

MEDIA RELEASE
For Immediate Release

MBSB GROUP REPORTS GROWTH ACROSS KEY METRICS FOR Q3 2024

Petaling Jaya, 26 November 2024 – MBSB Group has announced its financial results for the third quarter ended 30 September 2024, reflecting steady growth across key financial metrics. The results highlight the Group’s disciplined approach to navigating a dynamic operating environment while maintaining its focus on sustainable growth and operational efficiency.

For the nine months ended 30 September 2024, MBSB Group recorded revenue of RM2.8 billion, an improvement from RM2.1 billion during the same period last year, reflecting a strong 33% year-on-year increase. This growth was driven by a combination of funded and non-funded income. Funded income reached RM1.1 billion, an increase of RM298 million from the previous year, supported by higher financing income and treasury income. Meanwhile, non-funded income saw a significant rise to RM145 million, up from RM37 million, attributed to improvements in advisory services, fee income, gain on financial investments and contributions from MIDF.

MBSB Group achieved an improved net profit margin of 2.55% compared to 1.96% in the same quarter last year, showcasing the Group’s effective revenue and cost management strategies. The cost-to-income ratio (CIR) for the period under review was 55.4%, an improvement as compared to 57.6% in the same period of last year.

The Group’s pre-provision operating profit grew by 56% year-on-year, rising from RM353 million in 9M 2023 to RM552 million in 9M 2024, driven by better yields and efficient cost management. Profit after tax increased to RM255 million, a 34% improvement from RM191 million in 9M 2023, with robust performance across all business segments.

The financing portfolio expanded to RM43.1 billion as of September 2024, marking a 2.6% growth from RM42.0 billion in December 2023. This increase was primarily driven by a 9.8% growth in the mortgage business and a 13.5% rise in commercial financing.

The Gross Impaired Financing Ratio improved from 7.3% in December 2023 to 6.7% in September 2024, highlighting enhanced asset quality and risk management. The CASA ratio also showed notable progress, increasing from 6.2% in December 2023 to 8.8% in September 2024, largely attributed to strong growth in commercial deposits.

MBSB continues to maintain a strong capital position, with its total capital ratio supporting ongoing asset growth. As of 30 September 2024, the Group’s Common Equity Tier 1 (CET1)/Tier 1 capital ratio and Total Capital ratio were 20.0% and 23.9% respectively. The Group’s Liquidity Coverage ratio remains aligned with prudent balance sheet management, ensuring adequate buffers to meet both regulatory requirements and operational needs.

Group Chief Executive Officer, Rafe Haneef remarked on the results, saying, “We are encouraged by our financial results for the third quarter of 2024, which reflect steady progress. Our FLIGHT26

strategy is taking shape, and we're beginning to see how the collaboration between MBSB Bank and MIDF strengthens our ability in building a more resilient and diversified group."

He added, "While there's still work to be done, the growth in revenue and profitability shows that our focus on optimising the balance sheet and managing costs is on the right track. Moving forward, we aim to build on this momentum, ensuring that we stay true to our commitment of offering innovative, customer-centric financial solutions while maintaining strong fundamentals."

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About MBSB Berhad

MBSB (formerly known as Malaysia Building Society Berhad) has been a vital contributor of the nation's financial services industry and economic development for more than 70 years. MBSB is also the financial holding company of MBSB Bank Berhad (MBSB Bank) and Malaysian Industrial Development Finance Berhad (MIDF). MBSB Bank is a progressive Islamic Bank that offers Shariah compliant banking facilities to retail, SME and corporate customers while MIDF is a financial services provider focusing on investment banking, development finance, and asset management.