

MBSB BERHAD (197001000172 / 9417-K)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
OF THE GROUP AND OF THE COMPANY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	Group		Company	
		31-Mar-26 RM'000	31-Dec-25 RM'000	31-Mar-26 RM'000	31-Dec-25 RM'000
Assets					
Cash and short-term funds	A8(a)	1,332,262	1,161,667	223,784	222,807
Deposits and placements with banks and other financial institutions	A8(b)	679,669	674,548	-	-
Financial assets at fair value through profit or loss	A9	1,317,174	777,347	-	-
Financial investments at fair value through other comprehensive income	A10	14,749,037	14,531,751	-	-
Financial investments at amortised cost	A11	2,845,080	3,099,533	-	-
Derivative financial assets	A12	7,305	6,944	-	-
Loans, financing and advances	A13	45,045,103	43,148,650	251,514	249,843
Other receivables	A14	564,533	435,980	4,618	3,996
Tax recoverable		209,421	206,696	90,996	90,996
Deferred tax assets		83,545	56,185	2,227	2,841
Statutory deposits with Bank Negara Malaysia		450,035	425,627	-	-
Investments in subsidiaries		-	-	7,530,795	7,530,795
Property and equipment		297,848	302,239	22,173	22,331
Right-of-use assets		19,017	25,030	-	-
Investment properties		5,821	5,875	-	-
Goodwill		148,031	148,031	-	-
Intangible assets		191,555	191,833	3	3
Non-current assets held for sale		13,575	-	-	-
Total assets		67,959,011	65,197,936	8,126,110	8,123,612

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026 (continued)

	Note	Group		Company	
		31-Mar-26 RM'000	31-Dec-25 RM'000	31-Mar-26 RM'000	31-Dec-25 RM'000
Liabilities and shareholders' equity					
Deposits from customers	A15	40,120,006	39,311,266	-	-
Deposits and placements of banks and other financial institutions	A16	7,168,740	6,373,782	-	-
Investment accounts of customers	A17	1,385,622	1,386,049	-	-
Islamic repurchase agreement		3,780,460	3,078,071	-	-
Derivative financial liabilities	A12	6,278	7,375	-	-
Other payables	A18	490,163	437,010	32,075	23,026
Lease liabilities		19,011	25,160	-	-
Recourse obligation on financing sold		3,962,297	3,390,379	-	-
Provision for taxation and zakat		8,360	7,126	-	-
Deferred tax liabilities		8,241	12,353	-	-
Sukuk		1,181,063	1,166,112	-	-
Borrowings and government grant	A19	141,624	143,807	-	-
Non-current liabilities held for sale		724	-	-	-
Total liabilities		58,272,589	55,338,490	32,075	23,026
Ordinary share capital		7,970,427	7,970,427	7,970,427	7,970,427
Regulatory reserve		323,143	323,143	-	-
Fair value reserves		(56,671)	46,179	-	-
Retained earnings		1,449,293	1,519,468	123,608	130,159
		9,686,192	9,859,217	8,094,035	8,100,586
Non-controlling interests		230	229	-	-
Total equity		9,686,422	9,859,446	8,094,035	8,100,586
Total liabilities and shareholders' equity		67,959,011	65,197,936	8,126,110	8,123,612
Commitments and contingencies	A26	10,204,245	9,974,675	-	-
Net assets per share attributable to ordinary equity of the Company (RM)		1.18	1.20	0.98	0.99

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

	Note	Group		Company	
		1st Quarter Ended		1st Quarter Ended	
		31-Mar-26 RM'000	31-Mar-25 RM'000	31-Mar-26 RM'000	31-Mar-25 RM'000
Income derived from investment of deposits and Islamic capital funds	A20	705,552	796,437	-	-
Income attributable to depositors		(370,513)	(421,819)	-	-
Income attributable to securitisation		(35,602)	(23,511)	-	-
Income attributable to sukuk and other borrowings		(39,580)	(23,997)	-	-
Income attributable to unrestricted investment account		(12,892)	(7,292)	-	-
Net income from Islamic operations		246,965	319,818	-	-
Interest income	A21	27,372	30,604	1,365	817
Interest expense	A22	(13,267)	(14,804)	-	-
Net interest income		14,105	15,800	1,365	817
Expected credit losses ("ECL") on loans, financing and advances and other impairment	A23	(73,577)	(28,133)	1,513	(2,772)
Operating income		187,493	307,485	2,878	(1,955)
Net other income	A24	72,986	42,979	111,922	280,343
Net income		260,479	350,464	114,800	278,388
Operating expenses	A25	(219,658)	(233,765)	(20,423)	(20,921)
Profit before taxation and zakat		40,821	116,699	94,377	257,467
Taxation	B4	(10,683)	(28,726)	(616)	(1,595)
Zakat		-	(3,293)	-	-
Profit for the financial period		30,138	84,680	93,761	255,872
Attributable to:					
Shareholders of the Company		30,137	84,679	93,761	255,872
Non-controlling interests		1	1	-	-
		30,138	84,680	93,761	255,872
Other comprehensive (expense)/income for the financial period, net of tax		(102,850)	38,724	-	-
Total comprehensive (expense)/income for the financial period		(72,712)	123,404	93,761	255,872
Earnings per ordinary share (sen)					
Basic	B8	0.37	1.03	1.14	3.11

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

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UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

Group	← Non-distributable →			Distributable		Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Regulatory reserves RM'000	Fair Value reserves RM'000	Retained earnings RM'000	Total RM'000		
At 1 January 2026	7,970,427	323,143	46,179	1,519,468	9,859,217	229	9,859,446
Profit for the period	-	-	-	30,137	30,137	1	30,138
Other comprehensive expense for the financial period	-	-	(102,850)	-	(102,850)	-	(102,850)
Dividends to owners of the Company	-	-	-	(100,312)	(100,312)	-	(100,312)
At 31 March 2026	7,970,427	323,143	(56,671)	1,449,293	9,686,192	230	9,686,422
At 1 January 2025	7,970,427	258,081	(69,466)	1,618,804	9,777,846	234	9,778,080
Profit for the period	-	-	-	84,679	84,679	1	84,680
Other comprehensive income/(expense) for the financial period	-	-	39,006	(282)	38,724	-	38,724
Transfer from retained earnings to regulatory reserve	-	(1,659)	-	1,659	-	-	-
Dividends to owners of the Company	-	-	-	(148,002)	(148,002)	-	(148,002)
At 31 March 2025	7,970,427	256,422	(30,460)	1,556,858	9,753,247	235	9,753,482

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026 (continued)

Company	Share capital RM'000	Distributable Retained earnings RM'000	Total RM'000
At 1 January 2026	7,970,427	130,159	8,100,586
Profit for the period	-	93,761	93,761
Dividends to owners of the Company	-	(100,312)	(100,312)
At 31 March 2026	<u>7,970,427</u>	<u>123,608</u>	<u>8,094,035</u>
At 1 January 2025	7,970,427	13,500	7,983,927
Profit for the period	-	255,872	255,872
Dividends to owners of the Company	-	(148,002)	(148,002)
At 31 March 2025	<u>7,970,427</u>	<u>121,370</u>	<u>8,091,797</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	Group		Company	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	40,821	116,699	94,377	257,467
Adjustments for non-cash items	(5,202)	(50,012)	(1,355)	2,891
Operating profit before working capital changes	35,619	66,687	93,022	260,358
Working capital changes:				
Net changes in operating assets	(2,641,615)	317,246	(101,657)	(262,429)
Net changes in operating liabilities	2,899,607	(1,771,956)	9,049	(225,005)
Cash generated from/(used in) operations	293,611	(1,388,023)	414	(227,076)
Income taxes and zakat (paid)/refunded	(14,470)	(21,929)	-	2,000
Net cash generated from/(used in) operating activities	279,141	(1,409,952)	414	(225,076)
Cash flows from investing activities				
Purchase of property and equipment	(7,355)	(3,632)	-	-
Purchase of intangible assets	(11,025)	(12,161)	-	-
- financial investments at FVOCI	138,777	109,227	-	-
- financial investments at amortised cost	31,391	51,182	-	-
Net sale/(purchase) of:				
- financial investments at FVOCI	(355,099)	1,131,896	-	-
- financial investments at amortised cost	255,624	108,845	-	-
Dividend received	-	-	100,875	261,571
Net cash generated from investing activities	52,313	1,385,357	100,875	261,571

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026 (continued)

	Group		Company	
	31-Mar-26 RM'000	31-Mar-25 RM'000	31-Mar-26 RM'000	31-Mar-25 RM'000
Cash flows from financing activities				
Net (repayment)/issuance of:				
- Islamic repurchase agreement	-	12,556	-	-
- Recourse obligation on financing sold	(18,177)	210,171	-	-
- Sukuk	356	383	-	-
- Borrowings and government grant	(4,778)	(4,873)	-	-
Profit expense paid on:				
- Islamic repurchase agreement	-	(7,388)	-	-
- Recourse obligation on financing sold	(33,685)	(22,075)	-	-
- Sukuk	(150)	-	-	-
Payment of lease liabilities	(4,113)	(17,634)	-	-
Dividends paid on ordinary shares	(100,312)	(148,002)	(100,312)	(148,002)
Net cash (used in)/generated from financing activities	(160,859)	23,138	(100,312)	(148,002)
Net increase/(decrease) in cash and cash equivalents	170,595	(1,457)	977	(111,507)
Cash and cash equivalents at beginning of financial period	1,161,667	1,263,035	222,807	318,778
Cash and cash equivalents at end of financial period	1,332,262	1,261,578	223,784	207,271
Cash and cash equivalents is represented by:				
Cash and short-term funds (Note A8(a))	1,332,262	1,261,578	223,784	207,271

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026
PART A - EXPLANATORY NOTES PURSUANT TO MFRS134**

A1. Basis of preparation

The unaudited condensed interim financial statements for the financial period ended 31 March 2026 have been prepared under the historical cost convention except for financial investments which are recognised at fair value and financial assets and financial liabilities which are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest/profit method.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad and Policy Documents on Financial Reporting issued by Bank Negara Malaysia ("BNM").

The unaudited condensed interim financial statements of the Group and the Company consolidated financial performance of MBSB Bank Berhad, Malaysian Industrial Development Finance Berhad, MBSB Investment Bank Berhad and other subsidiaries of MBSB Berhad.

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 December 2025. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the financial year ended 31 December 2025.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2025.

The new accounting standards, amendments to published standards and interpretation that that have been issued but not yet effective are as follows:

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.

The Group and the Company has not early adopted the above standards and amendments to existing standards and is in the process of assessing the impact of initial application when it becomes effective.

The following amendments are not expected to have a significant impact on the consolidated financial statements of the Group and the Company:

- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

A2. Auditors' report on preceding Annual Financial Statements

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2025 was not qualified.

A3. Seasonality and cyclical nature of operations and unusual items

The business operations of the Group and the Company have not been materially affected by any seasonal or cyclical factors in the financial period ended 31 March 2026.

A4. Exceptional or unusual items

There were no exceptional or unusual items during the financial period ended 31 March 2026.

A5. Changes in estimates

There were no material changes in estimates of amounts reported in prior financial year that have a material effect in financial period ended 31 March 2026.

A6. Changes in debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 March 2026.

A7. Dividend

On 26 February 2026, the Board of Directors has declared a single-tier interim dividend of 1.22 sen per ordinary share in respect of the financial year ended 31 December 2025. The dividend amounting to RM100,312,148 was paid on 19 March 2026.

A8. Cash and short-term funds and deposits and placements with banks and other financial institutions

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
(a) Cash and short-term funds:				
Cash and balances with banks and other financial institutions	608,118	540,567	1,620	2,008
Money at call and deposit placements maturing within one month	724,144	621,100	222,164	220,799
	<u>1,332,262</u>	<u>1,161,667</u>	<u>223,784</u>	<u>222,807</u>
(b) Deposits and placements with banks and other financial institutions with original maturity of more than 1 month	679,669	674,548	-	-
	<u>2,011,931</u>	<u>1,836,215</u>	<u>223,784</u>	<u>222,807</u>

As at reporting date, the dealer's representatives' and clients' monies held in trust by the Group amounted to approximately RM22,520,000 (2025: RM17,223,000). These amounts are excluded from the cash and short-term funds of the Group.

A9. Financial assets at fair value through profit or loss ("FVTPL")

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market instruments		
<u>In Malaysia</u>		
Private mandate investments	130,170	130,166
Malaysian Government Investment Issues	1,130,585	605,414
	<u>1,260,755</u>	<u>735,580</u>
Equity instruments		
Quoted securities:		
<u>In Malaysia</u>		
Shares	10,364	3,848
Unquoted securities:		
<u>In Malaysia</u>		
Redeemable convertible preference shares	14,157	5,257
Unit trusts	31,898	32,662
	<u>56,419</u>	<u>41,767</u>
	<u>1,317,174</u>	<u>777,347</u>

A10. Financial investments at fair value through other comprehensive income ("FVOCI")

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
<u>In Malaysia</u>		
Malaysian Government Investment Issues	8,393,515	8,472,262
Debt securities		
<u>In Malaysia</u>		
Private and Islamic debt securities	5,028,336	4,670,575
Government Guaranteed debt securities	517,697	545,667
Corporate bonds	48,951	49,205
	<u>5,594,984</u>	<u>5,265,447</u>
<u>Outside Malaysia</u>		
Other Government securities	759,506	793,010
	<u>6,354,490</u>	<u>6,058,457</u>
Equity instruments		
Unquoted securities:		
<u>In Malaysia</u>		
Shares	1,032	1,032
	<u>14,749,037</u>	<u>14,531,751</u>

The carrying amount of financial investments measured at FVOCI is its fair value. Accordingly, the recognition of an impairment loss does not affect the carrying amount of those assets, but is reflected as a debit to profit or loss or retained earnings, and credit to other comprehensive income.

ECL movement for financial investments at FVOCI:

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	719	-	7,226	7,945
Total reversal to profit or loss:	(66)	-	-	(66)
Changes in credit risk parameters	(66)	-	-	(66)
At 31 March 2026	653	-	7,226	7,879

A10. Financial investments at fair value through other comprehensive income ("FVOCI") (continued)

ECL movement for financial investments at FVOCI: (continued)

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	332	31	6,726	7,089
Total charged/(reversal) to profit or loss:	387	(31)	-	356
New financial investments purchased during the year	343	-	-	343
Financial investments derecognised and repayment during the year	(49)	(5)	-	(54)
Changes in credit risk parameters	93	(26)	-	67
Others	-	-	500	500
At 31 December 2025	719	-	7,226	7,945

A11. Financial investments at amortised cost

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
Malaysian Government Investment Issues	891,246	932,070
Debt securities		
<u>In Malaysia</u>		
Private and Islamic debt securities	1,848,490	2,061,653
Government Guaranteed corporate sukuk	65,519	65,865
Corporate bonds	40,552	40,712
	<u>2,845,807</u>	<u>3,100,300</u>
Less: ECL	(727)	(767)
	<u>2,845,080</u>	<u>3,099,533</u>

A11. Financial investments at amortised cost (continued)

ECL movement for financial investments at amortised cost:

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	767	-	-	767
Total reversal to profit or loss:	(40)	-	-	(40)
Changes in credit risk	(40)	-	-	(40)
At 31 March 2026	727	-	-	727

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	1,131	71	-	1,202
Total reversal to profit or loss:	(364)	(71)	-	(435)
New financial investments purchased during the year	605	-	-	605
Financial investments derecognised and repayment during the year	(966)	-	-	(966)
Changes in credit risk	(3)	(71)	-	(74)
At 31 December 2025	767	-	-	767

A13. Loans, financing and advances

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
(i) By type				
At amortised cost				
Term loans/financing				
- Personal financing	17,593,706	17,733,745	-	-
- Housing loans/financing	11,215,118	11,082,367	-	-
- Industrial hire purchase	737,610	681,343	-	-
- Bridging loans/financing	485,876	506,951	107,683	107,656
- Auto financing	26,944	16,731	-	-
- Other term loans/financing	5,601,761	5,367,200	168,489	168,358
- Syndicated term loans/financing	3,954,258	3,471,958	-	-
Revolving credit	1,828,187	518,284	-	-
Trade finance	2,931,613	3,088,591	-	-
Margin accounts	1,029,316	1,051,259	-	-
Cashline	394,055	372,567	-	-
Staff loans/financing	36,665	38,232	-	-
Gross loans, financing and advances	45,835,109	43,929,228	276,172	276,014
Less: ECL	(790,006)	(780,578)	(24,658)	(26,171)
Net loans, financing and advances	45,045,103	43,148,650	251,514	249,843
(ii) By residual contractual maturity				
	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Maturing within one year	5,834,745	6,176,559	199,811	199,698
One year to three years	3,674,609	2,266,625	-	-
Three years to five years	4,805,944	4,228,488	-	-
Over five years	31,519,811	31,257,556	76,361	76,316
	45,835,109	43,929,228	276,172	276,014

A13. Loans, financing and advances (continued)

(iii) By type of customers

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Individuals:				
- Malaysian nationals	29,606,455	29,607,426	-	-
Domestic business enterprises:				
- Small medium enterprises	4,373,774	4,318,936	251,303	251,171
- Non-bank financial institutions	1,614,639	1,767,000	-	-
- Others	9,936,464	7,932,037	24,869	24,843
Foreign nationals	303,777	303,829	-	-
	45,835,109	43,929,228	276,172	276,014

(iv) By sector

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Household sectors	29,606,646	29,607,272	-	-
Construction	1,745,258	1,767,132	199,811	199,698
Finance, insurance, real estate and business services	5,649,846	4,104,911	-	-
Wholesale & retail trade and restaurants & hotels	1,989,597	2,058,910	-	-
Manufacturing	1,780,136	1,815,679	-	-
Education, health and others	512,738	481,659	76,361	76,316
Transport, storage and communications	2,907,804	2,681,717	-	-
Electricity, gas and water	703,361	720,937	-	-
Agriculture	752,246	500,800	-	-
Mining and quarrying	187,477	190,211	-	-
	45,835,109	43,929,228	276,172	276,014

A13. Loans, financing and advances (continued)

(v) By interest/profit rate sensitivity

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate:</u>				
Personal financing	337,111	365,801	-	-
Bridging, structured and term loans and financing	2,085,784	2,059,850	-	-
Mortgage and property Islamic	287,989	294,256	-	-
Auto financing	4,700	5,349	-	-
<u>Variable rate:</u>				
Personal financing	17,266,891	17,378,167	-	-
Bridging, structured and term loans and financing	14,876,891	12,998,302	276,172	276,014
Mortgage and property Islamic	10,951,655	10,814,185	-	-
Auto financing	24,088	13,318	-	-
	45,835,109	43,929,228	276,172	276,014

(vi) By geographical distribution

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Malaysia	45,678,475	43,770,976	276,172	276,014
Outside Malaysia	156,635	158,252	-	-
	45,835,109	43,929,228	276,172	276,014

A13. Loans, financing and advances (continued)

(vii) Movement of ECL for loans, financing and advances

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	108,108	115,301	557,169	780,578
Charged to profit or loss	5,405	3,786	66,283	75,474
Changes in the ECL due to transfer within stages:				
- Transfer to Stage 1	5,882	(5,837)	(45)	-
- Transfer to Stage 2	(3,670)	30,148	(26,478)	-
- Transfer to Stage 3	(1)	(17,196)	17,197	-
New financing during the period	20,337	1,196	371	21,904
Repayment during the period	(20,876)	(52,198)	(8,667)	(81,741)
Changes in credit risk	3,733	47,673	83,905	135,311
Write-offs	-	-	(66,046)	(66,046)
At 31 March 2026	113,513	119,087	557,406	790,006

	Group			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	133,573	215,709	497,237	846,519
(Reversal)/charged to profit or loss	(25,388)	(100,322)	397,757	272,047
Changes in the ECL due to transfer within stages:				
- Transfer to Stage 1	56,687	(55,869)	(818)	-
- Transfer to Stage 2	(26,787)	202,698	(175,911)	-
- Transfer to Stage 3	(329)	(104,269)	104,598	-
New financing during the year	67,300	2,731	102	70,133
Repayment during the year	(138,523)	(364,868)	(56,549)	(559,940)
Changes in credit risk	44,410	250,635	526,100	821,145
Change to model assumptions and methodologies *	(28,146)	(31,380)	-	(59,526)
Others	-	-	235	235
Write-offs	-	-	(365,943)	(365,943)
Others	(77)	(86)	28,118	27,955
At 31 December 2025	108,108	115,301	557,169	780,578

* The changes to model assumptions and methodologies were in relation to the revision of Loss Given Default ("LGD") and Forward Looking ("FL") modelling.

A13. Loans, financing and advances (continued)

(vii) Movement of ECL for loans, financing and advances (continued)

	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2026	-	-	26,171	26,171
Reversal to profit or loss	-	-	(1,513)	(1,513)
Repayment during the period	-	-	(3,474)	(3,474)
Changes in credit risk	-	-	1,961	1,961
At 31 March 2026	-	-	24,658	24,658

	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	-	-	23,397	23,397
Charged to profit or loss	-	-	2,774	2,774
Repayment during the year	-	-	(1,481)	(1,481)
Changes in credit risk	-	-	4,255	4,255
At 31 December 2025	-	-	26,171	26,171

A13. Loans, financing and advances (continued)

(viii) Movements of impaired loans, financing and advances

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January	2,779,800	2,290,658	276,014	272,017
Classified as impaired during the period/year	191,681	1,270,167	-	-
Reclassified as non-impaired	(69,315)	(402,182)	-	-
Amount recovered	(50,657)	(123,424)	-	(171)
Other movements	22,245	124,961	158	4,168
Amount written off	(69,526)	(380,380)	-	-
Balance as at end of financial period/year	2,804,228	2,779,800	276,172	276,014
Less: ECL stage 3	(557,406)	(557,169)	(24,658)	(26,171)
Net impaired loans, advances and financing	2,246,822	2,222,631	251,514	249,843
Net impaired as a percentage of net loans, financing and advances	4.99%	5.15%	100.00%	100.00%
Gross impaired as a percentage of gross loans, financing and advances	6.12%	6.33%	100.00%	100.00%

A13. Loans, financing and advances (continued)

(ix) Impaired loans, financing and advances by sector

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Household sector	846,739	872,524	-	-
Construction	780,829	777,780	199,811	199,698
Education, health and others	76,512	76,316	76,361	76,316
Finance, insurance, real estate and business services	290,220	285,645	-	-
Manufacturing	132,435	127,754	-	-
Wholesale & retail trade and restaurants & hotels	494,227	457,689	-	-
Transport, storage and communication	177,522	176,330	-	-
Electricity, gas and water	1,152	1,134	-	-
Agriculture	4,592	4,628	-	-
	2,804,228	2,779,800	276,172	276,014

(x) Impaired loans, financing and advances by geographical distribution

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Malaysia	2,804,228	2,779,800	276,172	276,014
	2,804,228	2,779,800	276,172	276,014

A14. Other receivables

	Group		Company	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Amount due from other subsidiaries	-	-	3,319	1,955
Foreclosed properties	36,315	36,315	309	309
Prepayments	24,188	37,820	990	1,732
Deposits	4,771	4,861	-	-
Fee receivables	18,063	16,897	-	-
Cash collateral	29,178	4,702	-	-
Sundry receivables	180,356	40,368	-	-
Settlement accounts	91,045	119,506	-	-
Deferred expenses	99,351	92,116	-	-
Amount due from Government Scheme Funds ("GSF")	33,715	32,134	-	-
Amount due from brokers and clients	50,725	54,370	-	-
	567,707	439,089	4,618	3,996
Less: ECL	(3,174)	(3,109)	-	-
	564,533	435,980	4,618	3,996

A15. Deposits from customers

(i) By type of deposits:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Term Deposits	34,046,629	32,673,146
Demand deposits	5,450,069	6,074,695
Savings deposits	623,308	563,425
	<u>40,120,006</u>	<u>39,311,266</u>

(ii) Maturity of term deposits:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within six months	24,583,680	23,056,271
More than six months to one year	7,201,491	7,364,210
More than one year to three years	2,226,522	2,196,700
More than three years	34,936	55,965
	<u>34,046,629</u>	<u>32,673,146</u>

(iii) By type of customers:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Government and statutory bodies	13,526,131	14,408,501
Business enterprises	16,427,720	14,736,902
Individuals	10,166,155	10,165,863
	<u>40,120,006</u>	<u>39,311,266</u>

A16. Deposits and placements of banks and other financial institutions

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Amortised cost		
Licensed investment banks	92,466	156,492
Licensed commercial banks	21,513	67,665
Licensed islamic banks	521,868	672,293
Other financial institutions	6,382,174	5,376,640
	<u>7,018,021</u>	<u>6,273,090</u>
At fair value through profit and loss		
Structured deposits linked to profit rate derivatives	150,821	100,750
Fair value changes arising from designation at fair value through profit or loss	(102)	(58)
	<u>150,719</u>	<u>100,692</u>
	<u>7,168,740</u>	<u>6,373,782</u>

The maturity structure of deposits and placements of banks and other financial institutions is as follows:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within six months	6,827,000	6,194,871
More than six months to one year	190,919	78,118
More than one year to three years	102	101
More than three years	150,719	100,692
	<u>7,168,740</u>	<u>6,373,782</u>

A17. Investment accounts of customers

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Mudarabah unrestricted investment account	1,385,622	1,386,049

The investment account placements are used for fund personal financing.

(i) By type of customers:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Individuals	1,385,622	1,386,049

A17. Investment accounts of customers (continued)

(ii) Movement of investment accounts of customers:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Balance as at 1 January	1,386,049	560,928
New placement during the period/year	372,997	1,565,311
Redemption	(372,908)	(765,007)
Finance expense	12,892	47,473
Profit distributed	(13,408)	(22,656)
At end of financial period/year	<u>1,385,622</u>	<u>1,386,049</u>

(iii) By maturity:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within three months	24,168	8,441
More than three months to one year	1,361,062	1,377,105
More than one year to two years	392	503
	<u>1,385,622</u>	<u>1,386,049</u>

(iv) Rate of Return ("ROR") and Profit sharing ratio based on residual maturity

Group	Investment Account		Average Profit sharing	
	Holder Average ROR		ratio	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	%	%	%	%
Unrestricted investment accounts:				
Due within three months	5.83	5.05	79.12	67.73
More than three months to one year	5.40	5.22	73.36	70.02
More than one year to two years	6.19	6.00	84.10	80.44

A18. Other payables

	Note	Group		Company	
		31-Mar-26 RM'000	31-Dec-25 RM'000	31-Mar-26 RM'000	31-Dec-25 RM'000
Amount due to subsidiary		-	-	23,661	11,862
Amount due to brokers and clients	(i)	62,717	54,421	-	-
Amount due to Government Scheme Funds ("GSF")		61,560	67,957	-	-
Sundry payables		220,429	167,528	2,099	2,171
ECL for commitments and contingencies and financial guarantees	(ii)	13,966	12,980	-	-
Employee benefits		14,869	14,619	-	-
Deferred income		28,373	28,567	-	-
Other provisions and accruals		88,249	90,938	6,315	8,993
		<u>490,163</u>	<u>437,010</u>	<u>32,075</u>	<u>23,026</u>

(i) Amount due to brokers and clients

	Group	
	31-Mar-26 RM'000	31-Dec-25 RM'000
Brokers	7,740	23,771
Clients	54,977	30,650
	<u>62,717</u>	<u>54,421</u>

A18. Other payables (continued)

(ii) ECL for commitments and contingencies and financial guarantees

Movement of ECL for commitments and contingencies and financial guarantees are as follows:

	Group			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2026	9,912	509	2,559	12,980
Total (reversal)/charged to profit or loss	(1,058)	1,666	380	988
Changes in ECL due to transfer within stages:				
- Transfer to Stage 1	67	(67)	-	-
- Transfer to Stage 2	(304)	505	(201)	-
- Transfer to Stage 3	-	(26)	26	-
New financing during the period	983	3	-	986
Derecognised/converted to loans/financing during the period	(645)	(40)	-	(685)
Changes in credit risk	(1,159)	1,291	555	687
Write-offs	-	-	(2)	(2)
At 31 March 2026	8,854	2,175	2,937	13,966

A18. Other payables (continued)

(ii) ECL for commitments and contingencies and financial guarantees (continued)

Movement of ECL for commitments and contingencies and financial guarantees are as follows (continued):

	Group			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	15,440	2,600	1,471	19,511
Total (reversal)/charged to profit or loss	(5,528)	(2,091)	1,090	(6,529)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 1	179	(87)	(92)	-
- Transfer to Stage 2	(412)	615	(203)	-
- Transfer to Stage 3	(200)	(66)	266	-
New financing during the year	3,351	44	-	3,395
Derecognised/converted to loans/financing during the year	(4,277)	(2,217)	(67)	(6,561)
Changes in credit risk	141	(247)	1,186	1,080
Changes to model assumptions and methodologies *	(4,310)	(133)	-	(4,443)
Write-offs	-	-	(2)	(2)
At 31 December 2025	9,912	509	2,559	12,980

* The changes to model assumptions and methodologies were in relation to the revision of Loss Given Default ("LGD") and Forward Looking ("FL") modelling.

A19. Borrowings and government grant

		Group	
		31-Mar-26	31-Dec-25
		RM'000	RM'000
	Note		
Borrowings			
Loan from JBIC-FSMI	(a)	90,873	93,631
Loan from MITI	(b)	40,408	39,352
		<u>131,281</u>	<u>132,983</u>
Government grant			
Loan from MITI	(b)	10,343	10,824
Total borrowing and government grant		<u>141,624</u>	<u>143,807</u>

- (a) Loan from Japan Bank of International Cooperation Fund for Small and Medium Industries ("JBIC-FSMI")

		Group	
		31-Mar-26	31-Dec-25
		RM'000	RM'000
At 1 January		93,631	102,053
Interest expense		2,020	2,683
Repayment		(4,778)	(11,105)
At end of period/year		<u>90,873</u>	<u>93,631</u>

- (b) Loan from Soft Loan Scheme for Services Sector ("SLSSS") provided by Ministry of International Trade and Industry ("MITI")

		Group	
		31-Mar-26	31-Dec-25
		RM'000	RM'000
Borrowings			
At 1 January		39,352	59,013
Repayment		-	(22,574)
Profit expense *		1,056	2,913
At end of period/year		<u>40,408</u>	<u>39,352</u>
Government grant			
At 1 January		10,824	13,737
Amortisation		(481)	(2,913)
At end of period/year		<u>10,343</u>	<u>10,824</u>
		<u>50,751</u>	<u>50,176</u>

- * Grant income is deducted against the profit expense in profit or loss and other comprehensive income.

A20. Income derived from investment of deposits and Islamic capital funds

	31-Mar-26	
	1st Quarter Ended	
	31-Mar-26	31-Mar-25
	RM'000	RM'000
Financing and advances	527,806	629,531
Financial investments at FVOCI	131,589	104,608
Financial investments at amortised cost	31,879	44,586
Financial assets at FVTPL	7,649	6,827
Deposits and placements with banks and other financial institutions	6,362	10,768
Derivative instruments	267	117
	705,552	796,437

A21. Interest income

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Loans and advances	22,925	26,921	-	-
Deposits and placements with banks and other financial institutions	2,019	937	1,365	817
Financial investments at FVOCI	1,785	1,632	-	-
Financial investments at amortised cost	643	1,114	-	-
	27,372	30,604	1,365	817

A22. Interest expense

	Group	
	1st Quarter Ended	
	31-Mar-26	31-Mar-25
	RM'000	RM'000
Deposits from customers	11,850	14,009
Deposits and placements with banks and other financial institutions	781	111
Borrowings	636	684
	13,267	14,804

A23. Expected credit losses on loans, financing and advances and other impairment

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
<u>ECL on loans, financing and advances made/(written back)</u>				
Loans, financing and advances	75,474	32,152	(1,513)	2,775
Credit impaired loans, financing and advances:				
- Write-off	3,479	12,821	-	-
- Recovered	(6,323)	(16,970)	-	(3)
	72,630	28,003	(1,513)	2,772
<u>ECL on financial investments (written back)/made:</u>				
Financial investments at FVOCI	(66)	97	-	-
Financial investments at amortised cost	(40)	(108)	-	-
	(106)	(11)	-	-
<u>Other ECL and impairment allowances made/(written back):</u>				
Other receivables	65	340	-	-
Financing commitments and financial guarantees	988	(199)	-	-
	1,053	141	-	-
	73,577	28,133	(1,513)	2,772

A24. Net other income

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
<u>Rental</u>				
Rental income	59	193	949	952
	<u>59</u>	<u>193</u>	<u>949</u>	<u>952</u>
<u>Fee income</u>				
Net financing processing fees	462	367	-	-
Facility fees	17,299	1,667	-	-
Corporate advisory fees	1,255	3,994	-	-
Income from Government Scheme Funds	16,555	24,330	-	-
Brokerage fees	2,809	2,447	-	-
Other fee income	984	480	-	-
	<u>39,364</u>	<u>33,285</u>	<u>-</u>	<u>-</u>
<u>Commission</u>				
Commission income	10,056	6,474	-	-
Commission expense	(6,034)	(3,079)	-	-
	<u>4,022</u>	<u>3,395</u>	<u>-</u>	<u>-</u>
<u>Investment income</u>				
Net (loss)/gain on sale of:				
- financial assets at FVTPL	(1,732)	175	-	-
- financial investments at FVOCI	238	6,869	-	-
- financial investments at amortised cost	-	(18)	-	-
Net unrealised gain/(loss) on revaluation of:				
- financial assets at FVTPL	9,364	(2,015)	-	-
- derivatives instruments	(1,451)	(739)	-	-
Gain/(loss) on foreign exchange transactions and revaluations	16,687	(3,188)	-	-
	<u>23,106</u>	<u>1,084</u>	<u>-</u>	<u>-</u>
<u>Gross dividend income</u>				
Dividend income	-	-	100,875	261,571
	<u>-</u>	<u>-</u>	<u>100,875</u>	<u>261,571</u>
<u>Other income</u>				
Ta'widh/penalty	3,262	3,269	-	-
Management fees	-	-	10,092	17,820
Sundry income	3,103	1,753	6	-
Gain from disposal of:				
- Property and equipment	70	-	-	-
	<u>6,435</u>	<u>5,022</u>	<u>10,098</u>	<u>17,820</u>
	<u>72,986</u>	<u>42,979</u>	<u>111,922</u>	<u>280,343</u>

A25. Operating expenses

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Personnel expenses *	147,429	157,259	15,300	16,546
Establishment related expenses	54,632	51,925	1,100	558
Promotion and marketing related expenses	1,793	6,885	-	-
General administrative expenses	15,804	17,696	4,023	3,817
	219,658	233,765	20,423	20,921

* Personnel expenses

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	111,660	120,283	12,976	14,512
Contributions to Employees Provident Fund and Social security costs	16,899	17,636	1,405	1,323
Directors fees	2,107	1,435	609	499
Employees' benefits	250	286	-	-
Shariah Committee remuneration	161	147	-	-
Other staff related expenses	16,352	17,472	310	212
	147,429	157,259	15,300	16,546

Included in operating expenses are the following:

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Depreciation:				
- property and equipment	11,816	10,590	157	118
- right-of-use asset	3,922	4,403	-	-
- investment properties	54	54	-	-
Amortisation of intangible assets	11,303	8,212	-	-

A26. Commitments and contingencies

In the normal course of business, the Group makes various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The principal amounts of the commitments and contingencies of the Group are as follows:

	Group	
	31-Mar-26	31-Dec-25
	Principal amount	
	RM'000	RM'000
Direct credit substitutes	38,309	38,698
Trade-related contingencies	190,674	195,271
Short term self liquidating trade related contingencies	1,736,310	1,925,218
Irrevocable commitments to extend credit:		
- one year or less	3,502,341	3,123,181
- over one year to five years	2,080,225	2,230,215
- over five years	956,414	893,214
Foreign exchange related contracts #		
- one year or less	1,279,312	1,197,854
- over one year to five years	270,660	271,024
Profit rate related contracts		
with an original maturity of:		
- over one year to five years	150,000	100,000
	<u>10,204,245</u>	<u>9,974,675</u>

Foreign related contracts and profit/interest rate related contracts represent the notional amount of the derivative financial instruments recognised as derivative assets/liabilities.

A27. Contingent liability

There is no material litigation during the financial period ended 31 March 2026.

A28. Segmental information on revenue and results

The segment analysis for the individual quarters ended 31 March 2026 are as follows:

At 31 March 2026	Consumer Banking	Commercial Banking	Corporate Banking	Treasury	Others	Inter-segment elimination	Total
	31-Mar-26 RM'000	31-Mar-26 RM'000	31-Mar-26 RM'000	31-Mar-26 RM'000	31-Mar-26 RM'000	31-Mar-26 RM'000	31-Mar-26 RM'000
Revenue	256,324	86,104	193,918	253,676	101,678	(107,714)	783,986
Segment revenue							
- External income *	103,012	43,300	76,384	40,854	(2,498)	19	261,071
- Other operating income	5,517	20,341	42,218	9,126	119,722	(123,938)	72,986
Total segment revenue	108,529	63,641	118,602	49,980	117,224	(123,919)	334,057
Operating expenses	(99,970)	(48,358)	(46,687)	(17,498)	(29,976)	22,830	(219,659)
	8,559	15,283	71,915	32,482	87,248	(101,089)	114,398
ECL (made)/written back on loans, financing and advances and financing commitments and financial guarantees	(55,311)	(12,841)	(7,016)	57	1,497	(4)	(73,618)
Other ECL (made)/written back	-	-	-	24	17	-	41
Segment result	(46,752)	2,442	64,899	32,563	88,762	(101,093)	40,821
Taxation							(10,683)
Zakat							-
Net profit for the period							30,138
Segment assets	29,848,810	6,141,847	11,425,792	19,835,943	8,649,572	(8,235,919)	67,666,045
Tax recoverable							209,421
Deferred tax assets							83,545
Total assets							67,959,011
Segment liabilities	16,382,530	5,028,815	6,211,069	31,054,467	324,113	(745,006)	58,255,988
Provision for taxation and zakat							8,360
Deferred tax liabilities							8,241
Total liabilities							58,272,589

* External income comprise of net income from Islamic operations and net interest income.

There has been a change in the operating segment structure during the financial period ended 31 March 2026. Accordingly, the segment presentation for the current period has been revised to reflect this change.

A28. Segmental information on revenue and results (continued)

The segment analysis for the individual quarters ended 31 March 2025 are as follows:

At 31 March 2025	Corporate/					Inter-segment elimination	Total
	Consumer Banking	Commercial Banking	Global Markets	Investment Banking	Others		
	31-Mar-25 RM'000	31-Mar-25 RM'000	31-Mar-25 RM'000	31-Mar-25 RM'000	31-Mar-25 RM'000		
Revenue	439,387	181,899	123,477	98,213	25,863	(817)	868,022
Segment revenue							
- External income *	157,282	67,493	24,791	30,219	41,979	13,852	335,616
- Other operating income	(1,157)	4,560	5,301	32,202	287,953	(285,880)	42,979
Total segment revenue	156,125	72,053	30,092	62,421	329,932	(272,028)	378,595
Operating expenses	(133,428)	(71,598)	(13,635)	(40,443)	25,341	-	(233,763)
	22,697	455	16,457	21,978	355,273	(272,028)	144,832
ECL (made)/written back on loans, financing and advances and financing commitments and financial guarantees	(62,817)	31,907	-	321	2,785	-	(27,804)
Other ECL (made)/ written back	-	-	(63)	(290)	24	-	(329)
Segment result	(40,120)	32,362	16,394	22,009	358,082	(272,028)	116,699
Taxation							(28,726)
Zakat							(3,293)
Net profit for the period							84,680
Segment assets	28,811,377	11,875,412	13,427,832	6,022,659	506,082	-	60,643,362
Tax recoverable							143,810
Deferred tax assets							71,186
Unallocated assets ^							1,864,148
Total assets							62,722,506
Segment liabilities	25,734,384	10,328,956	10,945,541	4,959,996	361,753	-	52,330,630
Provision for taxation and zakat							17,093
Deferred tax liabilities							12,669
Unallocated liabilities ^							608,632
Total liabilities							52,969,024

* External income comprise of net income from Islamic operations and net interest income.

Inter-segment revenue is allocated based on internally computed cost of funds.

^ Unallocated assets and liabilities are not directly attributable to the business segments.

A29. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table presents assets and liabilities measured at fair values and classified by level of following fair value measurement hierarchy:

A29. Fair value measurement (continued)

Group

At 31 March 2026	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>Financial Assets</u>				
Financial assets at FVTPL	31,898	1,271,119	14,157	1,317,174
Financial investments at FVOCI	-	14,748,005	1,032	14,749,037
Derivative financial assets	-	7,305	-	7,305
	<u>31,898</u>	<u>16,026,429</u>	<u>15,189</u>	<u>16,073,516</u>
<u>Financial Liabilities</u>				
Deposits and placements of banks and other financial institutions	-	150,719	-	150,719
Derivative financial liabilities	-	6,278	-	6,278
	<u>-</u>	<u>156,997</u>	<u>-</u>	<u>156,997</u>

Group

At 31 December 2025

<u>Financial Assets</u>				
Financial assets at FVTPL	32,662	739,428	5,257	777,347
Financial investments at FVOCI	-	14,530,719	1,032	14,531,751
Derivative financial assets	-	6,944	-	6,944
	<u>32,662</u>	<u>15,277,091</u>	<u>6,289</u>	<u>15,316,042</u>
<u>Financial Liabilities</u>				
Deposits and placements of banks and other financial institutions	-	100,692	-	100,692
Derivative financial liabilities	-	7,375	-	7,375
	<u>-</u>	<u>108,067</u>	<u>-</u>	<u>108,067</u>

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial year. (2025: None)

A30. Capital adequacy

The Group has complied and computed the capital adequacy ratios in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).

The total risk-weighted assets are computed based on the following approaches in determining the capital requirements in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Basel II - Risk Weighted Assets) and Capital Adequacy Framework for Islamic Banks (Basel II - Risk Weighted Assets):

- Credit Risk - Standardised Approach
- Market Risk - Standardised Approach
- Operational Risk - Standardised Approach

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
<u>Common Equity Tier 1 ("CET1") Capital</u>		
Ordinary share capital	7,970,427	7,970,427
Retained earnings exclude merger reserve	1,419,156	1,519,468
Other reserves	266,472	369,322
	<u>9,656,055</u>	<u>9,859,217</u>
Less : Regulatory adjustments		
Goodwill	(148,031)	(148,031)
Deferred tax assets	(83,545)	(56,185)
Cumulative gains of financial investments at FVOCI	(20,379)	(47,254)
Intangible assets	(191,555)	(191,833)
Regulatory reserve attributable to financing	(323,143)	(323,143)
Total CET1 Capital	<u>8,889,402</u>	<u>9,092,771</u>
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	<u>8,889,402</u>	<u>9,092,771</u>
<u>Tier 2 Capital</u>		
Stage 1 and Stage 2 ECL allowances [^]	562,340	551,861
Tier 2 capital instruments	650,000	650,000
Total Tier 2 capital	<u>1,212,340</u>	<u>1,201,861</u>
Total capital base	<u>10,101,742</u>	<u>10,294,632</u>

[^] Expected credit loss allowance on non-credit impaired exposure and regulatory reserves is subject to a maximum of 1.25% of total credit risk-weighted assets.

A30. Capital adequacy (continued)

Breakdown of risk weighted assets in various categories of risk weights are as follows:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
<u>Total risk weighted assets ("RWA")</u>		
- Credit risk	45,925,618	44,148,862
- Market risk	904,368	517,465
- Operational risk	2,820,197	2,790,518
Total RWA	<u>49,650,183</u>	<u>47,456,845</u>
<u>Capital adequacy ratios</u>		
CET1 capital ratio	17.904%	19.160%
Tier 1 capital ratio	17.904%	19.160%
Total capital ratio	<u>20.346%</u>	<u>21.693%</u>

In accordance with BNM's Guidelines on Investment Account paragraph 31.1, the credit and market risk weighted assets funded by Unrestricted Investment Accounts ("URIA") shall be recognised as risk absorbent and excluded from the calculation of capital adequacy ratio. As at 31 March 2026, URIA risk weighted assets excluded from the Total Capital Ratio calculation amounted to RM1,342.4 million (31 December 2025: RM1,341.3 million).

PERFORMANCE REVIEW FOR THE FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026

B1. Performance review of the Group

i) Financial review for current period-to-date against previous corresponding period-to-date

	1st Quarter Ended		Changes	
	31-Mar-26	31-Mar-25	RM'000	%
Net income (before ECL)	334,056	378,597	(44,541)	(11.8%)
ECL on loans, financing and advances and other impairment	(73,577)	(28,133)	(45,444)	>(100%)
Operating expenses	(219,658)	(233,765)	14,107	6.0%
Profit before taxation and zakat	40,821	116,699	(75,878)	(65.0%)
Profit after taxation and zakat	30,138	84,680	(54,542)	(64.4%)

ii) Financial review for current quarter against immediate preceding quarter:

	Individual quarter		Changes	
	31-Mar-26	31-Dec-25	RM'000	%
Net income (before ECL)	334,056	321,723	12,333	3.8%
ECL on loans, financing and advances and other impairment	(73,577)	(135,776)	62,199	45.8%
Operating expenses	(219,658)	(183,485)	(36,173)	(19.7%)
Profit before taxation and zakat	40,821	2,462	38,359	>100%
Profit after taxation and zakat	30,138	3,632	26,506	>100%

The Group registered a profit before taxation and zakat ("PBT") of RM40.8 million for the financial period ended 31 March 2026 as compared to PBT of RM116.7 million for the previous financial period. The reduction in PBT was mainly attributed by higher impairment charge by RM45.4 million and lower net income (before ECL) by RM44.5 million, and offset by lower operating expenses of RM14.1 million.

The Group's net financing and advances grew by 4.4% to RM45.0 billion and the deposits from customers grew by 2.1% to RM40.1 billion as compared to the previous financial year end.

As at 31 March 2026, the Group's CET1 capital ratio and total capital ratio, stood at 17.904% and 20.346% respectively, remains robust and well above the industry average. The Group maintained healthy liquidity position, with liquidity coverage ratio of 138.18% (average 12 months of 147.23%) remained above the minimum regulatory requirement of 100%.

B2. Prospects for the Group

Outlook for 2026

According to the International Monetary Fund, global economic growth is projected at 3.1%, revised down from its earlier forecast of 3.3%. The downgrade reflects the economic fallout from escalating geopolitical tensions, particularly the conflict involving the United States and Iran, which has contributed to heightened uncertainty in global markets. Rising tensions have driven up energy prices, adding inflationary pressures across both advanced and emerging economies. Prolonged hostilities could further dampen global growth, disrupt trade flows, and increase financial market volatility.

According to Bank Negara Malaysia ("BNM"), Malaysia's economy is projected to grow between 4.0% and 5.0% in 2026, supported by resilient domestic demand and sustained investment momentum. BNM said growth will continue to be anchored by domestic demand, particularly private sector spending, amid steady labour market conditions and income growth. Nevertheless, this outlook remains exposed to external headwinds, including moderating global growth, lingering trade uncertainties and geopolitical tension in the Middle East, which could disrupt supply chains and investment decisions.

The Group's business plan for 2026 will continue to be guided by the FLIGHT26 strategy that targets improvement and optimisation in 4 key areas, namely cost of funds, financing growth, operating expenditure, and a higher proportion of fee-based income. The Group has already made improvements in several of these areas, and will strive to offer a higher value proposition through new products and digital channels, along with superior customer experience offerings – all of which remain central to the strategy's ongoing execution.

B3. Profit forecast or profit guarantee

There was no profit forecast or profit guarantee issued by the Group and the Company.

B4. Taxation

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax:				
Current income tax	9,612	9,812	-	-
Under provision in prior years	-	228	-	-
	<u>9,612</u>	<u>10,040</u>	<u>-</u>	<u>-</u>
Deferred tax	1,071	18,686	616	1,595
Total income tax expense	<u>10,683</u>	<u>28,726</u>	<u>616</u>	<u>1,595</u>

B5. Status of corporate proposals

There are no pending corporate proposals.

B6. Borrowings and debts

Borrowings of the Group were as follows:

	Group	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
<u>Secured</u>		
Recourse obligation on financing sold	3,962,297	3,390,379
Sukuk-MBSB Structured Covered ("SC") Murabahah	218,415	215,345
<u>Non secured</u>		
Sukuk Wakalah	962,648	950,767
Borrowings and government grant	141,624	143,807

B7. Off balance sheet financial instruments

The details of the off balance sheet financial instruments are as per note A26.

B8. Earnings per share

Basic

Basic earnings per share are calculated by dividing the net profit attributable to shareholders for the financial period/year by the weighted average number of ordinary shares in issue during the financial year.

	Group		Company	
	1st Quarter Ended		1st Quarter Ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders for the period (RM'000)	30,137	84,679	93,761	255,872
Weighted average number of ordinary shares in issue ('000)	8,222,312	8,222,312	8,222,312	8,222,312
Basic earnings per share (sen)	<u>0.37</u>	<u>1.03</u>	<u>1.14</u>	<u>3.11</u>

The Group and the Company has no dilution in their earnings per ordinary share in the current and previous financial year as there are no dilutive ordinary shares.

B9. The Operations of Islamic Banking

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	Islamic Banking	
		31-Mar-26 RM'000	31-Dec-25 RM'000
Assets			
Cash and short-term funds	(a)	976,172	1,001,298
Deposits and placements with banks and other financial institutions	(a)	679,669	674,548
Financial assets at fair value through profit or loss	(b)	1,285,276	744,685
Financial investments at fair value through other comprehensive income	(c)	14,533,805	14,336,580
Financial investments at amortised cost	(d)	2,804,617	3,038,695
Derivative financial assets		7,305	6,944
Financing and advances	(e)	43,683,266	41,767,259
Other receivables	(f)	910,618	762,611
Tax recoverable		116,362	100,232
Deferred tax assets		82,156	53,394
Statutory deposits with Bank Negara Malaysia		412,600	388,600
Property and equipment		71,415	71,781
Right-of-use assets		56,908	25,698
Investment properties		820	820
Intangible assets		125,850	123,093
Total assets		65,746,839	63,096,238

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

B9. The Operations of Islamic Banking (continued)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026 (continued)

	Note	Islamic Banking	
		31-Mar-26 RM'000	31-Dec-25 RM'000
Liabilities and shareholders' equity			
Deposits from customers	(g)	39,410,245	38,373,808
Deposits and placements of banks and other financial institutions	(h)	6,488,484	6,085,688
Investment accounts of customers	(i)	1,385,622	1,386,049
Islamic repurchase agreement		3,780,460	3,078,071
Derivative financial liabilities		6,278	7,375
Other payables	(j)	693,134	635,078
Lease liabilities		57,269	26,165
Recourse obligation on financing sold		3,962,297	3,390,379
Provision for taxation and zakat		7,107	7,107
Sukuk		1,181,063	1,166,112
Borrowings and government grant		50,574	50,000
Total liabilities		57,022,533	54,205,832
Ordinary share capital		7,129,572	7,129,572
Regulatory reserve		311,150	311,150
Fair value reserves		(66,578)	35,500
Retained earnings		1,350,162	1,414,184
Total equity		8,724,306	8,890,406
Total liabilities and shareholders' equity		65,746,839	63,096,238

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

B9. The Operations of Islamic Banking (continued)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	Islamic Banking	
	31-Mar-26	31-Mar-25
	RM'000	RM'000
Income derived from investment of depositors' funds	591,042	653,426
Income derived from investment of shareholders' funds	166,787	155,951
Income derived from investment of investment accounts' funds	24,452	15,827
ECL on financing and advances and other impairment	<u>(73,775)</u>	<u>(28,991)</u>
Total distributable income	708,506	796,213
Income attributable to depositors and others	<u>(460,190)</u>	<u>(479,569)</u>
Total net income	248,316	316,644
Operating expenses	<u>(198,153)</u>	<u>(217,450)</u>
Profit before taxation and zakat	50,163	99,194
Taxation	(12,898)	(25,291)
Zakat	-	(2,448)
Profit for the period	<u>37,265</u>	<u>71,455</u>
Other comprehensive income to be reclassified to profit or loss in subsequent period	<u>24,699</u>	<u>38,570</u>
Total comprehensive income for the financial period	<u>61,964</u>	<u>110,025</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2025.

B9. The Operations of Islamic Banking (continued)

(a) Cash and short-term funds and deposits and placements with banks and other financial institutions

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
(i) Cash and balances with banks and other financial institutions	412,936	383,678
Money at call and deposit placements maturing within 1 month	563,236	617,620
	<u>976,172</u>	<u>1,001,298</u>
(ii) Deposits and placements with banks and other financial institutions with original maturity of more than one month	679,669	674,548
	<u>1,655,841</u>	<u>1,675,846</u>

(b) Financial assets at FVTPL

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
<u>In Malaysia</u>		
Private mandate investments	130,170	130,166
Malaysian Government Investment Issues	1,130,585	605,414
	<u>1,260,755</u>	<u>735,580</u>
Equity instruments		
Quoted securities:		
<u>In Malaysia</u>		
Shares	10,364	3,848
Unquoted securities:		
<u>In Malaysia</u>		
Redeemable convertible preference shares	14,157	5,257
	<u>24,521</u>	<u>9,105</u>
	<u>1,285,276</u>	<u>744,685</u>

(c) Financial investments at FVOCI

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
Malaysian Government Investment Issues	8,228,266	8,327,328
Debt securities		
<u>In Malaysia</u>		
Private and Islamic debt securities	5,028,336	4,670,575
Government Guaranteed debt securities	517,697	545,667
<u>Outside Malaysia</u>		
Other Government securities	759,506	793,010
	<u>6,305,539</u>	<u>6,009,252</u>
	<u>14,533,805</u>	<u>14,336,580</u>

B9. The Operations of Islamic Banking (continued)

(c) Financial investments at FVOCI (continued)

ECL movement for financial investments at FVOCI:

	Islamic Banking			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	564	-	-	564
Total reversal				
to profit or loss:	(67)	-	-	(67)
Change in credit risk	(67)	-	-	(67)
At 31 March 2026	497	-	-	497

	Islamic Banking			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	263	31	-	294
Total charged/(reversal) to profit or loss	301	(31)	-	270
New financial investments purchased during the year	343	-	-	343
Financial investments derecognised and repayment during the year	(48)	(5)	-	(53)
Change in credit risk	6	(26)	-	(20)
Written off	-	-	-	-
At 31 December 2025	564	-	-	564

(d) Financial investments at amortised cost

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
Malaysian Government Investment Issues	891,246	911,850
Unquoted securities		
<u>In Malaysia</u>		
Private and Islamic debt securities	1,848,490	2,061,653
Government Guaranteed corporate sukuk	65,519	65,865
	2,805,255	3,039,368
Less: ECL	(638)	(673)
	2,804,617	3,038,695

B9. The Operations of Islamic Banking (continued)

(d) Financial investments at amortised cost (continued)

ECL movement for financial investments at amortised cost:

	Islamic Banking			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	673	-	-	673
Total reversal to profit or loss	(35)	-	-	(35)
Changes in credit risk	(35)	-	-	(35)
At 31 March 2026	638	-	-	638

	Islamic Banking			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	1,065	71	-	1,136
Total reversal to profit or loss:	(392)	(71)	-	(463)
New financial investments purchased during the year	512	-	-	512
Financial investments derecognised and repayment during the year	(902)	-	-	(902)
Changes in credit risk	(2)	(71)	-	(73)
At 31 December 2025	673	-	-	673

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances

(i) By type and Shariah contract

	Islamic Banking				Total financing and advances RM'000
	Sale-based contract			Lease-based contract	
	Tawarruq RM'000	Bai' Bithaman Ajil RM'000	Commodity Murabahah RM'000	Al-Ijarah Thumma Al-Bai RM'000	
31-Mar-26					
At amortised cost					
Term financing	36,266,139	1,447,837	475,376	1,042,737	39,232,089
- Personal financing	17,593,629	77	-	-	17,593,706
- Property financing	9,822,608	1,392,510	-	-	11,215,118
- Islamic industrial hire purchase	-	-	-	735,940	735,940
- Bridging financing	378,193	-	-	-	378,193
- Auto financing	-	-	-	28,615	28,615
- Other term financing	4,751,845	55,250	240,982	278,182	5,326,259
- Syndicated term financing	3,719,864	-	234,394	-	3,954,258
Revolving credit	1,828,187	-	-	-	1,828,187
Trade finance	2,931,613	-	-	-	2,931,613
Cashline	394,055	-	-	-	394,055
Staff financing	34,655	-	23	1,844	36,522
Gross financing and advances	41,454,649	1,447,837	475,399	1,044,581	44,422,466
Less: ECL					(739,200)
Net financing and advances					<u>43,683,266</u>

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(i) By type and Shariah contract (continued)

	Islamic Banking				Total financing and advances RM'000
	Sale-based contract			Lease-based contract	
	Tawarruq RM'000	Bai' Bithaman Ajil RM'000	Commodity Murabahah RM'000	Al-Ijarah Thumma Al-Bai RM'000	
31-Dec-25					
At amortised cost					
Term financing	35,470,777	1,473,482	539,844	995,219	38,479,322
- Personal financing	17,733,669	76	-	-	17,733,745
- Property financing	9,668,885	1,413,482	-	-	11,082,367
- Islamic industrial hire purchase	-	-	-	679,483	679,483
- Bridging financing	399,295	-	-	-	399,295
- Auto financing	-	-	-	18,591	18,591
- Other term financing	4,451,483	59,924	285,331	297,145	5,093,883
- Syndicated term financing	3,217,445	-	254,513	-	3,471,958
Revolving credit	518,284	-	-	-	518,284
Trade finance	3,088,591	-	-	-	3,088,591
Cashline	372,567	-	-	-	372,567
Staff financing	36,103	-	25	1,936	38,064
Gross financing and advances	39,486,322	1,473,482	539,869	997,155	42,496,828
Less: ECL					(729,569)
Net financing and advances					<u>41,767,259</u>

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(ii) By residual contractual maturity

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Maturing within one year	4,499,279	4,822,170
One year to three years	3,673,796	2,265,689
Three years to five years	4,805,944	4,228,488
Over five years	31,443,447	31,180,481
	<u>44,422,466</u>	<u>42,496,828</u>

(iii) By type of customers

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Individuals:		
- Malaysian nationals	28,823,960	28,822,043
Foreign nationals	303,777	303,829
Domestic business enterprises:		
- Small medium enterprises	3,914,055	3,819,889
- Non-bank financial institutions	1,614,639	1,767,000
- Others	9,766,035	7,784,067
	<u>44,422,466</u>	<u>42,496,828</u>

(iv) By sector

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Household sectors	28,824,281	28,825,677
Construction	1,545,447	1,567,434
Finance, insurance, real estate and business services	5,338,109	3,775,633
Wholesale & retail trade and restaurants & hotels	1,950,878	2,020,667
Manufacturing	1,780,062	1,815,559
Education, health and others	435,269	400,603
Transport, storage and communications	2,905,336	2,679,307
Mining and quarrying	187,477	190,211
Electricity, gas and water	703,361	720,937
Agriculture	752,246	500,800
	<u>44,422,466</u>	<u>42,496,828</u>

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(v) By profit rate sensitivity

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Fixed rate:		
Personal financing	336,968	365,633
Bridging, syndicated and term financing	1,032,536	986,556
Property financing	287,989	294,256
Auto financing	6,371	5,349
Variable rate:		
Bridging, syndicated and term financing	14,515,968	12,639,364
Property financing	10,951,655	10,814,185
Personal financing	17,266,891	17,378,167
Auto financing	24,088	13,318
	<u>44,422,466</u>	<u>42,496,828</u>

(vi) By geographical distribution

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Malaysia	44,265,831	42,338,576
Outside Malaysia	156,635	158,252
	<u>44,422,466</u>	<u>42,496,828</u>

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(vii) Movement of ECL for financing and advances

	Islamic Banking			Total
	Stage 1	Stage 2	Stage 3	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	108,108	115,291	506,170	729,569
Total charged to profit or loss	5,405	3,794	66,478	75,677
Changes in the ECL due to transfer within stages:				
- Transfer to Stage 1	5,882	(5,837)	(45)	-
- Transfer to Stage 2	(3,670)	30,148	(26,478)	-
- Transfer to Stage 3	(1)	(17,196)	17,197	-
New financing during the year	22,205	1,147	79	23,431
Repayment during the period	(23,152)	(52,199)	(4,900)	(80,251)
Changes in credit risk	4,141	47,731	80,625	132,497
Write-offs	-	-	(66,046)	(66,046)
At 31 March 2026	113,513	119,085	506,602	739,200

* The changes to model assumptions and methodologies were in relation to the revision of Loss Given Default ("LGD") and Forward Looking ("FL") modelling.

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(vii) Movement of ECL for financing and advances (continued)

	Islamic Banking			Total RM'000
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	
At 1 January 2025	133,551	215,705	452,102	801,358
Total (reversal)/charged to profit or loss	(25,384)	(100,331)	396,125	270,410
Changes in the ECL due to transfer within stages:				
- Transfer to Stage 1	56,687	(55,869)	(818)	-
- Transfer to Stage 2	(26,785)	202,696	(175,911)	-
- Transfer to Stage 3	(329)	(104,269)	104,598	-
New financing during the year	67,299	2,731	102	70,132
Repayment during the year	(138,522)	(364,868)	(55,069)	(558,459)
Changes in credit risk	44,412	250,628	523,223	818,263
Changes to model assumptions and methodologies *	(28,146)	(31,380)	-	(59,526)
Write-offs	-	-	(341,699)	(341,699)
Others	(59)	(83)	(358)	(500)
At 31 December 2025	108,108	115,291	506,170	729,569

* The changes to model assumptions and methodologies were in relation to the revision of Loss Given Default ("LGD") and Forward Looking ("FL") modelling.

B9. The Operations of Islamic Banking (continued)

(e) Financing and advances (continued)

(viii) Movement of impaired financing and advances

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Balance as at 1 January	2,401,195	1,935,708
Classified as impaired during the period/ year	191,502	1,267,261
Reclassified as non-impaired	(69,315)	(402,182)
Amount recovered	(50,723)	(121,707)
Other movements	20,119	78,251
Amount written off	(69,526)	(356,136)
Balance at end of period/year	<u>2,423,252</u>	<u>2,401,195</u>
Less: ECL stage 3	<u>(506,602)</u>	<u>(506,170)</u>
	<u>1,916,650</u>	<u>1,895,025</u>
Net impaired as a percentage of net financing and advances	<u>4.39%</u>	<u>4.54%</u>
Gross impaired as a percentage of gross financing and advances	<u>5.46%</u>	<u>5.65%</u>

(f) Other receivables

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Financing to related companies	381,748	374,512
Amount due from holding company	23,736	11,862
Amount due from related companies	-	510
Foreclosed properties	36,006	36,006
Prepayments	19,003	30,350
Deposits	3,766	3,855
Fee receivables	4,570	5,704
Collateral pledged for derivatives transactions	29,178	4,702
Sundry receivables	164,621	30,526
Settlement accounts	91,045	119,506
Deferred expenses	99,351	92,116
Amount due from brokers and clients	2,574	5,113
Amount due from borrowing and government grant	26,743	3,995
Amount due from GSF	27,417	26,082
Amount due from MIDF	3,653	20,516
	<u>913,411</u>	<u>765,355</u>
Less: ECL	<u>(2,793)</u>	<u>(2,744)</u>
	<u>910,618</u>	<u>762,611</u>

B9. The Operations of Islamic Banking (continued)

(g) Deposits from customers

(i) By type of deposit:

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Commodity Murabahah Term Deposits	33,276,298	31,681,264
Demand deposits	5,510,639	6,129,119
Savings deposits	623,308	563,425
	<u>39,410,245</u>	<u>38,373,808</u>

(ii) Maturity structure of term deposits are as follows:

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within six months	23,822,291	22,100,933
More than six months to one year	7,192,549	7,327,666
More than one year to three years	2,226,522	2,196,700
More than three years	34,936	55,965
	<u>33,276,298</u>	<u>31,681,264</u>

(iii) By type of customers:

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Government and statutory bodies	13,375,892	14,258,239
Business enterprises	15,871,318	13,952,829
Individuals	10,163,035	10,162,740
	<u>39,410,245</u>	<u>38,373,808</u>

B9. The Operations of Islamic Banking (continued)

(h) Deposits and placements of banks and other financial institutions

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
<u>Amortised cost</u>		
Licensed investment banks	92,466	156,492
Licensed commercial banks	21,513	26,062
Licensed islamic banks	401,859	772,301
Other financial institutions	5,821,927	5,030,141
	<u>6,337,765</u>	<u>5,984,996</u>
<u>At fair value through profit and loss</u>		
Structured deposits linked to profit rate derivatives	150,821	100,750
Fair value changes arising from designation at fair value through profit or loss	(102)	(58)
	<u>6,488,484</u>	<u>6,085,688</u>

The maturity structure of deposits and placements of banks and other financial institutions is as follows:

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within six months	6,146,744	5,906,777
More than six months to one year	190,919	78,118
More than one year to three years	102	101
More than three years	150,719	100,692
	<u>6,488,484</u>	<u>6,085,688</u>

(i) Investment accounts of customers

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Mudharabah unrestricted investment account	1,385,622	1,386,049

The investment account placements were used for fund personal financing.

(i) By type of customers

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Individual	1,385,622	1,386,049

B9. The Operations of Islamic Banking (continued)

(i) Investment accounts of customers (continued)

(ii) Movement of investment accounts of customers:

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Balance as at 1 January	1,386,049	560,928
New placement during the period/year	372,997	1,565,311
Redemption	(372,908)	(765,007)
Finance expense	12,892	47,473
Profit distributed	(13,408)	(22,656)
At end of financial period/year	<u>1,385,622</u>	<u>1,386,049</u>

(iii) By maturity

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Due within six months	24,168	8,441
More than six months to one year	1,361,062	1,377,105
More than one year to two years	392	503
	<u>1,385,622</u>	<u>1,386,049</u>

(iv) Rate of Return ("ROR") and Profit sharing ratio based on residual maturity

	Investment Account		Average Profit sharing	
	Holder Average ROR		ratio	
	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25
	%	%	%	%
Unrestricted investment accounts:				
Due within three months	5.83	5.05	79.12	67.73
More than three months				
to one year	5.40	5.22	73.36	70.02
More than one year to two years	6.19	6.00	84.10	80.44

B9. The Operations of Islamic Banking (continued)

(j) Other payables

	Islamic Banking	
	31-Mar-26	31-Dec-25
	RM'000	RM'000
Amount due to related entities	331,026	319,154
Amount due to holding company	-	112
Amount due to brokers and clients	2,563	5,097
Amount due to Government Scheme Funds	55,187	61,463
Sundry creditors	233,108	153,440
ECL for commitments and contingencies and financial guarantees	(a) 13,965	12,980
Deferred income	28,373	28,567
Other provisions and accruals	28,912	54,265
	693,134	635,078

(a) ECL for commitments and contingencies and financial guarantees

Movement of ECL for commitments and contingencies and financial guarantees are as follows:

	Islamic Banking			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	9,912	509	2,559	12,980
Total (reversal)/charged to profit or loss	(1,059)	1,666	380	987
Changes in ECL due to transfer within stages:				
- Transfer to Stage 1	67	(67)	-	-
- Transfer to Stage 2	(304)	505	(201)	-
- Transfer to Stage 3	-	(26)	26	-
New financing during the period	983	3	-	986
Derecognised/converted to financing during the period	(645)	(40)	-	(685)
Changes in credit risk	(1,160)	1,291	555	686
Write-offs	-	-	(2)	(2)
At 31 March 2026	8,853	2,175	2,937	13,965

B9. The Operations of Islamic Banking (continued)

(j) Other payables (continued)

(a) ECL for commitments and contingencies and financial guarantees (continued)

Movement of ECL for commitments and contingencies and financial guarantees are as follows (continued):

	Islamic Banking			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	15,439	2,598	1,474	19,511
Total (reversal)/charged to profit or loss	(5,527)	(2,089)	1,087	(6,529)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 1	179	(87)	(92)	-
- Transfer to Stage 2	(412)	615	(203)	-
- Transfer to Stage 3	(200)	(64)	264	-
New financing during the year	3,351	44	-	3,395
Derecognised/converted to financing during the year	(4,277)	(2,217)	(68)	(6,562)
Changes in credit risk	142	(247)	1,186	1,081
Changes to model assumptions and methodologies *	(4,310)	(133)	-	(4,443)
Write-offs	-	-	(2)	(2)
At 31 December 2025	9,912	509	2,559	12,980

* The changes to model assumptions and methodologies were in relation to the revision of Loss Given Default ("LGD") and Forward Looking ("FL") modelling.

B10. Authorisation for issue

The unaudited interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

BY ORDER OF THE BOARD

Koh Ai Hoon (MAICSA 7006997)
Practicing Certificate No.: 202308000225

Pauline Ng Peck Kun (MAICSA 7029550)
Practicing Certificate No.: 201908002573

Company Secretaries
Petaling Jaya

28 May 2026