

MBSB BERHAD
Registration No. 197001000172 (9417-K)
(Incorporated in Malaysia)

MINUTES of the 55th Annual General Meeting of MBSB Berhad [Registration No. 197001000172 (9417-K)] held Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 50603 Kuala Lumpur on Thursday, 26 June 2025 at 10.00 a.m.

<i>Present:</i>	Dato' Wan Kamaruzaman bin Wan Ahmad	Chairman/ Non-Independent Non-Executive Director
	Puan Lynette Yeow Su-Yin	Senior Independent Non-Executive Director
	Encik Sazaliza bin Zainuddin	Non-Independent Executive Director
	Datuk Yasmin binti Mahmood	Non-Independent Non-Executive Director
	Encik Mohamad Abdul Halim bin Ahmad	Independent Non-Executive Director
	Dr. Loh Leong Hua	Independent Non-Executive Director
	Encik Ho Kwong Hoong	Independent Non-Executive Director
<i>In Attendance:</i>	Encik Mohamed Rafe bin Mohamed Haneef	Group Chief Executive Officer
	Encik Shahnaz Farouque bin Jammal Ahmad	Group Chief Financial Officer
<i>Secretary:</i>	Cik Tina Koh Ai Hoon	Company Secretary
<i>External Auditors:</i>	Encik William Mah Jin Chiek	Engagement Partner, Messrs. PricewaterhouseCoopers PLT
	Cik Stefanie Tang	Engagement Director, Messrs. PricewaterhouseCoopers PLT
	Puan Kasturi Nathan	Representative from Deloitte Business Advisory Sdn Bhd
	Cik Danisha Sritharan	Representative from Deloitte Business Advisory Sdn Bhd
<i>Others</i>	As per Attendance List	

OPENING

Dato' Wan Kamaruzaman bin Wan Ahmad ("the Chairman") chaired the 55th Annual General Meeting of the Company. The Chairman welcomed all present and called the Meeting to order at 10.00 a.m.

The Chairman then introduced the Board members, the Group Chief Executive Officer, the Group Chief Financial Officer, the Company Secretary as well the representatives from the external auditors, Messrs. PricewaterhouseCoopers PLT and the consultant for Board Remuneration Review, Messrs. Deloitte Business Advisory Sdn Bhd.

QUORUM

Upon the enquiry by the Chairman, the Company Secretary confirmed that the quorum was met.

PROXIES

The Secretary informed that a total of 586 shareholders and proxy holders, holding 5,968,926,382 ordinary shares or 72.6% of the issued and paid up capital of MBSB, have registered to participate in the Hybrid AGM.

NOTICE

The Notice convening the Meeting having been circulated to shareholders via email or hard copy within the prescribed period was taken as read.

PROCEDURES FOR MEETING / INTRODUCTION TO REMOTE PARTICIPATION AND ELECTRONIC VOTING

1. The Chairman briefed that shareholders present at this meeting, either physically or virtually, has the right to speak has the right to speak or pose questions to the Board. Shareholders who attend the AGM virtually may remotely participate in the AGM through the Remote Participation and Voting (RPV) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via its TIIH Online website at <https://tiih.online>, which allow real-time submission of typed questions and electronic voting.
2. The Chairman informed that there were six (6) ordinary resolutions as set out in the Notice of AGM. In line with Para 8.29A of the Main Market Listing Requirements and pursuant to Clause 69 of the Company’s Constitution, all the resolutions set out in the Notice of Meeting would be carried out by poll.
3. The Chairman informed that none of the directors hold any shares in MBSB and as such, would not be voting on the resolutions for the AGM.
4. The Chairman informed that the Company had appointed the share registrar i.e. Tricor to act as poll administrator to conduct the polling process.
5. The Chairman further informed that the Company had appointed Coopers Professional Scrutineers Sdn Bhd (“Coopers”) to act as Scrutineers to verify the poll results. The poll would be conducted when the deliberations on all items to be transacted at the meeting was completed. Coopers was also appointed as Independent Observer for the Q&A session.
6. The Chairman then invited Tricor to brief the meeting, the procedure for voting via Tricor eVote app for attendees attend the AGM physically and remote voting via RPV for attendees attend the AGM virtually.
7. A short video on the eVote and RPV procedures was presented at this juncture.
8. The Chairman informed that the voting was opened and shareholders could cast their respective votes at any time until the announcement of the closure of poll voting.

PRESENTATION OF COMPANY PERFORMANCE AND REPLY TO MSWG AND PNB QUERIES

1. The Chairman invited the Group Chief Executive Officer (“GCEO”) of the Company, Encik Mohamed Rafe bin Mohamed Haneef (“Encik Rafe”) to present the snapshot of the Company’s performance for the year 2024 and the moving forward – FLIGHT26 strategy as follows: -
 - a) 2024 in Review: 5-Year Financial Performance
 - i. Revenue increased by 31% mainly driven by a 27% funded income growth and a 318% increase in non-funded income, mainly attributed to MIDF’s full year contribution.

- ii. PBT grew by 5% primarily due to the growth in financing and balance sheet optimisation.
- iii. ROE reduced from 5.2% to 4.2%. The higher ROE in FY2023 was driven by a one-off acquisition gain on MIDF. Excluding this gain, ROE improved by 2.7% year-on-year.
- iv. Financing grew by 2.4% (Excluding write off, financing is higher at 4.0%): -
 - a) New disbursement during the year stood at RM11.84 billion from RM11.1 billion.
 - b) Higher repayment during the year stood at RM10.3 billion from RM9.4 billion.
- v. Significant GIFR reduction from 7.3% down to 5.3%, indicating better management of credit risks and improved asset quality.
- vi. CASA ratio reached double digits for the first time at 11.1%, up from 6.2%, indicating improved deposit stability and lower funding costs.

b) 2024 in Review – FLIGHT26 Progressing

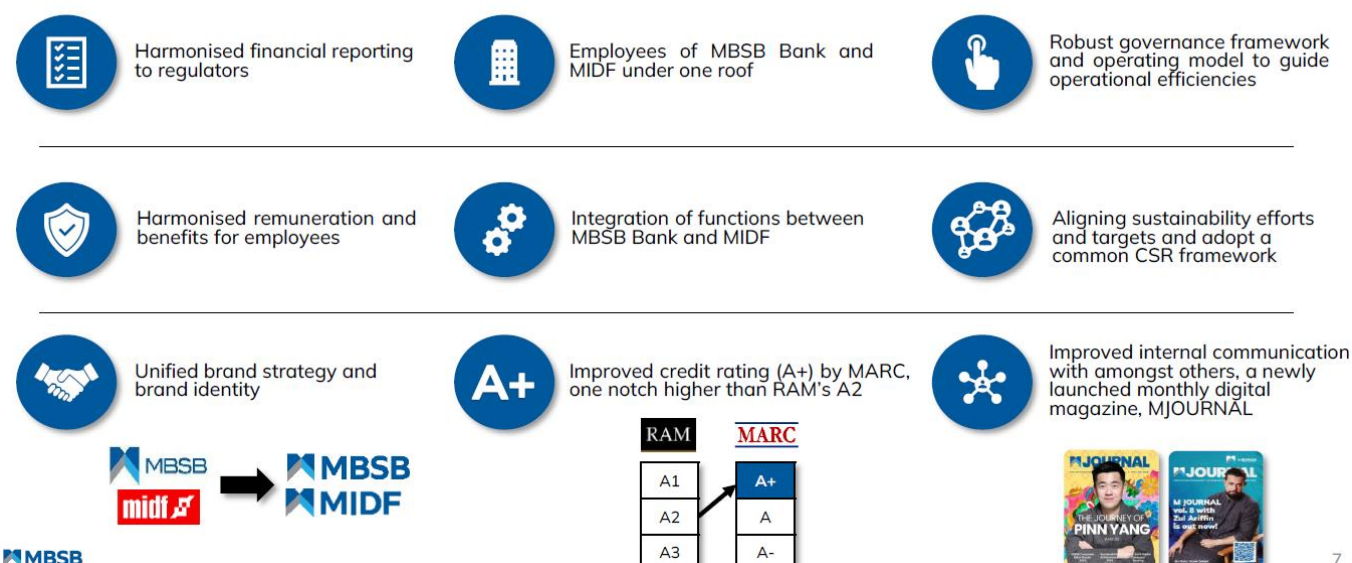
MBSB had successfully completed 30 out of 38 TPs under FLIGHT26, with the remaining TPs were in progress and continuing into 2025, demonstrating progress in our strategic transformation journey.

KEY MISSIONS	1 20% CASA RATIO & 3% COF	2 RM50 BIL FINANCING	3 NON-FUNDED INCOME OF 15% OVER TOTAL NET INCOME	4 OPEX OPTIMISATION: 50% CIR
FY2024 HIGHLIGHTS	<ul style="list-style-type: none"> Launched Term Investment Account-i (TIA-i), and Term Deposit-i (TD-i) campaigns, significantly enhanced consumer deposit. Launched multi-tiered rate CASA to attract new-to-bank customers. Introduced preferential pricing for home, and M-Property Financing Program, accelerating financing for SMEs. Introduced PrimeGold-i, an affordable digital gold investment, and MShield, a takaful product with guaranteed acceptance Established five new Commercial Business Centres (CBCs), supporting SME growth with tailored financial solutions and advisory services in key business hubs. Launched the Online Business Current Account (OBICA), allowing businesses to open accounts online with eKYC and retailer dashboard to improve clients' transaction monitoring. Increased exposure in agrofood industry by > 50% within one year 3 IPO Listings, 1 Main Board and 2 ACE market, strengthening MBSB's leadership in capital markets 			
FY2024 OUTCOMES	CASA ratio: 11% ↑ (2023: 6%) CASA +RM2.4 bil	Financing: RM43 bil ↑ (2023: RM42 bil) Financing +RM938 mil YoY	NoFI over net revenue: 10% ↑ (2023: 3%) NoFI over net revenue +RM159 mil YoY (2023: RM38 mil)	CIR: 55% (Excl. Ops Loss: 53%) Net Operating Income +18.7% YoY

c) 2024 in Review – Major Post-Merger Integration Initiatives Completed

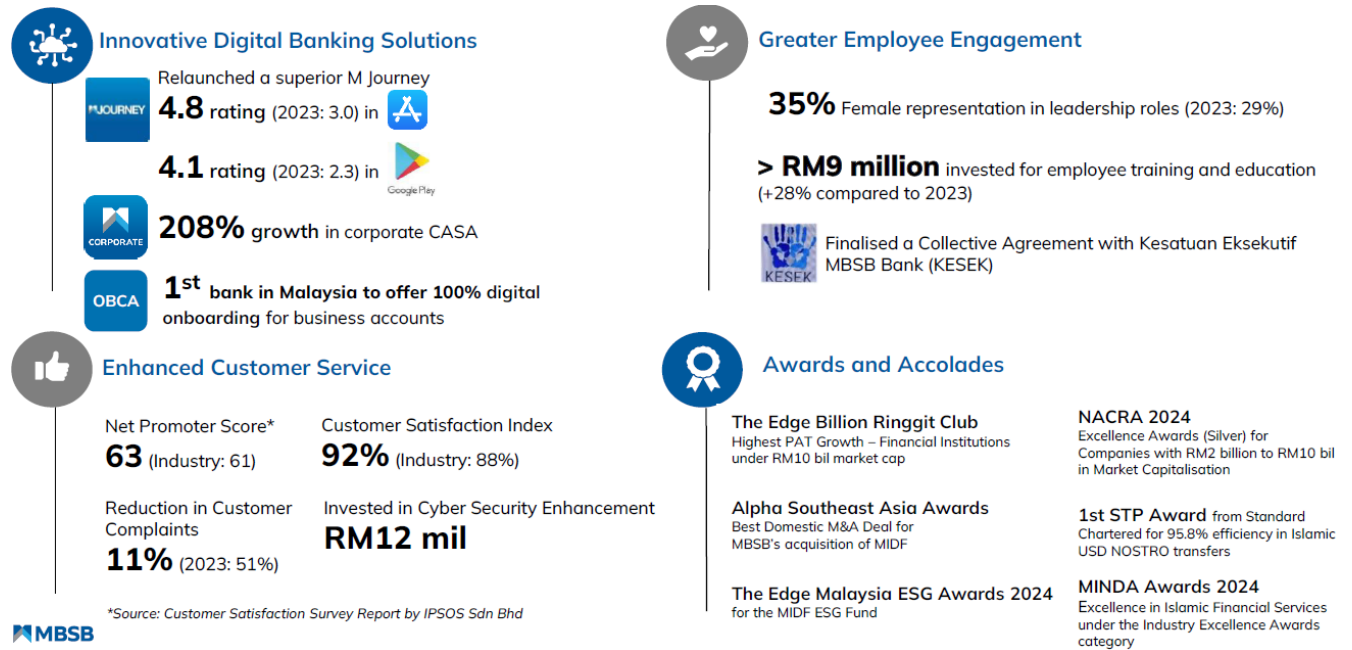
MBSB had successfully completed 24 out of 27 post-merger integration Initiatives, with the remaining initiatives continuing under the rationalisation program.

Key Building Blocks established:



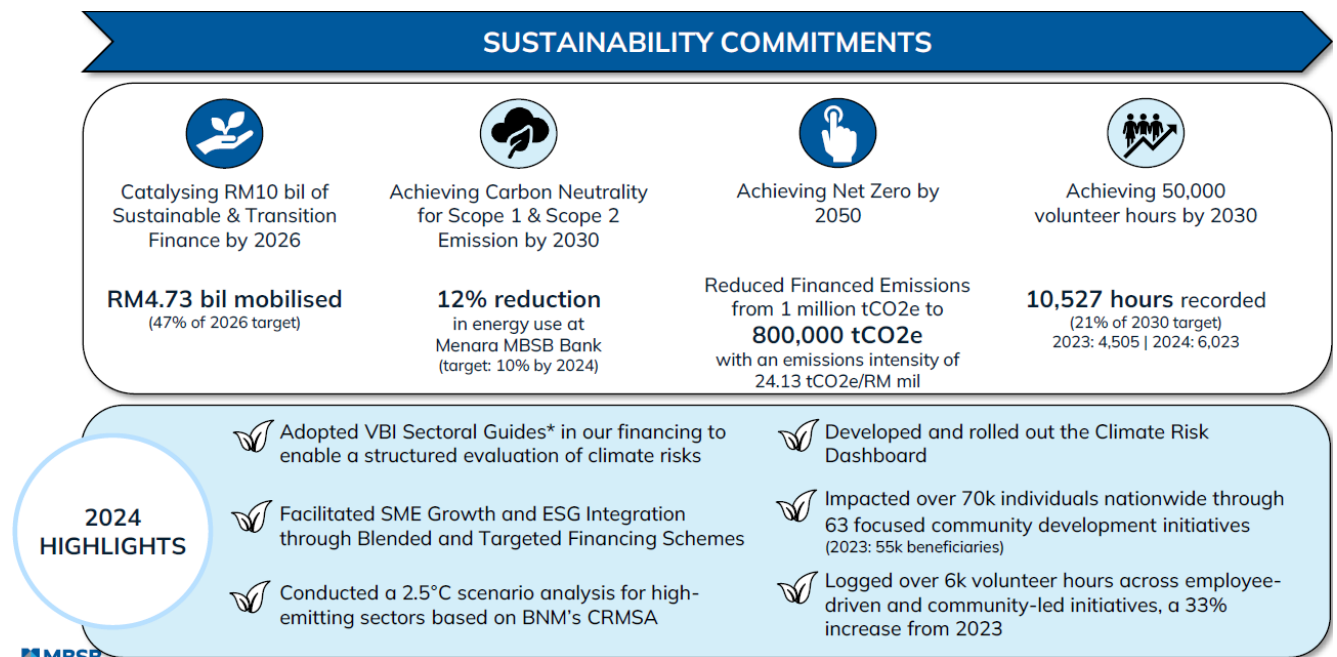
d) 2024 in Review: Improved Digital Banking, Employee Engagement and Customer Experience

MBSB continues to build capabilities to accelerate growth and increase value for the stakeholders:-



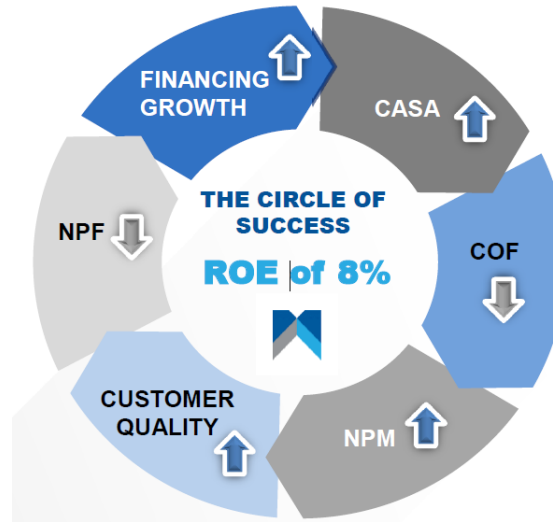
e) 2024 in Review: Delivering on the ESG promises

MBSB achieved the sustainability commitments targets in FY2024 by driving a positive impact and minimising harm: -



f) MBSB 2025 Focus

- The strategy continues to be shaped by the eight (8) key challenges that need addressing: -
 - Cost of Fund - Low CASA ratio leads to high COF.
 - Asset Quality - High COF results in adverse selection.
 - Fee-Based Income - Low fee-based income limits diversified revenue streams.
 - CIR - Rising CIR requires focus on increasing net income and cost optimisation.
 - Capital - Highest CET-1 and total capital ratio in the industry.
 - Products and Services - Limited product offerings to attract new customers.
 - Diverse Channels - Enhance physical footprint and digital experiences.
 - Customer Experience - Long TAT diminishes customer experience.
- FLIGHT26 Recap: The core strategy was to drive CASA growth to improve net profit margin, which would fuel financing growth and improve ROE. The strategy was illustrated as follows: -



iii. FLIGHT26: Having strengthened the base in 2024, MBSB would focus on expanding market reach in 2025 towards achieving the ultimate 2026 targets.

a) MBSB strategies and key initiatives continue to be driven by the Chevron Flight Strategy: -






FLIGHT26 JOURNEY		
1 st Year: 2024 Strengthen the Base	2 nd Year: 2025 Expand Market Reach	3 rd Year: 2026 Maximise Returns
<ul style="list-style-type: none"> Enhance product offerings & features Introduce attractive campaigns Establish attractive business tools e.g., digital platforms Intensify internal collaborations 	<ul style="list-style-type: none"> Diversify product offerings Strengthen brand positioning Targeted marketing Institutionalise cross-selling culture Leverage on partnerships Upskill frontliners / salespersons 	<ul style="list-style-type: none"> Increase product holding ratio Improve customer loyalty High quality asset growth Enhance customer satisfaction

iv. FLIGHT26: Turning 2024 Gains into 2025 Breakthroughs

a) Making 2025 a year of success, MBSB would build on last year's progress and drive even greater achievements.

	Consumer Banking	Commercial Banking	Wholesale Banking	Digital Banking
2024	<ul style="list-style-type: none"> Term Deposits (TD) and multi-tiered CASA campaigns New products/programmes: <ul style="list-style-type: none"> Term Investment-i Property Financing Preferential Financing Programme Green Property Financing My 1st Home Scheme PrimeGold-i (digital gold) Mshield (takaful) Enhanced MJourney 	<ul style="list-style-type: none"> Five new Commercial Business Centres (CBCs) New products/programmes: <ul style="list-style-type: none"> Prime Business Account – Tiered rate Current Account M-Property TERAJU Programme Halal Accreditation and Technology Improvement (HATI) M-WISE – Women (independent) SME Entrepreneur Aerospace and E&E Ecosystem Investment Fund 	<ul style="list-style-type: none"> Value chain financing Syndicate financing Multi-tiered CASA for Corporate clients Three IPO Listings, 1 Main Board and 2 ACE market Expanded Equity Market business into non-GLIC segment with four foreign broker partnerships Issued RM185mil ASEAN Sustainability SRI Sukuk Wakalah 	<ul style="list-style-type: none"> Liquidity Management System – automating cash flow and fund optimization for multi account management Virtual Account – streamline receivables reconciliation Retailer dashboard Fintech accelerator program for fintech startups
2025	<ul style="list-style-type: none"> worksfor^{me} - Employee Payroll Proposition Unit trust investment platform via iFAST Relaunch Auto Financing Remittance service via 7Wise 	<ul style="list-style-type: none"> Focused sectors – Halal and Aerospace Partner with Santander for global trade platform Greening Halal business for SME New trade offering – Express Bank Guarantee 	<ul style="list-style-type: none"> Solutions-based financing Advocate sustainable solutions for Investment Banking 	<ul style="list-style-type: none"> Bayo - Payroll wallet for foreign workers Receivable dashboard Digitalised ecosystem financing platform

v. FLIGHT26 Targets

	ACTUAL FY2024	TARGETS FY2025	TARGETS FY2026
Gross Fin. Growth 	2.4% Excl. write-off 4.0%	8-9%	8-9%
Net Profit Margin 	2.4%	2%	2%
Cost Income Ratio 	54.9% Excl. Ops Loss 53.4%	≤55%	≤50%
Gross Impaired Ratio 	5.3% Excl. lhsan-i 4.3%	4-4.5%	4%
Return on Equity 	4.2% Excl. Ops Loss 4.3%	5-6%	7-8%

- Encik Rafe then presented the answers to the queries raised by Minority Shareholder Watch Group (“MSWG”), Permodalan Nasional Berhad (“PNB”) and the answers to the list of questions received from the shareholders prior to the AGM as per **Annexure 1**.

Q&A SESSION

- The Chairman invited the attendees who attend the meeting physically to pose any questions to the Board and the Management. The list of summarised questions from the attendees, along with the responses provided by Management, is set out in **Annexure 2**.
- Encik Rafe then proceeded to address the questions received via query box from the shareholders, corporate representative and proxies during the meeting, the details of which as per **Annexure 3**.
- The Chairman thanked the shareholders for all the questions posted and informed that in the event the questions were not answered at the meeting, the Company Secretary would revert on the answers to the shareholders via email soonest possible.

AGENDA OF THE MEETING

1.0 TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2024 were for discussion only and would not be put to vote in accordance with the provision of Section 340 (1) of the Companies Act 2016. Agenda item 1 was not put forward for voting.

2.0 RETIREMENT OF DR. LOH LEONG HUA IN ACCORDANCE WITH CLAUSE 100 OF THE COMPANY’S CONSTITUTION.

The Chairman informed that pursuant to Clause 100 of the Company’s Constitution, Dr. Loh Leong Hua and Encik Mohamad Abdul Halim bin Ahmad are were for retirement by rotation at this AGM.

Dr. Loh Leong Hua has expressed his intention not to seek for re-election at this AGM after having served as a director of the Group for more than 8 years since his first appointment as a director of Asian Finance Bank Berhad (now known as MBSB Bank Berhad) on 1 March 2017. Hence, he would

retain office until the conclusion of this AGM and retires in accordance with Clause 100 of the Company's Constitution.

The Chairman also took the opportunity to place on record, the Board's sincere appreciation to Dr. Loh Leong Hua for his invaluable contribution and service to MBSB Group and wished him all the best for his future endeavours.

3.0 TO RE-ELECT ENCIK MOHAMAD ABDUL HALIM BIN AHMAD , WHO RETIRES IN ACCORDANCE WITH CLAUSE 100 OF THE COMPANY'S CONSTITUTION, AND WHO BEING ELIGIBLE OFFER HIMSELF FOR RE-ELECTION.

The Chairman informed that the Ordinary Resolution No. 1 was to re-elect Encik Mohamad Abdul Halim bin Ahmad, who was retiring in accordance with Clause 100 of the Company's Constitution, and who being eligible offer himself for re-election.

4.0 TO RE-ELECT ENCIK HO KWONG HOONG, WHO RETIRES IN ACCORDANCE WITH CLAUSE 90 OF THE COMPANY'S CONSTITUTION, AND WHO BEING ELIGIBLE OFFER HIMSELF FOR RE-ELECTION.

The Chairman informed that the Ordinary Resolution No. 2 was to re-elect Encik Ho Kwong Hoong, who was retiring in accordance with Clause 90 of the Company's Constitution, and who being eligible offer himself for re-election.

5.0 TO RE-ELECT ENCIK SAZALIZA BIN ZAINUDDIN, WHO RETIRES IN ACCORDANCE WITH CLAUSE 90 OF THE COMPANY'S CONSTITUTION, AND WHO BEING ELIGIBLE OFFER HIMSELF FOR RE-ELECTION.

The Chairman informed that the Ordinary Resolution No. 3 was to re-elect Encik Sazaliza bin Zainuddin, who was retiring in accordance with Clause 90 of the Company's Constitution, and who being eligible offer himself for re-election.

6.0 TO APPROVE THE PAYMENT OF DIRECTORS' FEES FOR THE PERIOD FROM THE DATE OF THIS AGM UNTIL THE NEXT AGM OF THE COMPANY IN 2026.

The Chairman informed that the Ordinary Resolution No. 4 was to approve the payment of Directors' Fees for the period from the date of this AGM until the next AGM of the Company in 2026, as set out in the fee structure below:-

	Existing annual fee (RM)	Proposed annual fee (RM)
Board		
- Chairman	RM155,000	RM300,000
- Member	RM115,000	RM150,000
Board Committee		
- Chairman	RM30,000 (RM25,000 for GNRC)	RM30,000 (for all Board Committees)
- Member	RM20,000 (RM15,000 for GNRC)	RM20,000 (for all Board Committees)

The Chairman informed that MBSB had appointed an external consultant, Deloitte Business Advisory Sdn Bhd to conduct a Board Remuneration Review. After taking into consideration on their recommendation, the Board was of the view that it was fair and equitable that the Directors fees be revised upon considering the following:-

- The rising expectations in terms of the time commitment by Directors who are expected to play a more constructive and forward looking role.

- ii. The increased Directors responsibilities and in recognition of the critical role of the Chairman and Board of MBSB in providing oversight and strategic insights in the strategic decision making process.
- iii. To standardise Board Committee Fees across all Board Committees to ensure equitable recognition of the Directors' contributions.
- iv. The proposed increase in Directors' fees was made upon benchmarking against peer companies.

7.0 TO APPROVE PAYMENT OF ALLOWANCES AND BENEFITS PAYABLE TO DIRECTORS FROM THE DATE OF THIS AGM UNTIL THE NEXT AGM OF THE COMPANY IN 2026.

The Chairman informed that the Ordinary Resolution No. 5 was to approve payment of allowances and benefits payable to Directors up to an amount of RM1,200,000 from the date of this AGM until the next AGM of the Company in 2026. The proposed allowances and benefits structure was as follows:-

Board Meeting Allowance	Chairman – RM3,500 per meeting Member – RM3,000 per meeting
Board Committee Meeting Allowance	Chairman – RM2,500 per meeting Member – RM2,000 per meeting
Any other meeting allowances (where the Directors are invited to attend)	RM2,000 per meeting
Other benefits	Company car and personal driver for Chairman, medical & hospitalization benefits, takaful coverage, travel and other claimable benefits

The Chairman informed that under the proposed structure, Chairman of Board and Chairmen of Board Committee would receive an additional meeting allowance of RM500 per meeting compared to other members. This proposed adjustment recognises the greater responsibilities and leadership roles undertaken by the Chairmen in guiding the Board and its Committees effectively and reflects the additional time, preparation, and accountability required of these leadership positions.

8.0 TO REAPPOINT MESSRS. PRICEWATERHOUSECOOPERS PLT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025 AND TO AUTHORISE THE DIRECTORS TO DETERMINE THEIR REMUNERATION.

The Chairman informed that the Ordinary Resolution No. 6 was to reappoint Messrs. PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to determine their remuneration.

9.0 ANY OTHER BUSINESS

The Secretary informed that there was no notice received by the Company within the stipulated time for any other business to be transacted at this Meeting.

10.0 POLL PROCESS

There being no notice received for any other business, the Chairman declared that the meeting adjourned at 1.20 p.m. for the poll vote count.

11.0 ANNOUNCEMENT OF POLL RESULTS

The Chairman called the meeting to order at 1.35 p.m. for declaration of results. The Chairman informed that he had received the poll results from Tricor and the confirmation from Coopers. A copy of the same was attached as **Annexure 4**.

The details of the results were as follows: -

1. To re-elect Encik Mohamad Abdul Halim bin Ahmad, who retires in accordance with Clause 100 of the Company's Constitution, and being eligible offer himself for re-election. **(Ordinary Resolution 1)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 1	5,967,170,215	99.9471	3,158,284	0.0529

The Chairman declared that Ordinary Resolution 1 was duly passed as follows: -

That Encik Mohamad Abdul Halim bin Ahmad, who retires in accordance with Clause 100 of the Company's Constitution, be re-elected as Director of the Company.

2. To re-elect Encik Ho Kwong Hoong, who retires in accordance with Clause 90 of the Company's Constitution, and being eligible offer himself for re-election. **(Ordinary Resolution 2)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 2	5,968,074,771	99.9625	2,237,928	0.0375

The Chairman declared that Ordinary Resolution 2 was duly passed as follows: -

That Encik Ho Kwong Hoong, who retires in accordance with Clause 90 of the Company's Constitution, be re-elected as Director of the Company.

3. To re-elect Encik Sazaliza bin Zainuddin, who retires in accordance with Clause 90 of the Company's Constitution, and being eligible offer himself for re-election. **(Ordinary Resolution 3)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 3	5,874,957,076	98.4106	94,881,703	1.5894

The Chairman declared that Ordinary Resolution 3 was duly passed as follows: -

That Encik Sazaliza bin Zainuddin, who retires in accordance with Clause 90 of the Company's Constitution, be re-elected as Director of the Company.

4. To approve the payment of the following fees to the Directors for the period from the date of this AGM to the next AGM of the Company in 2026 **(Ordinary Resolution 4)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 4	5,967,572,194	99.9534	2,779,607	0.0466

The Chairman declared that Ordinary Resolution 4 was duly passed as follows: -

That payment of the following fees to Directors for the period from the date of this AGM until the next AGM of the Company in 2026 be approved:-

- (i) Chairman's fee of RM300,000 per annum;
- (ii) Director's fee of RM150,000 per annum for each Director;
- (iii) Board Committee Chairman's fee of RM30,000 per annum for the Chairman of each Board Committee; and
- (iv) Board Committee Member's fee of RM20,000 per annum for each member of a Board Committee.

5. To approve the payment of allowances and benefits payable to the Directors of the Company up to an amount of RM1,200,000 for the period from the date of this AGM to the next AGM of the Company in 2026. **(Ordinary Resolution 5)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 5	5,967,299,115	99.9489	3,052,686	0.0511

The Chairman declared that Ordinary Resolution 5 was duly passed as follows: -

That payment of allowances and benefits payable to the Directors of the Company based on the following structure up to an amount of RM1,200,000 for the period from the date of this AGM to the next AGM of the Company in 2026 be approved:-

Board Meeting Allowance	Chairman – RM3,500 per meeting Member – RM3,000 per meeting
Board Committee Meeting Allowance	Chairman – RM2,500 per meeting Member – RM2,000 per meeting
Any other meeting allowances (where the Directors are invited to attend)	RM2,000 per meeting
Other benefits	Company car and personal driver for Chairman, medical & hospitalization benefits, takaful coverage, travel and other claimable benefits

6. To reappoint Messrs. PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to determine their remuneration. **(Ordinary Resolution 6)**

Resolution	For		Against	
	Number of Shares	%	Number of Shares	%
Ordinary Resolution 6	5,969,433,280	99.9845	926,934	0.0155

The Chairman declared that Ordinary Resolution 6 was duly passed as follows: -

That Messrs. PricewaterhouseCoopers PLT be reappointed as Auditors of the Company for the financial year ending 31 December 2025 and the Directors be authorised to determine their remuneration.

CLOSE OF MEETING

There being no notice received for any other business, the Chairman concluded the Meeting at 1.40 p.m. and thanked all present for their attendance.

SIGNED AS A CORRECT RECORD

SIGNED

CHAIRMAN

MSWG Q&A

OPERATIONAL & FINANCIAL MATTERS

QUESTION 1

In FY2024, MBSB's financing growth was muted at 2.23% to RM42.982 billion from RM42.022 billion a year earlier. In contrast, the banking industry's overall loan growth grew at 5.5% y-o-y according to Bank Negara Malaysia.

Excluding the impact from the written-off of loans (RM883.84 million) in FY2024, the financing growth would still be behind the industry standard.

- a) What was MBSB's strategy in growing the loan book in FY2024? In addition, what are the key macroeconomic and sectoral challenges MBSB anticipates in the near to medium term? Furthermore, how might these developments impact the Group's overall loan growth and asset quality, particularly considering the already slower loan growth in FY2024?

OPERATIONAL & FINANCIAL MATTERS

QUESTION 1 (Cont.)

- b) To achieve the RM50 billion financing target by FY2026 under the FLIGHT26 three-year strategic plan, MBSB's loan book must grow at a compound annual growth rate (CAGR) of 7.86% over the next two years.

Is such target realistic and attainable in the current economic environment? What does it take for the Group to achieve such a target?

- c) MBSB's CASA ratio grew to 11.1% from 6.2% in FY2023, primarily driven by the placement of demand and savings deposit by business enterprises and individuals (page 228, Note 19 (i) & (iii), AR2024).

However, deposits from the government and statutory bodies declined by RM2.67 billion or 13.85% y-o-y to RM16.63 billion in FY2024. Why did the group of depositors perform a significant withdrawal during the year?

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.a

A significant portion of MBSB's financing growth in 2024 was driven by the SME portfolio, which recorded a 17.3% year-on-year (YoY) increase (industry average: 8.1%). This was further supported by an 11.5% growth in retail property financing (industry average: 6.9%) and a 2.8% increase in the corporate portfolio (industry average: 2.1%).

Excluding write-offs, our overall growth of 4.0% was impacted by a 4.5% reduction in the personal financing portfolio (industry average: 3.6%), in line with the Group's aspiration to reduce reliance on personal financing, diversify its customer base, and achieve sustainable growth.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.a

Anticipated Macroeconomic and Sectoral Challenges

1. Slower GDP Growth Outlook

Malaysia's 2025 GDP is now projected at 4.0%, down from 4.6%, due to weaker global trade and export demand. This may impact business sentiment and investment, particularly in export-dependent sectors.

2. Resilient Domestic Spending

Despite external challenges, consumer spending is expected to stay strong, supported by job growth, wage increases, government aid, and higher tourist arrivals, providing stability to retail and SME segments.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.a (Cont.)

3. Improving Business Activity

Business conditions are likely to improve with the ongoing national high priority infrastructure projects and stronger demand, creating opportunities for business financing.

4. Moderate Inflation Pressures

Inflation is forecast to rise to 2.5% in 2025 (from 1.8%), mainly due to cost-side factors and policy changes. However, it remains manageable and unlikely to disrupt economic activity.

5. Stable Interest Rate Outlook

BNM is expected to maintain the OPR at 3.00%, supporting loan affordability and financing growth, as demand-driven inflation remains contained.

Source: MIDF Research

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.a (Cont.)

The downward revision of GDP growth to 4.0% may dampen financing demand, particularly among export-driven businesses and SMEs affected by global trade uncertainties. These segments are likely to adopt a more cautious borrowing approach, potentially slowing business financing growth.

Conversely, resilient consumer spending, underpinned by stable employment, wage growth, and continued government support, is expected to sustain demand for personal, auto, and home financing, thereby helping to maintain momentum in MBSB's retail portfolio.

Ongoing infrastructure projects across both the public and private sectors present continuous opportunities for growth in both SME and non-SME financing.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.a (Cont.)

Meanwhile, a stable Overnight Policy Rate (OPR) at 3.00% supports financing affordability across customer segments, enabling MBSB to sustain its financing momentum despite a softer economic environment.

With rigorous credit assessments, proactive asset monitoring, and continued diversification of our financing portfolio, we expect to preserve and further strengthen our asset quality, which has shown a positive trend over the past few years.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.b

We acknowledge the evolving external environment, including developments in global trade tariffs and ongoing geopolitical tensions, which may impact overall trade volumes. Nevertheless, we remain optimistic that resilient domestic demand will continue to support growth.

Management is confident in achieving the RM50 billion financing target by FY2026 under the FLIGHT26 strategic plan. We have laid a strong foundation in 2025 through a healthy deal pipeline, ample financing stock, and strategic initiatives that will support sustainable growth into 2026.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.b (Cont.)

Our growth strategy is primarily anchored in the SME segment, with a focus on high-growth, export-oriented sectors such as electrical & electronics, agriculture, electrical vehicles, renewable energy and healthcare. A key differentiator is our ability to structure attractive financing propositions, often referred to as 'club deals' or 'sweet & spicy' offerings, which combine Government Scheme Funds (disbursed by MIDF) with MBSB Bank's proprietary lending products. These are further enhanced by our integrated business advisory services and the deployment of a reconciliation dashboard, giving us a distinct advantage in serving SMEs more effectively.

Additionally, our long-standing relationships with industry associations provide access to a wider market and strengthen our ability to support sector-specific growth.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.b (Cont.)

On the corporate front, we will continue to align our financing with national development priorities as outlined in master plans, including the renewable energy, electrical and electronics (E&E), and transportation sectors.

We also expect our Consumer Banking segment to contribute meaningfully, particularly with the upcoming relaunch of our Auto Finance product, which will complement our existing home and personal financing portfolios.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 1.c

The volatility in CASA from government and statutory bodies was driven by temporary outflows from project-linked depositors. The Group views this as a short-term fluctuation rather than a fundamental loss of customers.

It is actively monitored and reported to the Group Asset Liability Committee (GALCO), and business units regularly supply updated action plans.

The Group remains confident in the resilience of its CASA portfolio and in its strategic plan to grow sustainable CASA.

OPERATIONAL & FINANCIAL MATTERS

QUESTION 2

MBSB reported a further increase in the impairment of Ihsan-i financing to RM444 million in FY2024, up from RM298 million previously (page 12, Q4FY2024 Analyst briefing dated 28 February 2025). This amount now constitutes approximately 20% of the MBSB's total gross impaired financing of RM2.29 billion (page 211, Note 8 (ix), IAR2024).

- a) Given that full recovery of Ihsan-i financing typically depends on borrowers reaching ages 50 to 55, how is the near-term recoverability for the impaired Ihsan-I portfolio?
- b) Does the Management foresee the need for further provision specific to the Ihsan-i product in FY2025 or beyond?
- c) On asset quality, MBSB disclosed two different loan loss coverage ratios -- 49% and 134.11% (page 13, Q4FY2024 Analyst briefing).

Please explain the differences between the two. Which of the two ratios is more appropriate for shareholders to assess the Group's asset quality?

OPERATIONAL & FINANCIAL MATTERS

ANSWER 2.a

Although the Ihsan-i financing is structured for full settlement by the time borrowers reach the age of 50 to 55, MBSB recognises that some customers may face financial constraints before reaching this stage.

To support these customers, MBSB has implemented a Restructure & Reschedule (R&R) program to ease their repayment burden.

This initiative not only offers more manageable terms for borrowers in need but also helps safeguard the quality of the Ihsan-i portfolio and prevent further credit deterioration.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 2.b

Management does not foresee the need for further provisions for Ihsan-i, as it is fully secured by the Employees Provident Fund (EPF) savings, which serve as collateral and results in a zero Loss Given Default (LGD).

Should a borrower default or fail to repay, MBSB can recover the outstanding balance through the EPF, thereby mitigating credit risk and eliminating the need for further provisions.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 2.c

The 134.11% ratio excludes impaired exposures that are fully secured, as these require no impairment provision under MFRS 9. This is explained in the footnote of page 13, Q4FY2024 of our Analyst Briefing deck in February 2025.

In contrast, the 49% ratio includes all impaired financing, encompassing both secured and unsecured exposures.

Both ratios offer valuable insights and are suitable for assessing the Group's asset quality from different perspectives.

OPERATIONAL & FINANCIAL MATTERS

QUESTION 3

MBSB recorded a substantial write-off of RM883.84 million in LFA for FY2024, a sharp increase from RM326.37 million in FY2023 (pages 208 – 209, Note 8 (viii), IAR2024).

- a) Based on Note 52 (e) (vii) on page 309 of IAR2024, MBSB Bank — the Group's Islamic banking arm—accounted for RM568.89 million of the total write-off in FY2024 (FY2023: RM327.575 million).
- I. Please confirm whether the remaining RM314.95 million in write-offs is attributable to the newly acquired Malaysian Industrial Development Finance Berhad (MIDF).

If so, was this write-off a form of “kitchen-sinking”, as in a clean-up of legacy or impaired accounts post-acquisition to reset the asset quality base and not expected to recur in the near term?

OPERATIONAL & FINANCIAL MATTERS

QUESTION 3 (Cont.)

- II. For transparency and better shareholder understanding, please disclose MIDF's total impaired LFA for FY2023 and FY2024, as well as the gross impaired loan ratio for the same periods.
- b) In addition, please provide the breakdown of loans written off in FY2024 by loan types, loan tenure, customer segments and economic sector involved.
- c) Given the substantial write-off in FY2024, what is Management's outlook on the likelihood of further significant LFA write-offs in FY2025?

Are there any remaining high-risk or impaired portfolios that may require further provision or write-offs?

OPERATIONAL & FINANCIAL MATTERS

ANSWER 3.a.i

The write-off amounting to RM883.84 million refers to the Expected Credit Loss (ECL) write-off. The financing write-off detailed on page 206, Note 8 (vii) amounting to RM890.43 million.

Of this amount, the remaining financing write-off of RM321.54 million (i.e. RM890.43 million less RM568.89 million) comprise RM260.37 million related to legacy conventional corporate loans under MBSB Berhad and RM61.17 million from corporate loans under MIDF.

This write-off exercise cleans up the legacy and impaired accounts from pre-acquisition to reset asset quality, enhance transparency, and reduce future credit risk.

These large-scale write-off is not expected to recur in the near term.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 3.a.ii

The total gross impaired loans of MIDF entities were RM283.70 million in FY2023 and RM147.84 million in FY2024.

Correspondingly, the gross impaired-loan ratios for those years were 14.86% and 7.70%, respectively.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 3.b

The breakdown of financing/loans written off in FY2024 is as follows:

Loan segment / type / sector	Financing Written Off Amount (RM'mil)	Average Financing Tenure (Years)
Consumer		
Personal financing - Household	182.56	17.0
Property financing - Household	99.08	31.3
Auto financing - Household	2.10	9.8
Total consumer	283.74	22.0
Corporate / Commercial		
Corporate - Education, Health & Others	222.83	20.2
Corporate - Construction	99.37	2.8
Corporate - Finance, Insurance, Real estate & Business services	81.75	1.3
Total Corporate	403.95	12.1

OPERATIONAL & FINANCIAL MATTERS

ANSWER 3.b (Cont.)

The breakdown of financing/loans written off in FY2024 is as follows:

Loan segment / type / sector	Financing Written Off Amount (RM'mil)	Average Financing Tenure (Years)
Commercial - Manufacturing	109.57	5.4
Commercial - Construction	64.57	4.1
Commercial - Wholesale & Retail Trade and Restaurants & Hotels	27.84	7.4
Commercial - Finance, Insurance, Real Estate & Business Services	0.76	5.0
Total Commercial	202.74	5.2
Total Corporate / Commercial	606.69	9.8
TOTAL ALL	890.43	13.7

OPERATIONAL & FINANCIAL MATTERS

ANSWER 3.c

The write-off exercise is ongoing as part of our continuous portfolio assessment. We do not anticipate any significant write-offs in FY2025.

The remaining high-risk LFAs are primarily legacy exposures at MBSB Berhad, where substantial write-offs were already carried out in FY2024.

Outstanding legacy loan balances continue to be closely monitored and assessed based on the recoverable value of the underlying collateral.

OPERATIONAL & FINANCIAL MATTERS

QUESTION 4

On the credit quality of MBSB's loans, financing and advances (LFA) as of FY2024 (pages 265 – 269, Note 47.1 (iv) (a), IAR2024), the Group reported a marginal increase in LFA with “Below Average” and “Poor” credit quality to RM776 million, or 1.8% of the total LFA, up from RM608.88 million in FY2023.

- a) Which business segment or customer groups made up the most of the RM776 million loan? Does the Group have a defined internal threshold or cap for the proportion of LFA with elevated credit risk within its total portfolio?
- b) Meanwhile, LFA of RM28.96 billion (FY2023: RM28.55 billion) was categorised as “Unrated” due to the absence of rating models.

What are the main loan types or financing products classified under the “Unrated” category?

Given the size and the scale of “Unrated” loans, how could MBSB's internal rating scale be enhanced to improve the granularity of credit risk classification for better credit risk visibility?

OPERATIONAL & FINANCIAL MATTERS

ANSWER 4.a

The RM776 million relates entirely to the corporate and commercial segments. To monitor exposures with elevated credit risk, the Group has established internal credit limits, including:

- Thresholds for the proportion of accounts with weaker credit grades;
- Monthly approval limits for lower-rated obligors; and
- Exposure caps for higher-risk sectors.

These controls help ensure the portfolio remains within the defined risk appetite and support proactive portfolio-quality management.

OPERATIONAL & FINANCIAL MATTERS

ANSWER 4.b

The “Unrated” LFAs, totalling RM28.96 billion, originate primarily from the consumer portfolio. This portfolio is classified as “unrated” for financial statement disclosure purposes.

Nonetheless, we employ an internal credit-scoring model to assess and manage credit risk within the consumer portfolio.

SUSTAINABILITY MATTERS

QUESTION 1

The Material and Utilities were the top two highest-emitting sectors with absolute financed emissions of 329,250 tCO₂e, representing approximately 40% of the Group's financed emissions (page 71 of Sustainability Report 2024). The disproportionately high carbon footprint stems from a mere 4% (or RM1.39 billion) of MBSB's total financed exposure of RM34.63 billion.

These sectors also carried high emissions intensity at 270.68 tCO₂e and 208.06 tCO₂e for every RM1 million financing extended, respectively.

- a) With the high level of emissions emitted by the two sectors yet the low level of financing exposure they carried, how do the lending activities to these high carbon footprint industries align with MBSB's environmental objectives of minimising carbon footprint, enhancing resource efficiency and committing to sustainable practices?

SUSTAINABILITY MATTERS

QUESTION 1 (Cont.)

- b) Given the outsized emissions contribution of these two sectors relative to their minimal share of financing, how does the continued lending to these carbon-intensive industries align with MBSB's environmental commitments—namely, to minimise carbon footprint, enhance resource efficiency, and promote sustainable financing practices? Besides, how does the Group justify the financing to these sectors from economic benefit perspective?
- c) What steps is MBSB taking to decarbonise its lending portfolio, particularly in relation to these high-emitting sectors? Please explain the transition plan or sectoral decarbonisation pathway in place for these customers.
- d) Considering financed emissions constitute a major component of the Group's overall carbon emissions, to what extent MBSB integrates climate risk considerations into its credit assessment and approval?

SUSTAINABILITY MATTERS

ANSWER 1.a

MBSB recognizes that sectors like Materials and Utilities, while crucial to Malaysia's economy, are also traditionally carbon-intensive. Our strategy is to nurture these clients through active engagement, providing transition finance solutions and utilizing in-house transition finance questionnaire to facilitate their shift towards sustainable operations and support the development of credible, long-term carbon footprint reduction plans.

This effort is continually reinforced by our refined Risk Posture and Risk Appetite Statement, which embed sustainability and climate considerations, requiring Environmental Impact Assessment (EIA) reports when necessary and ongoing enhancements to our ESG assessments. We're also actively reshaping our portfolio by onboarding lower-emitting clients, such as those involved in Renewable Energy.

Our overarching environmental objective seeks to contribute to the broader decarbonization of the economy, rather than solely focusing on reducing our own financed emissions, and we continuously strengthen our internal capabilities through various capacity-building initiatives and enhanced sector-specific playbooks to support this goal.

SUSTAINABILITY MATTERS

ANSWER 1.b

Despite the significant emissions from certain sectors like Utilities, MBSB adopts a nurturing and balanced approach to its lending, rather than simply divesting. We actively engage our top high-emitting clients, providing transition finance services and utilizing in-house transition finance questionnaires to facilitate their shift towards sustainable operations.

Concurrently, we're continuously reshaping our portfolio by onboarding lower-emitting clients, particularly those in the clean energy space, to reduce our overall financed emissions.

From an economic perspective, MBSB recognizes the critical role these sectors play in Malaysia's economic infrastructure. Our continued engagement supports their necessary transition, ensuring a just transition that balances environmental goals with economic stability.

SUSTAINABILITY MATTERS

ANSWER 1.c

MBSB is taking strategic steps to decarbonize our financing portfolio, particularly in high-emitting sectors via:

- Identifying top 10 highest-emitting clients within these sectors and actively working to support them by mobilizing in-house transition finance questionnaire to encourage clients to reduce their footprint.
- Strategically reshaping our portfolio by increasing exposure to clients in low-carbon alternatives like renewable energy and those who align with our decarbonisation approach.
- Continuously collaborate with policymakers, regulators and associations to drive alignment towards our Net Zero ambition. This includes our involvement in JC3 and working with the ecosystem supporter.
- Continuously enhancing our internal capabilities via various capacity building, building in-house tools such as Relationship Manager sector playbooks for selected sectors.

SUSTAINABILITY MATTERS

ANSWER 1.d

MBSB integrates climate risk into its credit assessment and approval processes as a core pillar of its financing.

Recognising that financed emissions form a significant part of the Group's overall carbon footprint, climate-related and ESG criteria have been embedded into credit risk evaluations, particularly for high-impact sectors. Credit proposals are reviewed by Business Units and independently assessed by the Credit Management Division to ensure alignment with MBSB's ESG Risk Framework and Exclusion List, which prohibits financing of activities with high environmental impact, such as coal-based projects. Beyond deal-level assessments, climate risk considerations are also reflected in the Group's Risk Posture, Risk Appetite Statement, and sustainability KPIs, guiding the organisation towards lower climate-risk exposures and more sustainable financing decisions.

This integrated approach ensures that MBSB's financing activities remain aligned with its climate objectives and are resilient to long-term environmental and regulatory shifts.

CORPORATE GOVERNANCE MATTERS

QUESTION 1

The high-profile Kota Kinabalu Sabah fraud case has resulted in RM24.2 million operating loss to MBSB, raising concerns around internal controls and reputational risk.

- a) Has there been any action taken by regulators, including Bank Negara Malaysia, against MBSB for such an incident?
- b) In response to this incident, what specific enhancements have been made to MBSB's internal controls, risk management frameworks and operational procedures to mitigate the risk and prevent similar occurrences in the future?
- c) How many accounts were affected by the illegal withdrawals? What remediation steps have been taken?

CORPORATE GOVERNANCE MATTERS

QUESTION 1 (Cont.)

- d) Has MBSB observed any significant deposit withdrawals or changes in customer behaviour following the widespread media coverage of the incident?
- e) Can Management quantify or describe the extent of reputational damage, i.e., measurable impact on customer acquisition and retention?

CORPORATE GOVERNANCE MATTERS

ANSWER 1.a

No action was taken by the regulators against MBSB in relation to the Kota Kinabalu incident. We had reported the matter promptly and maintained ongoing engagement with the authorities throughout the investigation. Given that the case involved an external syndicate, no penalties were imposed on the Bank.

CORPORATE GOVERNANCE MATTERS

ANSWER 1.b

We immediately tightened internal controls at the branch level, particularly around cash handling and transaction approvals. Corrective and disciplinary actions were taken where necessary. A comprehensive review of our processes, systems, and personnel was conducted, and improvements have since been implemented.

To further strengthen risk awareness, we collaborated with external consultants to roll out training focused on building a more risk-conscious culture across all branches and functions supporting Consumer Banking.

CORPORATE GOVERNANCE MATTERS

ANSWER 1.c

A total of four customer accounts were affected, and all impacted customers were promptly and fully refunded.

CORPORATE GOVERNANCE MATTERS

ANSWER 1.d

There were no significant withdrawals or behavioural shifts observed. We actively monitored the situation across all customer touchpoints, and deposit levels remained stable. Notably, our CASA ratio improved from 6.2% in 2023 to 11.1% in 2024, reflecting stronger customer confidence and sustained support from both individual and business segments.

CORPORATE GOVERNANCE MATTERS

ANSWER 1.e

There was no measurable impact on customer acquisition or retention. We actively track public sentiment, customer activity, and key brand metrics. Following the incident, we did not observe any decline in new account openings or product take-up across our retail and SME segments. Customer trust in the Bank has remained intact.

PNB Q&A

STRATEGIC QUESTIONS

QUESTION 1

To disclose the Total Shareholders' Returns (TSR) of MBSB for the past 1, 3, and 5 years up to the end of the financial year ended 2024.

What would the Board attribute the performance to.

STRATEGIC QUESTIONS

ANSWER 1

MBSB delivered Total Shareholder Returns (TSR) as follows (based on financial year):

- 1-year TSR: 10.6% (FY2024)
- 3-year TSR: 69.3% (FY2022-2024)
- 5-year TSR: 15.1% (FY2020-2024)

The Board attributes this performance to these factors:

1. 1-year TSR: 10.6% (FY2024): Share Price: +4.2%, Dividend Yield: 6.4%
 - Share price generally reflected MBSB's Return on Equity (ROE) and market sentiment
 - Dividend payout ratio of 90% due to balance sheet optimisation
 - Dividend yield of 6.4%, the highest in the industry

STRATEGIC QUESTIONS

ANSWER 1 (Cont.)

2. 3-year TSR: 69.3% (FY2022-2024): Share Price: +38.3%, Dividend Yield: 31.0%

- The market's positive reaction to MBSB's acquisition of MIDF was evident in a ~30% rise in the share price between April 2022 (when MBSB received regulatory approval to commence negotiations) and October 2023 (completion of acquisition)
- The Shariah-compliant status accorded by the Securities Commission's Shariah Advisory Committee in November 2022 also attracted greater investor interest
- MBSB declared a significantly higher dividend yield of 13.7% in FY2022, the highest in the industry

3. 5-year TSR: 15.1% (FY2020-2024): Share Price: -10.8%, Dividend Yield: 26.0%

- Decrease of 62% in profit after tax to RM269 million in 2020 resulted in a 5-year low ROE of 3.08% due to the Covid-19 pandemic
- Decline in share price by 19% in 2020 due to negative market sentiment that drove share price to RM0.47 (March 2020), the lowest in 11 years
- Decline in share price performance partly offsetting the high dividend yield of 26.0%

STRATEGIC QUESTIONS

QUESTION 2

The Board's views on what are the one or two key critical drivers of TSR for the Company. Would this be return on equity, EPS growth or any other metric? If so, what was the performance of these metrics for the past 1, 3 and 5 years?

STRATEGIC QUESTIONS

ANSWER 2

TSR is driven by both share price appreciation and dividends. Return on Equity (ROE) is one of the key drivers, which supports earnings per share growth, investor and market sentiment, and dividend capacity.

Over the past 1, 3, and 5 years, our average ROE was 4.15%, 4.87%, and 4.54%, and our average dividend payout ratios were 90%, 145%, and 122%, reflecting our commitment to returning value to shareholders.

MBSB Average ROE, Dividend Ratio and Yield			
	1-Year	3-Year	5-Year
ROE	4.15%	4.87%	4.54%
Div. Payout Ratio	90%	145%	121%
Div. Yield	6.4%	31.0%	26.0%

STRATEGIC QUESTIONS

ANSWER 2 (Cont.)

Going forward, we are focused on improving ROE/profitability through targeted growth strategies. In commercial and corporate banking, we are deepening our presence in high-growth, export-oriented sectors such as electrical & electronics, agriculture, electrical vehicles, renewable energy and healthcare. In consumer banking, we are leveraging fintech partnerships to deliver differentiated propositions to the affluent segment, driving CASA and fee income growth. Together, these initiatives aim to enhance profitability, market sentiment, and ultimately drive long-term TSR.

STRATEGIC QUESTIONS

QUESTION 3

What are the strategic initiatives that are being put in place by the Company to improve these key drivers and enhance TSR for the next three years.

STRATEGIC QUESTIONS

ANSWER 3

MBSB has established a comprehensive 3-year roadmap (2024-2026) called FLIGHT26 to improve ROE from 1.45% (excluding one-off gain from MIDF acquisition) in 2023 to 7-8% in 2026 and enhance TSR with the following 4 missions:

- Mission 1: Achieve CASA ratio of 20% and reduce COF to 3%
- Mission 2: Achieve financing of RM50 billion
- Mission 3: Achieve non-funded income ratio of 15% from total net revenue
- Mission 4: Lower CIR to 50%

In 2024, we successfully strengthened our foundation by enhancing our product offerings, introducing attractive campaigns, and establishing new business tools. Moving forward, we will focus on expanding our market reach and maximising returns.

OTHER QUESTIONS (CASA)

QUESTION 4

CASA is central to MBSB's Flight26 Strategy with a target of 20% by FY26. Despite significant improvement in FY24, CASA ratio is still substantially below the FY26 target. Moreover, CASA ratio had slightly declined QoQ from 11% to 9% as at Q1FY25.

- a) In MBSB's view, what are the critical drivers to win and grow CASA?
- b) What is causing the abovementioned decline in CASA ratio? In which segment is the decline coming from and is this a market-wide observation?
- c) If MBSB is unable to achieve the CASA ratio target of 20%, what other avenues are being explored to bring down cost of funds further to still achieve its ROE target of 8% by FY26 (and how)?

OTHER QUESTIONS (CASA)

ANSWER 4.a

As a newly licensed commercial bank with limited customers and products, we must provide value to attract the right target market and offer compelling propositions for them to retain and grow CASA balances over time.

The critical drivers to win and grow CASA include:

1. Attractive Product Proposition & Pricing

- Run targeted campaigns like “Simpan Berganda Menang Bergaya (SBMB)” to attract sizeable deposits from high quality customers.
- Offer competitive offerings such as “Peak Saver” with attractive profit rates to draw in value-driven customers encouraging long-term engagement and account stickiness.

OTHER QUESTIONS (CASA)

ANSWER 4.a (Cont.)

2. Seamless Customer Experience & Convenience

- Facilitate faster and more convenient account opening for companies through Online Business Current Account (OBCA), enabling businesses to open accounts online with eKYC integration for a smoother, branchless experience.
- Offer innovative digital solutions for businesses, such as Liquidity Management System, virtual account and reconciliation dashboards, i.e. Retailer Dashboard and Receivables Dashboard.
- Enhance MCORPORATE app with transaction approval workflows and real-time cash visibility to meet customer expectations for speed, convenience and security.

OTHER QUESTIONS (CASA)

ANSWER 4.a (Cont.)

3. Distribution Reach & Strategic Partnerships

- Provide access to the largest ATM network in the country free of charge.
- Cross-sell CASA to existing financing customers, ensuring every relationship includes an operating CASA.
- Offer benefits for corporate employees to use MBSB Bank as their main operating current account through “WorksForMe”, an employee-led payroll solution.
- Offer e-wallet access to foreign workers and underserved segments via “Bayo Pay”, a digital payroll solution.
- Offer a remittance platform via WISE, which provides real-time transfer tracking, competitive rates, and seamless transfer via MJourney.

OTHER QUESTIONS (CASA)

ANSWER 4.b

The decline was mainly attributed to the consumer (retail) segment post-SBMB CASA campaign, where balances normalised after the announcement of grand prize winners. Separately, the volatility in CASA in the corporate segment was driven by temporary outflows from project-linked depositors. The Group views this as a short-term fluctuation rather than a fundamental loss of customers. It is actively monitored and reported to the Group Asset Liability Committee (GALCO), and business units regularly supply updated action plans. The Group remains confident in the resilience of its CASA portfolio and in its strategic plan to grow sustainable CASA. According to industry data, 4 out of 10 banks listed on Bursa Malaysia recorded a QoQ decline in their CASA ratio.

OTHER QUESTIONS (CASA)

ANSWER 4.c

While growing CASA remains a core priority, the Group recognises the need to concurrently pursue alternative and complementary levers to optimise its cost of funds and deliver sustainable returns. This is currently effected through active rebalancing / optimisation of our funding and liquidity position through the following:

- Reduction/removal of “excess” funding that is suboptimal with respect to funding and liquidity compliance; and
- Moving away from wholesale/money market deposits towards relationship-based customer deposits (in particular retail and SME deposits, but also more stable corporate deposits), with better management of pricing and term structure.

OTHER QUESTIONS (NFI)

QUESTION 5

MBSB is also focused on expanding its NFI with a target of 15 % NFI ratio (against net revenue) by FY26. The Company has achieved a 10% NFI ratio for FY24.

- a) Notwithstanding the full contribution of MIDF to the improvement in MBSB's NFI ratio for FY24, which segment(s) drove this increase, and has there been synergistic opportunities leveraged within the Group?
- b) Will NFI growth be driven by existing or new revenue streams, and what are the planned initiatives under each stream?

OTHER QUESTIONS (NFI)

ANSWER 5.a

The Group's non-funded income (NFI) surged following the full integration of MIDF in FY2024. This increase was primarily driven by the investment banking, advisory, and asset management segments, which contributed to a rise in total fee income by RM81.2 million, representing a growth of over 100%. Additionally, improved investment income served as another key contributor to the spike in NFI. Enhanced investment portfolio management supported stronger income from investment sales activities throughout the year, turning a loss of RM70.0 million in FY2023 into a gain of RM16.7 million.

The Group has also been actively leveraging synergies between MBSB Bank and MIDF, including the following:

- MBSB Bank and MIDF offering blended schemes (financing & grants), and advisory services to SMEs.
- MIDF Investment Banking providing expertise in structuring MBSB Bank's corporate customers' transactions.

These efforts reflect the Group's commitment to leveraging the strengths of its individual entities, resulting in a stronger market presence.

OTHER QUESTIONS (NFI)

ANSWER 5.b

NFI growth is expected to be supported by a combination of both existing and new revenue streams.

The Group will continue to leverage the strong performance of its investment banking, advisory, and wealth management segments, which have recorded significant growth in fee-based income following the full integration of MIDF in FY2024. The Group is also focused on enhancing its Financial Markets/Treasury business, especially in relation to its Sukuk and FX products and solutions.

The SME and commercial banking segments remain a key focus, where the Group is actively cross-selling blended financing solutions, grants, and advisory services to strengthen customer engagement and generate recurring NFI.

OTHER QUESTIONS (NFI)

ANSWER 5.b (Cont.)

The Group is also expanding into new NFI streams via various initiatives including:

- Prime Gold-i, a digital gold investment platform launched in November 2024.
- iFAST's unit trust products to make investing more accessible to more Malaysians as an expansion of our wealth management proposition, launched in June 2025.
- Bayo Pay, a digital payroll solution to empower foreign workers and underserved segments through e-wallet access and support Malaysia's national shift towards a cashless ecosystem.
- WISE remittance platform, which provides real time transfer tracking, competitive rates, and seamless transfer via MJourney.
- Partnership with Santander to provide a digital global trade platform for wider market access to MBSB customers.

OTHER QUESTIONS (CIR)

QUESTION 6

CIR remains elevated above industry average, and higher with the absorption of MIDF. What are the main levers in reducing the CIR downwards that would lead to structural cost reforms?

OTHER QUESTIONS (CIR)

ANSWER 6

The Group's Cost-to-Income Ratio (CIR) increased following the integration of MIDF, mainly due to one-off integration costs, ongoing investments in technology, and overlapping operational structures during this transition period. This is not unexpected following a major acquisition and several key initiatives are already being implemented to gradually bring the CIR to a more sustainable level.

Post-acquisition, we have developed a robust group operating model and reduced overlapping functions across entities within the Group. This includes the consolidation of support functions, systems harmonisation, and the optimisation of shared services. These efforts aim to eliminate redundancies and streamline operations for the enlarged organisation.

Furthermore, cost management is embedded across the organisation via a disciplined budgeting tracking framework and performance-linked expenditure controls to ensure that our cost structure remains aligned with business growth and productivity.

OTHER QUESTIONS (CIR)

ANSWER 6 (Cont.)

Nonetheless, the key focus in reducing CIR lies in the need to strengthen revenue generation across funded and non-funded income. Achieving the FLIGHT26 objectives will allow us to grow income sustainably while reducing our CIR.

OTHER QUESTIONS (GLOBAL UNCERTAINTIES)

QUESTION 7

The US has unveiled reciprocal tariffs with a baseline of 10% applicable to all countries. Malaysia faces higher tariffs of 24%, with some sectors exempted from the hike in tariffs. Notwithstanding the fluidity and possible changes to this policy in the coming days:

- a) What is the potential impact to the banking industry in Malaysia?
- b) Which of MBSB's segment(s) would likely be most affected and how is MBSB addressing the fluctuations and volatility that these global developments impart to its business operations?

OTHER QUESTIONS (GLOBAL UNCERTAINTIES)

ANSWER 7.a

The US tariffs will potentially reduce demand demand for business and working capital financing mainly in export-oriented sectors such as electronics & electrical, commodities (palm oil and rubber), logistics and shipping.

OTHER QUESTIONS (GLOBAL UNCERTAINTIES)

ANSWER 7.b

Based on the key sectors identified as potentially vulnerable to the US tariffs, our exposure is approximately RM907 million or 2.95% to our total financing portfolio, mainly in the oil and gas, and palm oil sectors. Hence, the impact is minimal.

MBSB continues to monitor developments closely and stand ready to adjust our approach as the trade policy landscape evolves. Currently we are addressing these challenges through:

1. Immediate Risk Mitigation

- Implemented tighter credit standards for affected sectors
- Established enhanced monthly monitoring of exposed borrowers

2. Financial Resilience

- Conducted stress tests confirming capital ratios remain above requirements
- Maintained conservative provisioning levels

OTHER QUESTIONS (GLOBAL UNCERTAINTIES)

ANSWER 7.b (Cont.)

3. Strategic Rebalancing

- Gradually shifting portfolio weighting toward domestic-oriented sectors
- Increasing focus on retail/SME segments with stable cash flows

PRE-AGM Q&A

STRATEGY & BUSINESS

QUESTION 1

MBSB often promotes attractive fixed deposit (FD) rates, sometimes as high as 4%, but unfortunately, customers are still required to walk into a branch to place these FDs.

In this digital era, many competitors already offer eFD placement via FPX and online banking.

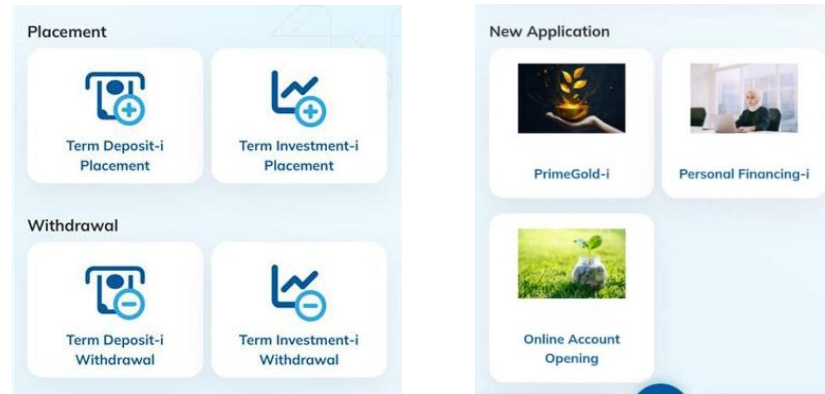
Why hasn't MBSB implemented online FD placement, and are there any plans to enable this to improve customer convenience and competitiveness?

STRATEGY & BUSINESS

ANSWER 1

MBSB Bank has already enabled online Fixed Deposit (e-TD) placement since April 2019. Customers can conveniently place FDs through our internet banking platform as well as via our mobile app, M Journey.

This feature enhances customer convenience by allowing FD placements anywhere without the need to visit a branch.



The images above showcase screenshots from MBSB Bank's mobile banking app, M Journey

STRATEGY & BUSINESS

QUESTION 2

What is the status of the Selangor State Government's reported interest in acquiring MBSB shares?

Do you plan to merge and become the largest Islamic bank?

STRATEGY & BUSINESS

ANSWER 2

We have no official confirmation of any interest at this time. While there are currently no plans for a merger, we will continue to evaluate all strategic opportunities that could enhance long-term value for our shareholders.

STRATEGY & BUSINESS

QUESTION 3

What are MBSB's key priorities for 2025/2026 to strengthen its financial performance, particularly in addressing legacy loans, optimising funding costs, and realizing MIDF synergies?

Given the current valuation, what specific strategies are being implemented to enhance shareholder value and improve the share price?

STRATEGY & BUSINESS

ANSWER 3

MBSB has established a comprehensive 3-year roadmap (2024-2026) called FLIGHT26 to improve ROE from 1.45% (excluding one-off gain from MIDF acquisition) in 2023 to 7-8% in 2026 and enhance total shareholder returns (TSR) with the following 4 missions:

- Mission 1: Achieve CASA ratio of 20% and reduce COF to 3%
- Mission 2: Achieve financing of RM50 billion
- Mission 3: Achieve non-funded income ratio of 15% from total net revenue
- Mission 4: Lower CIR to 50%

In 2024, we successfully strengthened our foundation by enhancing our product offerings, introducing attractive campaigns, and establishing new business tools. Moving forward, we will focus on expanding our market reach and maximising returns.

STRATEGY & BUSINESS

ANSWER 3 (Cont.)

On MIDF synergy, we successfully leveraged on the integration to boost non-funded income by more than 100% in FY2024, particularly through investment banking and advisory services, while consolidating post-merger initiatives including unified financial reporting and brand strategy.

Among the challenges in 2025-2026 are reducing our funding costs to 3% and improving our asset quality from GIFR of 5.3% in FY2024. The outstanding legacy loan balances continue to be closely monitored and are assessed based on the recoverable value of the underlying collateral.

STRATEGY & BUSINESS

QUESTION 4

Brief us on the collection efforts of the legacy loans? How much will be written off?

STRATEGY & BUSINESS

ANSWER 4

Management expects minimal additional write-offs in FY2025 as most high-risk legacy loans were already addressed in FY2024.

The remaining exposures, primarily from MBSB Berhad, are about 95% collateralized and will be managed through ongoing collection efforts focused on recovering value from the underlying collateral.

STRATEGY & BUSINESS

QUESTION 5

Can shareholders expect dividends annually?

STRATEGY & BUSINESS

ANSWER 5

MBSB pays out annual dividends regularly and remains committed in rewarding our shareholders. In FY2024, MBSB delivered an attractive dividend yield of 6.4%, paid out twice during the year. Future dividend payouts will align with our annual profitability and capital requirements.

OTHERS

QUESTION 6

Is the company giving any door gifts to shareholders attending this AGM?

OTHERS

ANSWER 6

In keeping with our long-standing practice, we will not be handing out “door gifts” at the AGM.

However, because 2025 marks MBSB’s 75th anniversary, every shareholder who registers and attends in person will receive a special commemorative item created exclusively for this milestone year.

The gift is intended as a keepsake and a token of appreciation for your continued support, while still aligning with our commitment to responsible spending and sustainability.

No	Question	Answer
1	What is the percentage breakdown of MBSB Bank's portfolio for fixed rate and floating rate?	The MBSB Bank's portfolio for fixed rate and floating rate are 19% and 81%, respectively.
2	Do MBSB Bank's customers opt for early repayment when interest rates decline and whether MBSB Bank charge any penalty fee?	Yes, some of the MBSB Bank's customers do choose to make early repayments when interest rate decline and the Bank does not impose any penalty fees for early settlement. Additionally, customers may receive rebate as part of the early settlement process.
3	What incentives does MBSB Bank offer to customers in cases of interest rate discrepancies or fluctuation?	If the interest rate is lower, customers may look for refinancing and some customers may take this opportunity to obtain additional financing from the refinancing. This trend is quite common, driven by customers looking to optimize their financing terms and take advantage of more competitive interest rates.
4	What is current duration of MBSB Bank's assets and liabilities?	The current duration of MBSB Bank's assets is approximately 3 months to 6 months depending on the product mix. On the liabilities side, MBSB Bank's liability duration is slightly longer due to recent initiatives taken by the Bank to secure a larger portion of long term deposit through campaign such as its fixed deposit campaigns and etc.
5	What is the top 3 sources of MBSB Bank's liabilities and key sectors assets?	As per the latest available data, the top 3 sources of MBSB Bank's liabilities are (i) Corporate (approximately RM30.0 billion), (ii) Consumer (approximately RM8.0 billion) and (iii) Commercial (approximately RM4.2 billion).
6	What is the timeline for MBSB Bank to be listed in Bursa?	MBSB Berhad, the holding company, is already listed on Bursa Malaysia and MBSB Bank is currently the 2nd largest Islamic bank in Malaysia. MBSB is majority owned by the EPF which holds a 58% stake, followed by PNB with 12% stake while the remaining 30% is held by public shareholders (public float).
7	What is the reason MBSB Bank's debit card is currently not compatible with the Touch 'n Go eWallet?	Previously, there were some challenges and issue / problem with the PayNet specifically related to FPX and DOBW platform. However, the issue has been resolved and the customers will now be able to link their MBSB Bank's debit card with Touch 'n Go eWallet.
8	What is the security measures does MBSB Bank offer for fixed deposit jointly account holders /customers?	As a security measures, MBSB Bank has included survivorship clause in its fixed deposit agreement for jointly account holders. This clause ensures that in the event of the death of one party, the surviving account holder retains rights to the deposit, providing added clarity and protection for both parties.
9	Is the Board of Directors confident that the company will perform well following FLIGHT26?	The first 3 years is a survival plan which focus on changing the mindset from financing company to a bank. MBSB has clearly identified target customer profile for each segment. MBSB also has collaborate with WISE and partnered with Santander Bank to expand on trade financing. Thus far, MBSB has established a clear strategic direction under FLIGHT26 and there are sign of growth. The focus for the first 3 years includes achieving a 20% CASA ratio, growing financing portfolio to RM15.0 billion and maintaining a cost to income ratio of 15%. These targets are expected to position the Bank to achieve a minimum Return on Equity ("ROE") of 8%.
10	At the operational level, has there been any transformation involving the MBSB's staff to achieve the FLIGHT26?	In this 3 years, the Bank has focusing on upskill its workforce and recruit strong talent to support the execution of Flight 26. Thus far, significant improvements have been observed reflecting the Bank's commitment to capability building and operational excellence.
11	Does MBSB have a formal dividend policy?	The Bank has established a formal dividend policy which targets a minimum of 30% of Net Profit After Tax ("NPAT"). For FYE2024, the Bank declared a dividend of 90% reflecting a strong performance and commitment to shareholder returns. However, it is challenging for the Bank to pay dividend beyond 100% as such distributions are subject to regulatory constraints imposed by the Central Bank.
12	What is the reason for the significant increase in the taxation amounting to RM172.0 million in FYE2024 compared to RM59.0 million in FYE2023?	The Bank's taxation for FYE2024 reflects a normal tax rate. In contrast, the lower tax in FYE2023 was due to the inclusion of non-taxable gain of RM354.0 million from the acquisition, which resulted in an abnormally low tax for that year.

13	Why there is no share price target in FLIGHT 26?	Share price is not the focus for FLIGHT26. The share price will improve after MBSB achieves 2 targets. First, the ROE improves to double digit i.e. 10%+. Second, positive market sentiment on the company after meet all FLIGHT26 objectives. The achievement of these 2 targets will lead to more investors to buy the shares and higher share price will follow. MBSB also plan to do investor roadshow next year to attract more investors especially foreign investors.
14	What is the underlying reasons for the high write off of more than RM300 million in 2023 and RM800 million in 2024?	The amount written off has been fully provided for. This write-off exercise cleans up the legacy and impaired accounts from pre-acquisition to reset asset quality, enhance transparency, and reduce future credit risk. These large-scale write-off is not expected to recur in the near term.
15	Following the merger with MIDF, why the MBSB's total asset in FYE2024 was lower as compared to the FYE2023?	The declined of total asset in FYE2024 was mainly due to redemption of CAGAMAS funding and was not related to any redemption of financing assets.
16	Is the acquisition of MIDF considered an asset or a liability to MBSB from an accounting and strategic perspective?	MIDF is not considered a liability to MBSB. On the contrary, the acquisition brings strategic value as MIDF offers unique business segments particularly in development finance business that will enable the Bank to offer unique financing proposition to SME customers and investment bank which will create opportunity for larger scale financing opportunities and fee based income. This is expected to enhance the MBSB's profit moving forward.
17	What is the reasons behind the relatively high Corporate Social Responsibility ("CSR") expenditure?	The Corporate Social Responsibility ("CSR") spending is primarily funded through zakat contribution, which are non-taxable. By utilising zakat as part of its CSR initiatives, the Bank effectively leverages the available tax relief resulting in no additional cost to the company. In fact, this approach helps to reduce the Bank's overall tax burden.
18	Does EPF have any intention to pursue mergers with other financial institutions or banks in the future?	No comment from the Board.
19	What is the approximate breakdown of civil servant personal financing in relation to the Bank 's total personal financing portfolio?	Currently, approximately 90% of the Bank's personal financing portfolio are civil servant financing with payment made directly via salary deductions through ANGKASA. The major portion of the write off were from Commercial and Corporate Banking portfolio. The NPF for civil servant personal financing was low i.e. below than 1%.
20	What is the key factors driving the significant shift from fixed rate to floating rate for personal financing?	The significant shift towards floating rate for personal financing is part of the Bank's strategy for improved assets / liability management and interest rate risk alignment. As of now, approximately 20% of the civil servant personal financing portfolio remains under fixed rate structures.
21	Dividend payout ratio was high in recent year. Is the dividend payout sustainable if MBSB performance remain the same or slightly better than last year?	The Management believes that the dividend payout is sustainable as the MBSB Bank maintains a robust capital position, which is above the industry average and well in excess of regulatory requirements. The Bank currently have excess capital of RM2 billion which is sufficient to support the projected growth in 2025 and 2026 without the need to retain the earning from the profit generated. However, any declaration of dividend is subject to regulatory approval.
22	What is the Net Tangible Assets ("NTA") and Net Asset per share of MBSB?	MBSB's NTA is approximately RM10.0 billion. MBSB's Net Asset per share is approximately RM1.18.
23	Why MBSB has discontinued the issuance of hardcopy statements to depositors?	All account statements are now made available through the Bank's online platform i.e. M-Journey, as part of its digitalisation initiatives. However, hardcopy statement can still be provided upon request by depositors.
24	Could MBSB consider providing a more meaningful door gift to shareholders attending future Annual General Meeting ("AGM") as a gesture of appreciation for their continued support?	The Board appreciates the suggestion and will take it into consideration for future AGM.

No	Question	Answer
1	Do MBSB receives any take over offer ?	There is no take over offer for MBSB.
2	Is the MBSB Bank eWallet still active & would the Board be giving shareholders a token of doorgift into our MBSB eWallet like before COVID-19 lockdown?	We have discontinued our e-wallet product. The bank is focusing on M Journey App with improved new look and more new features & product will be introduced in the near future.
3	Pls send me printed annual report	We will send the annual report to you as soon as possible.
4	1. What is MBSB's outlook on dividends for the next few years? Are there plans for any changes to the current dividend payout policy? 2. Has the MBSB's considered raising capital through a rights issue, issuance of new shares, or other means to support growth?	1) We have responded the dividend question earlier, which was also in the pre-AGM questions. 2) Our capital ratios remain strong and sufficient to support our business growth. As such, there are currently no plans to raise additional capital or issue new shares.
5	Thank you for the explanation last year on the review of the credit card business. I'd like to follow up. As MBSB is backed by EPF, which has millions of members and a strong brand presence. With the right credit card offering, particularly one with attractive cash rebates, MBSB has a unique opportunity to tap into this large member base.	Whilst we may have potential advantages with our existing base, we also recognize the significant costs associated with operating a credit card business, as well as the highly saturated market landscape which warrants an in depth review of where we have a right to play to ensure we can compete effectively.
6	Has the Board considered leveraging this built-in customer base to fast-track the success of its potential credit card rollout? This could significantly reduce customer acquisition costs and provide an immediate competitive advantage. Are there updated timelines or developments in the business case review?	We are still reviewing the business case for credit cards in order to ensure we have the correct customer segment and risk appetite. In the meantime, the Bank has prioritized other projects to provide enhanced value to customers. We have recently launched digital gold, expanded our unit trusts offerings and relaunched auto financing.
7	Thank you for the update on MBSB's efforts in enhancing digital payment capabilities, including exploring Apple Pay. However, many of these initiatives are already standard offerings among our competitors. Could the Board share more concrete timelines and strategic differentiators that will set MBSB apart in the digital payments and consumer finance space? Specifically, how do these efforts align with our goal of expanding into the T20 market and creating new high-value revenue streams like CC?	Apple Pay and Samsung Pay is currently in development stage and will be available to the consumer by early next year. The bank is also embarking on a strategic collaboration with WISE, a leading remittance and multi-currency service provider to offer a remittance service in M Journey App. This collaboration will be a strategic differentiator and align in our strategy to expand to the specific customer segment.
8	Since MBSB is now focusing on debit card usage and exploring partnerships for FX remittance, will these initiatives lead toward building a holistic digital banking ecosystem including rewards, credit lines, and loyalty benefits to better attract and retain customers, especially from the growing fintech-savvy segment?	All new digital initiatives introduced is leading towards building a holistic and resilient digital banking ecosystem. More features will be introduced in near future including a simpler in-app on-boarding process to attract the digital-savvy segment.
9	MBSB previously mentioned major improvements to the MJourney app within 6–12 months, but aside from a new feature landed in March 2025, no major new features have been introduced (only bug fixes). When can we expect the app to match the functionality and user experience of peers like MAE, Octo, TMRW, MyPB, or even newer digital banks? Customers now expect seamless, full-featured digital banking.	For the 1st half of 2025, the Bank is focusing on improvement of the M Journey accessibility and security. The bank in June 2025 has enhanced its fraud management system integrated to M Journey to strengthen its security to prevent scam and fraud attempt to the M Journey app. In the 2nd half of 2025, M Journey will be introducing additional product and services, including a remittance service with collaboration with a top remittance and multi-currency provider. M Journey will be continuously enhanced and improved with new services and products to remain competitive within the banking industry.
10	MBSB is commended for holding a hybrid AGM this year and it is hoped that MBSB will continue holding hybrid mode of agm/emg events in the years to come.	Thank you
11	How to reduce the bad debt?	To reduce bad debt, we are looking at: <ul style="list-style-type: none"> • Continuously reviewing and tightening credit underwriting and risk models • Rebalancing towards better-rated retail, SME and corporate borrowers • Strengthening collection and recovery units • Enhancing early warning systems to flag potential defaults earlier

MBSB BERHAD (FORMERLY KNOWN AS MALAYSIA BUILDING SOCIETY BERHAD)

(19700100017 (9417-K))

55th Annual General Meeting

Grand Ballroom, 1st Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia
and virtually by way of electronic means via the TIIH Online website at <https://tiih.online>

On 26-June-2025 at 10:00AM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	5,967,170,215	99.9471	3,158,284	0.0529	5,970,328,499	100.0000
Ordinary Resolution 2	5,968,074,771	99.9625	2,237,928	0.0375	5,970,312,699	100.0000
Ordinary Resolution 3	5,874,957,076	98.4106	94,881,703	1.5894	5,969,838,779	100.0000
Ordinary Resolution 4	5,967,572,194	99.9534	2,779,607	0.0466	5,970,351,801	100.0000
Ordinary Resolution 5	5,967,299,115	99.9489	3,052,686	0.0511	5,970,351,801	100.0000
Ordinary Resolution 6	5,969,433,280	99.9845	926,934	0.0155	5,970,360,214	100.0000



MBSB BERHAD (FORMERLY KNOWN AS MALAYSIA BUILDING SOCIETY BERHAD)
(19700100017 (9417-K))

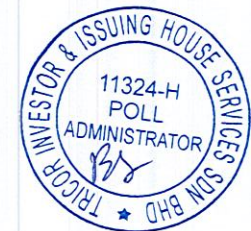
55th Annual General Meeting

Grand Ballroom, 1st Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia
and virtually by way of electronic means via the TIH Online website at <https://tiah.online>

On **26-June-2025** at **10:00AM**

Result On Voting By Poll

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Ordinary Resolution 1	5,967,170,215	99.9471	924	88.4211	3,158,284	0.0529	121	11.5789	5,970,328,499	100.0000	1,045	100.0000
Ordinary Resolution 2	5,968,074,771	99.9625	934	89.2925	2,237,928	0.0375	112	10.7075	5,970,312,699	100.0000	1,046	100.0000
Ordinary Resolution 3	5,874,957,076	98.4106	898	85.4424	94,881,703	1.5894	153	14.5576	5,969,838,779	100.0000	1,051	100.0000
Ordinary Resolution 4	5,967,572,194	99.9534	893	85.3728	2,779,607	0.0466	153	14.6272	5,970,351,801	100.0000	1,046	100.0000
Ordinary Resolution 5	5,967,299,115	99.9489	870	83.1740	3,052,686	0.0511	176	16.8260	5,970,351,801	100.0000	1,046	100.0000
Ordinary Resolution 6	5,969,433,280	99.9845	937	89.4938	926,934	0.0155	110	10.5062	5,970,360,214	100.0000	1,047	100.0000



Resolution(s)	Pre-determined Abstain *		Abstain / Spoilt #	
	No of Units	No of P/S	No of Units	No of P/S
Ordinary Resolution 1	0	0	123,409	10
Ordinary Resolution 2	0	0	139,209	9
Ordinary Resolution 3	0	0	613,129	10
Ordinary Resolution 4	0	0	100,107	9
Ordinary Resolution 5	0	0	100,107	9
Ordinary Resolution 6	0	0	91,694	8

* These votes refer to holders who have pre-determined abstain from voting in proxy forms or holders refrained from voting due to conflict of interest.

These refer to:

- 1) Holders who have chosen not to vote (e-voting) or
- 2) Abstain / Spoilt votes as reflected in poll slips (poll slip voting)

