

Quarterly Report for

AmIslamic Institutional 1

31 December 2025



TRUST DIRECTORY

Manager

AmIslamic Funds Management Sdn Bhd
9th & 10th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Shariah Adviser

Amanie Advisors Sdn Bhd

Trustee

Deutsche Trustees Malaysia Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Malaysia Tax Services Sdn. Bhd.
(formerly known as Deloitte Tax Services Sdn. Bhd.)

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MANAGER'S REPORT

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited quarterly accounts of Amlslamic Institutional 1 ("Fund") for the financial period from 1 October 2025 to 31 December 2025.

Salient Information of the Fund

Name	Amlslamic Institutional* 1 ("Fund") <i>*Institutional refers to the potential Sophisticated Investors of the Fund and not to the nature of the investables.</i>				
Category/ Type	Wholesale Islamic Fixed Income / Growth and to a lesser extent income				
Objective	The Fund is a fixed income fund that aims to outperform the benchmark of Quantshop ALL GII Index by investing mainly in Shariah Compliant fixed income instruments. <i>Note: Any material change to the investment objective of the Fund would require Unit Holders' approval.</i>				
Duration	The Fund was established on 27 December 2011 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.				
Performance Benchmark	Quantshop ALL GII Index (Available at www.aminvest.com)				
Income Distribution Policy	Income (if any) will be declared quarterly. <i>Note: The income could be in the form of units or cash.</i> <i>Should there be realized income or gains, there may be income distribution declared.</i>				
Breakdown of Unit Holdings by Size	For the financial period under review, the size of the Fund stood at 184,789,374 units.				
	Size of holding	As at 31 December 2025		As at 30 September 2025	
		No of units held	Number of unitholders	No of units held	Number of unitholders
	5,000 and below	-	-	-	-
	5,001-10,000	-	-	-	-
	10,001-50,000	-	-	-	-
	50,001-500,000	-	-	-	-
	500,001 and above	184,789,374	5	183,159,965	5

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 31 December 2025, 30 September 2025 and for the past three financial years are as follows:					
		As at 31.12.2025 %	As at 30.09.2025 %	As at 31 March		
			2025 %	2024 %	2023 %	
	Corporate sukuk	77.48	74.37	74.71	83.56	86.16
	Government Investment Issues	19.54	14.39	18.14	15.80	8.26
	Money market deposits and cash equivalents	2.98	11.24	7.15	0.64	5.58
	Total	100.00	100.00	100.00	100.00	100.00
	<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>					
Performance Details	Performance details of the Fund for the financial periods ended 31 December 2025, 30 September 2025 and three financial years ended 31 March are as follows:					
		FPE 31.12.2025	FPE 30.09.2025	FYE 2025	FYE 2024	FYE 2023
	Net asset value (RM'000)	196,121	194,948	188,259	129,403	121,731
	Units in circulation ('000)	184,789	183,160	179,114	122,088	119,604
	Net asset value per unit (RM)	1.0613	1.0644	1.0511	1.0599	1.0178
	Highest net asset value per unit (RM)	1.0718	1.0792	1.0770	1.0720	1.0287
	Lowest net asset value per unit (RM)	1.0613	1.0618	1.0507	1.0181	0.9884
	Benchmark performance (%)	0.69	0.87	4.46	4.75	5.12
	Total return (%) ⁽¹⁾	0.74	1.38	4.56	7.14	4.71
	- Capital growth (%)	-0.29	0.30	-0.77	4.16	0.86
	- Income distributions (%)	1.03	1.08	5.33	2.98	3.85
	Gross distributions (RM sen per unit)	1.10	1.15	5.65	3.03	3.89
	Net distributions (RM sen per unit)	1.10	1.15	5.65	3.03	3.89
	Total expense ratio (%) ⁽²⁾	0.06	0.06	0.23	0.24	0.24
	Portfolio turnover ratio (times) ⁽³⁾	0.12	0.08	0.82	0.37	0.48
	<i>Note:</i>					
	<i>(1) Total return is the actual return of the Fund for the respective financial periods/years computed based on the net asset value per unit and net of all fees. Total return is calculated based on the published NAV/unit (last business day).</i>					
	<i>(2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.</i>					

(3) Portfolio turnover ratio (“PTR”) is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.

Average Total Return (as at 31 December 2025)

	Amlslamic Institutional 1^(a) %	Benchmark^(b) %
One year	5.88	5.99
Three years	6.27	5.54
Five years	3.91	3.09
Ten years	5.46	4.47

Annual Total Return

Financial Years Ended (31 March)	Amlslamic Institutional 1^(a) %	Benchmark^(b) %
2025	4.56	4.46
2024	7.14	4.75
2023	4.71	5.12
2022	3.02	-0.21
2021	2.71	3.32

(a) Source: Novagni Analytics and Advisory Sdn. Bhd.

(b) Quantshop ALL GII Index (Available at www.aminvest.com)

The Fund performance is calculated based on the net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

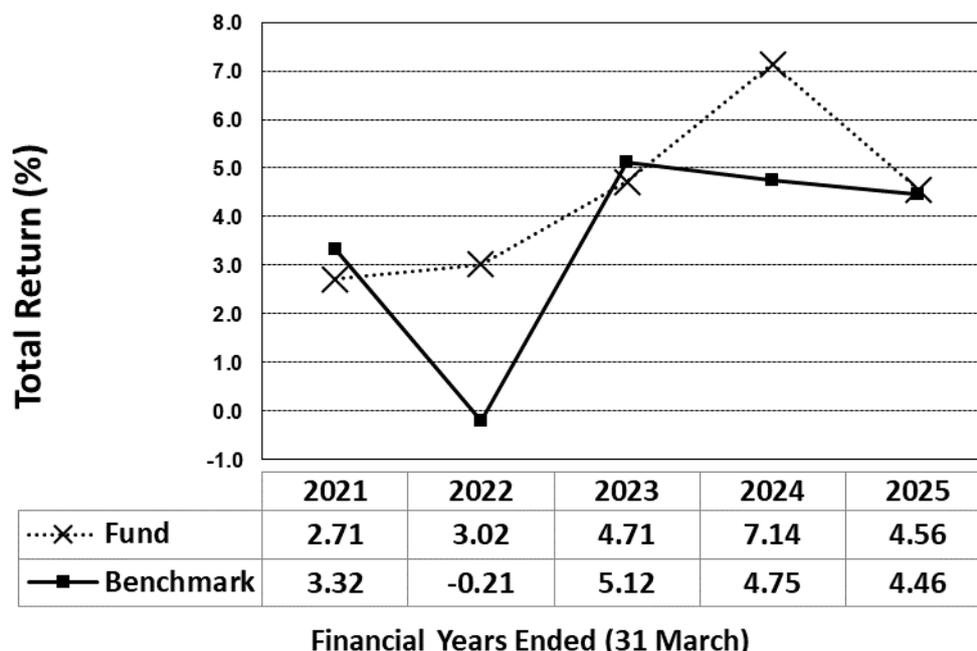
Fund Performance

For the financial period under review, the Fund registered a return of 0.74% comprising of negative 0.29% capital and 1.03% income distribution.

Thus, the Fund’s return of 0.74% has outperformed the benchmark’s return of 0.69% by 0.05%.

As compared with the financial period ended 30 September 2025, the net asset value (“NAV”) per unit of the Fund decreased by 0.29% from RM1.0644 to RM1.0613, while units in circulation increased by 0.89% from 183,159,965 units to 184,789,374 units.

The following line chart shows comparison between the annual performances of Amlslamic Institutional 1 and its benchmark for the financial years ended 31 March.



Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

Strategies and Policies Employed

For the financial period under review, the Fund remained invested in Sukuk, and within the permitted asset allocation of 40%-100% in Sukuk. The Investment Manager adopted active tactical duration management, yield curve positioning and credit spread arbitrage in buying and selling Sukuk for the Fund. This involves the use of models that analyze and compare expected returns and assumed risk. Under this approach, the Investment Manager will focus on Sukuk that would deliver favorable return given an acceptable level of risk. The Investment Manager may also consider obligations with a more favorable or improving credit or industry outlook that provide the potential for capital appreciation.

Portfolio Structure

The table below is the asset allocation of the Fund as at 31 December 2025 and 30 September 2025.

	As at 31.12.2025 %	As at 30.09.2025 %	Changes %
Corporate sukuk	77.48	74.37	3.11
Government Investment Issues	19.54	14.39	5.15
Money market deposits and cash equivalents	2.98	11.24	-8.26
Total	100.00	100.00	

As at 31 December 2025, the Fund has 77.48% of its NAV invested in corporate sukuk, 19.54% invested in Government Investment Issues and with the remaining 2.98% in money market deposits and cash equivalents. Overall sukuk holdings in the portfolio remained high, in line with the Fund prevailing strategy.

Cross Trade

There were no cross trades undertaken during the financial period under review.

Distribution/ Unit Splits	<p>During the financial period under review, the Fund declared distribution, detailed as follows:</p> <table border="1" data-bbox="363 219 1439 353"> <thead> <tr> <th data-bbox="363 219 608 315">Date of distribution</th> <th data-bbox="608 219 874 315">Distribution per unit RM (sen)</th> <th data-bbox="874 219 1177 315">NAV per unit Cum-Distribution (RM)</th> <th data-bbox="1177 219 1439 315">NAV per unit Ex-Distribution (RM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="363 315 608 353">31-Dec-25</td> <td data-bbox="608 315 874 353">1.10</td> <td data-bbox="874 315 1177 353">1.0723</td> <td data-bbox="1177 315 1439 353">1.0613</td> </tr> </tbody> </table> <p>There is no unit split declared for the financial period under review.</p>	Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	31-Dec-25	1.10	1.0723	1.0613
Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)						
31-Dec-25	1.10	1.0723	1.0613						
State of Affairs	<p>There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.</p>								
Rebates and Soft Commission	<p>During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>								
Market Review	<p>The Malaysian bond market demonstrated resilience throughout the fourth quarter of 2025 (4Q2025), transitioning from a cautious start to a satisfactory, liquidity-driven finish. Overall performance was anchored by healthy domestic fundamentals, including a stable Overnight Policy Rate (OPR) of 2.75% and sustained 3Q2025 Gross Domestic Product (GDP) growth, alongside a narrowing interest-rate differential as the United States (US) Federal Reserve (Fed) commenced its easing cycle. The quarter saw a decisive reversal in foreign sentiment, with significant inflows driven by Malaysia's status as a high-yielding market in Emerging Market Asia. Primary market activity was substantial, with over RM29.5 billion in sovereign auctions and diverse corporate issuances.</p> <p>In October 2025, the market initially remained cautious following a selloff in September, leading to a bear-steepening of the Malaysian Government Securities (MGS) curve where long-end yields rose by 5 - 10 basis points (bps). Demand for long-tenure sovereign bonds was softer during the month's auctions. However, a critical pivot occurred in fund flows, with the market recording a net foreign inflow of RM4.4 billion as investors began positioning for Fed easing. Corporate bond trading was particularly active, with volumes reaching RM22.7 billion, setting a solid foundation for the remainder of the quarter.</p> <p>November 2025 saw market sentiment improve significantly, bolstered by a surge in foreign inflows to RM6.1 billion and a weakening United States Dollar (USD). This optimism was reflected in sovereign auctions, where the 10Y and 20Y Malaysian Government Investment Issue (MGII) re-openings garnered strong demand with bid-to-cover (BTC) ratios of 2.57x and 2.34x, respectively. The corporate primary market was equally vibrant, headlined by major issuances such as the RM6.0 billion Sukuk from PNB Merdeka Ventures and RM2.76 billion from Pulau Indah Power Plant.</p> <p>The year concluded in December 2025 with a stable performance, despite the typical year-end tapering of liquidity. Government bonds trading volumes moderated to RM81.6 billion, while corporate volumes dipped to RM13.3 billion. Nonetheless, the final sovereign auction of the year namely the 10Y MGS re-opening surpassed expectations with a BTC ratio of 1.924x, signalling sustained investor confidence in the face of contained inflation and a positive economic outlook.</p>								
Market Outlook	<p>In early 2026, Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 2.75%, keeping monetary policy supportive amid steady domestic growth. At the same time, the Federal Reserve (Fed) is expected to hold rates in the near term as it closely monitors labour market and inflation trends, though we</p>								

still anticipate two rate cuts later in 2026 as disinflation resumes and growth moderates. These global dynamics contributed to a steepening in the United States Treasury (UST) curve, with front end yields remaining anchored under a Federal Reserve (Fed) pause while longer dated yields drifted higher in line with improving growth expectations and supply factors.

Against this backdrop, the Ringgit strengthened against the United States Dollar (USD), supported by a softer dollar profile and Malaysia's firm macro fundamentals—conditions that encouraged incremental foreign inflows into the Malaysian government bond market. Malaysian Government Securities (MGS) and Government Investment Issues (GII) yields remained broadly stable throughout January 2026, underpinned by resilient demand from both domestic and foreign investors. Market conditions were orderly, with steady buying interest helping to anchor yields despite external rate volatility. Overall, we expect the local bond market to remain resilient in near term, supported by stable monetary policy, supportive economic fundamentals, and consistent investor appetite.

Kuala Lumpur, Malaysia
AmIslamic Funds Management Sdn Bhd

19 February 2026

Amlslamic Institutional 1

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	31.12.2025 (unaudited) RM	31.03.2025 (audited) RM
ASSETS		
Shariah-compliant investments	190,273,750	174,806,604
Shariah-compliant deposit with licensed financial institution	7,680,558	16,391,208
Cash at bank	252,376	10,677
TOTAL ASSETS	<u>198,206,684</u>	<u>191,208,489</u>
LIABILITIES		
Amount due to Manager	34,113	30,948
Amount due to Trustee	6,716	6,464
Distribution payable	2,032,683	2,901,642
Sundry payables and accruals	12,090	10,600
TOTAL LIABILITIES	<u>2,085,602</u>	<u>2,949,654</u>
NET ASSET VALUE (“NAV”) OF THE FUND	<u>196,121,082</u>	<u>188,258,835</u>
EQUITY		
Unit holders’ capital	190,676,671	184,672,046
Retained earnings	5,444,411	3,586,789
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	<u>196,121,082</u>	<u>188,258,835</u>
UNITS IN CIRCULATION	<u>184,789,374</u>	<u>179,113,730</u>
NAV PER UNIT (RM)	<u>1.0613</u>	<u>1.0511</u>

Amlslamic Institutional 1

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2025 TO 31 DECEMBER 2025

	Note	01.10.2025 to 31.12.2025 RM	01.10.2024 to 31.12.2024 RM
SHARIAH-COMPLIANT INVESTMENT INCOME			
Profit income		2,003,936	1,546,026
Net losses from Shariah-compliant investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	1	<u>(410,524)</u>	<u>(517,334)</u>
		<u>1,593,412</u>	<u>1,028,692</u>
EXPENDITURE			
Management fee		(89,423)	(66,752)
Trustee’s fee		(19,872)	(14,834)
Audit fee		(1,008)	(1,008)
Tax agent’s fee		(832)	(832)
Other expenses		<u>(11,156)</u>	<u>(2,859)</u>
		<u>(122,291)</u>	<u>(86,285)</u>
Net income before taxation		1,471,121	942,407
Taxation		<u>-</u>	<u>-</u>
Net income after taxation, representing total comprehensive income for the financial period		<u>1,471,121</u>	<u>942,407</u>
Total comprehensive income comprises the following:			
Realised income		2,037,296	1,683,582
Unrealised losses		<u>(566,175)</u>	<u>(741,175)</u>
		<u>1,471,121</u>	<u>942,407</u>
Distribution for the financial period			
Net distribution	2	<u>2,032,683</u>	<u>1,969,056</u>
Gross distribution per unit (sen)	2	<u>1.10</u>	<u>1.25</u>
Net distribution per unit (sen)	2	<u>1.10</u>	<u>1.25</u>

The accompanying notes form an integral part of the unaudited financial statements.

Amlslamic Institutional 1

STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2025 TO 31 DECEMBER 2025

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 October 2025		188,942,328	6,005,973	194,948,301
Total comprehensive income for the financial period		-	1,471,121	1,471,121
Reinvestment of distribution		1,734,343	-	1,734,343
Distribution	2	-	(2,032,683)	(2,032,683)
Balance at 31 December 2025		<u>190,676,671</u>	<u>5,444,411</u>	<u>196,121,082</u>
At 1 October 2024		138,013,709	4,867,726	142,881,435
Total comprehensive income for the financial period		-	942,407	942,407
Creation of units		21,830,000	-	21,830,000
Reinvestment of distribution		2,013,625	-	2,013,625
Distribution	2	-	(1,969,056)	(1,969,056)
Balance at 31 December 2024		<u>161,857,334</u>	<u>3,841,077</u>	<u>165,698,411</u>

The accompanying notes form an integral part of the unaudited financial statements.

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STATEMENT OF CASH FLOWS *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2025 TO 31 DECEMBER 2025

	01.10.2025 to 31.12.2025 RM	01.10.2024 to 31.12.2024 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of Shariah-compliant investments	25,542,152	20,964,300
Purchases of Shariah-compliant investments	(32,810,000)	(25,147,000)
Profit received	2,000,663	1,909,837
Management fee paid	(88,402)	(65,055)
Trustee's fee paid	(19,645)	(14,458)
Payments for other expenses	(7,876)	(2,844)
Net cash used in operating and investing activities	<u>(5,383,108)</u>	<u>(2,355,220)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	-	21,830,000
Distribution paid	(371,996)	(634,011)
Net cash (used in)/generated from financing activities	<u>(371,996)</u>	<u>21,195,989</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,755,104)	18,840,769
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>13,688,038</u>	<u>6,970,484</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>7,932,934</u>	<u>25,811,253</u>
Cash and cash equivalents comprise:		
Shariah-compliant deposit with licensed financial institution	7,680,558	25,801,050
Cash at bank	252,376	10,203
	<u>7,932,934</u>	<u>25,811,253</u>

Amlslamic Institutional 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2025 TO 31 DECEMBER 2025

1. NET LOSSES FROM SHARIAH-COMPLIANT INVESTMENTS

	01.10.2025 to 31.12.2025 RM	01.10.2024 to 31.12.2024 RM
Net losses on financial assets at FVTPL comprised:		
- Net realised gains on sale of Shariah-compliant investments	155,651	223,841
- Net unrealised losses on changes in fair value of Shariah-compliant investments	<u>(566,175)</u>	<u>(741,175)</u>
	<u>(410,524)</u>	<u>(517,334)</u>

2. DISTRIBUTION

Details of distribution to unit holders for the financial periods are as follows:

Financial period ended 31 December 2025

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
31 December 2025	<u>1.10</u>	<u>1.10</u>	<u>2,032,683</u>

Financial period ended 31 December 2024

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
31 December 2024	<u>1.25</u>	<u>1.25</u>	<u>1,969,056</u>

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

The distribution declared for the financial period ended 31 December 2025 has been proposed before taking into account the net unrealised losses of RM566,175 (31.12.2024: RM741,175) arising during the financial period which was carried forward to the next financial period.

The distribution during the current financial period was sourced from realised income. There was no distribution out of capital.

SHARIAH ADVISER'S REPORT FOR ISLAMIC WHOLESALE FUND

To the unit holders of Amlslamic Institutional 1 ("Fund"),

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Amlslamic Funds Management Sdn Bhd has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters: and
2. The assets of the Fund comprise instruments that have been classified as Shariah-compliant.

For Amanie Advisors Sdn Bhd

Ahmad Anas Fadzil
Registered Shariah Officer
Date: 19 February 2026

DIRECTORY

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AmFunds Management Berhad
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Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),
Friday (8.45 a.m. to 5.00 p.m.)*

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