

UNITED OVERSEAS BANK (MALAYSIA) BHD
Company No. 199301017069 (271809K)
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
30 JUNE 2026

Domiciled in Malaysia
Registered Office:
Level 22, UOB Plaza 1
No. 7, Jalan Raja Laut,
50350 Kuala Lumpur

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

		Group		Bank	
	Note	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds	11	7,746,990	4,832,375	7,746,990	4,832,375
Deposits and placements with financial institutions	12	649,886	349,939	649,886	349,939
Securities purchased under resale agreements		1,899,873	1,167,747	1,899,873	1,167,747
Financial assets at fair value through profit or loss ("FVTPL")	13	7,234,014	7,223,742	7,234,014	7,223,742
Debt instruments at fair value through other comprehensive income ("FVOCI")	14	21,767,596	22,134,246	21,767,596	22,134,246
Equity instruments at fair value through other comprehensive income ("FVOCI")	15	161,590	159,824	161,590	159,824
Debt Instruments at amortised cost	16	9,504,633	9,902,398	9,504,633	9,902,398
Loans, advances and financing	17	114,665,668	110,204,144	115,052,506	110,594,779
Derivative financial assets	18	3,292,295	2,301,775	3,292,295	2,301,775
Other assets	19	2,675,208	2,035,470	2,700,450	2,047,480
Statutory deposits with Bank Negara Malaysia		988,000	828,000	988,000	828,000
Investment in subsidiaries		-	-	270,020	270,020
Investment in an associate		418	418	4,758	4,758
Property, plant and equipment		1,469,022	1,477,758	671,264	671,313
Right-of-use assets		57,637	67,467	568,487	574,785
Intangible assets	20	433,524	440,074	433,524	440,074
Deferred tax assets		429,384	374,506	420,145	365,268
TOTAL ASSETS		172,975,738	163,499,883	173,366,031	163,868,523
LIABILITIES					
Deposits from customers	21	124,090,881	121,308,891	124,117,809	121,325,852
Deposits and placements of banks and other financial institutions	22	19,763,519	15,337,541	19,763,539	15,337,561
Obligations on securities sold under repurchase agreements		3,390,352	1,632,552	3,390,352	1,632,552
Bills and acceptances payable		228,421	206,992	228,421	206,992
Derivative financial liabilities	18	2,258,800	2,576,589	2,258,800	2,576,589
Other liabilities	23	5,016,452	4,407,576	5,009,940	4,398,405
Lease liabilities		67,056	76,402	638,307	637,606
Tax payable		201,224	32,809	202,785	34,021
Subordinated bonds/sukuk	24	2,250,000	2,250,000	2,250,000	2,250,000
Deferred tax liabilities		38,565	38,565	-	-
TOTAL LIABILITIES		157,305,270	147,867,917	157,859,953	148,399,578

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION (Cont'd.)
AS AT 30 JUNE 2026

		Group		Bank	
	Note	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
		RM'000	RM'000	RM'000	RM'000
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK					
Share capital		792,555	792,555	792,555	792,555
Reserves		14,877,913	14,839,411	14,713,523	14,676,390
TOTAL EQUITY		15,670,468	15,631,966	15,506,078	15,468,945
TOTAL LIABILITIES AND EQUITY		172,975,738	163,499,883	173,366,031	163,868,523
COMMITMENTS AND CONTINGENCIES	33	505,668,911	392,097,027	505,759,010	392,183,127

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

Group	Note	Second Quarter Ended		Six Months Ended	
		30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Operating revenue	25	2,325,400	2,292,556	4,612,771	4,553,222
Interest income	26	1,671,211	1,663,574	3,324,187	3,310,003
Interest expense	27	(878,767)	(890,355)	(1,733,960)	(1,774,962)
Net interest income		792,444	773,219	1,590,227	1,535,041
Net income from Islamic					
Banking operations	37	51,882	44,738	106,777	90,141
Other operating income	28	398,323	394,404	774,204	800,678
Operating income		1,242,649	1,212,361	2,471,208	2,425,860
Other operating expenses	29	(608,070)	(584,072)	(1,165,231)	(1,151,711)
Operating profit before allowance for expected credit losses ("ECL")		634,579	628,289	1,305,977	1,274,149
(Allowance for)/write-back of ECL on:					
- Loans, advances and financing	30	(112,940)	97,162	(161,891)	66,282
- Other financial assets	30	3,670	14,583	9,950	24,849
- Commitments and contingencies	30	25,845	(14,874)	32,265	25,769
Profit before taxation		551,154	725,160	1,186,301	1,391,049
Income tax expense		(134,748)	(175,787)	(289,178)	(335,982)
Profit for the financial period attributable to equity holders of the Bank		416,406	549,373	897,123	1,055,067
Basic/diluted earnings per share (sen)		88.6	116.9	190.9	224.5

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

Bank	Note	Second Quarter Ended		Six Months Ended	
		30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Operating revenue	25	2,328,964	2,296,165	4,620,849	4,560,810
Interest income	26	1,675,752	1,667,596	3,333,172	3,317,800
Interest expense	27	(883,907)	(894,971)	(1,744,395)	(1,783,665)
Net interest income		791,845	772,625	1,588,777	1,534,135
Net income from Islamic					
Banking operations	37	51,882	44,738	106,777	90,141
Other operating income	28	397,344	394,016	773,309	800,520
Operating income		1,241,071	1,211,379	2,468,863	2,424,796
Other operating expenses	29	(607,741)	(583,654)	(1,164,453)	(1,149,747)
Operating profit before allowance for ECL		633,330	627,725	1,304,410	1,275,049
(Allowance for)/write-back of ECL on:					
- Loans, advances and financing	30	(113,420)	96,647	(161,649)	65,752
- Other financial assets	30	3,642	14,609	9,906	24,862
- Commitments and contingencies	30	25,845	(14,874)	32,265	25,769
Profit before taxation		549,397	724,107	1,184,932	1,391,432
Income tax expense		(134,748)	(175,787)	(289,178)	(335,982)
Profit for the financial period attributable to equity holders of the Bank		414,649	548,320	895,754	1,055,450
Basic/diluted earnings per share (sen)		88.2	116.7	190.6	224.6

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Profit for the financial period	416,406	549,373	897,123	1,055,067
<i>Other comprehensive income/(loss):</i>				
<u>Items that may be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in debt instruments at FVOCI	37,645	90,594	(190,293)	98,896
Income tax effect	(9,035)	(21,742)	45,670	(23,735)
	28,610	68,852	(144,623)	75,161
<u>Items that will not be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in equity instruments at FVOCI	1,766	(14,187)	1,766	(14,337)
Gain on disposal of equity instruments at FVOCI	-	798	-	798
Income tax effect	(424)	3,405	(424)	3,441
	1,342	(9,984)	1,342	(10,098)
Other comprehensive income/(loss) for the financial period, net of tax	29,952	58,868	(143,281)	65,063
Total comprehensive income for the financial period attributable to equity holders	446,358	608,241	753,842	1,120,130

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

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UNITED OVERSEAS BANK (MALAYSIA) BHD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Bank				
Profit for the financial period	414,649	548,320	895,754	1,055,450
<i>Other comprehensive income/(loss):</i>				
<u>Items that may be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in debt instruments at FVOCI	37,645	90,594	(190,293)	98,896
Income tax effect	(9,035)	(21,742)	45,670	(23,735)
	28,610	68,852	(144,623)	75,161
<u>Items that will not be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in equity instruments at FVOCI	1,766	(14,187)	1,766	(14,337)
Gain on disposal of equity instruments at FVOCI	-	798	-	798
Income tax effect	(424)	3,405	(424)	3,441
	1,342	(9,984)	1,342	(10,098)
Other comprehensive income/(loss) for the financial period, net of tax	29,952	58,868	(143,281)	65,063
Total comprehensive income for the financial period attributable to equity holders	444,601	607,188	752,473	1,120,513

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

Group	Non-distributable		Distributable		Total RM'000
	Share capital RM'000	Revaluation reserves RM'000	FVOCI reserve RM'000	Retained profits RM'000	
At 1 January 2026	792,555	271,914	159,713	14,407,784	15,631,966
Profit for the financial period	-	-	-	897,123	897,123
Other comprehensive loss	-	-	(143,281)	-	(143,281)
Total comprehensive income for the financial period	-	-	(143,281)	897,123	753,842
Transactions with shareholders:					
Dividend paid					
- Final dividend for the financial year ended 31 December 2025	-	-	-	(715,340)	(715,340)
At 30 June 2026	792,555	271,914	16,432	14,589,567	15,670,468

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

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CONDENSED INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

Group (cont'd.)	Non-distributable		FVOCI reserve RM'000	Distributable	Total RM'000
	Share capital RM'000	Revaluation reserves RM'000		Retained profits RM'000	
At 1 January 2025	792,555	233,477	92,062	13,902,695	15,020,789
Profit for the financial period	-	-	-	1,055,067	1,055,067
Other comprehensive income	-	-	65,063	-	65,063
Total comprehensive income for the financial period	-	-	65,063	1,055,067	1,120,130
Transfer upon disposal of equity instruments at FVOCI	-	-	(798)	798	-
Transaction with shareholders:					
Dividend paid					
- Final dividend for the financial year ended 31 December 2024	-	-	-	(916,970)	(916,970)
At 30 June 2025	792,555	233,477	156,327	14,041,590	15,223,949

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

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CONDENSED INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

Bank	Share capital RM'000	Non- distributable FVOCI reserve RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 January 2026	792,555	152,810	14,523,580	15,468,945
Profit for the financial period	-	-	895,754	895,754
Other comprehensive loss	-	(143,281)	-	(143,281)
Total comprehensive income for the financial period	-	(143,281)	895,754	752,473
Transactions with shareholders:				
Dividend paid				
- Final dividend for the financial year ended 31 December 2025	-	-	(715,340)	(715,340)
At 30 June 2026	792,555	9,529	14,703,994	15,506,078

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

Bank (cont'd.)	Share capital RM'000	Non- distributable FVOCI reserve RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 January 2025	792,555	85,159	14,055,169	14,932,883
Profit for the financial period	-	-	1,055,450	1,055,450
Other comprehensive income	-	65,063	-	65,063
Total comprehensive income for the financial period	-	65,063	1,055,450	1,120,513
Transfer upon disposal of equity instruments at FVOCI	-	(798)	798	-
Transaction with shareholders:				
Dividend paid				
- Final dividend for the financial year ended 31 December 2024	-	-	(916,970)	(916,970)
At 30 June 2025	792,555	149,424	14,194,447	15,136,426

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

	Group		Bank	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	1,186,301	1,391,049	1,184,932	1,391,432
Adjustments for non-operating and non-cash items	(739,356)	(824,963)	(722,946)	(810,049)
Operating profit before working capital changes	446,945	566,086	461,986	581,383
Changes in working capital:				
Net changes in operating assets	(7,043,698)	(1,794,197)	(7,052,935)	(1,895,966)
Net changes in operating liabilities	9,594,074	3,813,345	9,606,700	3,831,599
Tax paid	(130,394)	(169,895)	(130,045)	(168,781)
Net cash generated from operating activities	2,866,927	2,415,339	2,885,706	2,348,235
Net cash generated from/(used in) investing activities	1,074,368	(1,405,722)	1,075,561	(1,320,791)
Net cash used in financing activities	(726,268)	(929,465)	(746,240)	(947,292)
Net increase in cash and cash equivalents	3,215,027	80,152	3,215,027	80,152
Cash and cash equivalents at beginning of the financial period	5,183,877	6,607,376	5,183,877	6,607,376
Cash and cash equivalents at end of the financial period before allowance for ECL	8,398,904	6,687,528	8,398,904	6,687,528
Analysis of cash and cash equivalents				
Cash and short-term funds	7,748,904	6,687,528	7,748,904	6,687,528
Deposits and placements with financial institutions	650,000	-	650,000	-
	8,398,904	6,687,528	8,398,904	6,687,528
Less: Allowance for ECL	(2,028)	(1,982)	(2,028)	(1,982)
	8,396,876	6,685,546	8,396,876	6,685,546

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

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
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EXPLANATORY NOTES

1. BASIS OF PREPARATION

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").

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank 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 positions and performance of the Group and of the Bank since the financial year ended 31 December 2025.

The unaudited condensed interim financial statements of the Group include Islamic Banking operations. Islamic Banking operations refer generally to the acceptance of deposits, granting of financing, and dealing in Islamic securities under the Shariah Principles.

The material accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2025, except for the adoption of the following amendments to Malaysia Financial Reporting Standards ("MFRSs").

	Effective for annual periods beginning on or after
Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Annual improvements to MFRS Standards (Volume 11)	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to MFRS 121)	1 January 2027

Effective for financial periods to be determined by the MASB

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
(Amendments to MFRS 10 and MFRS 128)

The adoption of the above amendments to the MFRSs are not expected to have any material financial impact on the Group's and the Bank's financial statements, except for MFRS 18 *Presentation and Disclosure in Financial Statements* and MFRS 19 *Subsidiaries without Public Accountability: Disclosures*, for which the Group is currently in the midst of assessing the potential impact on the Group's and the Bank's financial statements upon their effective dates.

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UNITED OVERSEAS BANK (MALAYSIA) BHD
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EXPLANATORY NOTES

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2025 was not subject to any qualification.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The business operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group and of the Bank for the financial period ended 30 June 2026.

5. CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial year that have a material effect on the financial results and position of the Group and of the Bank for the financial period ended 30 June 2026.

6. DEBT AND EQUITY SECURITIES

There were no material issuances of shares, share buy-backs and repayment or disposal of debt and equity securities by the Group and the Bank during the financial period ended 30 June 2026.

7. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost/valuation less accumulated depreciation and accumulated impairment losses. There was no change in the valuation of property, plant and equipment that was brought forward from the previous audited financial statements for the financial year ended 31 December 2025.

8. DIVIDENDS

The Board of Directors has proposed a single-tier interim dividend of 133.4 sen per share for the financial period ended 30 June 2026. The proposed interim dividend, amounting to RM626,980,000, is subject to approval and has not been reflected in the financial statements for the financial period ended 30 June 2026.

A final single-tier dividend of 152.2 sen per share in respect of the financial year ended 31 December 2025 amounting to RM715,340,000 was paid in April 2026.

9. EVENTS SUBSEQUENT TO THE REPORTING DATE

There were no material events subsequent to the end of the reporting period that require disclosure or adjustments to the unaudited condensed interim financial statements.

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the financial period ended 30 June 2026.

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UNITED OVERSEAS BANK (MALAYSIA) BHD
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EXPLANATORY NOTES

11. CASH AND SHORT-TERM FUNDS

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Cash and balances with banks and other financial institutions	3,744,305	1,780,877
Money at call and deposit placements maturing within one month	4,004,599	3,053,000
	7,748,904	4,833,877
Less: Allowance for ECL	(1,914)	(1,502)
	7,746,990	4,832,375

Movements in the allowance for ECL on cash and short-term funds are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
Group and Bank		impaired	impaired	Total ECL
As at 30 June 2026	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	1,502	-	-	1,502
Allowance made	1,430	-	-	1,430
Maturity/settlement/repayment	(1,030)	-	-	(1,030)
Exchange differences	12	-	-	12
Net total	412	-	-	412
At 30 June 2026	1,914	-	-	1,914
As at 31 December 2025				
At 1 January 2025	17,980	-	-	17,980
Allowance made	889	-	-	889
Maturity/settlement/repayment	(16,475)	-	-	(16,475)
Exchange differences	(892)	-	-	(892)
Net total	(16,478)	-	-	(16,478)
At 31 December 2025	1,502	-	-	1,502

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EXPLANATORY NOTES

12. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Licensed banks in Malaysia	650,000	350,000
Less: Allowance for ECL	(114)	(61)
	649,886	349,939

Movements in the allowance for ECL on deposits and placements with financial institutions are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
		RM'000	RM'000	RM'000
Group and Bank				
As at 30 June 2026				
At 1 January 2026	61	-	-	61
Allowance made	114	-	-	114
Maturity/settlement/repayment	(61)	-	-	(61)
Net total	53	-	-	53
At 30 June 2026	114	-	-	114
As at 31 December 2025				
At 1 January 2025	57	-	-	57
Allowance made	61	-	-	61
Maturity/settlement/repayment	(57)	-	-	(57)
Net total	4	-	-	4
At 31 December 2025	61	-	-	61

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Money market instruments		
Malaysian Government securities	542,736	723,069
Negotiable instruments of deposits	1,800,019	1,750,082
Foreign Government securities	272	-
	2,343,027	2,473,151
Debt securities in Malaysia		
Cagamas bonds	1,599,850	1,645,275
Private debt securities	3,291,137	3,105,316
	4,890,987	4,750,591
Total financial assets at FVTPL	7,234,014	7,223,742

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14. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Money market instruments		
Malaysian Government securities	17,823,382	17,729,023
Negotiable instruments of deposits	200,025	800,036
Foreign Government securities	1,593,255	1,633,998
	19,616,662	20,163,057
Debt securities in Malaysia		
Private debt securities	2,150,934	1,971,189
Total debt instruments at FVOCI	21,767,596	22,134,246

Movements in the allowance for ECL on debt instruments at FVOCI are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	Total ECL
Group and Bank		impaired	impaired	
As at 30 June 2026	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	8,736	590	-	9,326
Allowance made	1,120	-	-	1,120
Maturity/settlement/repayment	(6,929)	(449)	-	(7,378)
Net total	(5,809)	(449)	-	(6,258)
At 30 June 2026	2,927	141	-	3,068
As at 31 December 2025				
At 1 January 2025	1,869	61	-	1,930
Allowance made	8,229	569	-	8,798
Maturity/settlement/repayment	(1,362)	(40)	-	(1,402)
Net total	6,867	529	-	7,396
At 31 December 2025	8,736	590	-	9,326

15. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Unquoted securities		
Shares of corporations in Malaysia	161,590	159,824
	161,590	159,824

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16. DEBT INSTRUMENTS AT AMORTISED COST

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Money market instruments		
Malaysian Government securities	6,668,798	6,666,114
Less: Allowance for ECL	(584)	(582)
	6,668,214	6,665,532
Debt securities in Malaysia		
Private debt securities/sukuk	2,855,100	3,261,058
Less: Allowance for ECL	(18,681)	(24,192)
	2,836,419	3,236,866
Total debt instruments at amortised cost	9,504,633	9,902,398

Movements in the allowance for ECL on debt instruments at amortised cost are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
Group and Bank		impaired	impaired	Total ECL
As at 30 June 2026	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	16,746	8,028	-	24,774
Transferred to Stage 2	(122)	122	-	-
Net remeasurement of allowance	-	374	-	374
Allowance made	940	21	-	961
Maturity/settlement/repayment	(3,088)	(3,756)	-	(6,844)
Net total	(2,270)	(3,239)	-	(5,509)
At 30 June 2026	14,476	4,789	-	19,265
As at 31 December 2025				
At 1 January 2025	8,163	8,671	-	16,834
Transferred to Stage 2	7,690	(7,690)	-	-
Net remeasurement of allowance	(3,183)	-	-	(3,183)
Allowance made	11,293	7,590	-	18,883
Maturity/settlement/repayment	(7,217)	(543)	-	(7,760)
Net total	8,583	(643)	-	7,940
At 31 December 2025	16,746	8,028	-	24,774

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17. LOANS, ADVANCES AND FINANCING

	Group		Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
At amortised cost				
Overdrafts	2,675,298	2,799,393	2,675,298	2,799,393
Term loans/financing:				
- Housing loans/financing	42,637,620	41,826,517	42,637,620	41,826,517
- Syndicated term loans/financing	5,101,299	4,674,649	5,101,299	4,674,649
- Other term loans/financing	33,332,230	32,663,416	33,721,427	33,056,651
Credit card receivables	10,213,783	10,280,056	10,213,783	10,280,056
Bills receivables	273,625	417,424	273,625	417,424
Trust receipts	9,276,124	8,322,417	9,276,124	8,322,417
Claims on customers under acceptance credits	5,865,971	5,703,755	5,865,971	5,703,755
Revolving credits	7,744,984	5,946,729	7,744,984	5,946,729
Staff loans	136,956	133,930	136,956	133,930
	117,257,890	112,768,286	117,647,087	113,161,521
Unearned interest/profit	(182,243)	(210,357)	(182,243)	(210,357)
Gross loans, advances and financing	117,075,647	112,557,929	117,464,844	112,951,164
Allowance for ECL on loans, advances and financing:				
- Stage 1 - 12 month ECL	(770,084)	(709,242)	(772,443)	(711,842)
- Stage 2 - Lifetime ECL non credit-impaired	(882,934)	(896,403)	(882,934)	(896,403)
- Stage 3 - Lifetime ECL credit-impaired	(756,961)	(748,140)	(756,961)	(748,140)
Net loans, advances and financing	114,665,668	110,204,144	115,052,506	110,594,779

(i) Gross loans, advances and financing by remaining contractual maturity are as follows:

	Group		Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Maturing within one year	38,782,138	36,364,875	39,171,335	36,758,110
One year to three years	7,458,028	5,703,224	7,458,028	5,703,224
Three years to five years	8,506,491	9,906,236	8,506,491	9,906,236
Over five years	62,328,990	60,583,594	62,328,990	60,583,594
	117,075,647	112,557,929	117,464,844	112,951,164

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17. LOANS, ADVANCES AND FINANCING (Cont'd.)

(ii) Gross loans, advances and financing by type of customers are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Domestic non-banking financial institutions:				
- Others	2,629,046	1,962,692	2,629,046	1,962,692
Domestic business enterprises:				
- Small and medium enterprises	23,138,902	23,047,653	23,138,902	23,047,653
- Others	27,779,353	24,415,537	28,168,550	24,808,772
Individuals	58,682,518	58,148,913	58,682,518	58,148,913
Foreign entities	4,845,828	4,983,134	4,845,828	4,983,134
	117,075,647	112,557,929	117,464,844	112,951,164

(iii) Gross loans, advances and financing by interest/profit rate sensitivity are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Fixed rate:				
- Housing loans/financing	128,857	93,619	128,857	93,619
- Other fixed rate loans/financing	17,600,246	17,594,417	17,600,246	17,594,417
Variable rate:				
- Base rate/base lending/financing rate-plus	62,433,856	61,901,038	62,433,856	61,901,038
- Cost-plus	36,662,626	32,667,068	37,051,823	33,060,303
- Other variable rates	250,062	301,787	250,062	301,787
	117,075,647	112,557,929	117,464,844	112,951,164

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17. LOANS, ADVANCES AND FINANCING (Cont'd.)

(iv) Gross loans, advances and financing by economic sector are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	1,493,884	744,419	1,493,884	744,419
Mining and quarrying	256,104	425,789	256,104	425,789
Manufacturing	12,552,528	12,078,880	12,552,528	12,078,880
Electricity, gas and water	1,225,044	1,110,333	1,225,044	1,110,333
Construction	9,811,033	9,551,147	9,811,033	9,551,147
Wholesale, retail trade, restaurants and hotels	14,342,723	13,879,767	14,342,723	13,879,767
Transport, storage and communication	5,524,573	4,374,532	5,524,573	4,374,532
Finance, insurance and business services	3,525,562	2,814,150	3,525,562	2,814,150
Real estate	4,951,319	4,741,063	5,340,516	5,134,298
Community, social and personal services	178,160	178,479	178,160	178,479
Households:				
- Purchase of residential properties	43,214,002	42,407,394	43,214,002	42,407,394
- Purchase of non-residential properties	7,154,451	7,244,417	7,154,451	7,244,417
- Others	12,846,264	13,007,559	12,846,264	13,007,559
	117,075,647	112,557,929	117,464,844	112,951,164

(v) Gross loans, advances and financing by geographical distribution are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
In Malaysia	112,229,819	107,574,795	112,619,016	107,968,030
Outside Malaysia	4,845,828	4,983,134	4,845,828	4,983,134
	117,075,647	112,557,929	117,464,844	112,951,164

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17. LOANS, ADVANCES AND FINANCING (Cont'd.)

(vi) Movements in credit-impaired loans, advances and financing are as follows:

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
At 1 January	2,889,540	2,663,010
Classified as credit-impaired	716,031	1,238,675
Amount recovered	(214,328)	(319,962)
Reclassified as non credit-impaired	(284,899)	(318,096)
Amount written-off	(215,560)	(374,087)
Gross credit-impaired loans, advances and financing	2,890,784	2,889,540
Less: Stage 3 - Lifetime ECL credit-impaired	(756,961)	(748,140)
Net credit-impaired loans, advances and financing	2,133,823	2,141,400
Ratio of net credit-impaired loans, advances and financing to gross loans, advances and financing less allowance for ECL on credit-impaired provisions	1.8%	1.9%

(vii) Movements in the allowance for ECL on loans, advances and financing are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
Group				RM'000
As at 30 June 2026				
At 1 January 2026	709,242	896,403	748,140	2,353,785
Transferred to Stage 1	76,880	(73,280)	(3,600)	-
Transferred to Stage 2	(8,660)	49,169	(40,509)	-
Transferred to Stage 3	(1,419)	(43,715)	45,134	-
Net remeasurement of allowance	(54,154)	52,220	142,779	140,845
Allowance made	180,254	74,044	95,302	349,600
Maturity/settlement/repayment	(131,908)	(71,998)	(57,503)	(261,409)
Exchange differences	(151)	91	-	(60)
Net total	60,842	(13,469)	181,603	228,976
Amount written-off	-	-	(172,818)	(172,818)
Other movements	-	-	36	36
At 30 June 2026	770,084	882,934	756,961	2,409,979

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EXPLANATORY NOTES

17. LOANS, ADVANCES AND FINANCING (Cont'd.)

(vii) **Movements in the allowance for ECL on loans, advances and financing are as follows (cont'd.):**

Group (cont'd.) As at 31 December 2025	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12-month ECL RM'000	Lifetime ECL non credit-impaired RM'000	Lifetime ECL credit-impaired RM'000	
At 1 January 2025	832,959	941,366	656,292	2,430,617
Transferred to Stage 1	82,776	(72,853)	(9,923)	-
Transferred to Stage 2	(10,764)	36,564	(25,800)	-
Transferred to Stage 3	(2,006)	(47,550)	49,556	-
Net remeasurement of allowance	(58,319)	88,094	293,070	322,845
Allowance made	152,805	92,146	126,875	371,826
Maturity/settlement/repayment	(284,946)	(138,621)	(73,458)	(497,025)
Exchange differences	(3,263)	(2,743)	-	(6,006)
Net total	(123,717)	(44,963)	360,320	191,640
Amount written-off	-	-	(267,999)	(267,999)
Other movements	-	-	(473)	(473)
At 31 December 2025	709,242	896,403	748,140	2,353,785

Bank
As at 30 June 2026

At 1 January 2026	711,842	896,403	748,140	2,356,385
Transferred to Stage 1	76,880	(73,280)	(3,600)	-
Transferred to Stage 2	(8,660)	49,169	(40,509)	-
Transferred to Stage 3	(1,419)	(43,715)	45,134	-
Net remeasurement of allowance	(54,154)	52,220	142,779	140,845
Allowance made	180,254	74,044	95,302	349,600
Maturity/settlement/repayment	(132,149)	(71,998)	(57,503)	(261,650)
Exchange differences	(151)	91	-	(60)
Net total	60,601	(13,469)	181,603	228,735
Amount written-off	-	-	(172,818)	(172,818)
Other movements	-	-	36	36
At 30 June 2026	772,443	882,934	756,961	2,412,338

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17. LOANS, ADVANCES AND FINANCING (Cont'd.)

(vii) **Movements in the allowance for ECL on loans, advances and financing are as follows (cont'd.):**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank (cont'd.)	ECL	non credit-	credit-	Total ECL
As at 31 December 2025	RM'000	impaired	impaired	RM'000
At 1 January 2025	835,616	941,366	656,292	2,433,274
Transferred to Stage 1	82,776	(72,853)	(9,923)	-
Transferred to Stage 2	(10,764)	36,564	(25,800)	-
Transferred to Stage 3	(2,006)	(47,550)	49,556	-
Net remeasurement of allowance	(58,319)	88,094	293,070	322,845
Allowance made	152,805	92,146	126,875	371,826
Maturity/settlement/repayment	(285,003)	(138,621)	(73,458)	(497,082)
Exchange differences	(3,263)	(2,743)	-	(6,006)
Net total	(123,774)	(44,963)	360,320	191,583
Amount written-off	-	-	(267,999)	(267,999)
Other movements	-	-	(473)	(473)
At 31 December 2025	711,842	896,403	748,140	2,356,385

(viii) **Gross credit-impaired loans, advances and financing by economic sector are as follows:**

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Mining and quarrying	831	568
Manufacturing	78,972	105,857
Electricity, gas and water	-	2
Construction	733,054	749,209
Wholesale, retail trade, restaurants and hotels	388,582	374,712
Transport, storage and communication	44,919	44,976
Finance, insurance and business services	40,980	28,730
Real estate	206,228	223,819
Community, social and personal services	4,178	3,904
Households:		
- Purchase of residential properties	1,010,135	999,091
- Purchase of non-residential properties	165,620	160,823
- Others	217,285	197,849
	2,890,784	2,889,540

(ix) **Gross credit-impaired loans, advances and financing by geographical distribution are as follows:**

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
In Malaysia	2,784,539	2,783,990
Outside Malaysia	106,245	105,550
	2,890,784	2,889,540

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18. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Financial derivatives are instruments whose values change in response to the change in one or more "underlying", such as foreign exchange rate, security price and credit index. They include forwards, swaps, futures, options and credit derivatives. In the normal course of business, the Group and the Bank customise derivatives to meet specific needs of their customers. The Group and the Bank also transact in these derivatives for proprietary trading purposes as well as to manage their assets/liabilities and structural positions. While the Group and the Bank also enter into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases for customers, these other contracts are not designated as hedge relationships and are measured at fair value through profit or loss.

The fair values of the financial derivatives are as follows:

Group and Bank As at 30 June 2026	Contract or underlying principal amount RM'000	Positive fair value RM'000	Negative fair value RM'000
<u>Trading derivatives</u>			
Foreign exchange related contracts:			
- Forwards	35,975,166	723,842	195,697
- Swaps	119,479,089	1,236,418	1,358,887
- Options	1,733,905	16,806	13,042
Interest/profit rate related contracts:			
- Swaps	244,653,995	1,298,275	627,713
- Futures	5,605	-	79
Equity related contracts:			
- Swaps	634,257	578	50,239
- Options	81,923	1,869	5,205
Precious metals contracts:			
- Forwards	40,207	127	128
Commodity related contracts:			
- Swaps	465,297	3,402	7,765
- Futures	12,775	874	45
- Options	-	-	-
<u>Hedging derivatives</u>			
Interest rate related contracts:			
- Swaps	476,678	10,104	-
		3,292,295	2,258,800

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18. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (Cont'd.)

The fair values of the financial derivatives are as follows (cont'd.):

Group and Bank (cont'd.) As at 31 December 2025	Contract or underlying principal amount RM'000	Positive fair value RM'000	Negative fair value RM'000
<u>Trading derivatives</u>			
Foreign exchange related contracts:			
- Forwards	30,162,275	106,991	882,791
- Swaps	72,134,329	986,169	1,134,227
- Options	1,354,009	4,677	11,336
Interest/profit rate related contracts:			
- Swaps	185,971,222	1,159,213	508,043
Equity related contracts:			
- Swaps	328,800	116	21,606
- Options	77,411	1,703	2,441
Precious metals contracts:			
- Forwards	59,639	53	368
Commodity related contracts:			
- Swaps	229,795	14,409	11,879
- Futures	95,750	405	2,342
- Options	567	6	-
Credit derivative contracts:			
- Swaps	5,315	356	-
<u>Hedging derivatives</u>			
Interest rate related contracts:			
- Swaps	2,426,149	27,677	1,556
		<u>2,301,775</u>	<u>2,576,589</u>

The table above analyses the principal amounts and the positive and negative fair values of the Group's and the Bank's financial derivatives. The notional amounts of these instruments indicate the value of transactions outstanding at the reporting date for both trading and hedging instruments. They do not necessarily indicate the amount of future cash flows or the fair value of the derivatives and therefore, do not represent total amount of risk. The positive and negative fair values represent the favourable and unfavourable fair values respectively of hedging and trading derivatives as a result of fluctuations in the value of the underlying relative to their contractual terms as at reporting date.

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19. OTHER ASSETS

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Other receivables, deposits and prepayments	948,112	711,224	950,433	711,180
Interest/profit receivable	452,007	426,024	452,007	426,024
Amount due from subsidiaries	-	-	22,989	12,389
Amount due from fellow subsidiaries	60	476	44	149
Amount due from holding company	19	-	19	-
Amount due from the ultimate holding company	194,919	867	194,919	867
Precious metal accounts	1,084,042	899,478	1,084,042	899,478
Less: Allowance for ECL	(3,951)	(2,599)	(4,003)	(2,607)
	2,675,208	2,035,470	2,700,450	2,047,480

Movements in the allowance for ECL on other assets are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL non credit-impaired	Lifetime ECL credit-impaired	Total ECL
Group	RM'000	RM'000	RM'000	RM'000
As at 30 June 2026				
At 1 January 2026	1,607	992	-	2,599
Allowance made	1,475	358	-	1,833
Maturity/settlement/repayment	(140)	(342)	-	(482)
Exchange differences	1	-	-	1
Net total	1,336	16	-	1,352
At 30 June 2026	2,943	1,008	-	3,951

As at 31 December 2025

At 1 January 2025	4,288	3,567	-	7,855
Allowance made	494	286	-	780
Maturity/settlement/repayment	(3,135)	(2,828)	-	(5,963)
Exchange differences	(40)	(33)	-	(73)
Net total	(2,681)	(2,575)	-	(5,256)
At 31 December 2025	1,607	992	-	2,599

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19. OTHER ASSETS (Cont'd.)

Movements in the allowance for ECL on other assets are as follows (cont'd.):

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
Bank		RM'000	RM'000	RM'000
As at 30 June 2026				
At 1 January 2026	1,612	995	-	2,607
Allowance made	1,474	358	-	1,832
Maturity/settlement/repayment	(107)	(330)	-	(437)
Exchange differences	1	-	-	1
Net total	1,368	28	-	1,396
At 30 June 2026	2,980	1,023	-	4,003
As at 31 December 2025				
At 1 January 2025	4,303	3,580	-	7,883
Allowance made	494	286	-	780
Maturity/settlement/repayment	(3,145)	(2,838)	-	(5,983)
Exchange differences	(40)	(33)	-	(73)
Net total	(2,691)	(2,585)	-	(5,276)
At 31 December 2025	1,612	995	-	2,607

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20. INTANGIBLE ASSETS

Group and Bank 2026	Goodwill RM'000	Other intangible assets* RM'000	Total RM'000
Cost			
At 1 January/30 June	<u>350,557</u>	<u>131,000</u>	<u>481,557</u>
Accumulated amortisation			
At 1 January	-	(41,483)	(41,483)
Amortisation charged for the financial period	-	(6,550)	(6,550)
At 30 June	<u>-</u>	<u>(48,033)</u>	<u>(48,033)</u>
Net carrying amount			
At 30 June	<u>350,557</u>	<u>82,967</u>	<u>433,524</u>
2025			
Cost			
At 1 January/31 December	<u>350,557</u>	<u>131,000</u>	<u>481,557</u>
Accumulated amortisation			
At 1 January	-	(28,383)	(28,383)
Amortisation charged for the financial year	-	(13,100)	(13,100)
At 31 December	<u>-</u>	<u>(41,483)</u>	<u>(41,483)</u>
Net carrying amount			
At 31 December	<u>350,557</u>	<u>89,517</u>	<u>440,074</u>

* Comprising Core Deposit Intangibles and Customer Relationship

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21. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Demand deposits	42,606,113	43,256,099	42,632,304	43,272,177
Savings deposits	14,820,959	12,743,778	14,820,959	12,743,778
Fixed deposits	62,809,538	62,634,384	62,809,538	62,634,384
Money market deposits	3,357,004	1,956,251	3,357,004	1,956,251
Others	497,267	718,379	498,004	719,262
	124,090,881	121,308,891	124,117,809	121,325,852

(i) The remaining maturity of fixed deposits and money market deposits are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Due within six months	51,079,633	54,593,091	51,079,633	54,593,091
Six months to one year	15,082,540	9,982,947	15,082,540	9,982,947
One year to three years	4,344	14,597	4,344	14,597
Three years to five years	25	-	25	-
	66,166,542	64,590,635	66,166,542	64,590,635

(ii) The deposits are sourced from the following type of customers:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Business enterprises	38,613,334	39,679,907	38,640,262	39,696,868
Individuals	65,207,675	63,715,194	65,207,675	63,715,194
Foreign entities	8,542,321	8,638,201	8,542,321	8,638,201
Others	11,727,551	9,275,589	11,727,551	9,275,589
	124,090,881	121,308,891	124,117,809	121,325,852

22. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Licensed banks in Malaysia	2,335,156	607,200	2,335,156	607,200
Bank Negara Malaysia	537,366	997,887	537,366	997,887
Other financial institutions	16,890,997	13,732,454	16,891,017	13,732,474
	19,763,519	15,337,541	19,763,539	15,337,561

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23. OTHER LIABILITIES

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Allowance for ECL on commitments and contingencies	174,989	207,206	174,989	207,206
Interest/profit payable	401,149	381,672	401,149	381,672
Accruals and provisions for operational expenses	260,039	332,723	253,729	323,948
Other payables and accruals	1,552,229	1,437,235	1,552,027	1,436,839
Structured deposits	1,424,030	959,273	1,424,030	959,273
Customer gold accounts	1,177,490	1,060,299	1,177,490	1,060,299
Deferred income	26,526	29,168	26,526	29,168
	5,016,452	4,407,576	5,009,940	4,398,405

Movements in the allowance for ECL on irrevocable commitments and contingencies are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
Group and Bank		impaired	impaired	Total ECL
As at 30 June 2026	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	109,291	46,840	51,075	207,206
Transferred to Stage 1	11,792	(11,792)	-	-
Transferred to Stage 2	(2,276)	2,276	-	-
Net remeasurement of allowance	(8,289)	12,688	-	4,399
Allowance made	36,106	11,307	6,170	53,583
Maturity/settlement/repayment	(46,621)	(16,813)	(26,877)	(90,311)
Exchange differences	55	9	-	64
Net total	(9,233)	(2,325)	(20,707)	(32,265)
Other movements	-	-	48	48
At 30 June 2026	100,058	44,515	30,416	174,989

As at 31 December 2025

At 1 January 2025	130,080	67,319	24,515	221,914
Transferred to Stage 1	33,432	(33,432)	-	-
Transferred to Stage 2	(2,135)	2,135	-	-
Transferred to Stage 3	-	(4)	4	-
Net remeasurement of allowance	(18,627)	12,813	5,524	(290)
Allowance made	71,605	24,560	23,672	119,837
Maturity/settlement/repayment	(104,123)	(26,349)	(1,245)	(131,717)
Exchange differences	(941)	(202)	-	(1,143)
Net total	(20,789)	(20,479)	27,955	(13,313)
Other movements	-	-	(1,395)	(1,395)
At 31 December 2025	109,291	46,840	51,075	207,206

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24. SUBORDINATED BONDS/SUKUK

At amortised cost	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
RM1.0 billion subordinated bond 2022/2032, at par (Note (a))	1,000,000	1,000,000
RM500.0 million subordinated sukuk 2024/2034, at par (Note (b))	500,000	500,000
RM750.0 million subordinated sukuk 2025/2037, at par (Note (c))	750,000	750,000
	2,250,000	2,250,000

- (a) On 27 October 2022, the Bank issued RM1.0 billion Basel III compliant Tier 2 subordinated bonds (10 years maturity, non-callable 5 years) ("the Bond 1").

The Bond 1 bears interest at the rate of 4.91% per annum. The coupon rate herein is applicable throughout the tenure of the subordinated bonds.

The Bond 1 may be redeemed at par at the option of the Bank, in part or in whole, on 27 October 2027 or at any interest payment date thereafter.

The interest is payable semi-annually in arrears on 27 April and 27 October each year commencing 27 April 2023.

The Bond 1 has been rated AA1 by Rating Agency Malaysia Bhd and it qualifies as Tier 2 capital for the purpose of determining the Bank's capital adequacy ratio.

- (b) On 8 February 2024, the Bank issued RM500.0 million Basel III compliant Tier 2 subordinated Islamic Medium Term Notes (10 years maturity, non-callable 5 years) ("the Sukuk 1").

The Sukuk 1 bears profit at the rate of 4.01% per annum. The coupon rate herein is applicable throughout the tenure of the subordinated sukuk.

The Sukuk 1 may be redeemed at par at the option of the Bank, in part or in whole, on 8 February 2029 or at any profit payment date thereafter.

The profit is payable semi-annually in arrears on 8 August and 8 February each year commencing 8 August 2024.

The Sukuk 1 has been rated AA1 by Rating Agency Malaysia Bhd and it qualifies as Tier 2 capital for the purpose of determining the Bank's capital adequacy ratio.

- (c) On 3 July 2025, the Bank issued RM750.0 million Basel III compliant Tier 2 subordinated Islamic Medium Term Notes (12 years maturity, non-callable 7 years) ("the Sukuk 2").

The Sukuk 2 bears profit at the rate of 3.85% per annum. The coupon rate herein is applicable throughout the tenure of the subordinated sukuk.

The Sukuk 2 may be redeemed at par at the option of the Bank, in part or in whole, on 2 July 2032 or at any profit payment date thereafter.

The profit is payable semi-annually in arrears on 3 January and 3 July each year commencing 3 January 2026.

The Sukuk 2 has been rated AA1 by Rating Agency Malaysia Bhd and it qualifies as Tier 2 capital for the purpose of determining the Bank's capital adequacy ratio.

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25. OPERATING REVENUE

Operating revenue of the Group and the Bank comprises interest/financing income, fee income, commission income, trading and investment income and other income derived from banking operations.

26. INTEREST INCOME

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Loans, advances and financing	1,253,835	1,263,915	2,491,944	2,513,532
Credit-impaired loans, advances and financing	19,587	13,871	38,346	34,314
Money at call and deposit placements with financial institutions	82,737	127,488	157,708	222,321
Financial assets at FVTPL	45,642	61,677	87,204	135,658
Debt instruments at FVOCI	160,137	97,593	326,037	209,079
Debt instruments at amortised cost	101,161	100,729	203,110	201,983
	1,663,099	1,665,273	3,304,349	3,316,887
Amortisation of premium less accretion of discount on:				
- Financial assets at FVTPL	13,900	4,400	33,084	5,100
- Debt instruments at FVOCI	(7,393)	(7,450)	(16,341)	(14,422)
- Debt instruments at amortised cost	1,605	1,351	3,095	2,438
	1,671,211	1,663,574	3,324,187	3,310,003
Bank				
Loans, advances and financing	1,258,376	1,267,937	2,500,929	2,521,329
Credit-impaired loans, advances and financing	19,587	13,871	38,346	34,314
Money at call and deposit placements with financial institutions	82,737	127,488	157,708	222,321
Financial assets at FVTPL	45,642	61,677	87,204	135,658
Debt instruments at FVOCI	160,137	97,593	326,037	209,079
Debt instruments at amortised cost	101,161	100,729	203,110	201,983
	1,667,640	1,669,295	3,313,334	3,324,684
Amortisation of premium less accretion of discount on:				
- Financial assets at FVTPL	13,900	4,400	33,084	5,100
- Debt instruments at FVOCI	(7,393)	(7,450)	(16,341)	(14,422)
- Debt instruments at amortised cost	1,605	1,351	3,095	2,438
	1,675,752	1,667,596	3,333,172	3,317,800

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EXPLANATORY NOTES

27. INTEREST EXPENSE

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Deposits from customers	659,678	720,290	1,315,899	1,410,247
Deposits and placements of banks and other financial institutions	185,374	134,271	355,010	292,562
Subordinated bonds	12,241	18,097	24,348	35,957
Lease liabilities	588	726	1,204	1,550
Others	20,886	16,971	37,499	34,646
	878,767	890,355	1,733,960	1,774,962
Bank				
Deposits from customers	659,783	720,364	1,316,101	1,410,404
Deposits and placements of banks and other financial institutions	185,373	134,271	355,010	292,562
Subordinated bonds	12,241	18,097	24,348	35,957
Lease liabilities	5,599	5,246	11,343	10,053
Others	20,911	16,993	37,593	34,689
	883,907	894,971	1,744,395	1,783,665

28. OTHER OPERATING INCOME

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
<u>Fee income</u>				
Commission	81,956	62,650	156,900	135,599
Guarantee fees	23,446	23,821	46,425	52,341
Service charges and fees	92,015	86,930	130,595	169,519
Commitment fees	7,644	7,120	14,009	14,789
Arrangement and participation fees	1,788	9,905	5,387	14,314
	206,849	190,426	353,316	386,562

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EXPLANATORY NOTES

28. OTHER OPERATING INCOME (Cont'd.)

Group (cont'd.)	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
<u>Trading and Investment income</u>				
Gain from sale of financial assets at FVTPL	7,178	6,187	17,952	12,727
Unrealised (loss)/gain on financial assets at FVTPL	(160)	(952)	10,846	(8,172)
(Loss)/gain from trading derivatives	(153,775)	18,845	(17,478)	46,776
Unrealised gain/(loss) from trading derivatives	167,411	(26,085)	66,644	(68,474)
Unrealised loss on fair value adjustment for subordinated bonds	-	(478)	-	(545)
Gain from sale of precious metals	1,671	2,582	2,427	3,124
Unrealised (loss)/gain from revaluation of precious metals	(200)	(1,246)	251	(1,103)
Gain from sale/recovery of debt instruments at FVOCI	822	34,513	43,978	69,163
Gross dividends from equity instruments at FVOCI	877	877	877	877
	23,824	34,243	125,497	54,373
<u>Other income</u>				
Foreign exchange gain, net	167,248	165,390	283,525	346,584
Net loss of financial investments at amortised cost	(40)	-	(441)	-
Rental income from operating leases	604	439	890	889
Gain on disposal of property, plant and equipment	-	739	-	739
Others	(162)	3,167	11,417	11,531
	167,650	169,735	295,391	359,743
	398,323	394,404	774,204	800,678

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28. OTHER OPERATING INCOME (Cont'd.)

Bank	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
<u>Fee income</u>				
Commission	81,956	62,650	156,900	135,599
Guarantee fees	23,446	23,821	46,425	52,341
Service charges and fees	91,617	86,829	130,527	169,948
Commitment fees	7,669	7,245	14,060	15,039
Arrangement and participation fees	1,788	9,905	5,387	14,314
	206,476	190,450	353,299	387,241
<u>Trading and Investment income</u>				
Gain from sale of financial assets at FVTPL	7,178	6,187	17,952	12,727
Unrealised (loss)/gain on financial assets at FVTPL	(160)	(952)	10,846	(8,172)
(Loss)/gain from trading derivatives	(153,775)	18,845	(17,478)	46,776
Unrealised gain/(loss) from trading derivatives	167,411	(26,085)	66,644	(68,474)
Unrealised loss on fair value adjustment for subordinated bonds	-	(478)	-	(545)
Gain from sale of precious metals	1,671	2,582	2,427	3,124
Unrealised (loss)/gain from revaluation of precious metals	(200)	(1,246)	251	(1,103)
Gain from sale/recovery of debt instruments at FVOCI	822	34,513	43,978	69,163
Gross dividends from equity instruments at FVOCI	877	877	877	877
	23,824	34,243	125,497	54,373
<u>Other income</u>				
Foreign exchange gain, net	167,248	165,390	283,525	346,584
Net loss of financial investments at amortised cost	(40)	-	(441)	-
Gain on disposal of property, plant and equipment	-	739	-	739
Others	(164)	3,194	11,429	11,583
	167,044	169,323	294,513	358,906
	397,344	394,016	773,309	800,520

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29. OTHER OPERATING EXPENSES

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Personnel expenses	303,816	297,784	603,005	611,900
Establishment expenses	227,344	209,470	422,312	398,177
Marketing expenses	19,164	28,298	37,937	46,528
General administrative expenses	57,746	48,520	101,977	95,106
	608,070	584,072	1,165,231	1,151,711
<u>Personnel expenses</u>				
Wages, salaries and bonus	231,071	234,368	460,420	477,693
Defined contribution plan	35,549	36,293	71,672	76,537
Other employee benefits	37,196	27,123	70,913	57,670
	303,816	297,784	603,005	611,900
<u>Establishment expenses</u>				
Depreciation of property, plant and equipment	40,840	39,675	81,013	77,858
Depreciation of right-of-use assets	5,002	5,846	10,208	11,853
Amortisation of intangible assets	3,275	3,275	6,550	6,550
Information technology costs	113,020	105,451	219,690	204,075
Repair and maintenance	38,744	28,760	60,476	53,525
Short-term lease expenses	102	30	373	45
Others	26,361	26,433	44,002	44,271
	227,344	209,470	422,312	398,177
<u>Marketing expenses</u>				
Advertisement and publicity	19,164	28,298	37,937	46,528
<u>General administrative expenses</u>				
Fees and commissions paid	19,745	13,556	32,570	28,968
Others	38,001	34,964	69,407	66,138
	57,746	48,520	101,977	95,106

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29. OTHER OPERATING EXPENSES (Cont'd.)

Bank	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Personnel expenses	302,382	296,355	600,109	609,014
Establishment expenses	229,253	211,016	425,751	400,144
Marketing expenses	19,133	28,252	37,863	46,445
General administrative expenses	56,973	48,031	100,730	94,144
	607,741	583,654	1,164,453	1,149,747
<u>Personnel expenses</u>				
Wages, salaries and bonus	229,864	233,162	458,015	475,271
Defined contribution plan	35,358	36,101	71,290	76,153
Other employee benefits	37,160	27,092	70,804	57,590
	302,382	296,355	600,109	609,014
<u>Establishment expenses</u>				
Depreciation of property, plant and equipment	35,918	35,159	71,133	68,824
Depreciation of right-of-use assets	13,161	13,307	26,557	26,781
Amortisation of intangible assets	3,275	3,275	6,550	6,550
Information technology costs	113,019	105,451	219,689	204,075
Repair and maintenance	38,949	28,621	61,237	53,381
Short-term lease expenses	135	302	511	318
Others	24,796	24,901	40,074	40,215
	229,253	211,016	425,751	400,144
<u>Marketing expenses</u>				
Advertisement and publicity	19,133	28,252	37,863	46,445
<u>General administrative expenses</u>				
Fees and commissions paid	19,019	13,475	31,386	28,808
Others	37,954	34,556	69,344	65,336
	56,973	48,031	100,730	94,144

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30. ALLOWANCE FOR/(WRITE-BACK OF) EXPECTED CREDIT LOSSES ("ECL")

Group	Second Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Loans, advances and financing:				
- Stage 1 - 12-month ECL	(12,724)	(27,240)	60,842	(44,617)
- Stage 2 - Lifetime ECL non credit-impaired	75,679	(114,608)	(13,469)	(137,547)
- Stage 3 - Lifetime ECL credit-impaired	86,538	78,177	181,603	179,258
	<u>149,493</u>	<u>(63,671)</u>	<u>228,976</u>	<u>(2,906)</u>
Credit-impaired loans, advances and financing:				
- Written-off	21,821	25,149	46,789	53,945
- Recovered	(58,374)	(58,640)	(113,874)	(117,321)
	<u>112,940</u>	<u>(97,162)</u>	<u>161,891</u>	<u>(66,282)</u>
Other financial assets:				
- Stage 1 - 12-month ECL	(88)	(5,150)	(6,278)	(15,382)
- Stage 2 - Lifetime ECL non credit-impaired	(3,582)	(9,433)	(3,672)	(9,467)
	<u>(3,670)</u>	<u>(14,583)</u>	<u>(9,950)</u>	<u>(24,849)</u>
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(5,216)	(2,893)	(9,233)	(31,142)
- Stage 2 - Lifetime ECL non credit-impaired	(6,230)	(95)	(2,325)	(12,065)
- Stage 3 - Lifetime ECL credit-impaired	(14,399)	17,862	(20,707)	17,438
	<u>(25,845)</u>	<u>14,874</u>	<u>(32,265)</u>	<u>(25,769)</u>
Total	<u>83,425</u>	<u>(96,871)</u>	<u>119,676</u>	<u>(116,900)</u>

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30. ALLOWANCE FOR/(WRITE-BACK OF) EXPECTED CREDIT LOSSES ("ECL") (Cont'd.)

Bank	Second Quarter Ended		Six Months Ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing:				
- Stage 1 - 12-month ECL	(12,243)	(26,725)	60,601	(44,087)
- Stage 2 - Lifetime ECL non credit-impaired	75,679	(114,608)	(13,469)	(137,547)
- Stage 3 - Lifetime ECL credit-impaired	86,538	78,177	181,603	179,258
	149,974	(63,156)	228,735	(2,376)
Credit-impaired loans, advances and financing:				
- Written-off	21,820	25,149	46,788	53,945
- Recovered	(58,374)	(58,640)	(113,874)	(117,321)
	113,420	(96,647)	161,649	(65,752)
Other financial assets:				
- Stage 1 - 12-month ECL	(67)	(5,167)	(6,246)	(15,389)
- Stage 2 - Lifetime ECL non credit-impaired	(3,575)	(9,442)	(3,660)	(9,473)
	(3,642)	(14,609)	(9,906)	(24,862)
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(5,216)	(2,893)	(9,233)	(31,142)
- Stage 2 - Lifetime ECL non credit-impaired	(6,230)	(95)	(2,325)	(12,065)
- Stage 3 - Lifetime ECL credit-impaired	(14,399)	17,862	(20,707)	17,438
	(25,845)	14,874	(32,265)	(25,769)
Total	83,933	(96,382)	119,478	(116,383)

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31. SEGMENT INFORMATION

Operating Segments

The following segment information has been prepared in accordance with MFRS 8 *Operating Segments*, which defines the requirements for the disclosure of financial information of an entity's operating segments. It is prepared on the basis of the "management approach", which requires presentation of the segments on the basis of internal reports about the components of the entity which are regularly reviewed by the chief operating decision-maker in order to allocate resources to a segment and assess its performance.

The Group's businesses are organised into the following four segments based on the types of products and services that it provides:

Retail

The Retail segment covers Personal Financial Services and Private Banking. Personal Financial Services serves the individual customers, offers a wide range of products and services, including deposits, loans, credit and debit cards, insurance products, and also provides an extended range of financial services, including wealth management to wealthy and affluent customers. Private Banking is an integral part of the Personal Financial Services, dedicated to providing high-net-worth clients with financial and portfolio planning services. It is focused on helping our clients achieve sustainable growth and legacy solutions of their wealth for future generations via bespoke wealth management and credit advisory.

Wholesale Banking ("WB")

The WB segment encompasses Commercial Banking, Corporate Banking and Financial Institutions Group ("FIG"). Commercial Banking serves the small, medium and large enterprises. Corporate Banking serves large local corporations, government-linked companies and agencies and multinational corporations. FIG serves financial institutions as well as non-bank financial institutions. Commercial Banking, Corporate Banking and FIG provide customers with a broad range of products and services. These include current accounts, deposits, lending, trade finance, structured finance, cash management, foreign exchange, cross-border payments, insurance as well as investment banking services including principal advisor, lead manager and facility agent for the arrangement of both syndicated loans and Private Debt Securities ("PDS").

Global Markets ("GM")

The GM segment provides a comprehensive range of treasury products and services, including foreign exchange, money market, fixed income, derivatives, commodities, gold products, as well as an array of structured products. It is a player in Malaysian Ringgit treasury instruments in the region. It also engages in proprietary investment activities and management of excess liquidity and capital funds.

Others

Other segments include corporate support functions and divisions not attributable to business segments mentioned above and property-related activities.

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31. SEGMENT INFORMATION (Cont'd.)

Operating segments (cont'd.)

Group	Retail RM'000	WB RM'000	GM RM'000	Others RM'000	Total segments RM'000	Eliminations RM'000	Total RM'000
For period ended 30 June 2026							
Operating income/(loss)	956,925	1,111,837	181,508	234,878	2,485,148	(13,940)	2,471,208
Other operating expenses	(678,369)	(334,599)	(55,246)	(118,020)	(1,186,234)	21,003	(1,165,231)
(Allowance for)/write-back of ECL	(61,962)	(60,039)	4,536	(2,014)	(119,479)	(197)	(119,676)
Profit before taxation	216,594	717,199	130,798	114,844	1,179,435	6,866	1,186,301
Income tax expense							(289,178)
Profit after taxation							897,123
Other information							
For period ended 30 June 2026							
Inter-segment operating income/(expense)	138,547	(77,224)	(333,643)	286,260	13,940	(13,940)	-
Depreciation of property, plant and equipment and right-of-use assets	25,288	19,687	2,205	60,767	107,947	(16,726)	91,221
As at 30 June 2026							
Gross loans, advances and financing	63,085,939	53,597,574	-	781,331	117,464,844	(389,197)	117,075,647
Deposits from customers	72,544,536	51,568,544	-	15,939	124,129,019	(38,138)	124,090,881

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31. SEGMENT INFORMATION (Cont'd.)

Operating segments (cont'd.)

Group (cont'd.)	Retail RM'000	WB RM'000	GM RM'000	Others RM'000	Total segments RM'000	Eliminations RM'000	Total RM'000
For period ended 30 June 2025							
Operating income/(loss)	915,332	1,094,878	179,224	267,257	2,456,691	(30,831)	2,425,860
Other operating expenses	(662,418)	(331,879)	(56,392)	(137,815)	(1,188,504)	36,793	(1,151,711)
Write-back of/(allowance for) ECL	27,065	89,598	-	(285)	116,378	522	116,900
Profit before taxation	279,979	852,597	122,832	129,157	1,384,565	6,484	1,391,049
Income tax expense							(335,982)
Profit after taxation							1,055,067

Other information

For period ended 30 June 2025

Inter-segment operating income/(expense)	111,750	(55,981)	(342,464)	317,526	30,831	(30,831)	-
Depreciation of property, plant and equipment and right-of-use assets	26,904	18,608	2,035	57,469	105,016	(15,305)	89,711

As at 30 June 2025

Gross loans, advances and financing	61,587,798	48,456,245	-	771,186	110,815,229	(380,163)	110,435,066
Deposits from customers	68,930,633	49,640,993	-	11,682	118,583,308	(39,480)	118,543,828

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32. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia ("BNM")'s Capital Adequacy Framework (Capital Components) issued on 14 June 2024 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 18 December 2023.

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
<u>Common Equity Tier 1 ("CET1")/</u>				
<u>Tier 1 Capital</u>				
Paid-up share capital	792,555	792,555	792,555	792,555
Retained profits	14,589,567	14,407,784	14,703,994	14,523,580
Other reserves	288,346	431,627	9,529	152,810
Regulatory adjustments applied in the calculation of CET1 Capital	(1,184,395)	(1,158,010)	(1,212,373)	(1,185,986)
Total CET1/Tier 1 Capital	14,486,073	14,473,956	14,293,705	14,282,959
<u>Tier 2 Capital</u>				
Tier 2 Capital instruments	2,250,000	2,250,000	2,250,000	2,250,000
Loan/financing loss provision:				
- Surplus eligible provisions over expected losses	336,255	405,097	354,000	414,693
- General provisions	147,245	146,056	135,320	135,845
Regulatory adjustments applied in the calculation of Tier 2 Capital	122,361	122,361	-	-
Total Tier 2 Capital	2,855,861	2,923,514	2,739,320	2,800,538
Total Capital	17,341,934	17,397,470	17,033,025	17,083,497

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32. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY (Cont'd.)

(a) The capital adequacy ratios of the Group and the Bank are as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
CET1/Tier 1 Capital	14.859%	15.488%	14.758%	15.366%
Total Capital	17.788%	18.616%	17.586%	18.379%
CET1/Tier 1 Capital*	14.216%	14.722%	14.111%	14.596%
Total Capital*	17.145%	17.850%	16.939%	17.609%

* Net of proposed interim dividend for the financial period ended 30 June 2026 and proposed final dividend for the financial year ended 31 December 2025.

(b) Analysis of gross risk-weighted assets ("RWA") by risk category is as follows:

	Group		Bank	
	30-Jun-26	31-Dec-25	30-Jun-26	31-Dec-25
	RM'000	RM'000	RM'000	RM'000
Total RWA for credit risk	85,347,368	81,750,316	84,773,578	81,310,638
Total RWA for market risk	3,073,949	2,797,468	3,073,948	2,797,468
Total RWA for operational risk	9,068,668	8,907,484	9,007,320	8,843,348
Total RWA	97,489,985	93,455,268	96,854,846	92,951,454

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33. COMMITMENTS AND CONTINGENCIES

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

Group	Principal amount	Credit equivalent amount	Risk weighted amount
As at 30 June 2026	RM'000	RM'000	RM'000
Direct credit substitutes	4,926,020	4,731,660	3,200,668
Transaction-related contingent items	7,680,090	3,799,268	2,271,902
Short-term self-liquidating trade-related contingencies	835,797	178,358	135,414
Lending of banks' securities or the posting of securities as collateral by banks	3,508,388	118,036	16
Foreign exchange related contracts:			
- Less than one year	156,217,398	4,373,519	711,423
- One year to less than five years	970,762	64,250	31,703
Interest/profit rate related contracts:			
- Less than one year	130,951,401	1,053,662	120,187
- One year to less than five years	107,727,823	3,596,791	861,483
- Five years and above	6,457,054	551,654	186,619
Equity related contracts:			
- Less than one year	672,272	-	-
- One year to less than five years	43,908	-	-
Precious metals related contracts:			
- Less than one year	40,207	529	79
Commodity related contracts:			
- Less than one year	325,951	35,817	10,190
- One year to less than five years	152,121	19,309	5,018
Credit derivative contracts:			
- Less than one year	-	-	-
Undrawn credit facility:			
- Less than one year	32,053,967	1,426,273	296,543
- More than one year	10,081,496	7,076,477	4,788,619
- Unconditionally cancellable	42,125,204	10,892,374	3,480,588
Other commitments	899,052	102,289	3,336
Total	505,668,911	38,020,266	16,103,788

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33. COMMITMENTS AND CONTINGENCIES (Cont'd.)

Group (cont'd.) As at 31 December 2025	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Direct credit substitutes	5,174,709	4,895,375	3,263,251
Transaction-related contingent items	7,718,396	3,750,641	2,119,712
Short-term self-liquidating trade-related contingencies	787,665	163,033	136,607
Lending of banks' securities or the posting of securities as collateral by banks	1,686,313	53,760	812
Foreign exchange related contracts:			
- Less than one year	102,273,937	2,685,273	356,569
- One year to less than five years	1,376,676	98,799	61,462
Interest/profit rate related contracts:			
- Less than one year	71,019,685	691,485	76,495
- One year to less than five years	112,740,991	3,630,149	870,202
- Five years and above	4,636,695	428,819	145,802
Equity related contracts:			
- Less than one year	377,248	-	-
- One year to less than five years	28,963	-	-
Precious metals related contracts:			
- Less than one year	59,639	650	75
Commodity related contracts:			
- Less than one year	325,805	47,406	14,232
- One year to less than five years	307	37	15
Credit derivative contracts:			
- Less than one year	5,315	886	67
Undrawn credit facility:			
- Less than one year	32,206,415	1,434,315	307,677
- More than one year	10,440,563	7,226,921	4,693,859
- Unconditionally cancellable	41,030,080	10,401,752	3,480,658
Other commitments	207,625	-	-
Total	392,097,027	35,509,301	15,527,495

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33. COMMITMENTS AND CONTINGENCIES (Cont'd.)

Bank As at 30 June 2026	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Direct credit substitutes	4,926,020	4,731,660	3,200,668
Transaction-related contingent items	7,680,090	3,799,268	2,271,902
Short-term self-liquidating trade-related contingencies	835,797	178,358	135,414
Lending of banks' securities or the posting of securities as collateral by banks	3,508,388	118,036	16
Foreign exchange related contracts:			
- Less than one year	156,217,398	4,373,519	711,423
- One year to less than five years	970,762	64,250	31,703
Interest/profit rate related contracts:			
- Less than one year	130,951,401	1,053,662	120,187
- One year to less than five years	107,727,823	3,596,791	861,483
- Five years and above	6,457,054	551,654	186,619
Equity related contracts:			
- Less than one year	672,272	-	-
- One year to less than five years	43,908	-	-
Precious metals related contracts:			
- Less than one year	40,207	529	79
Commodity related contracts:			
- Less than one year	325,951	35,817	10,190
- One year to less than five years	152,121	19,309	5,018
Credit derivative contracts:			
- Less than one year	-	-	-
Undrawn credit facility:			
- Less than one year	32,053,967	1,426,273	296,543
- More than one year	10,081,496	7,076,477	4,788,619
- Unconditionally cancellable	42,215,303	10,892,374	3,480,588
Other commitments	899,052	102,289	3,336
Total	505,759,010	38,020,266	16,103,788

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EXPLANATORY NOTES

33. COMMITMENTS AND CONTINGENCIES (Cont'd.)

Bank (cont'd.) As at 31 December 2025	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Direct credit substitutes	5,174,709	4,895,375	3,263,251
Transaction-related contingent items	7,718,396	3,750,641	2,119,712
Short-term self-liquidating trade-related contingencies	787,665	163,033	136,607
Lending of banks' securities or the posting of securities as collateral by banks	1,686,313	53,760	812
Foreign exchange related contracts:			
- Less than one year	102,273,937	2,685,273	356,569
- One year to less than five years	1,376,676	98,799	61,462
Interest/profit rate related contracts:			
- Less than one year	71,019,685	691,485	76,495
- One year to less than five years	112,740,991	3,630,149	870,202
- Five years and above	4,636,695	428,819	145,802
Equity related contracts:			
- Less than one year	377,248	-	-
- One year to less than five years	28,963	-	-
Precious metals related contracts:			
- Less than one year	59,639	650	75
Commodity related contracts:			
- Less than one year	325,805	47,406	14,232
- One year to less than five years	307	37	15
Credit derivative contracts:			
- Less than one year	5,315	886	67
Undrawn credit facility:			
- Less than one year	32,206,415	1,434,315	307,677
- More than one year	10,440,563	7,226,921	4,693,859
- Unconditionally cancellable	41,116,180	10,401,752	3,480,658
Other commitments	207,625	-	-
Total	392,183,127	35,509,301	15,527,495

Disclosure of the principal amount and credit equivalent of the commitments and contingencies is as per BNM's Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3).

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34. CREDIT EXPOSURE ARISING FROM CREDIT TRANSACTIONS WITH CONNECTED PARTIES

	Group and Bank	
	30-Jun-26	31-Dec-25
Outstanding credit exposures with connected parties (RM'000)	4,460,269	4,222,055
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures (%)	3.797	3.738
Percentage of outstanding credit exposures to connected parties which is impaired or in default (%)	0.0002	0.0002

The credit exposures above are derived based on Bank Negara Malaysia's revised guidelines on Credit Transaction and Exposure with Connected Parties issued on 16 July 2014.

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35. PERFORMANCE REVIEW

For the financial period ended 30 June 2026, the Group achieved operating profit of RM1,306 million or 2.5 percent higher than a year ago. The resilient operating performance was partly offset by an allowance of expected credit loss ("ECL") of RM120 million as compared to an ECL write-back of RM117 million in the same period last year. As a result, profit before tax was lower at RM897 million.

Higher total income was mainly supported by increase of 3.6 percent in net interest income and 18.9 percent in net income from Islamic Banking operations. This was partly offset by lower other operating income by RM27 million or 3.4 percent, mainly due to lower foreign exchange gains of RM63 million and fee income of RM34 million; partially offset by higher trading and investment income of RM71 million.

Other operating expenses increased marginally to RM1,165 million mainly on investment spending. Coupled with higher operating income, the expense-to-income ratio improved to 47.1 percent from 47.5 percent in the same period last year.

Gross loans, advances and financing grew by 6.1 percent to RM117.1 billion, reflecting the Group's commitment in supporting lending activities for both businesses and individuals. Non-bank deposits grew by 4.7 percent to RM124.1 billion, reflecting continued franchise strength.

36. PROSPECTS FOR 2026

As the global economy enters the second half of 2026, it has shown considerable resilience in the face of the Middle East conflict, despite elevated energy prices and supply-side disruptions. Nevertheless, geopolitical risks remain high, as a renewed breakdown in peace negotiations could trigger fresh energy-related inflationary pressures and supply disruptions. Conversely, a sustained easing of tensions in the Middle East could improve global supply chain conditions and help moderate energy prices.

Malaysia is expected to maintain a positive growth trajectory, underpinned by resilient domestic demand, a stable labour market and steady investment flows. Ongoing national initiatives to strengthen economic complexity and build higher value-added sectors are enhancing the country's regional competitiveness. At the same time, continued structural reforms reinforce Malaysia's long-term economic resilience. While a measured outlook remains appropriate in light of ongoing uncertainties, Malaysia's economy is supported by diversified drivers of growth, strong institutional capabilities, robust energy infrastructure, improving fundamentals and proactive policy direction.

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37. ISLAMIC BANKING OPERATIONS

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026**

	Note	30-Jun-26 RM'000	31-Dec-25 RM'000
Assets			
Cash and short-term funds	a	5,580,556	4,587,452
Securities purchased under resale agreements		1,110,754	1,167,747
Debt instruments at FVOCI	b	2,791,605	2,991,230
Other assets	d	32,971	39,454
Derivative financial assets	e	347,102	381,038
Financing, advances and others	c	11,198,785	8,788,615
Statutory deposits with BNM		50,000	23,000
Plant and equipment		5,322	6,272
Deferred tax assets		14,118	9,907
Total assets		21,131,213	17,994,715
Liabilities and Islamic Banking funds			
Deposits from customers	f	9,006,639	6,393,476
Investment accounts due to a designated financial institution	g	5,039,257	2,818,698
Deposits and placements of other financial institutions	h	4,443,726	6,154,348
Bills and acceptances payable		946	4,353
Other liabilities	i	97,290	130,423
Derivative financial liabilities	e	344,591	374,684
Tax payable		57,884	35,428
Subordinated sukuk	j	1,250,000	1,250,000
Total liabilities		20,240,333	17,161,410
Capital funds		450,000	450,000
Reserves		440,880	383,305
Islamic Banking funds	k	890,880	833,305
Total liabilities and Islamic Banking funds		21,131,213	17,994,715
Commitments and contingencies	s	30,014,547	23,115,187

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

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

		Second Quarter ended		Six Months ended	
	Note	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Income derived from investment of depositors' funds	l	140,502	117,329	279,124	226,446
Income derived from investment of Islamic Banking funds	m	16,139	14,739	33,865	28,636
Income derived from investment of investment account funds	n	31,757	31,680	51,747	61,939
Write-back of/(allowance for) ECL on:					
- Financing, advances and others	q	15,027	(1,806)	611	(8,141)
- Other financial assets	q	49	23	(28)	241
- Commitments and contingencies	q	2,896	(651)	2,698	1,168
Total distributable income		206,370	161,314	368,017	310,289
Profit distributed to depositors and others	o	(106,971)	(93,694)	(216,534)	(176,235)
Profit distributed to investment account holders	p	(29,545)	(25,316)	(41,425)	(50,645)
Total net income		69,854	42,304	110,058	83,409
Other operating expenses	r	(11,193)	(11,665)	(22,452)	(23,093)
Profit before taxation		58,661	30,639	87,606	60,316
Income tax expense		(14,101)	(7,373)	(21,074)	(14,501)
Profit after taxation		44,560	23,266	66,532	45,815
<i>Other comprehensive income:</i>					
<u>Items that may be reclassified subsequently to statement of profit or loss:</u>					
Net fair value changes in debt instruments at FVOCI		8,133	2,950	(11,785)	2,377
Income tax effect		(1,952)	(708)	2,828	(570)
Other comprehensive loss for the financial period, net of tax		6,181	2,242	(8,957)	1,807
Total comprehensive income for the financial period		50,741	25,508	57,575	47,622

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

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

Net income from Islamic Banking operations as reported in the statements of profit or loss of the Group and the Bank is derived as follows:

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	140,502	117,329	279,124	226,446
Income derived from investment of Islamic Banking funds	16,139	14,739	33,865	28,636
Income derived from investment of investment account funds	31,757	31,680	51,747	61,939
Profit distributed to depositors and others	(106,971)	(93,694)	(216,534)	(176,235)
Profit distributed to investment account holders	(29,545)	(25,316)	(41,425)	(50,645)
Net income from Islamic Banking operations reported in the statements of profit or loss of the Group and the Bank	51,882	44,738	106,777	90,141

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

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

	Capital funds RM'000	Non- distributable FVOCI reserve RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 January 2026	450,000	3,056	380,249	833,305
Profit for the financial period	-	-	66,532	66,532
Other comprehensive loss	-	(8,957)	-	(8,957)
Total comprehensive income for the financial period	-	(8,957)	66,532	57,575
At 30 June 2026	450,000	(5,901)	446,781	890,880
At 1 January 2025	450,000	698	258,618	709,316
Profit for the financial period	-	-	45,815	45,815
Other comprehensive income	-	1,807	-	1,807
Total comprehensive income for the financial period	-	1,807	45,815	47,622
At 30 June 2025	450,000	2,505	304,433	756,938

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

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026**

	30-Jun-26	30-Jun-25
	RM'000	RM'000
Profit before taxation	87,606	60,316
Adjustments for non-operating and non-cash items	(65,504)	(29,455)
Operating profit before working capital changes	22,102	30,861
Changes in working capital:		
Net changes in operating assets	(2,329,916)	(1,241,443)
Net changes in operating liabilities	3,059,165	1,960,813
Net cash generated from operating activities	751,351	750,231
Net cash generated from investing activities	241,802	1,398,756
Net increase in cash and cash equivalents	993,153	2,148,987
Cash and cash equivalents at beginning of the financial period	4,587,695	3,404,999
Cash and cash equivalents at end of the financial period before allowance for ECL	5,580,848	5,553,986
Analysis of cash and cash equivalents		
Cash and short-term funds	5,580,848	5,553,986
Less: Allowance for ECL	(292)	(400)
	5,580,556	5,553,586

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

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

a. Cash and short-term funds

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Cash and balances with banks and other financial institutions	4,050,848	3,307,695
Money at call and deposit placements maturing within one month	1,530,000	1,280,000
	5,580,848	4,587,695
Less: Allowance for ECL	(292)	(243)
	5,580,556	4,587,452

Movements in the allowance for ECL on cash and short-term funds are as follows:

	Stage 1	Stage 2	Stage 3	
	12-months	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
As at 30 June 2026		RM'000	RM'000	RM'000
At 1 January 2026	243	-	-	243
Allowance made	162	-	-	162
Maturity/settlement/repayment	(113)	-	-	(113)
Net total	49	-	-	49
At 30 June 2026	292	-	-	292
As at 31 December 2025				
At 1 January 2025	482	-	-	482
Allowance made	168	-	-	168
Maturity/settlement/repayment	(382)	-	-	(382)
Exchange differences	(25)	-	-	(25)
Net total	(239)	-	-	(239)
At 31 December 2025	243	-	-	243

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

b. Debt instruments at fair value through other comprehensive income ("FVOCI")

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Money market instruments		
Government Islamic investments	2,791,605	2,991,230
Total debt instruments at FVOCI	2,791,605	2,991,230

Movements in the allowance for ECL on debt instruments at FVOCI are as follows:

	Stage 1	Stage 2	Stage 3	
	12-months	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
As at 30 June 2026		RM'000	RM'000	RM'000
At 1 January 2026	262	-	-	262
Allowance made	182	-	-	182
Maturity/settlement/repayment	(200)	-	-	(200)
Net total	(18)	-	-	(18)
At 30 June 2026	244	-	-	244
As at 31 December 2025				
At 1 January 2025	243	-	-	243
Allowance made	147	-	-	147
Maturity/settlement/repayment	(128)	-	-	(128)
Net total	19	-	-	19
At 31 December 2025	262	-	-	262

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**37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES**

c. Financing, advances and others

(i) Financing by type of Shariah contract:

As at 30 June 2026	Sale based contracts				Total RM'000
	Tawarruq RM'000	Murabahah RM'000	Bai Al-Dayn RM'000	Others RM'000	
Term financing:					
- Housing financing	4,301,604	-	-	6,230	4,307,834
- Syndicated term financing	903,367	-	-	-	903,367
- Other term financing	2,945,860	-	-	-	2,945,860
Trust receipts	385,199	-	-	-	385,199
Claims on customers under acceptance credits	-	155,797	37,299	-	193,096
Revolving credits	2,559,283	-	-	-	2,559,283
Gross financing, advances and others	<u>11,095,313</u>	<u>155,797</u>	<u>37,299</u>	<u>6,230</u>	<u>11,294,639</u>
Allowance for ECL on financing, advances and others:					
- Stage 1 - 12-month ECL					(18,504)
- Stage 2 - Lifetime ECL non credit-impaired					(31,601)
- Stage 3 - Lifetime ECL credit-impaired					(45,749)
Net financing, advances and others					<u>11,198,785</u>

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

c. Financing, advances and others (cont'd.)

(i) Financing by type of Shariah contract (cont'd.):

As at 31 December 2025	Sale based contracts				Total RM'000
	Tawarruq RM'000	Murabahah RM'000	Bai Al-Dayn RM'000	Others RM'000	
Term financing:					
- Housing financing	4,136,669	-	-	6,725	4,143,394
- Syndicated term financing	779,344	-	-	-	779,344
- Other term financing	2,780,876	-	-	-	2,780,876
Trust receipts	343,467	-	-	-	343,467
Claims on customers under acceptance credits	-	91,844	324	-	92,168
Revolving credits	742,229	-	-	-	742,229
Gross financing, advances and others	<u>8,782,585</u>	<u>91,844</u>	<u>324</u>	<u>6,725</u>	<u>8,881,478</u>
Allowance for ECL on financing, advances and others:					
- Stage 1 - 12-month ECL					(16,549)
- Stage 2 - Lifetime ECL non credit-impaired					(39,952)
- Stage 3 - Lifetime ECL credit-impaired					(36,362)
Net financing, advances and others					<u>8,788,615</u>

Included in financing and advances are specific business ventures funded by the Restricted Specific Investment Account ("RSIA") arrangement between Islamic Banking and Conventional Banking. The Conventional Banking, being the RSIA depositor, is exposed to the risks and rewards of the business ventures and accounts for the ECL allowance arising thereon.

As at 30 June 2026, the gross exposure and ECL relating to RSIA financing amounting to RM3,596,470,396 (31 December 2025: RM1,475,307,560) and RM13,938,989 (31 December 2025: RM3,023,874), respectively.

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

c. Financing, advances and others (cont'd.)

(ii) Gross financing, advances and others by remaining contractual maturity are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Maturing within one year	3,343,139	1,304,101
One year to three years	223,964	266,085
Three years to five years	984,966	879,062
Over five years	6,742,570	6,432,230
	11,294,639	8,881,478

(iii) Gross financing, advances and others by type of customers are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Domestic non-banking financial institutions:		
- Others	989,701	335,506
Domestic business enterprises:		
- Small and medium enterprises	2,028,949	1,992,722
- Others	3,660,352	2,114,434
Individuals	4,450,923	4,279,888
Foreign entities	164,714	158,928
	11,294,639	8,881,478

(iv) Gross financing, advances and others by profit rate sensitivity are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Fixed rate financing	203,519	159,515
Variable rate:		
- Base rate/base financing rate-plus	5,670,270	5,504,297
- Cost-plus	5,420,850	3,217,666
	11,294,639	8,881,478

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

c. Financing, advances and others (cont'd.)

(v) Gross financing, advances and others by economic sector are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Agriculture, hunting, forestry and fishing	965,634	179,698
Mining and quarrying	27,079	24,498
Manufacturing	873,088	817,767
Electricity, gas and water	190,743	172,934
Construction	520,925	458,595
Wholesale, retail trade, restaurants and hotels	1,080,079	895,372
Transport, storage and communication	1,273,559	875,881
Finance, takaful and business services	1,129,978	466,110
Real estate	584,836	518,299
Community, social and personal services	33,081	33,508
Households:		
- Purchase of residential properties	4,319,141	4,154,534
- Purchase of non-residential properties	229,078	220,595
- Others	67,418	63,687
	11,294,639	8,881,478

(vi) Gross financing, advances and others by geographical distribution are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
In Malaysia	11,129,925	8,722,550
Outside Malaysia	164,714	158,928
	11,294,639	8,881,478

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

c. Financing, advances and others (cont'd.)

(vii) Movements in the allowance for ECL on financing, advances and others are as follows:

	Stage 1	Stage 2	Stage 3	
	12-months	Lifetime ECL	Lifetime ECL	Total ECL
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	RM'000
As at 30 June 2026				
At 1 January 2026	16,549	39,952	36,362	92,863
Transferred to Stage 1	7,023	(6,736)	(287)	-
Transferred to Stage 2	(345)	6,177	(5,832)	-
Transferred to Stage 3	(31)	(7,736)	7,767	-
Net remeasurement of allowance	(4,888)	3,563	919	(406)
Allowance made	8,767	2,131	15,605	26,503
Maturity/settlement/repayment	(8,567)	(5,750)	(3,760)	(18,077)
Exchange differences	(4)	-	-	(4)
Net total	1,955	(8,351)	14,412	8,016
Amount written-off	-	-	(5,025)	(5,025)
At 30 June 2026	18,504	31,601	45,749	95,854
As at 31 December 2025				
At 1 January 2025	24,951	58,977	31,608	115,536
Transferred to Stage 1	9,982	(8,529)	(1,453)	-
Transferred to Stage 2	(1,098)	6,523	(5,425)	-
Transferred to Stage 3	(131)	(5,037)	5,168	-
Net remeasurement of allowance	(8,617)	9,475	4,796	5,654
Allowance made	10,349	2,214	13,484	26,047
Maturity/settlement/repayment	(18,820)	(23,602)	(2,539)	(44,961)
Exchange differences	(67)	(69)	-	(136)
Net total	(8,402)	(19,025)	14,031	(13,396)
Amount written-off	-	-	(9,277)	(9,277)
At 31 December 2025	16,549	39,952	36,362	92,863

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

c. Financing, advances and others (cont'd.)

(viii) Movements in credit-impaired financing, advances and others are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
At 1 January	205,867	196,735
Classified as credit-impaired	76,776	92,323
Amount recovered	(13,965)	(28,087)
Reclassified as non credit-impaired	(36,259)	(45,717)
Amount written-off	(5,075)	(9,387)
Gross credit-impaired financing, advances and others	227,344	205,867
Less: Stage 3 - Lifetime ECL credit-impaired	(45,749)	(36,362)
Net credit-impaired financing, advances and others	181,595	169,505
Ratio of net credit-impaired financing, advances and others to gross financing, advances and others less allowance for ECL on credit-impaired provisions	1.6%	1.9%

(ix) Gross credit-impaired financing, advances and others by economic sector are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Manufacturing	4,675	4,564
Construction	33,223	33,645
Wholesale, retail trade, restaurants and hotels	16,013	14,900
Transport, storage and communication	7,032	8,002
Finance, takaful and business services	1,216	-
Community, social and personal services	2,078	1,988
Households:		
- Purchase of residential properties	154,594	138,050
- Purchase of non-residential properties	4,740	3,351
- Others	3,773	1,367
	227,344	205,867

(x) Gross credit-impaired financing, advances and others by geographical distribution are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
In Malaysia	222,867	200,794
Outside Malaysia	4,477	5,073
	227,344	205,867

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

d. Other assets

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Other receivables, deposits and prepayments	1,705	4,651
Profit receivable	31,280	34,820
Less: Allowance for ECL	(14)	(17)
	32,971	39,454

Movements in the allowance for ECL on other assets are as follows:

	Stage 1	Stage 2	Stage 3	
	12-months	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2026				
At 1 January 2026	10	7	-	17
Allowance made	3	-	-	3
Maturity/settlement/repayment	(3)	(3)	-	(6)
Net total	-	(3)	-	(3)
At 30 June 2026	10	4	-	14
As at 31 December 2025				
At 1 January 2025	21	18	-	39
Allowance made	6	3	-	9
Maturity/settlement/repayment	(17)	(14)	-	(31)
Net total	(11)	(11)	-	(22)
At 31 December 2025	10	7	-	17

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

e. Derivative financial assets/(liabilities)

Financial derivatives are instruments whose values change in response to the change in one or more "underlying", such as foreign exchange rate, security price and credit index. They include forwards, swaps, futures, options and credit derivatives. In the normal course of business, the Bank customises derivatives to meet specific needs of its customers. The Bank also transacts in these derivatives for proprietary trading purposes as well as to manage its assets/liabilities and structural positions. While the Bank also enters into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases for customers, these other contracts are not designated as hedge relationships and are measured at fair value through profit or loss.

The fair values of the financial derivatives are as follows:

	Contract or underlying principal amount RM'000	Positive fair value RM'000	Negative fair value RM'000
As at 30 June 2026			
Foreign exchange related contracts:			
- Forwards	12,133,365	296,223	32,602
- Swaps	13,738,593	49,025	310,121
Profit rate related contracts:			
- Swaps	181,483	1,854	1,868
		347,102	344,591
As at 31 December 2025			
Foreign exchange related contracts:			
- Forwards	9,108,406	6,539	368,175
- Swaps	9,460,909	373,512	5,522
Profit rate related contracts:			
- Swaps	73,126	987	987
		381,038	374,684

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

f. Deposits from customers

(i) By type of deposits:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
<u>Non-mudarabah fund</u>		
Demand deposits:		
- Tawarruq	416,092	294,550
- Qard	1,122,742	1,142,683
Savings deposits:		
- Tawarruq	112,968	112,028
- Qard	16,160	16,457
Fixed deposits:		
- Tawarruq	6,182,952	4,063,900
Other deposits:		
- Tawarruq	1,155,725	763,858
	9,006,639	6,393,476

(ii) The remaining maturity of fixed deposits and other deposits are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Due within six months	6,012,056	3,999,281
Six months to one year	1,326,621	828,477
	7,338,677	4,827,758

(iii) The deposits are sourced from the following type of customers:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Business enterprises	1,154,055	1,343,869
Individuals	5,277,540	3,228,085
Foreign entities	506,054	415,535
Others	2,068,990	1,405,987
	9,006,639	6,393,476

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)

EXPLANATORY NOTES

g. Investment accounts due to a designated financial institution

	30-Jun-26 RM'000	31-Dec-25 RM'000
<u>Mudarabah RSIA</u>		
Conventional Banking	5,053,196	2,821,722
Amount receivable from Conventional Banking	(13,939)	(3,024)
	<u>5,039,257</u>	<u>2,818,698</u>

h. Deposits and placements of other financial institutions

	30-Jun-26 RM'000	31-Dec-25 RM'000
<u>Non-mudarabah fund</u>		
Other financial institutions	4,443,726	6,154,348

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

i. Other liabilities

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Allowance for ECL on commitments and contingencies	6,179	6,781
Profit payable	84,239	73,531
Accruals and provisions for operational expenses	10	775
Other payables and accruals	5,569	47,150
Deferred income	1,293	2,186
	97,290	130,423

Movements in the allowance for ECL on commitments and contingencies are as follows:

	Stage 1	Stage 2	Stage 3	
	12-months	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
	RM'000	impaired	impaired	Total ECL
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2026				
At 1 January 2026	5,951	830	-	6,781
Transferred to Stage 1	498	(498)	-	-
Transferred to Stage 2	(73)	73	-	-
Net remeasurement of allowance	(275)	107	-	(168)
Allowance made	3,435	180	-	3,615
Maturity/settlement/repayment	(3,796)	(255)	-	(4,051)
Exchange differences	2	-	-	2
Net total	(209)	(393)	-	(602)
At 30 June 2026	5,742	437	-	6,179

As at 31 December 2025

At 1 January 2025	7,357	2,079	-	9,436
Transferred to Stage 1	521	(521)	-	-
Transferred to Stage 2	(19)	19	-	-
Net remeasurement of allowance	(84)	67	-	(17)
Allowance made	4,994	624	-	5,618
Maturity/settlement/repayment	(6,788)	(1,437)	-	(8,225)
Exchange differences	(30)	(1)	-	(31)
Net total	(1,406)	(1,249)	-	(2,655)
At 31 December 2025	5,951	830	-	6,781

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37. ISLAMIC BANKING OPERATIONS (Cont'c.)
EXPLANATORY NOTES

j. Subordinated sukuk

	30-Jun-26	31-Dec-25
	RM'000	RM'000
RM500.0 million Islamic subordinated Sukuk 2024/2034 (Note (i))	500,000	500,000
RM750.0 million Islamic subordinated Sukuk 2025/2037 (Note (ii))	750,000	750,000
	<u>1,250,000</u>	<u>1,250,000</u>

- (i) On 8 February 2024, the Bank issued RM500.0 million Basel III compliant Tier 2 subordinated Islamic Medium Term Notes (10 years maturity, non-callable 5 years) ("the Sukuk 1").

The Sukuk 1 bears profit at the rate of 4.01% per annum. The coupon rate herein is applicable throughout the tenure of the subordinated sukuk.

The Sukuk 1 may be redeemed at par at the option of the Bank, in part or in whole, on 8 February 2029 or at any profit payment date thereafter.

The profit is payable semi-annually in arrears on 8 August and 8 February each year commencing 8 August 2024.

The Sukuk 1 has been rated AA1 by Rating Agency Malaysia Bhd and it qualifies as Tier 2 capital for the purpose of determining the Bank's capital adequacy ratio.

- (ii) On 3 July 2025, the Bank issued RM750.0 million Basel III compliant Tier 2 subordinated Islamic Medium Term Notes (12 years maturity, non-callable 7 years) ("the Sukuk 2").

The Sukuk 2 bears profit at the rate of 3.85% per annum. The coupon rate herein is applicable throughout the tenure of the subordinated sukuk.

The Sukuk 2 may be redeemed at par at the option of the Bank, in part or in whole, on 2 July 2032 or at any profit payment date thereafter.

The profit is payable semi-annually in arrears on 3 January and 3 July each year commencing 3 January 2026.

The Sukuk 2 has been rated AA1 by Rating Agency Malaysia Bhd and it qualifies as Tier 2 capital for the purpose of determining the Bank's capital adequacy ratio.

k. Islamic Banking funds

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Capital funds	450,000	450,000
FVOCI reserve	(5,901)	3,056
Retained profits	446,781	380,249
	<u>890,880</u>	<u>833,305</u>

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

I. Income derived from investment of depositors' funds

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	70,788	68,449	141,542	136,008
Credit-impaired financing, advances and others	2,095	1,656	4,057	3,469
Money at call and deposit placements with financial institutions	33,245	28,130	67,851	46,190
Financial assets at FVTPL	171	-	391	-
Debt instruments at FVOCI	23,257	8,882	48,092	20,998
Debt instruments at amortised cost	-	3,528	-	7,028
	129,556	110,645	261,933	213,693
Amortisation of premiums, net	(3,012)	(1,350)	(6,895)	(2,675)
Total finance income and hibah	126,544	109,295	255,038	211,018
<u>Other operating income</u>				
Trading income	3,275	2,191	7,836	4,940
Commission income	3,251	3,588	8,199	7,107
Fee income	7,388	2,219	7,969	3,311
Others	44	36	82	70
Total other operating income	13,958	8,034	24,086	15,428
Total	140,502	117,329	279,124	226,446

m. Income derived from investment of Islamic Banking funds

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	8,111	8,598	17,160	17,208
Credit-impaired financing, advances and others	240	208	494	439
Money at call and deposit placements with financial institutions	3,815	3,534	8,239	5,833
Financial assets at FVTPL	20	-	48	-
Debt instruments at FVOCI	2,674	1,117	5,853	2,659
Debt instruments at amortised cost	-	443	-	889
	14,860	13,900	31,794	27,028
Amortisation of premiums, net	(347)	(170)	(844)	(339)
Total finance income and hibah	14,513	13,730	30,950	26,689

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

m. Income derived from investment of Islamic Banking funds (cont'd.)

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
<u>Other operating income</u>				
Trading income	377	275	954	624
Commission income	372	450	1,001	896
Fee income	872	279	950	418
Others	5	5	10	9
Total other operating income	1,626	1,009	2,915	1,947
Total	16,139	14,739	33,865	28,636

n. Income derived from investment of investment account funds

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	26,831	26,716	42,594	52,006
Money at call and deposit placements with financial institutions	4,926	4,964	9,153	9,933
Total	31,757	31,680	51,747	61,939

o. Profit distributed to depositors and others

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Profit distributed to depositors from non-mudarabah fund	94,774	88,695	192,273	166,292
Subordinated sukuk	12,197	4,999	24,261	9,943
	106,971	93,694	216,534	176,235

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

p. Profit distributed to investment account holders

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Profit distributed to investment account holders from mudarabah fund	29,545	25,316	41,425	50,645

q. (Write-back of)/allowance for ECL

	Second Quarter ended		Six Months ended	
	30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
	RM'000	RM'000	RM'000	RM'000
Financing, advances and others:				
- Stage 1 - 12-month ECL	(654)	1,232	1,955	2,610
- Stage 2 - Lifetime ECL non credit-impaired	(3,965)	98	(8,351)	1,839
- Stage 3 - Lifetime ECL credit-impaired	(1,328)	2,410	14,412	4,874
Movement in ECL for RSIA holder*	(9,276)	(1,230)	(8,819)	(621)
	(15,223)	2,510	(803)	8,702
Credit-impaired financing, advances and others:				
- Written-off	318	159	359	374
- Recovered	(122)	(863)	(167)	(935)
	(15,027)	1,806	(611)	8,141
Other financial assets:				
- Stage 1 - 12-month ECL	(48)	(19)	31	(236)
- Stage 2 - Lifetime ECL non credit-impaired	(1)	(4)	(3)	(5)
	(49)	(23)	28	(241)
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(372)	4,470	(209)	2,648
- Stage 2 - Lifetime ECL non credit-impaired	(20)	733	(393)	(136)
Movement in ECL for RSIA holder*	(2,504)	(4,552)	(2,096)	(3,680)
	(2,896)	651	(2,698)	(1,168)
Total	(17,972)	2,434	(3,281)	6,732

* The RSIA holder is the Conventional Banking (Note c(ii))

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37. ISLAMIC BANKING OPERATIONS (Cont'd.)
EXPLANATORY NOTES

r. Other operating expenses

	Second Quarter ended		Six Months ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Personnel expenses	901	1,198	1,814	2,221
Establishment expenses	1,852	1,605	3,497	3,072
Marketing expenses	8	103	58	109
General administrative expenses	8,432	8,759	17,083	17,691
	11,193	11,665	22,452	23,093
<u>Personnel expenses</u>				
Wages, salaries and bonus	712	974	1,445	1,806
Defined contribution plan	115	154	231	288
Other employee benefits	74	70	138	127
	901	1,198	1,814	2,221
<u>Establishment expenses</u>				
Depreciation of plant and equipment	476	476	951	951
Information technology costs	619	559	1,220	1,125
Repair and maintenance	93	30	95	45
Short-term lease expenses	22	35	111	53
Others	642	505	1,120	898
	1,852	1,605	3,497	3,072
<u>Marketing expenses</u>				
Advertisement and publicity	8	103	58	109
<u>General administrative expenses</u>				
Fees and commissions paid	125	142	243	271
Management fee	8,206	8,443	16,619	17,085
Others	101	174	221	335
	8,432	8,759	17,083	17,691

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37. ISLAMIC BANKING OPERATIONS (cont'd.)
EXPLANATORY NOTES

s. Commitments and contingencies

The off-balance sheet exposures and their related counterparty credit risks are as follows:

	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
As at 30 June 2026			
Direct credit substitutes	257,830	257,830	132,673
Transaction-related contingent items	272,771	136,542	139,501
Short-term self-liquidating trade-related contingencies	47,525	9,505	4,257
Foreign exchange related contracts:			
- Less than one year	25,871,958	500,677	109,208
Profit rate related contracts:			
- More than one year	181,483	4,796	3,467
Undrawn credit facility:			
- Less than one year	1,456,012	73,535	3,481
- More than one year	924,676	645,472	318,920
- Unconditionally cancellable	1,002,292	-	-
Total	30,014,547	1,628,357	711,507
As at 31 December 2025			
Direct credit substitutes	473,607	473,607	240,013
Transaction-related contingent items	255,767	127,972	103,820
Short-term self-liquidating trade-related contingencies	1,343	627	255
Foreign exchange related contracts:			
- Less than one year	18,569,315	160,787	37,809
Profit rate related contracts:			
- Less than one year	73,126	577	246
Undrawn credit facility:			
- Less than one year	1,165,340	17,002	3,898
- More than one year	1,180,852	840,767	629,224
- Unconditionally cancellable	1,395,837	-	-
Total	23,115,187	1,621,339	1,015,265

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37. ISLAMIC BANKING OPERATIONS (cont'd.)
EXPLANATORY NOTES

t. Capital management and capital adequacy

The capital adequacy ratios of Islamic Banking window are computed in accordance with the BNM Capital Adequacy Framework for Islamic Banking (Capital Components) issued on 14 June 2024 and Basel II - Risk-weighted Assets Framework for Islamic Banking issued on 18 December 2023.

	30-Jun-26	31-Dec-25
	RM'000	RM'000
<u>Common Equity Tier 1 ("CET1")/Tier 1 Capital</u>		
Capital funds	450,000	450,000
Retained profits	446,781	380,249
Other reserves	(5,901)	3,056
Regulatory adjustments applied in the calculation of CET1 Capital	(45,773)	(16,783)
Total CET1/Tier 1 Capital	845,107	816,522
<u>Tier 2 Capital</u>		
Tier 2 Capital instruments	1,250,000	1,250,000
Financing loss provision:		
- General provisions	1,712	876
Total Tier 2 Capital	1,251,712	1,250,876
Total Capital	2,096,819	2,067,398

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37. ISLAMIC BANKING OPERATIONS (cont'd.)
EXPLANATORY NOTES

t. Capital management and capital adequacy (cont'd.)

(a) The capital adequacy ratios are as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Before the effects of RSIA		
CET1/Tier 1 Capital	11.584%	12.868%
Total Capital	28.722%	32.575%
After the effects of RSIA		
CET1/Tier 1 Capital	16.837%	16.264%
Total Capital	41.776%	41.179%

In accordance with BNM's Guidelines on the Investment Account, the credit risk and market risk weighted assets funded by the RSIA which qualify as risk absorbent are excluded from the calculation of capital adequacy ratio. As at 30 June 2026, credit risk related to RSIA assets excluded from the total capital ratio calculation amounting to RM2,281,132,602 (31 December 2025: RM1,326,326,251).

(b) Analysis of gross RWA by risk category is as follows:

	30-Jun-26	31-Dec-25
	RM'000	RM'000
Total RWA for credit risk	4,708,239	4,715,984
Total RWA for market risk	8,792	13,876
Total RWA for operational risk	302,196	290,677
Total RWA	5,019,227	5,020,537

v. Credit exposure arising from credit transactions with connected parties

	30-Jun-26	31-Dec-25
Outstanding credit exposures with connected parties (RM'000)	389,676	122,821
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures (%)	3.450	1.383
Percentage of outstanding credit exposures to connected parties which is impaired or in default (%)	0.0022	0.0027

The credit exposures above are derived based on Bank Negara Malaysia's revised guidelines on Credit Transaction and Exposure with Connected Parties for Islamic Banks issued on 16 July 2014.