

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

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
31 MARCH 2025

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

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

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025

		Group		Bank	
	Note	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds	11	10,507,085	6,489,396	10,507,085	6,489,396
Deposits and placements with financial institutions	12	809,816	99,943	809,816	99,943
Securities purchased under resale agreements		1,084,360	974,044	1,084,360	974,044
Financial assets at fair value through profit or loss ("FVTPL")	13	7,262,774	6,306,246	7,262,774	6,306,246
Debt instruments at fair value through other comprehensive income ("FVOCI")	14	10,723,182	16,407,312	10,723,182	16,407,312
Equity instruments at fair value through other comprehensive income ("FVOCI")	15	173,214	174,161	173,214	174,161
Debt Instruments at amortised cost	16	9,810,137	9,958,972	9,810,137	9,958,972
Loans, advances and financing	17	107,168,537	107,097,437	107,470,097	107,397,066
Derivative financial assets	18	971,651	1,302,009	971,651	1,302,009
Other assets	19	1,621,969	1,968,769	1,639,006	1,982,943
Statutory deposits with Bank Negara Malaysia		1,598,000	1,610,000	1,598,000	1,610,000
Investment in subsidiaries		-	-	350,020	350,020
Investment in an associate		418	418	4,758	4,758
Property, plant and equipment		1,425,147	1,420,049	680,646	674,137
Right-of-use assets		89,462	90,977	510,115	492,741
Intangible assets	20	449,899	453,174	449,899	453,174
Deferred tax assets		368,523	390,844	371,927	381,222
TOTAL ASSETS		154,064,174	154,743,751	154,416,687	155,058,144
LIABILITIES					
Deposits from customers	21	114,772,359	114,585,585	114,792,893	114,604,083
Deposits and placements of banks and other financial institutions	22	14,057,352	14,632,820	14,057,372	14,632,840
Obligations on securities sold under repurchase agreements		1,703,317	1,973,281	1,703,317	1,973,281
Bills and acceptances payable		80,681	230,992	80,681	230,992
Derivative financial liabilities	18	768,075	1,357,122	768,075	1,357,122
Other liabilities	23	4,675,851	4,530,709	4,663,729	4,510,181
Lease liabilities		97,954	98,910	541,294	529,799
Tax payable		112,424	37,101	113,699	37,611
Subordinated bonds/sukuk	24	2,249,419	2,249,352	2,249,419	2,249,352
Deferred tax liabilities		14,064	27,090	-	-
TOTAL LIABILITIES		138,531,496	139,722,962	138,970,479	140,125,261

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION (Cont'd.)
AS AT 31 MARCH 2025

		Group		Bank	
	Note	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
		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		14,740,123	14,228,234	14,653,653	14,140,328
TOTAL EQUITY		15,532,678	15,020,789	15,446,208	14,932,883
TOTAL LIABILITIES AND EQUITY		154,064,174	154,743,751	154,416,687	155,058,144
COMMITMENTS AND CONTINGENCIES	33	323,878,305	301,684,329	323,878,305	301,684,329

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 2024.

Company No. 199301017069 (271809K)

UNITED OVERSEAS BANK (MALAYSIA) BHD
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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Group	Note	First Quarter Ended		Three Months Ended	
		31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Operating revenue	25	2,260,666	2,307,446	2,260,666	2,307,446
Interest income	26	1,646,429	1,680,155	1,646,429	1,680,155
Interest expense	27	(884,607)	(988,843)	(884,607)	(988,843)
Net interest income		761,822	691,312	761,822	691,312
Net income from Islamic					
Banking operations	36	45,403	44,418	45,403	44,418
Other operating income	28	406,274	433,722	406,274	433,722
Operating income		1,213,499	1,169,452	1,213,499	1,169,452
Other operating expenses	29	(567,639)	(568,399)	(567,639)	(568,399)
Operating profit before allowance for expected credit losses ("ECL")		645,860	601,053	645,860	601,053
Write-back of/(allowance for)					
ECL on:					
- Loans, advances and financing	30	(30,880)	(6,411)	(30,880)	(6,411)
- Other financial assets	30	10,266	14,990	10,266	14,990
- Commitments and contingencies	30	40,643	19,071	40,643	19,071
Profit before taxation		665,889	628,703	665,889	628,703
Income tax expense		(160,195)	(150,370)	(160,195)	(150,370)
Profit for the financial period attributable to equity holders of the Bank		505,694	478,333	505,694	478,333
Basic/diluted earnings per share (sen)		107.6	101.8	107.6	101.8

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 2024.

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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 31 MARCH 2025**

Bank	Note	First Quarter Ended		Three Months Ended	
		31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Operating revenue	25	2,264,645	2,310,390	2,264,645	2,310,390
Interest income	26	1,650,204	1,684,019	1,650,204	1,684,019
Interest expense	27	(888,694)	(992,704)	(888,694)	(992,704)
Net interest income		761,510	691,315	761,510	691,315
Net income from Islamic					
Banking operations	36	45,403	44,418	45,403	44,418
Other operating income	28	406,504	432,838	406,504	432,838
Operating income		1,213,417	1,168,571	1,213,417	1,168,571
Other operating expenses	29	(566,093)	(568,266)	(566,093)	(568,266)
Operating profit before allowance for ECL		647,324	600,305	647,324	600,305
Write-back of/(allowance for) ECL on:					
- Loans, advances and financing	30	(30,895)	(6,808)	(30,895)	(6,808)
- Other financial assets	30	10,253	14,963	10,253	14,963
- Commitments and contingencies	30	40,643	19,071	40,643	19,071
Profit before taxation		667,325	627,531	667,325	627,531
Income tax expense		(160,195)	(150,338)	(160,195)	(150,338)
Profit for the financial period attributable to equity holders of the Bank		507,130	477,193	507,130	477,193
Basic/diluted earnings per share (sen)		107.9	101.5	107.9	101.5

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 2024.

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UNITED OVERSEAS BANK (MALAYSIA) BHD
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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Group	First Quarter Ended		Three Months Ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Profit for the financial period	505,694	478,333	505,694	478,333
<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	8,302	(14,687)	8,302	(14,687)
Income tax effect	(1,993)	3,094	(1,993)	3,094
	6,309	(11,593)	6,309	(11,593)
<u>Items that will not be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in equity instruments at FVOCI	(150)	6	(150)	6
Income tax effect	36	(1)	36	(1)
	(114)	5	(114)	5
Other comprehensive income/(loss) for the financial period, net of tax	6,195	(11,588)	6,195	(11,588)
Total comprehensive income for the financial period attributable to equity holders	511,889	466,745	511,889	466,745

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 2024.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	First Quarter Ended		Three Months Ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Bank				
Profit for the financial period	507,130	477,193	507,130	477,193
<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	8,302	(14,687)	8,302	(14,687)
Income tax effect	(1,993)	3,094	(1,993)	3,094
	6,309	(11,593)	6,309	(11,593)
<u>Items that will not be reclassified subsequently to statements of profit or loss:</u>				
Net fair value changes in equity instruments at FVOCI	(150)	6	(150)	6
Income tax effect	36	(1)	36	(1)
	(114)	5	(114)	5
Other comprehensive income/(loss) for the financial period, net of tax	6,195	(11,588)	6,195	(11,588)
Total comprehensive income for the financial period attributable to equity holders	513,325	465,605	513,325	465,605

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 2024.

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UNITED OVERSEAS BANK (MALAYSIA) BHD

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Group	← <i>Non-distributable</i> →			<i>Distributable</i>	Total RM'000
	Share capital RM'000	Revaluation reserves RM'000	FVOCI reserve 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	-	-	-	505,694	505,694
Other comprehensive income	-	-	6,195	-	6,195
Total comprehensive income for the financial period	-	-	6,195	505,694	511,889
At 31 March 2025	792,555	233,477	98,257	14,408,389	15,532,678

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 2024.

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Group (cont'd.)	← <i>Non-distributable</i> →			<i>Distributable</i>	Total RM'000
	Share capital RM'000	Revaluation reserves RM'000	FVOCI reserve RM'000	Retained profits RM'000	
At 1 January 2024	792,555	233,477	79,393	12,996,815	14,102,240
Profit for the financial period	-	-	-	478,333	478,333
Other comprehensive loss	-	-	(11,588)	-	(11,588)
Total comprehensive (loss)/income for the financial period	-	-	(11,588)	478,333	466,745
At 31 March 2024	792,555	233,477	67,805	13,475,148	14,568,985

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 2024.

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Bank	Share capital RM'000	<i>Non- distributable</i> FVOCI reserve RM'000	<i>Distributable</i> 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	-	-	507,130	507,130
Other comprehensive income	-	6,195	-	6,195
Total comprehensive income for the financial period	-	6,195	507,130	513,325
At 31 March 2025	792,555	91,354	14,562,299	15,446,208

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 2024.

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (Cont'd.)
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

Bank (cont'd.)	Share capital RM'000	<i>Non- distributable</i> FVOCI reserve RM'000	<i>Distributable</i> Retained profits RM'000	Total RM'000
At 1 January 2024	792,555	72,490	13,159,032	14,024,077
Profit for the financial period	-	-	477,193	477,193
Other comprehensive loss	-	(11,588)	-	(11,588)
Total comprehensive (loss)/income for the financial period	-	(11,588)	477,193	465,605
At 31 March 2024	792,555	60,902	13,636,225	14,489,682

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 2024.

UNITED OVERSEAS BANK (MALAYSIA) BHD

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**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	Group		Bank	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	665,889	628,703	667,325	627,531
Adjustments for non-operating and non-cash items	(380,619)	(448,396)	(373,659)	(442,012)
Operating profit before working capital changes	285,270	180,307	293,666	185,519
Changes in working capital:				
Net changes in operating assets	(492,931)	504,456	(497,753)	502,590
Net changes in operating liabilities	(1,031,037)	(315,891)	(1,020,595)	(302,876)
Tax paid	(77,534)	(153,338)	(76,769)	(153,199)
Net cash (used in)/generated from operating activities	(1,316,232)	215,534	(1,301,451)	232,034
Net cash generated from investing activities	6,038,638	4,569,218	6,041,745	4,569,406
Net cash (used in)/generated from financing activities	(6,272)	495,424	(24,160)	478,736
Net increase in cash and cash equivalents	4,716,134	5,280,176	4,716,134	5,280,176
Cash and cash equivalents at beginning of the financial period	6,607,376	6,050,313	6,607,376	6,050,313
Cash and cash equivalents at end of the financial period before allowance for ECL	11,323,510	11,330,489	11,323,510	11,330,489
Analysis of cash and cash equivalents				
Cash and short-term funds	10,513,510	9,130,489	10,513,510	9,130,489
Deposits and placements with financial institutions	810,000	2,200,000	810,000	2,200,000
	11,323,510	11,330,489	11,323,510	11,330,489
Less: Allowance for ECL	(6,609)	(15,479)	(6,609)	(15,479)
	11,316,901	11,315,010	11,316,901	11,315,010

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 2024.

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 2024. 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 2024.

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 2024, except for the adoption of the following amendments to Malaysia Financial Reporting Standards ("MFRSs").

Effective for financial periods beginning on or after 1 January 2025

- Lack of Exchangeability (Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates*)
- MFRS 18 *Presentation and Disclosure in Financial Statements*
- Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)

Effective for financial periods to be determined by the MASB

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

The adoption of the above amendments to MFRSs do not have any material financial impact to the Group's and the Bank's financial statements.

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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 2024 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 31 March 2025.

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 31 March 2025.

6. DEBT AND EQUITY SECURITIES

There were no issuances of shares, share buy-backs and repayment of debt and equity securities by the Group and the Bank during the financial period ended 31 March 2025.

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 2024.

8. DIVIDENDS

There was no proposed dividend for the financial period ended 31 March 2025.

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 31 March 2025.

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EXPLANATORY NOTES

11. CASH AND SHORT-TERM FUNDS

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Cash and balances with banks and other financial institutions	3,051,902	3,726,433
Money at call and deposit placements maturing within one month	7,461,608	2,780,943
	10,513,510	6,507,376
Less: Allowance for ECL	(6,425)	(17,980)
	10,507,085	6,489,396

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 31 March 2025	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	17,980	-	-	17,980
Allowance made	5,323	-	-	5,323
Maturity/settlement/repayment	(16,829)	-	-	(16,829)
Exchange differences	(49)	-	-	(49)
Net total	(11,555)	-	-	(11,555)
At 31 March 2025	6,425	-	-	6,425
As at 31 December 2024				
At 1 January 2024	13,144	-	-	13,144
Allowance made	6,173	-	-	6,173
Maturity/settlement/repayment	(660)	-	-	(660)
Exchange differences	(677)	-	-	(677)
Net total	4,836	-	-	4,836
At 31 December 2024	17,980	-	-	17,980

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EXPLANATORY NOTES

12. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Licensed banks in Malaysia	810,000	100,000
Less: Allowance for ECL	(184)	(57)
	809,816	99,943

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-	
Group and Bank		impaired	impaired	Total ECL
As at 31 March 2025	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	57	-	-	57
Allowance made	184	-	-	184
Maturity/settlement/repayment	(57)	-	-	(57)
Net total	127	-	-	127
At 31 March 2025	184	-	-	184
As at 31 December 2024				
At 1 January 2024	174	-	-	174
Allowance made	57	-	-	57
Maturity/settlement/repayment	(174)	-	-	(174)
Net total	(117)	-	-	(117)
At 31 December 2024	57	-	-	57

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

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Money market instruments		
Bank Negara Malaysia bills	278,027	1,153,480
Malaysian Government treasury bills	844,584	869,287
Negotiable instruments of deposits	4,097,837	2,509,570
	5,220,448	4,532,337
Debt securities in Malaysia		
Cagamas bonds	1,541,406	1,650,782
Unquoted private debt securities	500,920	123,127
	2,042,326	1,773,909
Total financial assets at FVTPL	7,262,774	6,306,246

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EXPLANATORY NOTES

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

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Money market instruments		
Bank Negara Malaysia bills	219,506	-
Malaysian Government securities	8,279,298	14,455,985
Negotiable instruments of deposits	1,660,081	1,399,705
	10,158,885	15,855,690
Debt securities in Malaysia		
Cagamas bonds/sukuk	45,135	120,164
Unquoted private debt securities	519,162	431,458
	564,297	551,622
Total debt instruments at FVOCI	10,723,182	16,407,312

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	RM'000	impaired	impaired	RM'000
As at 31 March 2025		RM'000	RM'000	
At 1 January 2025	1,869	61	-	1,930
Transferred to Stage 2	(42)	42	-	-
Net remeasurement of allowance	-	637	-	637
Allowance made	779	4	-	783
Maturity/settlement/repayment	(915)	(16)	-	(931)
Net total	(178)	667	-	489
At 31 March 2025	1,691	728	-	2,419
As at 31 December 2024				
At 1 January 2024	3,841	306	39,960	44,107
Allowance made	1,222	104	-	1,326
Maturity/settlement/repayment	(3,194)	(349)	(39,960)	(43,503)
Net total	(1,972)	(245)	(39,960)	(42,177)
At 31 December 2024	1,869	61	-	1,930

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

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Quoted securities		
Shares of corporations in Malaysia	-	947
Unquoted securities		
Shares of corporations in Malaysia	173,214	173,214
	173,214	174,161

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16. DEBT INSTRUMENTS AT AMORTISED COST

	Group and Bank	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
Money market instruments		
Malaysian Government securities	7,062,434	7,261,850
Less: Allowance for ECL	(620)	(634)
	7,061,814	7,261,216
Debt securities in Malaysia		
Unquoted private debt securities/sukuk	2,764,901	2,713,956
Less: Allowance for ECL	(16,578)	(16,200)
	2,748,323	2,697,756
Total debt instruments at amortised cost	9,810,137	9,958,972

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-	
	RM'000	impaired	impaired	Total ECL
	RM'000	RM'000	RM'000	RM'000
Group and Bank				
As at 31 March 2025				
At 1 January 2025	8,163	8,671	-	16,834
Allowance made	777	66	-	843
Maturity/settlement/repayment	(46)	(433)	-	(479)
Net total	731	(367)	-	364
At 31 March 2025	8,894	8,304	-	17,198
As at 31 December 2024				
At 1 January 2024	21,327	1,162	-	22,489
Transferred to Stage 2	(337)	337	-	-
Net remeasurement of allowance	-	(425)	-	(425)
Allowance made	4,336	7,866	-	12,202
Maturity/settlement/repayment	(17,163)	(269)	-	(17,432)
Net total	(13,164)	7,509	-	(5,655)
At 31 December 2024	8,163	8,671	-	16,834

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17. LOANS, ADVANCES AND FINANCING

	Group		Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000	31-Mar-25 RM'000	31-Dec-24 RM'000
At amortised cost				
Overdrafts	2,850,606	2,906,991	2,850,606	2,906,991
Term loans/financing:				
- Housing loans/financing	40,847,903	40,657,783	40,847,903	40,657,783
- Syndicated term loans/financing	4,204,482	4,059,293	4,204,482	4,059,293
- Other term loans/financing	31,484,616	31,267,921	31,788,848	31,570,207
Credit card receivables	9,616,868	9,670,098	9,616,868	9,670,098
Bills receivables	326,850	197,554	326,850	197,554
Trust receipts	7,815,934	7,886,076	7,815,934	7,886,076
Claims on customers under acceptance credits	6,088,604	6,172,720	6,088,604	6,172,720
Revolving credits	6,411,351	6,762,626	6,411,351	6,762,626
Staff loans	129,596	121,357	129,596	121,357
	109,776,810	109,702,419	110,081,042	110,004,705
Unearned interest/profit	(174,337)	(174,365)	(174,337)	(174,365)
Gross loans, advances and financing	109,602,473	109,528,054	109,906,705	109,830,340
Allowance for ECL on loans, advances and financing:				
- Stage 1 - 12 month ECL	(815,582)	(832,959)	(818,254)	(835,616)
- Stage 2 - Lifetime ECL non credit-impaired	(918,427)	(941,366)	(918,427)	(941,366)
- Stage 3 - Lifetime ECL credit-impaired	(699,927)	(656,292)	(699,927)	(656,292)
Net loans, advances and financing	107,168,537	107,097,437	107,470,097	107,397,066

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

	Group		Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000	31-Mar-25 RM'000	31-Dec-24 RM'000
Maturing within one year	36,212,241	35,765,586	36,516,473	36,067,872
One year to three years	6,336,142	7,158,247	6,336,142	7,158,247
Three years to five years	8,511,685	8,075,302	8,511,685	8,075,302
Over five years	58,542,405	58,528,919	58,542,405	58,528,919
	109,602,473	109,528,054	109,906,705	109,830,340

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EXPLANATORY NOTES

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

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

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Domestic non-banking financial institutions:				
- Others	2,421,971	2,571,139	2,421,971	2,571,139
Domestic business enterprises:				
- Small and medium enterprises	23,626,627	23,601,584	23,626,627	23,601,584
- Others	22,056,770	21,797,863	22,361,002	22,100,149
Individuals	56,800,647	56,858,938	56,800,647	56,858,938
Foreign entities	4,696,458	4,698,530	4,696,458	4,698,530
	109,602,473	109,528,054	109,906,705	109,830,340

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

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Fixed rate:				
- Housing loans/financing	87,466	88,075	87,466	88,075
- Other fixed rate loans/financing	17,065,258	17,233,788	17,065,258	17,233,788
Variable rate:				
- Base rate/base lending/financing rate-plus	61,138,762	61,212,177	61,138,762	61,212,177
- Cost-plus	30,928,174	30,584,904	31,232,406	30,887,190
- Other variable rates	382,813	409,110	382,813	409,110
	109,602,473	109,528,054	109,906,705	109,830,340

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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	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	957,309	938,952	957,309	938,952
Mining and quarrying	215,268	254,559	215,268	254,559
Manufacturing	10,788,956	10,378,354	10,788,956	10,378,354
Electricity, gas and water	1,511,838	1,473,706	1,511,838	1,473,706
Construction	7,673,793	7,584,464	7,673,793	7,584,464
Wholesale, retail trade, restaurants and hotels	14,524,746	15,172,522	14,524,746	15,172,522
Transport, storage and communication	4,866,516	4,549,170	4,866,516	4,549,170
Finance, insurance and business services	3,291,241	3,304,755	3,291,241	3,304,755
Real estate	4,330,291	4,231,268	4,634,523	4,533,554
Community, social and personal services	175,447	372,223	175,447	372,223
Households:				
- Purchase of residential properties	41,444,621	41,243,458	41,444,621	41,243,458
- Purchase of non-residential properties	7,389,835	7,486,496	7,389,835	7,486,496
- Others	12,432,612	12,538,127	12,432,612	12,538,127
	109,602,473	109,528,054	109,906,705	109,830,340

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

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
In Malaysia	104,906,015	104,829,524	105,210,247	105,131,810
Outside Malaysia	4,696,458	4,698,530	4,696,458	4,698,530
	109,602,473	109,528,054	109,906,705	109,830,340

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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	
	31-Mar-25	31-Dec-24
	RM'000	RM'000
At 1 January	2,663,010	2,831,791
Classified as credit-impaired	333,696	1,010,709
Amount recovered	(80,380)	(333,351)
Reclassified as non credit-impaired	(117,975)	(380,562)
Amount written-off	(79,720)	(465,577)
Gross credit-impaired loans, advances and financing	2,718,631	2,663,010
Less: Stage 3 - Lifetime ECL credit-impaired	(699,927)	(656,292)
Net credit-impaired loans, advances and financing	2,018,704	2,006,718
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%	1.8%

(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-	Total ECL
Group		impaired	impaired	
As at 31 March 2025	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	832,959	941,366	656,292	2,430,617
Transferred to Stage 1	42,631	(41,167)	(1,464)	-
Transferred to Stage 2	(7,905)	22,133	(14,228)	-
Transferred to Stage 3	(293)	(33,644)	33,937	-
Net remeasurement of allowance	(32,093)	59,035	63,004	89,946
Allowance made	93,670	54,897	40,778	189,345
Maturity/settlement/repayment	(113,366)	(83,925)	(20,946)	(218,237)
Exchange differences	(21)	(268)	-	(289)
Net total	(17,377)	(22,939)	101,081	60,765
Amount written-off	-	-	(57,434)	(57,434)
Other movements	-	-	(12)	(12)
At 31 March 2025	815,582	918,427	699,927	2,433,936

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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 2024	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 2024	355,716	1,405,055	754,736	2,515,507
Transferred to Stage 1	112,793	(90,296)	(22,497)	-
Transferred to Stage 2	(12,100)	39,254	(27,154)	-
Transferred to Stage 3	(1,496)	(29,551)	31,047	-
Net remeasurement of allowance	269,322	(266,162)	244,831	247,991
Allowance made	227,450	134,852	115,984	478,286
Maturity/settlement/repayment	(116,970)	(251,235)	(85,576)	(453,781)
Exchange differences	(1,756)	(551)	-	(2,307)
Net total	477,243	(463,689)	256,635	270,189
Amount written-off	-	-	(355,002)	(355,002)
Other movements	-	-	(77)	(77)
At 31 December 2024	832,959	941,366	656,292	2,430,617

Bank

As at 31 March 2025

At 1 January 2025	835,616	941,366	656,292	2,433,274
Transferred to Stage 1	42,631	(41,167)	(1,464)	-
Transferred to Stage 2	(7,905)	22,133	(14,228)	-
Transferred to Stage 3	(293)	(33,644)	33,937	-
Net remeasurement of allowance	(32,093)	59,035	63,004	89,946
Allowance made	93,685	54,897	40,778	189,360
Maturity/settlement/repayment	(113,366)	(83,925)	(20,946)	(218,237)
Exchange differences	(21)	(268)	-	(289)
Net total	(17,362)	(22,939)	101,081	60,780
Amount written-off	-	-	(57,434)	(57,434)
Other movements	-	-	(12)	(12)
At 31 March 2025	818,254	918,427	699,927	2,436,608

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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.):

Bank (cont'd.) As at 31 December 2024	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 2024	357,818	1,405,055	754,736	2,517,609
Transferred to Stage 1	112,793	(90,296)	(22,497)	-
Transferred to Stage 2	(12,100)	39,254	(27,154)	-
Transferred to Stage 3	(1,496)	(29,551)	31,047	-
Net remeasurement of allowance	269,322	(266,162)	244,831	247,991
Allowance made	228,005	134,852	115,984	478,841
Maturity/settlement/repayment	(116,970)	(251,235)	(85,576)	(453,781)
Exchange differences	(1,756)	(551)	-	(2,307)
Net total	477,798	(463,689)	256,635	270,744
Amount written-off	-	-	(355,002)	(355,002)
Other movements	-	-	(77)	(77)
At 31 December 2024	835,616	941,366	656,292	2,433,274

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

	Group and Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000
Mining and quarrying	568	568
Manufacturing	107,608	100,382
Electricity, gas and water	11	17
Construction	664,911	679,950
Wholesale, retail trade, restaurants and hotels	347,176	318,604
Transport, storage and communication	35,311	35,581
Finance, insurance and business services	35,198	33,609
Real estate	245,478	240,719
Community, social and personal services	4,142	3,989
Households:		
- Purchase of residential properties	942,360	920,067
- Purchase of non-residential properties	149,780	149,784
- Others	186,088	179,740
	2,718,631	2,663,010

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

	Group and Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000
In Malaysia	2,625,094	2,570,791
Outside Malaysia	93,537	92,219
	2,718,631	2,663,010

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EXPLANATORY NOTES

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 31 March 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	26,238,134	228,332	81,448
- Swaps	71,021,654	277,943	320,846
- Options	1,201,460	4,574	1,940
Interest/profit rate related contracts:			
- Swaps	131,447,554	451,590	332,089
- Futures	98,787	-	586
- Options	18,545	-	13
Equity related contracts:			
- Swaps	179,632	28	14,310
- Options	85,641	2,745	2,772
Commodity related contracts:			
- Swaps	352,687	4,096	12,341
- Futures	106,828	1,527	624
- Options	71,262	525	525
Credit derivative contracts:			
- Swaps	5,802	291	-
<u>Hedging derivatives</u>			
Interest rate related contracts:			
- Swaps	750,000	-	581
		971,651	768,075

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18. DERIVATIVES 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 2024	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	22,458,932	310,378	201,127
- Swaps	69,707,640	459,109	745,699
- Options	932,151	6,208	2,857
Interest/profit rate related contracts:			
- Swaps	117,496,041	515,751	385,784
- Futures	835	14	-
- Options	25,246	-	35
Equity related contracts:			
- Swaps	84,799	114	3,882
- Options	56,409	2,015	1,251
Commodity related contracts:			
- Swaps	423,137	5,521	14,917
- Futures	40,240	1,797	54
- Options	143,870	868	868
Credit derivative contracts:			
- Swaps	5,857	234	-
<u>Hedging derivatives</u>			
Interest rate related contracts:			
- Swaps	750,000	-	648
		1,302,009	1,357,122

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	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Other receivables, deposits and prepayments	710,006	1,130,444	710,001	1,130,329
Interest/profit receivable	394,360	344,342	394,360	344,342
Amount due from subsidiaries	-	-	16,973	14,334
Amount due from fellow subsidiaries	94	-	221	-
Amount due from holding company	98	79	81	62
Amount due from the ultimate holding company	988	74,747	988	74,747
Precious metal accounts	524,587	427,012	524,587	427,012
Less: Allowance for ECL	(8,164)	(7,855)	(8,205)	(7,883)
	1,621,969	1,968,769	1,639,006	1,982,943

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

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	non credit-	credit-	
Group		impaired	impaired	Total ECL
As at 31 March 2025	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	4,288	3,567	-	7,855
Allowance made	3,074	2,037	-	5,111
Maturity/settlement/repayment	(2,427)	(2,368)	-	(4,795)
Exchange differences	(4)	(3)	-	(7)
Net total	643	(334)	-	309
At 31 March 2025	4,931	3,233	-	8,164
As at 31 December 2024				
At 1 January 2024	2,998	2,516	-	5,514
Allowance made	1,764	1,466	-	3,230
Maturity/settlement/repayment	(461)	(404)	-	(865)
Exchange differences	(13)	(11)	-	(24)
Net total	1,290	1,051	-	2,341
At 31 December 2024	4,288	3,567	-	7,855

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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
		RM'000	RM'000	RM'000
Bank				
As at 31 March 2025				
At 1 January 2025	4,303	3,580	-	7,883
Allowance made	3,084	2,040	-	5,124
Maturity/settlement/repayment	(2,427)	(2,368)	-	(4,795)
Exchange differences	(4)	(3)	-	(7)
Net total	653	(331)	-	322
At 31 March 2025	4,956	3,249	-	8,205
As at 31 December 2024				
At 1 January 2024	2,999	2,517	-	5,516
Allowance made	1,778	1,478	-	3,256
Maturity/settlement/repayment	(461)	(404)	-	(865)
Exchange differences	(13)	(11)	-	(24)
Net total	1,304	1,063	-	2,367
At 31 December 2024	4,303	3,580	-	7,883

20. INTANGIBLE ASSETS

	Goodwill	Other intangible assets*	Total
	RM'000	RM'000	RM'000
Group and Bank 2025			
Cost			
At 1 January/31 March	350,557	131,000	481,557
Accumulated amortisation			
At 1 January	-	(28,383)	(28,383)
Amortisation charged for the financial period	-	(3,275)	(3,275)
At 31 March	-	(31,658)	(31,658)
Net carrying amount			
At 31 March	350,557	99,342	449,899

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20. INTANGIBLE ASSETS (Cont'd.)

Group and Bank (cont'd.) 2024	Goodwill RM'000	Other intangible assets* RM'000	Total RM'000
Cost			
At 1 January/31 December	350,557	131,000	481,557
Accumulated amortisation			
At 1 January	-	(15,283)	(15,283)
Amortisation charged for the financial year	-	(13,100)	(13,100)
At 31 December	-	(28,383)	(28,383)
Net carrying amount			
At 31 December	350,557	102,617	453,174

* Comprising Core Deposit Intangibles and Customer Relationship

21. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000	31-Mar-25 RM'000	31-Dec-24 RM'000
Demand deposits	37,950,159	38,361,113	37,969,809	38,378,729
Savings deposits	11,674,854	12,019,918	11,674,856	12,019,918
Fixed deposits	61,339,989	61,740,182	61,339,989	61,740,182
Money market deposits	3,164,940	2,031,150	3,164,940	2,031,150
Others	642,417	433,222	643,299	434,104
	114,772,359	114,585,585	114,792,893	114,604,083

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

	Group		Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000	31-Mar-25 RM'000	31-Dec-24 RM'000
Due within six months	46,319,375	50,851,434	46,319,375	50,851,434
Six months to one year	18,158,655	12,893,016	18,158,655	12,893,016
One year to three years	26,614	26,497	26,614	26,497
Three years to five years	285	385	285	385
	64,504,929	63,771,332	64,504,929	63,771,332

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21. DEPOSITS FROM CUSTOMERS (Cont'd.)

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

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Business enterprises	34,541,886	34,476,283	34,562,420	34,494,781
Individuals	61,521,260	61,811,182	61,521,260	61,811,182
Foreign entities	8,395,509	8,905,881	8,395,509	8,905,881
Others	10,313,704	9,392,239	10,313,704	9,392,239
	114,772,359	114,585,585	114,792,893	114,604,083

22. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Licensed banks in Malaysia	461,761	487,126	461,761	487,126
Bank Negara Malaysia	993,988	982,339	993,988	982,339
Other financial institutions	12,601,603	13,163,355	12,601,623	13,163,375
	14,057,352	14,632,820	14,057,372	14,632,840

23. OTHER LIABILITIES

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Allowance for ECL on commitments and contingencies	181,130	221,914	181,130	221,914
Interest/profit payable	398,744	466,539	398,744	466,539
Accruals and provisions for operational expenses	225,868	468,240	223,597	465,377
Other payables and accruals	3,850,519	3,352,685	3,840,668	3,335,020
Deferred income	19,590	21,331	19,590	21,331
	4,675,851	4,530,709	4,663,729	4,510,181

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23. OTHER LIABILITIES (Cont'd.)

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

Group and Bank As at 31 March 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	130,080	67,319	24,515	221,914
Transferred to Stage 1	26,312	(26,312)	-	-
Transferred to Stage 2	(2,374)	2,374	-	-
Transferred to Stage 3	-	(3)	3	-
Net remeasurement of allowance	(21,258)	17,517	11	(3,730)
Allowance made	32,214	7,422	-	39,636
Maturity/settlement/repayment	(63,079)	(12,949)	(438)	(76,466)
Exchange differences	(64)	(19)	-	(83)
Net total	(28,249)	(11,970)	(424)	(40,643)
Other movements	-	-	(141)	(141)
At 31 March 2025	101,831	55,349	23,950	181,130

As at 31 December 2024

At 1 January 2024	83,399	92,569	29,297	205,265
Transferred to Stage 1	53,386	(53,386)	-	-
Transferred to Stage 2	(3,060)	3,060	-	-
Net remeasurement of allowance	(36,196)	21,468	-	(14,728)
Allowance made	80,171	27,473	1,657	109,301
Maturity/settlement/repayment	(47,304)	(23,845)	(6,043)	(77,192)
Exchange differences	(316)	(20)	-	(336)
Net total	46,681	(25,250)	(4,386)	17,045
Other movements	-	-	(396)	(396)
At 31 December 2024	130,080	67,319	24,515	221,914

24. SUBORDINATED BONDS/SUKUK

At amortised cost	Group and Bank	
	31-Mar-25 RM'000	31-Dec-24 RM'000
RM750 million subordinated bond 2020/2030, at par (Note (a))	749,419	749,352
RM1 billion subordinated bond 2022/2032, at par (Note (b))	1,000,000	1,000,000
RM500 million subordinated sukuk 2024/2034, at par (Note (c))	500,000	500,000
	2,249,419	2,249,352
Accumulated fair value adjustment (gain) for subordinated bonds	(581)	(648)

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24. SUBORDINATED BONDS/SUKUK (Cont'd.)

- (a) On 3 August 2020, the Bank issued RM750 million 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 3.00% 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 1 August 2025 or at any interest payment date thereafter.

The interest is payable semi-annually in arrears on 3 February and 3 August each year commencing 3 February 2021.

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 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 2").

The Bond 2 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 2 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 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.

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

The Sukuk 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 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 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.

- (d) Fair value hedge

The Bank primarily uses interest rate swap to hedge the interest rate risk of the bonds.

As at 31 March 2025, the Group and the Bank had interest rate swap agreements in place with notional amount totalling RM750 million (31 December 2024: RM750 million).

The movements in fair value of the interest rate swaps of unrealised gain of RM67,000 (31 December 2024: unrealised loss of RM376,000) were recognised in trading and investment income during the period (Note 28).

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EXPLANATORY NOTES

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	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing	1,249,617	1,267,971	1,249,617	1,267,971
Credit-impaired loans, advances and financing	20,443	20,737	20,443	20,737
Money at call and deposit placements with financial institutions	94,833	98,204	94,833	98,204
Financial assets at FVTPL	73,981	51,247	73,981	51,247
Debt instruments at FVOCI	111,486	172,788	111,486	172,788
Debt instruments at amortised cost	101,254	93,292	101,254	93,292
	1,651,614	1,704,239	1,651,614	1,704,239
Amortisation of premium less accretion of discount on:				
- Financial assets at FVTPL	700	228	700	228
- Debt instruments at FVOCI	(6,972)	(25,805)	(6,972)	(25,805)
- Debt instruments at amortised cost	1,087	1,493	1,087	1,493
	1,646,429	1,680,155	1,646,429	1,680,155
Bank				
Loans, advances and financing	1,253,392	1,271,835	1,253,392	1,271,835
Credit-impaired loans, advances and financing	20,443	20,737	20,443	20,737
Money at call and deposit placements with financial institutions	94,833	98,204	94,833	98,204
Financial assets at FVTPL	73,981	51,247	73,981	51,247
Debt instruments at FVOCI	111,486	172,788	111,486	172,788
Debt instruments at amortised cost	101,254	93,292	101,254	93,292
	1,655,389	1,708,103	1,655,389	1,708,103
Amortisation of premium less accretion of discount on:				
- Financial assets at FVTPL	700	228	700	228
- Debt instruments at FVOCI	(6,972)	(25,805)	(6,972)	(25,805)
- Debt instruments at amortised cost	1,087	1,493	1,087	1,493
	1,650,204	1,684,019	1,650,204	1,684,019

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27. INTEREST EXPENSE

Group	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Deposits from customers	689,957	771,758	689,957	771,758
Deposits and placements of banks and other financial institutions	158,291	183,638	158,291	183,638
Subordinated bonds	17,860	17,979	17,860	17,979
Lease liabilities	824	687	824	687
Others	17,675	14,781	17,675	14,781
	884,607	988,843	884,607	988,843
Bank				
Deposits from customers	690,040	771,893	690,040	771,893
Deposits and placements of banks and other financial institutions	158,291	183,638	158,291	183,638
Subordinated bonds	17,860	17,979	17,860	17,979
Lease liabilities	4,807	4,398	4,807	4,398
Others	17,696	14,796	17,696	14,796
	888,694	992,704	888,694	992,704

28. OTHER OPERATING INCOME

Group	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
<u>Fee income</u>				
Commission	72,949	73,136	72,949	73,136
Guarantee fees	28,520	21,340	28,520	21,340
Service charges and fees	145,682	147,114	145,682	147,114
Less: Fee expenses	(63,093)	(50,322)	(63,093)	(50,322)
	82,589	96,792	82,589	96,792
Commitment fees	7,669	7,306	7,669	7,306
Arrangement and participation fees	4,409	6,619	4,409	6,619
	196,136	205,193	196,136	205,193

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EXPLANATORY NOTES

28. OTHER OPERATING INCOME (Cont'd.)

Group (cont'd.)	First Quarter Ended		Three Months Ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
<u>Trading and Investment income</u>				
Gain from sale of financial assets at FVTPL	6,540	5,597	6,540	5,597
Unrealised (loss)/gain on financial assets at FVTPL	(7,220)	9,861	(7,220)	9,861
Gain/(loss) from trading derivatives	27,931	(82,723)	27,931	(82,723)
Unrealised (loss)/gain from trading derivatives	(42,389)	62,134	(42,389)	62,134
Unrealised (loss)/gain on fair value adjustment for subordinated bonds	(67)	597	(67)	597
Gain from sale of precious metals	542	654	542	654
Unrealised gain from revaluation of precious metals	143	119	143	119
Gain from sale/recovery of debt instruments at FVOCI	34,650	42,252	34,650	42,252
	20,130	38,491	20,130	38,491
<u>Other income</u>				
Foreign exchange gain, net	181,194	184,135	181,194	184,135
Rental income from operating leases	450	434	450	434
Others	8,364	5,469	8,364	5,469
	190,008	190,038	190,008	190,038
	406,274	433,722	406,274	433,722

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28. OTHER OPERATING INCOME (Cont'd.)

Bank	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
<u>Fee income</u>				
Commission	72,949	73,136	72,949	73,136
Guarantee fees	28,520	21,340	28,520	21,340
Service charges and fees	146,212	146,502	146,212	146,502
Less: Fee expenses	(63,093)	(50,322)	(63,093)	(50,322)
	83,119	96,180	83,119	96,180
Commitment fees	7,794	7,431	7,794	7,431
Arrangement and participation fees	4,409	6,619	4,409	6,619
	196,791	204,706	196,791	204,706
<u>Trading and Investment income</u>				
Gain from sale of financial assets at FVTPL	6,540	5,597	6,540	5,597
Unrealised (loss)/gain on financial assets at FVTPL	(7,220)	9,861	(7,220)	9,861
Gain/(loss) from trading derivatives	27,931	(82,723)	27,931	(82,723)
Unrealised (loss)/gain from trading derivatives	(42,389)	62,134	(42,389)	62,134
Unrealised (loss)/gain on fair value adjustment for subordinated bonds	(67)	597	(67)	597
Gain from sale of precious metals	542	654	542	654
Unrealised gain from revaluation of precious metals	143	119	143	119
Gain from sale/recovery of debt instruments at FVOCI	34,650	42,252	34,650	42,252
	20,130	38,491	20,130	38,491
<u>Other income</u>				
Foreign exchange gain, net	181,194	184,135	181,194	184,135
Others	8,389	5,506	8,389	5,506
	189,583	189,641	189,583	189,641
	406,504	432,838	406,504	432,838

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EXPLANATORY NOTES

29. OTHER OPERATING EXPENSES

Group	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Personnel expenses	314,116	325,977	314,116	325,977
Establishment expenses	188,707	181,638	188,707	181,638
Marketing expenses	18,230	18,757	18,230	18,757
General administrative expenses	46,586	42,027	46,586	42,027
	567,639	568,399	567,639	568,399
<u>Personnel expenses</u>				
Wages, salaries and bonus	243,325	259,057	243,325	259,057
Defined contribution plan	40,244	37,069	40,244	37,069
Other employee benefits	30,547	29,851	30,547	29,851
	314,116	325,977	314,116	325,977
<u>Establishment expenses</u>				
Depreciation of property, plant and equipment	38,183	33,763	38,183	33,763
Depreciation of right-of-use assets	6,007	5,099	6,007	5,099
Amortisation of intangible assets	3,275	3,275	3,275	3,275
Information technology costs	98,624	102,332	98,624	102,332
Repair and maintenance	24,765	17,915	24,765	17,915
Short-term lease expenses	15	419	15	419
Others	17,838	18,835	17,838	18,835
	188,707	181,638	188,707	181,638
<u>Marketing expenses</u>				
Advertisement and publicity	18,230	18,757	18,230	18,757
<u>General administrative expenses</u>				
Fees and commissions paid	15,412	11,028	15,412	11,028
Others	31,174	30,999	31,174	30,999
	46,586	42,027	46,586	42,027

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29. OTHER OPERATING EXPENSES (Cont'd.)

Bank	First Quarter Ended		Three Months Ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Personnel expenses	312,659	324,515	312,659	324,515
Establishment expenses	189,128	183,268	189,128	183,268
Marketing expenses	18,193	18,750	18,193	18,750
General administrative expenses	46,113	41,733	46,113	41,733
	566,093	568,266	566,093	568,266
<u>Personnel expenses</u>				
Wages, salaries and bonus	242,109	257,840	242,109	257,840
Defined contribution plan	40,052	36,888	40,052	36,888
Other employee benefits	30,498	29,787	30,498	29,787
	312,659	324,515	312,659	324,515
<u>Establishment expenses</u>				
Depreciation of property, plant and equipment	33,665	29,241	33,665	29,241
Depreciation of right-of-use assets	13,474	11,870	13,474	11,870
Amortisation of intangible assets	3,275	3,275	3,275	3,275
Information technology costs	98,624	102,332	98,624	102,332
Repair and maintenance	24,760	17,898	24,760	17,898
Short-term lease expenses	16	1,191	16	1,191
Others	15,314	17,461	15,314	17,461
	189,128	183,268	189,128	183,268
<u>Marketing expenses</u>				
Advertisement and publicity	18,193	18,750	18,193	18,750
<u>General administrative expenses</u>				
Fees and commissions paid	15,333	10,993	15,333	10,993
Others	30,780	30,740	30,780	30,740
	46,113	41,733	46,113	41,733

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

Group	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing:				
- Stage 1 - 12-month ECL	(17,377)	(35,540)	(17,377)	(35,540)
- Stage 2 - Lifetime ECL non credit-impaired	(22,939)	21,159	(22,939)	21,159
- Stage 3 - Lifetime ECL credit-impaired	101,081	44,790	101,081	44,790
	60,765	30,409	60,765	30,409
Credit-impaired loans, advances and financing:				
- Written-off	28,796	32,582	28,796	32,582
- Recovered	(58,681)	(56,580)	(58,681)	(56,580)
	30,880	6,411	30,880	6,411
Other financial assets:				
- Stage 1 - 12-month ECL	(10,232)	(15,383)	(10,232)	(15,383)
- Stage 2 - Lifetime ECL non credit-impaired	(34)	393	(34)	393
	(10,266)	(14,990)	(10,266)	(14,990)
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(28,249)	(9,648)	(28,249)	(9,648)
- Stage 2 - Lifetime ECL non credit-impaired	(11,970)	(9,380)	(11,970)	(9,380)
- Stage 3 - Lifetime ECL credit-impaired	(424)	(43)	(424)	(43)
	(40,643)	(19,071)	(40,643)	(19,071)
Total	(20,029)	(27,650)	(20,029)	(27,650)

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

Bank	First Quarter Ended		Three Months Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing:				
- Stage 1 - 12-month ECL	(17,362)	(35,143)	(17,362)	(35,143)
- Stage 2 - Lifetime ECL non credit-impaired	(22,939)	21,159	(22,939)	21,159
- Stage 3 - Lifetime ECL credit-impaired	101,081	44,790	101,081	44,790
	60,780	30,806	60,780	30,806
Credit-impaired loans, advances and financing:				
- Written-off	28,796	32,582	28,796	32,582
- Recovered	(58,681)	(56,580)	(58,681)	(56,580)
	30,895	6,808	30,895	6,808
Other financial assets:				
- Stage 1 - 12-month ECL	(10,222)	(15,367)	(10,222)	(15,367)
- Stage 2 - Lifetime ECL non credit-impaired	(31)	404	(31)	404
	(10,253)	(14,963)	(10,253)	(14,963)
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(28,249)	(9,648)	(28,249)	(9,648)
- Stage 2 - Lifetime ECL non credit-impaired	(11,970)	(9,380)	(11,970)	(9,380)
- Stage 3 - Lifetime ECL credit-impaired	(424)	(43)	(424)	(43)
	(40,643)	(19,071)	(40,643)	(19,071)
Total	(20,001)	(27,226)	(20,001)	(27,226)

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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, Business Banking, Corporate Banking and Financial Institutions Group ("FIG"). Commercial Banking serves the medium and large enterprises while Business Banking serves small 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, Business 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 31 March 2025							
Operating income	468,462	541,279	97,162	121,688	1,228,591	(15,092)	1,213,499
Other operating expenses	(323,878)	(161,329)	(27,513)	(72,767)	(585,487)	17,848	(567,639)
(Allowance for)/write-back of ECL	(24,086)	44,105	-	(18)	20,001	28	20,029
Profit before taxation	120,498	424,055	69,649	48,903	663,105	2,784	665,889
Income tax expense							(160,195)
Profit after taxation							505,694

Other information

For period ended 31 March 2025

Inter-segment operating income/(expense)	58,931	(39,193)	(153,658)	149,012	15,092	(15,092)	-
Depreciation of property, plant and equipment and right-of-use assets	13,087	9,164	1,011	28,584	51,846	(7,656)	44,190

As at 31 March 2025

Gross loans, advances and financing	61,147,884	48,058,965	-	697,183	109,904,032	(301,559)	109,602,473
Deposits from customers	68,537,199	46,250,863	-	16,040	114,804,102	(31,743)	114,772,359

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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 31 March 2024							
Operating income	485,674	539,397	107,022	51,085	1,183,178	(13,726)	1,169,452
Other operating expenses	(311,179)	(159,633)	(27,954)	(87,246)	(586,012)	17,613	(568,399)
(Allowance for)/write-back of ECL	(7,312)	34,532	-	-	27,220	430	27,650
Profit before taxation	167,183	414,296	79,068	(36,161)	624,386	4,317	628,703
Income tax expense							(150,370)
Profit after taxation							478,333

Other information

For period ended 31 March 2024

Inter-segment operating income/(expense)	102,414	16,323	(178,206)	73,195	13,726	(13,726)	-
Depreciation of property, plant and equipment and right-of-use assets	11,488	6,768	995	26,565	45,816	(6,954)	38,862

As at 31 March 2024

Gross loans, advances and financing	60,562,624	45,974,686	-	677,822	107,215,132	(302,198)	106,912,934
Deposits from customers	69,568,921	47,307,683	-	4,060	116,880,664	(42,567)	116,838,097

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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 15 December 2023 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 18 December 2023.

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	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	13,902,695	13,902,695	14,055,169	14,055,169
Other reserves	331,734	325,539	91,354	85,159
Regulatory adjustments applied in the calculation of CET1 Capital	(1,138,643)	(1,158,883)	(1,273,198)	(1,293,438)
Total CET1/Tier 1 Capital	13,888,341	13,861,906	13,665,880	13,639,445
<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	374,779	373,130	376,618	374,957
- General provisions	152,892	161,244	143,402	151,748
Regulatory adjustments applied in the calculation of Tier 2 Capital	105,065	105,065	-	-
Total Tier 2 Capital	2,882,736	2,889,439	2,770,020	2,776,705
Total Capital	16,771,077	16,751,345	16,435,900	16,416,150

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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	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
CET1/Tier 1 Capital	16.120%	16.034%	15.956%	15.863%
Total Capital	19.465%	19.376%	19.190%	19.092%
CET1/Tier 1 Capital*	15.055%	14.973%	14.886%	14.796%
Total Capital*	18.401%	18.315%	18.120%	18.025%

* Net of proposed dividends

(b) Analysis of gross RWA in the various categories of risk-weights are as follows:

	Group		Bank	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RM'000	RM'000	RM'000	RM'000
Total RWA for credit risk	75,974,216	76,643,244	75,521,411	76,188,110
Total RWA for market risk	1,497,803	1,708,989	1,497,803	1,708,989
Total RWA for operational risk	8,686,570	8,102,776	8,626,960	8,087,999
Total RWA	86,158,589	86,455,009	85,646,174	85,985,098

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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 and Bank As at 31 March 2025	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Direct credit substitutes	5,610,512	5,302,399	3,384,178
Transaction-related contingent items	7,994,741	3,942,904	2,281,415
Short-term self-liquidating trade-related contingencies	677,553	147,304	99,924
Lending of banks' securities or the posting of securities as collateral by banks	1,747,116	43,799	757
Foreign exchange related contracts:			
- Less than one year	96,749,177	1,986,092	339,902
- One year to less than five years	1,672,186	124,619	68,539
- Five years and above	39,885	3,989	3,994
Interest/profit rate related contracts:			
- Less than one year	53,028,176	305,880	34,977
- One year to less than five years	76,982,666	2,510,360	670,261
- Five years and above	2,304,044	240,956	90,913
Equity related contracts:			
- Less than one year	249,411	2,506	123
- One year to less than five years	15,862	-	-
Commodity related contracts:			
- Less than one year	530,777	55,848	16,844
Credit derivative contracts:			
- Less than one year	5,802	872	68
Undrawn credit facility:			
- Less than one year	27,142,528	1,596,161	456,428
- More than one year	8,703,317	5,818,360	3,504,227
- Unconditionally cancellable	38,971,078	9,685,331	3,517,667
Other commitments	1,453,474	-	-
Total	323,878,305	31,767,380	14,470,217

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33. COMMITMENTS AND CONTINGENCIES (Cont'd.)

Group and Bank (cont'd.) As at 31 December 2024	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Direct credit substitutes	5,031,976	4,891,797	3,578,305
Transaction-related contingent items	7,551,468	3,728,404	2,302,234
Short-term self-liquidating trade-related contingencies	653,296	136,913	97,968
Lending of banks' securities or the posting of securities as collateral by banks	2,038,447	65,166	2,525
Foreign exchange related contracts:			
- Less than one year	91,581,348	2,012,786	350,479
- One year to less than five years	1,401,062	108,806	62,116
- Five years and above	116,313	11,631	11,648
Interest/profit rate related contracts:			
- Less than one year	47,837,909	284,156	35,518
- One year to less than five years	68,596,860	2,364,585	625,002
- Five years and above	1,837,353	172,150	76,724
Equity related contracts:			
- Less than one year	140,708	2,862	157
- One year to less than five years	500	-	-
Commodity related contracts:			
- Less than one year	597,906	49,242	16,710
- One year to less than five years	9,341	-	-
Credit derivative contracts:			
- Less than one year	5,857	819	74
Undrawn credit facility:			
- Less than one year	26,565,986	1,621,999	724,238
- More than one year	8,146,986	5,578,999	3,510,972
- Unconditionally cancellable	38,563,909	9,427,523	3,552,711
Other commitments	1,007,104	-	-
Total	301,684,329	30,457,838	14,947,381

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. PERFORMANCE REVIEW

For the three months ended 31 March 2025, the Group posted a profit before tax of RM665.9 million, which was 5.9 percent or RM37.2 million higher than the same period last year on the back of higher operating profit of RM44.8 million or 7.5 percent.

Higher operating income was driven by higher net interest income by RM70.5 million or by 10.2 percent but partly negated by lower other operating income by RM27.4 million or 6.3 percent mainly from lower trading and investment income and lower fee and commission income. Meanwhile, operating expenses were flat at RM567.6 million as compared to a year ago as a result of the Group's continuous disciplined cost management.

Total ECL allowance was a writeback of RM20.0 million, lower by RM7.6 million as compared to same period last year mainly on higher provision for loans, advances and financing; partly offset by higher writeback for commitment and contingencies in the current period.

Gross loans, advances, and financing grew by 2.5 percent to RM109.6 billion, reflecting the Bank's commitment to supporting businesses and individuals in their financial needs. Non-bank deposits declined slightly by 1.7 percent to RM114.8 billion.

35. PROSPECTS FOR 2025

2024 was a year of adapting as global economies had to get used to a new era marked by macroeconomic volatility and elevated uncertainties. Looking ahead, global growth is expected to remain supported by positive labour market conditions, less restrictive monetary policy and fiscal stimulus. However, the outlook is weakened by tariffs and escalation of trade tensions that poses uncertainties to growth as well as greater volatility across global financial markets. Ongoing trade negotiations to lower tariffs and retaliations could pave the way for a more stable trade environment.

As regional countries are better prepared with expanded supply chains, stronger regionalisation, constructive cooperation and deeper economic integration, this will help ASEAN better cope with any trade fallout and capture opportunities amidst global challenges. The availability of financing facilities and regional mechanisms through the Chiang Mai Initiative Multilateralisation to assist countries facing liquidity problems will further shore up confidence that ASEAN+3 (ASEAN, China, Hong Kong, Japan, and South Korea) can withstand against external shocks and contagion risks.

Despite a more cautious outlook, Malaysia's economy is expected to remain positive on the back of sustained domestic demand, a diversified export base and supportive policies. The government of Malaysia's preparedness to monitor the tariffs and supply chain risks will help to mitigate some of the downside risks. A strategic approach to safeguard the domestic economy has been outlined that includes government guarantees for financing to affected exporters and accelerating the implementation of projects and investment approvals. This is in addition to the country's resilience and strengths that include (i) wider market access through bilateral and multilateral free trade agreements; (ii) the federal government's centrality stance; (iii) ongoing implementation of numerous national master plans to strengthen the country's fundamentals; and (iv) continued supply chain diversification to Malaysia. To support domestic lending activities and ensure stable economic activity, Bank Negara Malaysia cut the Statutory Requirement Ratio (SRR) ratio by 100bps to 1.00%, effective 16 May. This SRR reduction helps to strengthen liquidity amid volatile financial market conditions.

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36. ISLAMIC BANKING OPERATIONS

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

	Note	31-Mar-25 RM'000	31-Dec-24 RM'000
Assets			
Cash and short-term funds	a	5,718,051	3,404,517
Securities purchased under resale agreements		872,013	872,506
Debt instruments at FVOCI	b	1,026,638	2,390,860
Debt instruments at amortised cost	c	436,658	432,467
Other assets	e	31,311	29,924
Derivative financial assets	f	88,318	97,251
Financing, advances and others	d	8,714,937	8,772,173
Statutory deposits with BNM		47,500	36,500
Plant and equipment		7,698	8,174
Deferred tax assets		11,642	12,877
Total assets		16,954,766	16,057,249
Liabilities and Islamic Banking funds			
Deposits from customers	g	6,124,932	5,945,798
Investment accounts due to a designated financial institution	h	2,957,034	3,234,748
Deposits and placements of other financial institutions	i	6,461,240	5,480,982
Bills and acceptances payable		874	3,285
Other liabilities	j	55,547	55,018
Derivative financial liabilities	f	85,892	96,041
Tax payable		37,817	32,061
Subordinated sukuk	k	500,000	500,000
Total liabilities		16,223,336	15,347,933
Share capital		450,000	450,000
Reserves		281,430	259,316
Islamic Banking funds	l	731,430	709,316
Total liabilities and Islamic Banking funds		16,954,766	16,057,249
Commitments and contingencies	t	21,440,547	15,803,684

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 2024.

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36. ISLAMIC BANKING OPERATIONS (Cont'd.)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

		First Quarter ended		Three Months ended	
	Note	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
Income derived from investment of depositors' funds	m	109,117	91,968	109,117	91,968
Income derived from investment of Islamic Banking funds	n	13,897	11,294	13,897	11,294
Income derived from investment of investment account funds	o	30,259	45,489	30,259	45,489
(Allowance for)/write-back of ECL on:					
- Financing, advances and others	r	(6,335)	9,878	(6,335)	9,878
- Other financial assets	r	218	(1,066)	218	(1,066)
- Commitments and contingencies	r	1,819	1,004	1,819	1,004
Total distributable income		148,975	158,567	148,975	158,567
Profit distributed to depositors and others	p	(82,541)	(68,332)	(82,541)	(68,332)
Profit distributed to investment account holders	q	(25,329)	(36,001)	(25,329)	(36,001)
Total net income		41,105	54,234	41,105	54,234
Other operating expenses	s	(11,428)	(11,866)	(11,428)	(11,866)
Profit before taxation		29,677	42,368	29,677	42,368
Income tax expense		(7,128)	(10,252)	(7,128)	(10,252)
Profit after taxation		22,549	32,116	22,549	32,116

Other comprehensive income/(loss):

Items that may be reclassified subsequently to statement of profit or loss:

Net fair value changes in debt instruments at FVOCI	(1)	(1,228)	(1)	(1,228)
Income tax effect	-	295	-	295
Other comprehensive loss for the financial period, net of tax	(1)	(933)	(1)	(933)
Total comprehensive income for the financial period	22,548	31,183	22,548	31,183

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 2024.

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36. 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 31 MARCH 2025

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:

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	109,117	91,968	109,117	91,968
Income derived from investment of Islamic Banking funds	13,897	11,294	13,897	11,294
Income derived from investment of investment account funds	30,259	45,489	30,259	45,489
Profit distributed to depositors and others	(82,541)	(68,332)	(82,541)	(68,332)
Profit distributed to investment account holders	(25,329)	(36,001)	(25,329)	(36,001)
Net income from Islamic Banking operations reported in the statements of profit or loss of the Group and the Bank	45,403	44,418	45,403	44,418

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 2024.

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36. ISLAMIC BANKING OPERATIONS (Cont'd.)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	Share capital RM'000	<i>Non- distributable</i> FVOCI reserve RM'000	<i>Distributable</i> Retained profits RM'000	Total RM'000
At 1 January 2025	450,000	698	258,618	709,316
Profit for the financial period	-	-	22,549	22,549
Other comprehensive loss	-	(1)	-	(1)
Total comprehensive (loss)/income for the financial period	-	(1)	22,549	22,548
At 31 March 2025	450,000	697	281,167	731,864
At 1 January 2024	450,000	1,316	160,434	611,750
Profit for the financial period	-	-	32,116	32,116
Other comprehensive loss	-	(933)	-	(933)
Total comprehensive (loss)/income for the financial period	-	(933)	32,116	31,183
At 31 March 2024	450,000	383	192,550	642,933

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 2024.

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36. ISLAMIC BANKING OPERATIONS (Cont'd.)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

	31-Mar-25 RM'000	31-Mar-24 RM'000
Profit before taxation	29,677	42,368
Adjustments for non-operating and non-cash items	(15,929)	(93,747)
Operating profit/(loss) before working capital changes	13,748	(51,379)
Changes in working capital:		
Net changes in operating assets	51,036	71,427
Net changes in operating liabilities	871,467	(216,371)
Net cash generated from/(used in) operating activities	936,251	(196,323)
Net cash generated from/(used in) investing activities	1,377,215	(269,170)
Net cash generated from financing activities	-	500,000
Net increase in cash and cash equivalents	2,313,466	34,507
Cash and cash equivalents at beginning of the financial period	3,404,999	2,890,913
Cash and cash equivalents at end of the financial period before allowance for ECL	5,718,465	2,925,420
Analysis of cash and cash equivalents		
Cash and short-term funds	5,718,465	2,925,420
Less: Allowance for ECL	(414)	(370)
	5,718,051	2,925,050

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 2024.

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

a. Cash and short-term funds

	31-Mar-25 RM'000	31-Dec-24 RM'000
Cash and balances with banks and other financial institutions	2,540,465	2,472,999
Money at call and deposit placements maturing within one month	3,178,000	932,000
	5,718,465	3,404,999
Less: Allowance for ECL	(414)	(482)
	5,718,051	3,404,517

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

	Stage 1 12-months ECL RM'000	Stage 2 Lifetime ECL non credit- impaired RM'000	Stage 3 Lifetime ECL credit- impaired RM'000	Total ECL RM'000
As at 31 March 2025				
At 1 January 2025	482	-	-	482
Allowance made	289	-	-	289
Maturity/settlement/repayment	(355)	-	-	(355)
Exchange differences	(2)	-	-	(2)
Net total	(68)	-	-	(68)
At 31 March 2025	414	-	-	414
As at 31 December 2024				
At 1 January 2024	422	-	-	422
Allowance made	139	-	-	139
Maturity/settlement/repayment	(61)	-	-	(61)
Exchange differences	(18)	-	-	(18)
Net total	60	-	-	60
At 31 December 2024	482	-	-	482

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

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

	31-Mar-25 RM'000	31-Dec-24 RM'000
Money market instruments		
Government Islamic investments	1,026,638	2,161,028
Negotiable instruments of deposits	-	199,829
	1,026,638	2,360,857
Private debt securities of companies incorporated in Malaysia		
Cagamas sukuk	-	30,003
Total debt instruments at FVOCI	1,026,638	2,390,860

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

	Stage 1 12-months ECL RM'000	Stage 2 Lifetime ECL non credit- impaired RM'000	Stage 3 Lifetime ECL credit- impaired RM'000	Total ECL RM'000
As at 31 March 2025				
At 1 January 2025	243	-	-	243
Allowance made	6	-	-	6
Maturity/settlement/repayment	(158)	-	-	(158)
Net total	(152)	-	-	(152)
At 31 March 2025	91	-	-	91
As at 31 December 2024				
At 1 January 2024	185	-	-	185
Allowance made	230	-	-	230
Maturity/settlement/repayment	(172)	-	-	(172)
Net total	58	-	-	58
At 31 December 2024	243	-	-	243

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

c. Debt instruments at amortised cost

	31-Mar-25 RM'000	31-Dec-24 RM'000
Money market instruments		
Government Islamic investment	401,107	401,617
Less: Allowance for ECL	(35)	(35)
	<u>401,072</u>	<u>401,582</u>
Private debt securities of companies incorporated in Malaysia		
Unquoted corporate sukuk	35,586	30,885
Total debt instruments at amortised cost	<u>436,658</u>	<u>432,467</u>

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

	Stage 1 12-months ECL RM'000	Stage 2 Lifetime ECL non credit- impaired RM'000	Stage 3 Lifetime ECL credit- impaired RM'000	Total ECL RM'000
As at 31 March 2025				
At 1 January 2025	35	-	-	35
Net total	-	-	-	-
At 31 March 2025	<u>35</u>	<u>-</u>	<u>-</u>	<u>35</u>
As at 31 December 2024				
At 1 January 2024	145	-	-	145
Maturity/settlement/repayment	(110)	-	-	(110)
Net total	(110)	-	-	(110)
At 31 December 2024	<u>35</u>	<u>-</u>	<u>-</u>	<u>35</u>

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

d. Financing, advances and others

(i) Financing by type of Shariah contract:

	Sale based contracts				Total RM'000
	Tawarruq RM'000	Murabahah RM'000	Bai Al-Dayn RM'000	Others RM'000	
As at 31 March 2025					
Term financing:					
- Housing financing	3,935,753	-	-	7,166	3,942,919
- Syndicated term financing	79,916	-	-	-	79,916
- Other term financing	3,583,657	-	-	-	3,583,657
Trust receipts	498,815	-	-	-	498,815
Claims on customers under acceptance credits	-	163,190	278	-	163,468
Revolving credits	565,647	-	-	-	565,647
Gross financing, advances and others	<u>8,663,788</u>	<u>163,190</u>	<u>278</u>	<u>7,166</u>	<u>8,834,422</u>
Allowance for ECL on financing, advances and others:					
- Stage 1 - 12-month ECL					(26,329)
- Stage 2 - Lifetime ECL non credit-impaired					(60,718)
- Stage 3 - Lifetime ECL credit-impaired					(32,438)
Net financing, advances and others					<u>8,714,937</u>

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

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

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

As at 31 December 2024	Sale based contracts				Total RM'000
	Tawarruq RM'000	Murabahah RM'000	Bai Al-Dayn RM'000	Others RM'000	
Term financing:					
- Housing financing	3,899,657	-	-	7,402	3,907,059
- Syndicated term financing	55,495	-	-	-	55,495
- Other term financing	3,566,794	-	-	-	3,566,794
Trust receipts	387,983	-	-	-	387,983
Claims on customers under acceptance credits	-	158,892	786	-	159,678
Revolving credits	810,700	-	-	-	810,700
Gross financing, advances and others	8,720,629	158,892	786	7,402	8,887,709
Allowance for ECL on financing, advances and others:					
- Stage 1 - 12-month ECL					(24,951)
- Stage 2 - Lifetime ECL non credit-impaired					(58,977)
- Stage 3 - Lifetime ECL credit-impaired					(31,608)
Net financing, advances and others					8,772,173

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 31 March 2025, the gross exposure and ECL relating to RSIA financing amounting to RM1,627,568,798 (31 December 2024: RM2,347,357,179) and RM26,373,313 (31 December 2024: RM27,853,711), respectively.

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

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

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Maturing within one year	2,197,149	1,792,701
One year to three years	205,060	690,415
Three years to five years	286,995	276,851
Over five years	6,145,218	6,127,742
	8,834,422	8,887,709

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Domestic non-banking financial institutions:		
- Others	490,357	688,973
Domestic business enterprises:		
- Small and medium enterprises	2,016,342	2,080,455
- Others	2,091,313	1,924,157
Individuals	4,088,728	4,050,177
Foreign entities	147,682	143,947
	8,834,422	8,887,709

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Fixed rate financing	164,307	160,177
Variable rate:		
- Base rate/base financing rate-plus	5,374,485	5,359,580
- Cost-plus	3,295,630	3,367,952
	8,834,422	8,887,709

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

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

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Agriculture, hunting, forestry and fishing	268,403	283,586
Mining and quarrying	36,596	28,740
Manufacturing	853,825	752,014
Electricity, gas and water	651,235	589,452
Construction	367,891	372,965
Wholesale, retail trade, restaurants and hotels	1,089,019	1,133,546
Transport, storage and communication	214,907	208,377
Finance, takaful and business services	636,359	658,913
Real estate	436,703	422,619
Community, social and personal services	43,074	243,373
Households:		
- Purchase of residential properties	3,953,111	3,926,042
- Purchase of non-residential properties	216,620	214,570
- Others	66,679	53,512
	8,834,422	8,887,709

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
In Malaysia	8,686,740	8,743,762
Outside Malaysia	147,682	143,947
	8,834,422	8,887,709

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

d. 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	
	ECL	non credit-	credit-	
		impaired	impaired	
As at 31 March 2025	RM'000	RM'000	RM'000	Total ECL RM'000
At 1 January 2025	24,951	58,977	31,608	115,536
Transferred to Stage 1	2,721	(2,663)	(58)	-
Transferred to Stage 2	(664)	3,303	(2,639)	-
Transferred to Stage 3	(19)	(3,014)	3,033	-
Net remeasurement of allowance	(2,351)	6,031	1,309	4,989
Allowance made	6,247	20,277	3,242	29,766
Maturity/settlement/repayment	(4,560)	(22,187)	(2,423)	(29,170)
Exchange differences	4	(6)	-	(2)
Net total	1,378	1,741	2,464	5,583
Amount written-off	-	-	(1,634)	(1,634)
At 31 March 2025	26,329	60,718	32,438	119,485
As at 31 December 2024				
At 1 January 2024	17,656	52,737	52,131	122,524
Transferred to Stage 1	7,052	(4,069)	(2,983)	-
Transferred to Stage 2	(910)	5,198	(4,288)	-
Transferred to Stage 3	(96)	(3,402)	3,498	-
Net remeasurement of allowance	(7,583)	10,168	8,130	10,715
Allowance made	13,231	29,074	8,042	50,347
Maturity/settlement/repayment	(4,385)	(30,729)	(19,796)	(54,910)
Exchange differences	(14)	-	-	(14)
Net total	7,295	6,240	(7,397)	6,138
Amount written-off	-	-	(13,126)	(13,126)
At 31 December 2024	24,951	58,977	31,608	115,536

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

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

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
At 1 January	196,735	215,411
Classified as credit-impaired	31,305	78,455
Amount recovered	(9,582)	(35,550)
Reclassified as non credit-impaired	(15,891)	(45,489)
Amount written-off	(1,691)	(16,092)
Gross credit-impaired financing, advances and others	200,876	196,735
Less: Stage 3 - Lifetime ECL credit-impaired	(32,438)	(31,608)
Net credit-impaired financing, advances and others	168,438	165,127
Ratio of net credit-impaired financing, advances and others to gross financing, advances and others less allowance for ECL on credit-impaired provisions	1.9%	1.9%

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Manufacturing	4,220	4,173
Construction	28,669	28,670
Wholesale, retail trade, restaurants and hotels	15,588	19,159
Transport, storage and communication	2,085	2,058
Finance, takaful and business services	1,484	1,476
Community, social and personal services	1,987	1,987
Households:		
- Purchase of residential properties	142,300	133,755
- Purchase of non-residential properties	3,231	4,188
- Others	1,312	1,269
	200,876	196,735

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
In Malaysia	194,677	191,595
Outside Malaysia	6,199	5,140
	200,876	196,735

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

e. Other assets

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Other receivables, deposits and prepayments	602	3,206
Profit receivable	30,750	26,757
Less: Allowance for ECL	(41)	(39)
	31,311	29,924

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
As at 31 March 2025		RM'000	RM'000	RM'000
At 1 January 2025	21	18	-	39
Allowance made	5	4	-	9
Maturity/settlement/repayment	(2)	(5)	-	(7)
Net total	3	(1)	-	2
At 31 March 2025	24	17	-	41

As at 31 December 2024

At 1 January 2024	5	4	-	9
Allowance made	19	16	-	35
Maturity/settlement/repayment	(3)	(2)	-	(5)
Net total	16	14	-	30
At 31 December 2024	21	18	-	39

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

f. 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 31 March 2025			
Foreign exchange related contracts:			
- Forwards	7,410,518	60,743	13,710
- Swaps	10,229,154	27,444	72,051
Profit rate related contracts:			
- Swaps	290,000	131	131
		88,318	85,892
As at 31 December 2024			
Foreign exchange related contracts:			
- Forwards	5,018,816	73,560	17,030
- Swaps	5,665,415	23,449	78,773
- Options	563,292	-	-
Profit rate related contracts:			
- Swaps	990,000	242	238
		97,251	96,041

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

g. Deposits from customers

(i) By type of deposits:

	31-Mar-25	31-Dec-24
	RM'000	RM'000
<u>Non-mudarabah fund</u>		
Demand deposits:		
- Tawarruq	260,673	279,051
- Qard	1,167,441	1,133,230
Savings deposits:		
- Tawarruq	123,828	109,870
- Qard	16,418	17,587
Fixed deposits:		
- Tawarruq	3,081,026	3,918,735
Other deposits:		
- Tawarruq	1,475,546	487,325
	6,124,932	5,945,798

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Due within six months	3,182,479	3,155,570
Six months to one year	1,374,093	1,250,490
	4,556,572	4,406,060

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

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Business enterprises	1,374,720	1,315,353
Individuals	2,216,494	2,812,555
Foreign entities	358,992	380,483
Others	2,174,726	1,437,407
	6,124,932	5,945,798

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

h. Investment accounts due to a designated financial institution

	31-Mar-25	31-Dec-24
	RM'000	RM'000
<u>Mudarabah RSIA</u>		
Conventional Banking	2,983,407	3,262,602
Amount receivable from Conventional Banking	(26,373)	(27,854)
	<u>2,957,034</u>	<u>3,234,748</u>

i. Deposits and placements of other financial institutions

	31-Mar-25	31-Dec-24
	RM'000	RM'000
<u>Non-mudarabah fund</u>		
Other financial institutions	<u>6,461,240</u>	<u>5,480,982</u>

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

j. Other liabilities

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Allowance for ECL on commitments and contingencies	6,745	9,436
Profit payable	43,094	37,499
Accruals and provisions for operational expenses	530	892
Other payables and accruals	1,652	3,219
Deferred income	3,526	3,972
	55,547	55,018

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
As at 31 March 2025		RM'000	RM'000	RM'000
At 1 January 2025	7,357	2,079	-	9,436
Transferred to Stage 1	1,476	(1,476)	-	-
Transferred to Stage 2	(121)	121	-	-
Net remeasurement of allowance	(256)	463	-	207
Allowance made	810	146	-	956
Maturity/settlement/repayment	(3,728)	(123)	-	(3,851)
Exchange differences	(3)	-	-	(3)
Net total	(1,822)	(869)	-	(2,691)
At 31 March 2025	5,535	1,210	-	6,745

As at 31 December 2024

At 1 January 2024	10,608	667	-	11,275
Transferred to Stage 1	45	(45)	-	-
Transferred to Stage 2	(966)	966	-	-
Net remeasurement of allowance	(16)	317	-	301
Allowance made	2,805	583	-	3,388
Maturity/settlement/repayment	(5,116)	(403)	-	(5,519)
Exchange differences	(3)	(6)	-	(9)
Net total	(3,251)	1,412	-	(1,839)
At 31 December 2024	7,357	2,079	-	9,436

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

k. Subordinated sukuk

	31-Mar-25	31-Dec-24
	RM'000	RM'000
RM500 million Islamic subordinated Sukuk 2024/2034	500,000	500,000

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

The Sukuk 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 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 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.

l. Islamic Banking funds

	31-Mar-25	31-Dec-24
	RM'000	RM'000
Share capital	450,000	450,000
FVOCI reserve	697	698
Retained profits	281,167	258,618
	731,864	709,316

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

m. Income derived from investment of depositors' funds

	First Quarter ended		Three Months ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	67,559	66,369	67,559	66,369
Credit-impaired financing, advances and others	1,813	718	1,813	718
Money at call and deposit placements with financial institutions	18,060	7,044	18,060	7,044
Financial assets at FVTPL	-	322	-	322
Debt instruments at FVOCI	12,116	3,245	12,116	3,245
Debt instruments at amortised cost	3,500	9,932	3,500	9,932
	103,048	87,630	103,048	87,630
Amortisation of premiums, net	(1,325)	(2,341)	(1,325)	(2,341)
Total finance income and hibah	101,723	85,289	101,723	85,289
<u>Other operating income</u>				
Trading income	2,749	2,013	2,749	2,013
Commission income	3,519	4,173	3,519	4,173
Fee income	1,092	463	1,092	463
Others	34	30	34	30
Total other operating income	7,394	6,679	7,394	6,679
Total	109,117	91,968	109,117	91,968

n. Income derived from investment of Islamic Banking funds

	First Quarter ended		Three Months ended	
	31-Mar-25 RM'000	31-Mar-24 RM'000	31-Mar-25 RM'000	31-Mar-24 RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	8,610	7,306	8,610	7,306
Credit-impaired financing, advances and others	231	79	231	79
Money at call and deposit placements with financial institutions	2,299	763	2,299	763
Financial assets at FVTPL	-	46	-	46
Debt instruments at FVOCI	1,542	1,530	1,542	1,530
Debt instruments at amortised cost	446	1,092	446	1,092
	13,128	10,816	13,128	10,816
Amortisation of premiums, net	(169)	(258)	(169)	(258)
Total finance income and hibah	12,959	10,558	12,959	10,558

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

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

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
<u>Other operating income</u>				
Trading income	349	214	349	214
Commission income	446	464	446	464
Fee income	139	54	139	54
Others	4	4	4	4
Total other operating income	938	736	938	736
Total	13,897	11,294	13,897	11,294

o. Income derived from investment of investment account funds

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
<u>Finance income and hibah</u>				
Financing, advances and others	25,290	34,259	25,290	34,259
Money at call and deposit placements with financial institutions	4,969	10,743	4,969	10,743
	30,259	45,002	30,259	45,002
<u>Other operating income</u>				
Fee income	-	487	-	487
Total	30,259	45,489	30,259	45,489

p. Profit distributed to depositors and others

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Profit distributed to depositors from non-mudarabah fund	77,597	65,421	77,597	65,421
Subordinated sukuk	4,944	2,911	4,944	2,911
	82,541	68,332	82,541	68,332

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

q. Profit distributed to investment account holders

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Profit distributed to investment account holders from mudarabah fund	25,329	36,001	25,329	36,001

r. Allowance for/(write-back of) ECL

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Financing, advances and others:				
- Stage 1 - 12-month ECL	1,378	(724)	1,378	(724)
- Stage 2 - Lifetime ECL non credit-impaired	1,741	41	1,741	41
- Stage 3 - Lifetime ECL credit-impaired	2,464	(9,195)	2,464	(9,195)
Movement in ECL for RSIA holder*	609	(169)	609	(169)
	6,192	(10,047)	6,192	(10,047)
Credit-impaired financing, advances and others:				
- Written-off	215	176	215	176
- Recovered	(72)	(7)	(72)	(7)
	6,335	(9,878)	6,335	(9,878)
Other financial assets:				
- Stage 1 - 12-month ECL	(217)	553	(217)	553
- Stage 2 - Lifetime ECL non credit-impaired	(1)	513	(1)	513
	(218)	1,066	(218)	1,066
Commitments and contingencies:				
- Stage 1 - 12-month ECL	(1,822)	(1,498)	(1,822)	(1,498)
- Stage 2 - Lifetime ECL non credit-impaired	(869)	219	(869)	219
Movement in ECL for RSIA holder*	872	275	872	275
	(1,819)	(1,004)	(1,819)	(1,004)
Total	4,298	(9,816)	4,298	(9,816)

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

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

s. Other operating expenses

	First Quarter ended		Three Months ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RM'000	RM'000	RM'000	RM'000
Personnel expenses	1,023	995	1,023	995
Establishment expenses	1,467	1,370	1,467	1,370
Marketing expenses	6	10	6	10
General administrative expenses	8,932	9,491	8,932	9,491
	11,428	11,866	11,428	11,866
<u>Personnel expenses</u>				
Wages, salaries and bonus	832	832	832	832
Defined contribution plan	134	130	134	130
Other employee benefits	57	33	57	33
	1,023	995	1,023	995
<u>Establishment expenses</u>				
Depreciation of plant and equipment	475	475	475	475
Information technology costs	566	407	566	407
Repair and maintenance	15	10	15	10
Short-term lease expenses	18	17	18	17
Others	393	461	393	461
	1,467	1,370	1,467	1,370
<u>Marketing expenses</u>				
Advertisement and publicity	6	10	6	10
<u>General administrative expenses</u>				
Fees and commissions paid	129	791	129	791
Management fee	8,642	8,690	8,642	8,690
Others	161	10	161	10
	8,932	9,491	8,932	9,491

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

t. 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 31 March 2025			
Direct credit substitutes	218,441	218,441	157,799
Transaction-related contingent items	219,794	109,900	103,361
Short-term self-liquidating trade-related contingencies	58,060	12,004	5,139
Foreign exchange related contracts:			
- Less than one year	17,617,952	241,916	49,716
- More than one year	21,720	626	53
Profit rate related contracts:			
- Less than one year	290,000	145	21
Undrawn credit facility:			
- Less than one year	1,057,575	15,184	4,701
- More than one year	856,801	464,873	256,718
- Unconditionally cancellable	1,100,204	-	-
Total	21,440,547	1,063,089	577,508
As at 31 December 2024			
Direct credit substitutes	179,009	179,009	285,556
Transaction-related contingent items	214,053	107,029	171,575
Short-term self-liquidating trade-related contingencies	4,449	889	836
Foreign exchange related contracts:			
- Less than one year	11,225,747	172,498	37,468
- More than one year	21,776	741	86
Profit rate related contracts:			
- Less than one year	890,000	663	96
- More than one year to less than five years	100,000	1,000	463
Undrawn credit facility:			
- Less than one year	1,181,312	13,522	4,267
- More than one year	730,082	527,023	336,085
- Unconditionally cancellable	1,257,256	-	-
Total	15,803,684	1,002,374	836,432

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

u. 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 15 December 2023 and Basel II - Risk-weighted Assets Framework for Islamic Banking issued on 18 December 2023.

	31-Mar-25 RM'000	31-Dec-24 RM'000
<u>Common Equity Tier 1 ("CET1")/Tier 1 Capital</u>		
Share capital	450,000	450,000
Retained profits	258,618	258,618
Other reserves	697	698
Regulatory adjustments applied in the calculation of CET1 Capital	(11,792)	(21,542)
Total CET1/Tier 1 Capital	697,523	687,774
<u>Tier 2 Capital</u>		
Tier 2 Capital instruments	500,000	500,000
Financing loss provision:		
- Surplus eligible provisions over expected losses	9,941	-
- General provisions	1,080	994
Total Tier 2 Capital	511,021	500,994
Total Capital	1,208,544	1,188,768

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

u. Capital management and capital adequacy (cont'd.)

(a) The capital adequacy ratios are as follows:

	31-Mar-25 RM'000	31-Dec-24 RM'000
Before the effects of RSIA		
CET1/Tier 1 Capital	11.807%	11.138%
Total Capital	20.457%	19.247%
After the effects of RSIA		
CET1/Tier 1 Capital	15.066%	14.876%
Total Capital	26.104%	25.712%

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 31 March 2025, credit risk related to RSIA assets excluded from the total capital ratio calculation amounting to RM1,278,112,970 (31 December 2024: RM1,555,476,008).

(b) Analysis of gross risk-weighted assets ("RWA") in the various categories of risk-weights are as follows:

	31-Mar-25 RM'000	31-Dec-24 RM'000
Total RWA for credit risk	4,350,908	4,299,340
Total RWA for market risk	11,246	7,013
Total RWA for operational risk	267,544	317,084
Total RWA	4,629,698	4,623,437