



**MALAYSIA BUILDING SOCIETY BERHAD (MBSB)**  
Registration No.197001000172 (9417-K)

**MEDIA RELEASE**

**For Immediate Release**

## **MBSB REGISTERED AN IMPROVED PROFIT AFTER TAX (PAT) OF RM460.19 MILLION IN FYE22**

### **Highlights**

- Profit After Tax (PAT) improved by 4.90% to RM460.19 million in FYE22 against RM438.71 million in FYE21
- Total Assets is higher by 8.42% in FYE22 at RM54.95 billion in FYE22 compared to RM50.68 billion in FYE21

**Petaling Jaya, 23 February 2023:** Malaysia Building Society Berhad ('MBSB' or 'The Group') today announced its financial performance for the financial year ended 31 December 2022 (FYE22).

The Group demonstrated a resilient performance by reporting a Net Profit of RM460.19 million in FYE22. The improvement in profit which is RM21.48 million or 4.90% higher than RM438.71 million in previous year was attributed to lower modification loss following the end of moratorium under repayment assistance programme. The Group earned RM2.64 billion revenue in FYE22, compared to RM2.62 billion in FYE21.

According to its Group Chief Executive Officer, Datuk Nor Azam M. Taib, "Our deposits advanced to RM36.5 billion in FYE22 against RM33.3 billion in FYE21 mainly contributed by current and savings account (CASA-i) from retail customers and CASA ratio grew to 6.2% in FYE22. Our financing segment grew by 6.6% in FYE22 which is the highest since 2018, driven by corporate financing at 19.7% and property financing at 14.8%."

He added, “This was the highest profit after tax we have achieved in three years which signals the efficacy of the Group’s strategic business plan. We aim to grow our financing by 7%-8% this year as the financial sector benefits from the current domestic economic landscape.”

### Total Assets

The Group’s total assets stood at RM54.95 billion in FYE22, 8.42% higher against RM50.68 billion in FYE21 due to the increase in financing.

### Profitability Ratio

The Group saw an increase in Return on Equity (ROE) to 5.22 % in FYE2022 against 5.00% in FYE21. Meanwhile, Return on Assets (ROA) stood at 0.87% in FYE22 against 0.89% in FYE21 as a result of margin compression following four overnight policy rate (OPR) hikes in 2022 despite an expanded asset base.

### Capital Adequacy

Capital Equity Tier-1 (CET-1) improved to 21.86% in FYE22 against 21.50% in FYE21.

### Recent Development

In November 2022, MBSB was classified as a shariah compliant security. The Group received recognition in its sustainability efforts and is currently included in the FTSE4Good Bursa Shariah Index.

Additionally, 2022 has been a fruitful year for the Group where its wholly owned subsidiary, MBSB Bank, signed several memorandum of understanding (MOU) with reputable organisations across various industries such as telecommunications (CelcomDigi), real estate (59 Inc Sdn Bhd), Takaful IKHLAS and government agencies such as PTPTN, Waqaf FELDA and Universiti Teknologi MARA.

The Bank’s partnership with CelcomDigi will see the telecommunications player as a smart banking care distribution and solutions infrastructure provider to MBSB Bank in services comprising cloud technology, SME collaboration and cyber security solution, amongst other services.

### Moving forward strategy

The Group is pursuing a four-pronged strategy to grow its financing by 7%-8% by the end of the year. The strategy includes plans to increase market share in corporate and property financing, expand its footing in SME financing, particularly amongst businesses involving agriculture and food manufacturing as well as prioritising its CASA-i to fund the financing growth.

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**About Malaysia Building Society Berhad (MBSB)**

*The origins of Malaysia Building Society Berhad (MBSB) can be traced back to the Federal and Colonial Building Society Limited incorporated in 1950. In 1956, it changed its name to Malaya Borneo Building Society Limited (MBBS), with the Malaysian government as its major shareholder. MBBS was then listed on the Stock Exchange of Malaysia and Singapore in August 1963. The company was incorporated in Malaysia under the Companies Act 1965 on 17 March 1970, before it was listed on Kuala Lumpur Stock Exchange on 14 March 1972. On 6 November 2017, MBSB entered into the Share Purchase Agreement with shareholders of Asian Finance Bank Berhad (AFB) for the proposed acquisition by MBSB of the entire equity interest in AFB. The Shareholders also approved the transfer of Shariah Compliant Assets and Liabilities of MBSB to AFB via a Members' Scheme of Arrangement. Pursuant to the abovesaid approval and upon completion of the transfer of shares and payment of the balance of the purchase consideration to the Vendors, AFB became a wholly owned subsidiary of MBSB on 7 February 2018. AFB undertook a rebranding exercise and on 2 April 2018 it changed its name to MBSB Bank Berhad (MBSB Bank).*

**CORPORATE STRUCTURE**



**MALAYSIA BUILDING SOCIETY BERHAD**

**REGISTRATION NO: 197001000172**

**FINANCIAL HOLDING COMPANY**



**MBSB BANK BERHAD**

**REGISTRATION NO: 200501033981**

**100% OWNED BY MBSB**