since Q2 of 2021, boosted by strong domestic demand due to further improvement in labor market as well as ongoing policy support. Private consumption stayed strong (15.1% vs 18.3% in Q2), amid a sharp jump in fixed investment (13.2% vs 6.3%) and robust government spending (4.5% vs 2.6%).

Meantime, exports rose 23.9% while imports went up 24.4%. On the production side, activity rose for all sectors: services (16.7%), manufacturing (13.2%), agriculture (1.2%), mining (9.2%), and construction (15.3%). BNM predicted the economy will grow at a softer pace in Q4, on some global headwinds and the absence of base effects. For full 2022, the economy is expected to stay robust and grow by 4-5% in 2023. On a seasonally adjusted quarterly basis, the economy grew 1.9%, after a 3.5% rise in Q2. source: Department of Statistics, Malaysia

THIS FUND PERFORMANCE REPORT IS PREPARED SOLELY FOR THE BENEFIT OF THE IAH TO INDICATE, ON A PRELIMINARY BASIS, THE PERFORMANCE OF THE INVESTMENT AS DESCRIBED HEREIN. NO PART OF THIS DOCUMENT MAY BE REPRODUCED OR COPIED IN ANY FORM OR BY ANY MEANS WITHOUT PRIOR WRITTEN CONSENT OF MBSB BANK.

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 FUTURE PERFORMANCE. PAST PERFORMANCE OF THE INVESTMENT IS NOT A GUARANTEE OF FUTURE PERFORMANCE.